Letter of Offer
Dated January 28, 2024
For Eligible Equity Shareholders only

Please scan this QR Code to view the Letter of Offer

INDIABULLS HOUSING FINANCE LIMITED

Our Company was incorporated as Indiabulls Housing Finance Limited under the Companies Act, 1956 on May 10, 2005, in New Delhi with the Registrar of Companies, Delhi and Haryana at New Delhi ("**RoC**") and received a certificate for commencement of business from the RoC on January 10, 2006. Our Company has obtained a certificate of registration dated December 28, 2005, bearing registration number 02.0063.05. from the National Housing Bank ("**NHB**") to carry on the business of a housing finance institution without accepting public deposits in accordance with Section 29A of National Housing Bank Act, 1987. For details of changes in our registered office, please see the section entitled "*General Information – Changes in the registered office of our Company*" on page 71.

Registered Office: 5th Floor, Building No. 27, KG Marg Connaught Place, New Delhi – 110 001, India; **Telephone No.:** +91 11 4353 2950
Corporate Office One International Center, Tower 1, 18th Floor, Senapati Bapat Marg, Elphinstone Road, Mumbai – 400 013, Maharashtra, India; and Plot No. 422B, Udyog Vihar, Phase-IV, Gurugram, Haryana – 122 016; **Telephone No.:** +91 22 6189 1400
Contact Person: Amit Kumar Jain, Company Secretary and Compliance Officer
E-mail: helpdesk@indiabulls.com; **Website**: www.indiabullshomeloans.com
Corporate Identity Number: L65922DL2005PLC136029

OUR COMPANY IS A PROFESSIONALLY MANAGED COMPANY AND DOES NOT HAVE AN IDENTIFIABLE PROMOTER

FOR PRIVATE CIRCULATION TO THE ELIGIBLE EQUITY SHAREHOLDERS OF INDIABULLS HOUSING FINANCE LIMITED (THE "COMPANY" OR THE "ISSUER") ONLY

ISSUE OF UP TO 246,226,515 PARTLY PAID-UP EQUITY SHARES OF FACE VALUE OF ₹2 EACH OF THE COMPANY (THE "RIGHTS EQUITY SHARES") FOR CASH AT A PRICE OF ₹150 PER EQUITY SHARE (INCLUDING A PREMIUM OF ₹148.0 PER EQUITY SHARE) AGGREGATING TO ₹36,933.98* MILLION ON A RIGHTS BASIS TO THE ELIGIBLE EQUITY SHAREHOLDERS OF THE COMPANY IN THE RATIO OF 1 RIGHTS EQUITY SHARES FOR EVERY 2 FULLY PAID-UP EQUITY SHARES HELD BY THE ELIGIBLE EQUITY SHAREHOLDERS ON THE RECORD DATE, THAT IS ON THURSDAY, FEBRUARY 1, 2024 ("RECORD DATE") (THE "ISSUE"). FOR FURTHER DETAILS, PLEASE SEE THE SECTION ENTITLED "*TERMS OF THE ISSUE*" ON PAGE 674.

* *Assuming full subscription and receipt of all Call Monies with respect to Rights Equity Shares*

PAYMENT SCHEDULE FOR THE RIGHTS EQUITY SHARES

Amount Payable per Rights Equity Share	Face Value (₹)	Premium (₹)	Total (₹)
On Application	0.67	49.33	50.00
Additional Call(s) as may be decided by the Board / Securities Issuance and Investment Committee from time to time	1.33	98.67	100.00
Total	**2.00**	**148.00**	**150.00**

*For further details on Payment Schedule, see "*Terms of the Issue - Payment Schedule of Rights Equity Shares*" on page 689.

WILFUL DEFAULTERS OR FRAUDULENT BORROWERS

Neither our Company nor any of our Directors have been or are identified as Wilful Defaulters or Fraudulent Borrowers.

GENERAL RISKS

Investment in equity and equity related securities involve a degree of risk and investors should not invest any funds in the Issue unless they can afford to take the risk of losing their investment. Investors are advised to read the risk factors carefully before taking an investment decision in the Issue. For taking an investment decision, investors must rely on their own examination of the Company and the Issue including the risks involved. The securities being offered in the Issue have not been recommended or approved by the Securities and Exchange Board of India ("**SEBI**") nor does SEBI guarantee the accuracy or adequacy of this Letter of Offer. Specific attention of investors is invited to the statement of "*Risk Factors*" on page 21.

ISSUER'S ABSOLUTE RESPONSIBILITY

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

LISTING

The existing Equity Shares of the Company are listed on BSE Limited ("**BSE**") and National Stock Exchange of India Limited ("**NSE**" and together with BSE, the "**Stock Exchanges**). The Company has received "in-principle" approvals from BSE and NSE for listing the Rights Equity Shares to be allotted pursuant to the Issue through their letters each dated January 19, 2024. Our Company will also make applications to BSE and NSE to obtain trading approvals for the Rights Entitlements as required under the SEBI ICDR Master Circular. For the purposes of the Issue, the Designated Stock Exchange is NSE.

LEAD MANAGER		REGISTRAR TO THE ISSUE
NUVAMA WEALTH MANAGEMENT LIMITED (*formerly known as Edelweiss Securities Limited*) 801-804, Wing A, Building No 3 Inspire BKC, G Block, Bandra Kurla Complex Bandra East, Mumbai – 400 051 **Telephone No.:** +91 22 4009 4400 **E-mail:** RI.IndiabullsHousing@nuvama.com **Investor Grievance e-mail:** customerservice.mb@nuvama.com **Contact person: Manish Tejwani** **Website:** www.nuvama.com **SEBI Registration No.:** INM000013004	**InCred Capital Wealth Portfolio Managers Private Limited** 2nd Floor, B-Wing, Kaledonia Building, Sambhaji Nagar, Sahar Road, Andheri (East) Mumbai-400069 Maharashtra, India **Telephone No.**: +91 022 41611596 **E-mail:** RI.IndiabullsHousing@incredcapital.com **Investor Grievance e-mail**: customer.grievance@incredcapital.com **Contact person**: Rakesh Postandel **Website**: www.incredequities.com **SEBI Registration No**.: INM000012865	**KFin Technologies Limited** *(formerly known as KFin Technologies Private Limited)* Selenium Tower B PlotNo.31 and32 Financial District, Nanakramguda Serilingampally, Hyderabad–500 032 Telangana, India **Telephone No.:** +91 40 6716 2222 **E-mail:** ihfl.rights@kfintech.com **Investor Grievance e-mail:** einward.ris@kfintech.com **Contact person:** M. Murali Krishna **Website**: www.kfintech.com **SEBI Registration No.**: INR000000221

ISSUE PROGRAMME

ISSUE OPENS ON	LAST DATE FOR ON MARKET RENUNCIATION*	ISSUE CLOSES ON**
February 7, 2024	February 8, 2024	February 13, 2024

* *Eligible Equity Shareholders are requested to ensure that renunciation through off-market transfer is completed in such a manner that the Rights Entitlements are credited to the demat accounts of the Renouncees on or prior to the Issue Closing Date.*
** *Our Board or the Securities Issuance and Investment Committee will have the right to extend the Issue Period as it may determine from time to time but not exceeding 30 days from the Issue Opening Date (inclusive of the Issue Opening Date). Further, no withdrawal of Application shall be permitted by any Applicant after the Issue Closing Date.*

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SECTION I – GENERAL

DEFINITIONS AND ABBREVIATIONS

This Letter of Offer uses certain definitions and abbreviations which, unless the context otherwise indicates or implies or unless otherwise specified, shall have the meaning as provided below.

References to any legislation, act, regulation, rules, guidelines or policies shall be to such legislation, act, regulation, rules, guidelines or policies as amended, supplemented, or re-enacted from time to time and any reference to a statutory provision shall include any subordinate legislation made from time to time under that provision.

The words and expressions used in this Letter of Offer, but not defined herein shall have the meaning ascribed to such terms under the SEBI ICDR Regulations, the SEBI LODR Regulations, the Companies Act, the SCRA, the Depositories Act, and the rules and regulations made thereunder.

The following list of capitalised terms used in this Letter of Offer is intended for the convenience of the reader/prospective investor only and is not exhaustive.

Provided that terms used in the sections entitled "Summary of this Letter of Offer", "Financial Statements", "Statement of Special Tax Benefits", "Outstanding Litigations and Defaults", "Terms of the Issue" on pages 19, 169, 90, 637 and 674 respectively, shall, unless indicated otherwise, have the meanings ascribed to such terms in the respective sections/ chapters.

General Terms

Term	Description
"Our Company" or "the Company", "the Issuer", "the Holding Company" or "IHFL"	Indiabulls Housing Finance Limited, a public limited company incorporated under the Companies Act, 1956, as amended and replaced from time to time, having its registered office at 5th Floor, Building No. 27, KG Marg Connaught Place, New Delhi – 110 001, India
"We", "Our", or "Us"	Unless the context otherwise indicates or implies, refers to our Company together with our Subsidiaries. In addition, the following trusts were also consolidated in the Audited Consolidated Financial Statements and the Limited Review Consolidated September Financial Results, (i) ICCL Lender Repayment Trust; (ii) IBHFL Lender Repayment Trust; and (iii) Pragati Employee Welfare Trust, formed on December 3, 2019. Subsidiaries and trusts for the purpose of financial data as at and for the six months ended September 30, 2023, and the years ended March 31, 2023 and March 31, 2022 would mean Subsidiaries and trusts during and as at year end/period end, as applicable

Company Related Terms

Term	Description
"Articles of Association" or "Articles" or "AoA"	Articles of Association of the Company, as amended from time to time
"Auditors" or "Statutory Auditors"	The joint statutory auditors of the Company, namely, S.N. Dhawan & Co. LLP, Chartered Accountants and Arora & Choudhary Associates, Chartered Accountants
Audit Committee	Audit committee of our Board, as described in "*Our Management*" on page 148
Audited Consolidated Financial Statements	The audited consolidated financial statements of the Group as at and for the financial years ended March 31, 2023 and March 31, 2022, which comprises the consolidated balance sheet as at March 31, 2023 and March 31, 2022, the consolidated statement of profit and loss, including other comprehensive income, the consolidated statement of cash flows and the consolidated statement of changes in equity for the years ended, and notes to the consolidated financial statements, including a summary of significant accounting policies and other explanatory information
"Board of Directors" or "Board" or "our Board"	The board of directors of our Company or any duly constituted committee thereof

Term	Description
Corporate Office	Corporate office of our Company situated at One International Center, Tower 1, 18th Floor, Senapati Bapat Road, Mumbai - 400013, Maharashtra and Plot No. 422B, Udyog Vihar, Phase-IV, Gurugram, Haryana – 122 016
Chief Financial Officer	Chief financial officer of our Company, namely, Mukesh Kumar Garg
Company Secretary and Compliance Officer	Company secretary and compliance officer of our Company, namely, Amit Kumar Jain
Director(s)	The directors on our Board, as may be appointed from time to time
Erstwhile Auditors	The erstwhile statutory auditors of our Company, S.R. Batliboi & Co. LLP, Chartered Accountants
Erstwhile Promoter	Sameer Gehlaut
Erstwhile Promoter Group	Includes the Erstwhile Promoter, Inuus Infrastructure Private Limited and Sameer Gehlaut IBH Trust
"Equity Shareholder(s)" or "Shareholders"	A holder of Equity Share(s) of our Company, from time to time
Equity Shares	Equity shares of our Company of face value of ₹2 each
Executive Director(s)	Executive directors of our Company appointed as per the Companies Act, 2013 and the SEBI LODR Regulations. For details, see "*Our Management*" on page 148
Group	The Company, along with its Subsidiaries
IBFSL	Indiabulls Financial Services Limited
IBFSL-IHFL Scheme	Scheme of amalgamation for the amalgamation of Indiabulls Financial Services Limited with our Company
IBFSL Stock Option Schemes	IHFL-IBFSL Employee Stock Option Plan 2006, IHFL-IBFSL Employee Stock Option Plan II 2006 and IHFL-IBFSL Employee Stock Option Plan 2008
IHFL Stock Option Schemes	IHFL-IBFSL Employee Stock Option Plan - 2006, IHFL-IBFSL Employee Stock Option Plan II - 2006, IHFL-IBFSL Employee Stock Option Plan - 2008, the Indiabulls Housing Finance Limited Employee Stock Option Scheme – 2013, the Indiabulls Housing Finance Limited Employee Stock Benefit Scheme – 2019, the Indiabulls Housing Finance Limited - Employee Stock Benefit Scheme – 2021 and the Indiabulls Housing Finance Limited - Employee Stock Benefit Scheme – 2023
Independent Director(s)	Non-executive, independent Director(s) of our Company appointed as per the Companies Act, 2013 and the SEBI LODR Regulations. For details, see "*Our Management*" on page 148
Key Managerial Personnel	Key managerial personnel of our Company determined in accordance with Regulation 2(1)(bb) of the SEBI ICDR Regulations and as disclosed in "*Our Management*" on page 148
Material Subsidiary	Indiabulls Commercial Credit Limited
"Memorandum of Association" or "Memorandum" or "MoA"	Memorandum of Association of the Company, as amended from time to time
Nominee Director(s)	Non-executive non-independent directors of our Company. For details, see "*Our Management*" on page 148
Registered Office	Registered office of our Company situated at 5th Floor, Building No. 27, KG Marg Connaught Place, New Delhi – 110 001, India
Securities Issuance and Investment Committee	Securities Issuance and Investment Committee of the Board of our Company
Senior Management	Senior management of our Company determined in accordance with Regulation 2(1)(bbbb) of the SEBI ICDR Regulations and as disclosed in "*Our Management*" on page 148
"Subsidiary" or "Subsidiaries"	The subsidiaries of our Company, namely: 1. Indiabulls Commercial Credit Limited; 2. Indiabulls Collection Agency Limited; 3. Ibulls Sales Limited; 4. Indiabulls Capital Services Limited;

Term	Description
	5. Indiabulls Advisory Services Limited; 6. Indiabulls Insurance Advisors Limited; 7. Indiabulls Asset Holding Company Limited; 8. Nilgiri Investmart Services Limited *(formerly known as Nilgiri Financial Consultants Limited)*; and 9. Indiabulls Investment Management Limited *(formerly known as Indiabulls Venture Capital Management Company Limited*).
Limited Review Consolidated September Financial Results	The limited review consolidated financial results of the Group as at and for the six months period ended September 30, 2023, with the comparatives for the six months ended September 30, 2022, prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standards 34 'Interim Financial Reporting' prescribed under Section 133 of the Companies Act, 2013, read with relevant rules issued thereunder, the circulars, guidelines and directions issued by the Reserve Bank of India from time to time ("**RBI Guidelines**") and other accounting principles generally accepted in India

Issue Related Terms

Term	Description
"Abridged Letter of Offer" or "ALOF"	The abridged letter of offer to be sent to the Eligible Equity Shareholders of our Company with respect to the Issue in accordance with the provisions of the SEBI ICDR Regulations and the Companies Act
Additional Rights Equity Shares	The Rights Equity Shares applied or allotted under this Issue in addition to the Rights Entitlement
"Allotment" or "Allot" or "Allotted"	Allotment of Rights Equity Shares pursuant to the Issue
Allotment Accounts	The account(s)opened with the Banker(s)to the Issue, into which the Application Money, with respect to successful Applicants will be transferred on the Transfer Date in accordance with Section 40(3) of the Companies Act, 2013
Allotment Account Bank(s)	Bank(s) which are clearing members and registered with SEBI as bankers to an issue and with whom the Allotment Accounts will be opened, in this case being, HDFC Bank Limited
Allotment Advice	The note or advice or intimation of Allotment sent to each successful Applicant who has been or is to be Allotted the Rights Equity Shares pursuant to the Issue after approval of the Basis of Allotment by the Designated Stock Exchange
Allotment Date	Date on which the Allotment is made pursuant to the Issue
Allottee(s)	Person(s) to whom the Rights Equity Shares are Allotted pursuant to the Issue
Applicant(s)	Eligible Equity Shareholder(s) and/or Renouncee(s) who are entitled to make an application for the Rights Equity Shares pursuant to the Issue in terms of this Letter of Offer
Application	Application made during the Issue Period through submission of the Application Form or plain paper application to the Designated Branch(es) of the SCSBs or online/ electronic application through the website of the SCSBs (if made available by such SCSBs) under the ASBA process, to subscribe to the Rights Equity Shares at the Issue Price
Application Form	Unless the context otherwise requires, an application form used or application through the website of the SCSBs (if made available by such SCSBs) under the ASBA process used by an Applicant to make an application for the Allotment of Rights Equity Shares in this Issue
Application Money	Aggregate amount payable at the time of filing the Application i.e., 50.0 per Rights Equity Share in respect of the Rights Equity Shares applied for in the Issue at the Issue Price
"Application Supported by Blocked Amount" or "ASBA"	Application (whether physical or electronic) used by Applicant(s) to make an application authorizing the SCSB to block the Application Money in a specified bank account maintained with the SCSB
ASBA Account	An account maintained with SCSBs and as specified in the Application Form

Term	Description
	or plain paper Application, as the case may be, by the Applicant for blocking the amount mentioned in the Application Form or in the plain paper Application
ASBA Circulars	Collectively, SEBI circular bearing reference number SEBI/CFD/DIL/ASBA/1/2009/30/12 dated December 30, 2009, SEBI circular bearing reference number CIR/CFD/DIL/1/2011 dated April 29, 2011, SEBI ICDR Master Circular, to the extent it pertains to the rights issue process and any other circular issued by SEBI in this regard and any subsequent circulars or notifications issued by SEBI in this regard
Banker to the Issue	Collectively, Allotment Account Bank and the Refund Bank, in this case being HDFC Bank Limited
Banker to the Issue Agreement	Agreement dated January 28, 2024 entered into by and among our Company, the Registrar to the Issue, the Lead Managers and the Banker to the Issue for among other things, collection of the Application Money from Applicants/Investors and transfer of funds to the Allotment Account, on the terms and conditions thereof
Basis of Allotment	The basis on which the Rights Equity Shares will be Allotted to successful applicants in consultation with the Designated Stock Exchange in this Issue, as described in the section entitled "*Terms of the Issue*" on page 674
Call(s)	The notice issued by our Company to the holders of the Rights Equity Shares as at the Call Record Date for making a payment of the Call Monies
Call Money(ies)	The balance amount payable by the holders of the Rights Equity Shares pursuant to the Payment Schedule, being ₹100.0 per Rights Equity Share (which constitutes 66.7% of the Issue Price), to be paid on one or more subsequent Call(s) after payment of the Application Money
Call Record Date	A record date fixed by our Company for the purpose of determining the names of the holders of Rights Equity Shares for the purpose of issuing of the Call
"Controlling Branches" or "Controlling Branches of the SCSBs"	Such branches of the SCSBs which coordinate with the Lead Manager, the Registrar to the Issue and the Stock Exchanges, a list of which is available on SEBI updated from time to time, or at such other website(s) as may be prescribed by the SEBI from time to time
Demographic Details	Details of Investors including the Investor's address, PAN, DP ID, Client ID, bank account details and occupation, where applicable
Designated Branch(es)	Such branches of the SCSBs which shall collect the Applications, as the case may be, used by the ASBA Investors and a list of which is available on the website of SEBI and/or such other website(s) as may be prescribed by the SEBI from time to time
Designated Stock Exchange	NSE
Eligible Equity Shareholder(s)	Existing Equity Shareholders as on the Record Date. Please note that the investors eligible to participate in the Issue exclude certain overseas shareholders. For further details, please see the section entitled "*Notice to Investors*" on page 12
Fraudulent Borrower(s)	Fraudulent Borrower(s) as defined under Regulation 2(1)(lll) of the SEBI ICDR Regulations
Investor(s)	Eligible Equity Shareholder(s) of the Company on the Record Date, i.e. Thursday, February 1, 2024 and the Renouncee(s) who make an application for the Rights Equity Shares pursuant to the Issue in terms of this Letter of Offer
InCred Capital	InCred Capital Wealth Portfolio Managers Private Limited
Issue	This issue of up to 246,226,515 Rights Equity Shares for cash at a price of ₹150.0 per Equity Share aggregating to ₹36,933.98* million on a rights basis to the Eligible Equity Shareholders of the Company in the ratio of 1 Rights Equity Share for every 2 fully paid-up Equity Shares held by the Eligible Equity Shareholders on the Record Date On Application, Investors will have to pay ₹50.0 per Rights Equity Share which constitutes 33.3% of the Issue Price and the balance ₹100.0 per Rights Equity Share which constitutes 66.7% of the Issue Price, will have to be paid, on one or more subsequent Call(s), as determined, from time to time at its sole

Term	Description
	discretion, by our Board or its Securities Issuance and Investment Committee * *Assuming full subscription and receipt of Call Monies with respect to Rights Equity Shares*
Issue Agreement	Issue agreement dated January 28, 2024 between our Company and the Lead Manager, pursuant to which certain arrangements are agreed to in relation to the Issue
Issue Closing Date	Tuesday, February 13, 2024
Issue Materials	Letter of Offer, the Abridged Letter of Offer, the Application Form, the Rights Entitlement Letter and any other material relating to the Issue
Issue Opening Date	Wednesday, February 7, 2024
Issue Period	The period between the Issue Opening Date and the Issue Closing Date, inclusive of both days, during which Applicants/Investors can submit their Applications, in accordance with the SEBI ICDR Regulations
Issue Price	₹150 per Equity Share On Application, Investors will have to pay ₹50 per Rights Equity Share which constitutes 33.3% of the Issue Price and the balance ₹100 per Rights Equity Share which constitutes 66.7% of the Issue Price, will have to be paid, on one or more subsequent Call(s), as determined, from time to time at its sole discretion, by our Board or its Securities Issuance and Investment Committee
"Issue Proceeds" or "Gross Proceeds"	Gross proceeds raised through the Issue
Issue Size	The issue of up to 24,62,26,515 Rights Equity Shares aggregating to ₹36,933.98* million * *Assuming full subscription and receipt of Call Monies with respect to Rights Equity Shares*
"Lead Managers"	Nuvama Wealth Management Limited (*formerly known as Edelweiss Securities Limited*) and InCred Capital Wealth Portfolio Managers Private Limited
"Letter of Offer" or "LOF"	This letter of offer dated January 28, 2024 filed with the Stock Exchanges and SEBI
Listing Agreement	The listing agreements entered into between the Company and the Stock Exchanges in terms of the SEBI LODR Regulations read along with SEBI circular bearing reference number CIR/CFD/CMD/6/2015 dated October 13, 2015
Monitoring Agency	CRISIL Ratings Limited
Monitoring Agency Agreement	Agreement dated January 28, 2024 between our Company and the Monitoring Agency in relation to monitoring of Net Proceeds
Multiple Application Forms	Multiple application forms submitted by an Eligible Equity Shareholder/Renouncee in respect of the Rights Entitlements available in their demat account. However supplementary applications in relation to further Equity Shares with/without using additional Rights Entitlements will not be treated as multiple application
Net Proceeds	Issue Proceeds less the Issue related expenses. For further details, please see the section entitled "*Objects of the Issue*" on page 85
Payment Schedule	Payment schedule under which 33.3% of the Issue Price is payable on Application, i.e.,₹50 per Rights Equity Share, and the balance unpaid capital constituting 66.7% of the Issue Price, i.e., ₹100 will have to be paid, on one or more subsequent Call(s), as determined from time to time, at its sole discretion, by our Board or its Securities Issuance and Investment Committee
Off Market Renunciation	The renunciation of Rights Entitlements undertaken by an Investor by transferring them through off market transfer through a depository participant in accordance with the SEBI ICDR Master Circular and the circulars issued by the Depositories, from time to time, and other applicable laws
On Market Renunciation	The renunciation of Rights Entitlements undertaken by an Investor by trading them over the secondary market platform of the Stock Exchange through a registered stock-broker in accordance with the SEBI ICDR Master Circular and

Term	Description
	the circulars issued by the Stock Exchange, from time to time, and other applicable laws, on or before Thursday, February 8, 2024
Nuvama	Nuvama Wealth Management Limited (*formerly known as Edelweiss Securities Limited*)
"Qualified Institutional Buyers" or "QIBs"	Qualified institutional buyers as defined under Regulation 2(1)(ss) of the SEBI ICDR Regulations
Record Date	Designated date for the purpose of determining the Shareholders eligible to apply for the Rights Equity Shares in the Issue, being Thursday, February 1, 2024
Refund Bank	The Bankers to the Issue with whom the refund account will be opened, in this case being HDFC Bank Limited
Registrar Agreement	Agreement dated January 28, 2024 between our Company and the Registrar to the Issue in relation to the responsibilities and obligations of the Registrar to the Issue pertaining to this Issue
"Registrar to the Issue" or "Registrar"	KFin Technologies Limited *(formerly known as KFin Technologies Private Limited)*
Renouncee(s)	Person(s) who has/have acquired Rights Entitlements from the Eligible Equity Shareholders on renunciation, in accordance with the SEBI ICDR Regulations
Renunciation Period	The period during which the Investors can renounce or transfer their Rights Entitlements which shall commence from the Issue Opening Date. Such period shall close on Thursday, February 8, 2024 in case of On Market Renunciation. Eligible Equity Shareholders are requested to ensure that renunciation through off-market transfer is completed in such a manner that the Rights Entitlements are credited to the demat account of the Renouncee on or prior to the Issue Closing Date
"Rights Entitlement(s)" or "RE"	Number of Rights Equity Shares that an Eligible Equity Shareholder is entitled to in proportion to the number of Equity Shares held by the Eligible Equity Shareholder on the Record Date, in this case being one Rights Equity Shares for every two Equity Shares held by an Eligible Equity Shareholder
Rights Equity Shares	Equity Shares of our Company to be Allotted pursuant to this Issue
Rights Entitlement Letter	Letter including details of Rights Entitlements of the Eligible Equity Shareholders
SCSB(s)	Self-certified syndicate banks registered with SEBI, which acts as a banker to the Issue and which offers the facility of ASBA. A list of all SCSBs is available at https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=34, or such other website as updated from time to time
Stock Exchanges	Stock exchanges where the Equity Shares are presently listed i.e., BSE and NSE
Transfer Date	The date on which the Application Money blocked in the ASBA Account will be transferred to the Allotment Account(s) in respect of successful Applications, upon finalization of the Basis of Allotment, in consultation with the Designated Stock Exchange
Wilful Defaulter(s)	Wilful Defaulter(s) as defined under Regulation 2(1)(lll) of the SEBI ICDR Regulations
Working Days	In terms of Regulation 2(1)(mmm) of SEBI ICDR Regulations, working day means all days on which commercial banks in Mumbai are open for business. Further, in respect of Issue Period, working day means all days, excluding Saturdays, Sundays and public holidays, on which commercial banks in Mumbai are open for business. Furthermore, the time period between the Issue Closing Date and the listing of Equity Shares on the Stock Exchanges, working day means all trading days of the Stock Exchanges, excluding Sundays and bank holidays, as per circulars issued by SEBI

Conventional and General Terms or Abbreviations

Term/Abbreviation	Description/ Full Form
"₹" or "Rs." or "Rupees" or "INR"	Indian Rupee
Aadhaar	Aadhaar card
AIF(s)	Alternative investment funds, as defined and registered with SEBI under the Securities and Exchange Board of India (Alternative Investment Funds) Regulations, 2012, as amended
"AS" or "Accounting Standards"	Accounting standards issued by the ICAI
BSE	BSE Limited
CBDT	Central Board of Direct Taxes, Government of India
CDSL	Central Depository Services (India) Limited
Central Government	Central Government of India
CERSAI	Central Registry of Securitisation Asset Reconstruction and Security Interest
CIN	Corporate Identity Number
Client ID	The client identification number maintained with one of the Depositories in relation to the demat account
Companies Act	Companies Act, 1956 and the Companies Act, 2013, as applicable
Companies Act, 1956	Companies Act, 1956 along with the relevant rules made thereunder, each as amended
Companies Act, 2013	Companies Act, 2013 along with the relevant rules made thereunder, each as amended
CPC	Code of Civil Procedure, 1908, as amended
CRAR	Capital to Risk-Weighted Assets Ratio
CRISIL	CRISIL Limited
CRISIL Report	Report titled "NBFC Report" dated December 2023, issued by CRISIL and commissioned for by the Company
CrPC	The Code of Criminal Procedure, 1973, as amended
Depositories Act	Depositories Act, 1996, as amended
Depository	A depository registered with SEBI under the Securities and Exchange Board of India (Depositories and Participants) Regulations, 1996, as amended
DIN	Director Identification Number
"DP" or "Depository Participant"	Depository participant as defined under the Depositories Act
DP ID	Depository Participant Identity
DPIIT	Department for Promotion of Industry and Internal Trade, Ministry of Commerce and Industry (formerly Department of Industrial Policy and Promotion), Government of India
EBIT	Earnings before interest and taxes
EBITDA	Aggregate of profit/(loss) after tax, tax expense, finance cost, depreciation, and amortization for the year/period
ECB Master Directions	Master Direction – External Commercial Borrowings, Trade Credits and Structured Obligations dated March 26, 2019 issued by the RBI
EGM	Extraordinary general meeting
EPS	Earnings Per Share
FCCB	4.50% secured foreign currency convertible bonds
FDI	Foreign direct investment
FEMA	Foreign Exchange Management Act, 1999, as amended
FEMA Rules	Foreign Exchange Management (Non-debt Instruments) Rules, 2019, as amended
"Financial Year" or "Fiscal Year" or "FY"	Period of 12 months ending March 31 of that particular year
FIR	First information report

Term/Abbreviation	Description/ Full Form
FDI Policy	Consolidated Foreign Direct Investment Policy notified by DPIIT through notification dated October 28, 2020 issued by DPIIT, effective from October 15, 2020
FPI	Foreign portfolio investors as defined and registered under the SEBI FPI Regulations
FVCI	Foreign Venture Capital Investors registered under the SEBI FVCI Regulations
GAAP	Generally Accepted Accounting Principles in India
Gazette	Official Gazette of India
GBP	Great Britain Pound
GIR	General Index Register
GOI	Government of India
Government	Central Government and/ or the State Government, as applicable
GST	Goods and services tax
HFC	Housing Finance Company
ICAI	Institute of Chartered Accountants of India
IFRS	International Financial Reporting Standards of the International Accounting Standards Board
Ind AS	Indian Accounting Standards as specified under section 133 of the Companies Act 2013 read with Companies (Indian Accounting Standards) Rules 2015
India	Republic of India
Income-tax Act	Income Tax Act, 1961, as amended
IPC	The Indian Penal Code, 1860
ISIN	International Securities Identification Number
IST	Indian Standard Time
IT	Information Technology
Mutual Fund	Mutual fund registered with SEBI under the Securities and Exchange Board of India (Mutual Funds) Regulations, 1996, as amended
NACH	National Automated Clearing House
NAV	Net Asset Value per Equity Share at a particular date computed based on total equity divided by number of Equity Shares
NBFC	Non-Banking Financial Company, as defined under applicable RBI guidelines
NBFC-ICC	Non-Banking Financial Company – Investment and Credit Company
Net Worth	The aggregate value of equity share capital plus other equity and minus goodwill on consolidation
NGT	National Green Tribunal
NHB	National Housing Bank
NHB Act	The National Housing Bank Act, 1987, as amended
NR	Non-resident or person(s) resident outside India, as defined under the FEMA
NRE Account	Non-resident external account
NRI	A person resident outside India, who is a citizen of India and shall have the same meaning as ascribed to such term in the Foreign Exchange Management (Deposit) Regulations, 2016, as amended
NRO Account	Non-resident ordinary account
NSDL	National Securities Depository Limited
NSE	National Stock Exchange of India Limited
"OCBs" or "Overseas Corporate Body"	A company, partnership, society or other corporate body owned directly or indirectly to the extent of at least 60% by NRIs including overseas trusts, in which not less than 60% of beneficial interest is irrevocably held by NRIs directly or indirectly and which was in existence on October 3, 2003 and immediately before such date had taken benefits under the general permission granted to OCBs under FEMA
OCI	Overseas Citizen of India
p.a.	Per annum
P/E Ratio	Price to Earnings Ratio
PAN	Permanent Account Number
PAT	Profit After Tax

Term/Abbreviation	Description/ Full Form
PMLA	Prevention of Money Laundering Act, 2002, as amended
RBI	Reserve Bank of India
RBI Act	Reserve Bank of India Act, 1934, as amended
RBI Master Directions	RBI's Master Direction – Non-Banking Financial Company – Housing Finance Company (Reserve Bank) Directions, 2021 dated February 17, 2021, as amended
RBI NBFC-HFC Regulations	Non- Banking Financial Company – Housing Finance Company (Reserve Bank) Directions, 2021, issued by the RBI
RBI's Resolution Frameworks 1.0	"Resolution framework for COVID 19 Related Stress" notified by the RBI on August 6, 2020
RBI's Resolution Frameworks 2.0	"Resolution Framework –2.0: Resolution of Covid-19 related stress of Individuals and Small Businesses" notified by the RBI on May 5, 2021
Regulation S	Regulation S under the Securities Act
RoC	Registrar of Companies, Delhi and Haryana at New Delhi
RoW	Rest of the World
Rule 144A	Rule 144A under the U.S. Securities Act
SARFAESI	Securitization and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002
SCRA	Securities Contracts (Regulation) Regulations, 1956, as amended
SCRR	Securities Contracts (Regulation) Rules, 1957, as amended
SEBI	The Securities and Exchange Board of India
SEBI Act	The Securities and Exchange Board of India Act, 1992, as amended
SEBI AIF Regulations	Securities and Exchange Board of India (Alternative Investment Funds) Regulations, 2012, as amended
SEBI FPI Regulations	Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2019, as amended
SEBI FVCI Regulations	Securities and Exchange Board of India (Foreign Venture Capital Investors) Regulations, 2000, as amended
SEBI ICDR Master Circular	SEBI master circular bearing number SEBI/HO/CFD/PoD-2/P/CIR/2023/00094 dated June 21, 2023
SEBI ICDR Regulations	The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended
SEBI LODR Regulations	The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended
SEBI Takeover Regulations	The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, as amended
SEBI VCF Regulations	The Securities and Exchange Board of India (Venture Capital Funds) Regulations, 1996, as repealed and replaced by the SEBI AIF Regulations
Securities Act	U.S. Securities Act of 1933, as amended
State Government	Government of a State of India
TDS	Tax deductible at source
UPI	Unified Payment Interface
"USD" or "US$"	United States Dollar
U.S. QIB	"Qualified institutional buyers" (as defined in Rule 144A under the Securities Act)
"U.S." or "USA" or "United States"	United States of America, its territories or possessions, any state of the United States, and the District of Columbia

Industry Related Terms

Term/Abbreviation	Description/ Full Form
Adjusted CRAR	Adjusted capital to risk (weighted) assets ratio (Considering nil risk weightage on mutual fund investments)
ASSOCHAM	The Associated Chambers of Commerce and Industry of India
ALM	Asset Liability Management
CAGR	Compounded Annual Growth Rate
CIBIL	Credit Information Bureau (India) Limited
ECB	External Commercial Borrowings
ECL	Expected Credit Losses
EMI	Equated monthly instalment
ESG	Environmental, social and governance
Financial Assets (excluding cash and cash equivalents) and Investments	Calculated as bank balance other than cash and cash equivalents, plus derivative financial instruments, receivables, loans, other financial assets and financial assets held for sale
Financial Liabilities (excluding Debt Securities, Borrowings (other than Debt Securities) and Subordinated liabilities)	Calculated as derivative financial instruments, plus trade payables, other financial liabilities and financial liabilities in respect of assets held for sale
FSI	Floor Space Index
"Gross NPAs" or "GNPAs"	Aggregate of receivable from financing business considered as non-performing assets (secured and unsecured which has been shown as part of short term loans and advances and long term loans and advances) and non performing quoted and unquoted credit substitute
ICFR	Internal Control over Financial Reporting
KYC	Know Your Customer
LAP	Loan Against Property
"Loan Book" or "Loans excluding Impairment loss allowance"	Aggregate of loan assets, credit substitute, accrued interest and redemption premium on loan assets, unamortised loan origination costs, less unamortised processing fee as determined under Ind AS
LTV	Loan-to-value ratio
Net NPAs	Gross NPAs less impairment less allowance for stage 3 assets
Net Worth	Calculated as equity share capital plus other equity and minus goodwill on consolidation
RoA	Return on assets
ROE	Return on Equity
SCB	Scheduled Commercial Bank
SMA	Special mention accounts
Stage 1 Asset	Stage 1 Assets includes loans that have not had a significant increase in credit risk since initial recognition or that have low credit risk at the reporting date as defined under Ind AS
Stage 1 Provision	Stage 1 provision are 12-month ECL on Stage 1 Assets resulting from default events that are possible within 12 months after the reporting date as defined under Ind AS
Stage 2 Asset	Stage 2 Assets includes loans that have had a significant increase in credit risk since initial recognition but that do not have objective evidence of impairment as defined under Ind AS
Stage 2 Provision	Stage 2 provision are life time ECL resulting from all default events that are possible over the expected life of the Stage 2 Assets as defined under Ind AS
Stage 3 Asset	Stage 3 Assets includes loans that have objective evidence of impairment at the reporting date as defined under Ind AS
Stage 3 Provision	Stage 3 provision are life time ECL resulting from all default events that are possible over the expected life of the Stage 3 Assets as defined under Ind AS
Total Debt to Total Assets	Calculated as debt securities plus borrowings (other than debt securities) and subordinated liabilities, divided by total assets
UIDAI	Unique Identification Authority of India

NOTICE TO INVESTORS

The distribution of the Issue Materials and the issue of Rights Entitlement and Rights Equity Shares to persons in certain jurisdictions outside India may be restricted by legal requirements prevailing in those jurisdictions. Persons into whose possession the Issue Materials may come are required to inform themselves about and observe such restrictions.

In accordance with the SEBI ICDR Regulations, the Issue Materials will be sent/ dispatched only to the Eligible Equity Shareholders who have provided an Indian address to our Company. Further, this Letter of Offer will be provided to those who make a request in this regard. In case such Eligible Equity Shareholders have provided their valid e-mail address, the Issue Materials will be sent only to their valid e-mail address and in case such Eligible Equity Shareholders have not provided their e-mail address, then the Issue Materials will be physically dispatched, on a reasonable effort basis, to the Indian addresses provided by them. Those overseas Shareholders, who do not update our records with their Indian address or the address of their duly authorised representative in India, prior to the date on which we propose to dispatch the Issue Materials, shall not be sent the Issue Materials.

Investors can also access this Letter of Offer, the Abridged Letter of Offer and the Application Form from the websites of our Company, the Registrar, the Lead Manager and the Stock Exchanges.

Our Company, the Lead Manager, and the Registrar will not be liable for non-dispatch of physical copies of Issue Materials, including this Letter of Offer, the Abridged Letter of Offer, the Rights Entitlement Letter and the Application Form, in the event the Issue Materials have been sent on the registered email addresses of such Eligible Equity Shareholders.

No action has been or will be taken to permit the Issue in any jurisdiction where action would be required for that purpose, except that this Letter of Offer is being filed with SEBI and the Stock Exchanges.

None of the Rights Entitlement or the Rights Equity Shares has been, or will be, registered under the Securities Act and may not be offered or sold within the United States except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act.

Any person who makes an application to acquire Rights Equity Shares will be deemed to have declared, represented, warranted and agreed that such person is outside the United States and is authorized to acquire the Rights Entitlements and the Rights Equity Shares in compliance with all applicable laws and regulations prevailing in such person's jurisdiction and India, without requirement for our Company or our affiliates or the Lead Manager or its respective affiliates to make any filing or registration (other than in India). In addition, each purchaser of Rights Entitlements and the Rights Equity Shares will be deemed to make the representations, warranties, acknowledgments and agreements set forth in the section entitled "*Restrictions on Purchases and Resales*" on page 704.

Our Company, in consultation with the Lead Manager, reserves the right to treat as invalid any Application Form which: (i) appears to our Company or its agents to have been executed in, electronically transmitted from or dispatched from the United States or jurisdictions where the offer and sale of the Rights Equity Shares is not permitted under laws of such jurisdictions; (ii) does not include the relevant certifications set out in the Application Form, including to the effect that the person submitting and/or renouncing the Application Form is outside the United States and such person is eligible to subscribe for the Rights Equity Shares under applicable securities laws and is complying with laws of jurisdictions applicable to such person in connection with this Issue; or (iii) where either a registered Indian address is not provided or where our Company believes acceptance of such Application Form may infringe applicable legal or regulatory requirements; and our Company shall not be bound to issue or allot any Rights Equity Shares in respect of any such Application Form.

The contents of this Letter of Offer should not be construed as legal, tax, business, financial or investment advice. Prospective investors may be subject to adverse foreign, state or local tax or legal consequences as a result of the offer of Rights Equity Shares or Rights Entitlements. As a result, each investor should consult its own counsel, business advisor and tax advisor as to the legal, business, tax and related matters concerning the offer of the Rights Equity Shares or Rights Entitlements. In addition, neither our Company nor the Lead Manager or its affiliates are making any representation to any offeree or purchaser of the Rights Equity Shares regarding the legality of an investment in the Rights Entitlements or the Rights Equity Shares by such offeree or purchaser under any applicable laws or regulations.

Neither the receipt of this Letter of Offer nor any sale of Rights Equity Shares hereunder, shall, under any circumstances, create any implication that there has been no change in our Company's affairs from the date hereof or the date of such information or that the information contained herein is correct as at any time subsequent to the date of this Letter of Offer or the date of such information.

Investors are advised to make their independent investigations and ensure that the number of Rights Equity Shares applied for do not exceed the applicable limits under laws or regulations.

The Rights Entitlements and the Rights Equity Shares have not been approved or disapproved by any regulatory authority, nor has any regulatory authority passed upon or endorsed the merits of the offering of the Rights Entitlements, the Rights Equity Shares or the accuracy or adequacy of this Letter of Offer. Any representation to the contrary is a criminal offence in certain jurisdictions.

THIS LETTER OF OFFER AND ITS ACCOMPANYING DOCUMENTS ARE SUPPLIED TO YOU SOLELY FOR YOUR INFORMATION AND MAY NOT BE REPRODUCED, REDISTRIBUTED OR PASSED ON, DIRECTLY OR INDIRECTLY, TO ANY OTHER PERSON OR PUBLISHED, IN WHOLE OR IN PART, FOR ANY PURPOSE.

The above information is given for the benefit of the Investors. Our Company and the Lead Manager are not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of this Letter of Offer.

PRESENTATION OF FINANCIAL INFORMATION AND OTHER INFORMATION

Certain Conventions

Unless otherwise specified or the context otherwise requires, all references in this Letter of Offer to (i) the 'US' or 'U.S.' or the 'United States' are to the United States of America, its territories and possessions, any state of the United States, and the District of Columbia; (ii) 'India' are to the Republic of India and its territories and possessions; and (iii) the 'UK' or 'U.K.' or the 'United Kingdom' are to the United Kingdom of Great Britain and its territories and possessions; and (iv) the 'Government' or 'GoI' or the 'Central Government' or the 'State Government' are to the Government of India, Central or State, as applicable.

Unless otherwise specified, any time mentioned in this Letter of Offer is in Indian Standard Time ("**IST**"). Unless indicated otherwise, all references to a year in this Letter of Offer are to a calendar year.

In this Letter of Offer, a reference to the singular also refers to the plural and one gender also refers to any other gender, wherever applicable.

Page numbers

Unless stated otherwise, all reference to page numbers in this Letter of Offer are to the page numbers of this Letter of Offer.

Financial Data

Unless stated otherwise, the financial data in this Letter of Offer is derived from the Audited Consolidated Financial Statements and Limited Review Consolidated September Financial Results. For details of the financial statements, please see the section entitled "*Financial Statements*" on page 169.

The Company's Financial Year commences on April 1 of each calendar year and ends on March 31 of the following calendar year. Unless otherwise stated, references in this Letter of Offer to a particular 'Financial Year' or 'Fiscal Year' or 'Fiscal' are to the financial year ended March 31.

The Company prepares its financial statements in accordance with Ind AS, Companies Act, and other applicable statutory and/or regulatory requirements. The Company publishes its financial statements in Indian Rupees including figures in US Dollars for convince purposes. Any reliance by persons not familiar with Indian accounting practices on the financial disclosures presented in this Letter of Offer should accordingly be limited.

In this Letter of Offer, any discrepancies in any table between the total and the sums of the amounts listed are due to rounding off, and unless otherwise specified, all financial numbers in parenthesis represent negative figures. All figures in decimals have been rounded off to the one decimal and all the percentage figures have been rounded off to one decimal places. Further, any figures sourced from third-party industry sources may be rounded off to other than one decimal points to conform to their respective sources.

Unless stated otherwise, throughout this Letter of Offer, all figures have been expressed in Rupees, in millions.

Non-GAAP Measures

Certain non-GAAP financial measures and certain other statistical information relating to our operations and financial performance such as EBITDA, Adjusted EBITDA, Net Worth, Return on Net Worth and Net Asset Value per share and total expenses have been included in this Letter of Offer. These may not be computed on the basis of any standard methodology that is applicable across the industry and therefore may not be comparable to financial measures and statistical information of similar nomenclature that may be computed and presented by other companies and are not measures of operating performance or liquidity defined by Ind AS and may not be comparable to similarly titled measures presented by other companies. For further information, please see "*Risk Factors – We have in this Letter of Offer included certain non-GAAP financial measures and certain other selected statistical information related to our operations and financial condition. These non-GAAP measures and statistical information may vary from any standard methodology that is applicable across the financial services industry and therefore may not be comparable with financial or statistical information of similar nomenclature computed and presented by other financial services companies*" on page 55.

Market and Industry Data

Unless stated otherwise, market, industry and demographic data used in this Letter of Offer has been obtained from market research, publicly available information, industry publications and government sources. Industry publications generally state that the information that they contain has been obtained from sources believed to be reliable but that the accuracy and completeness of that information is not guaranteed. Further, the information has also been derived from report entitled "*NBFC Report*" dated December 2023 (the "**CRISIL Report**") prepared by CRISIL. The CRISIL Report has been commissioned and paid for by the Company, for an agreed fee only for the purposes of confirming our understanding of the industry in connection with the Issue. For risks in relation to the CRISIL Report, see "*Risk Factors – Statistical and industry data in this Letter of Offer is derived from the CRISIL Report commissioned by us for such purpose. The CRISIL Report is not exhaustive and is based on certain assumptions, parameters and conditions. The data and statistics in the CRISIL Report may be inaccurate, incomplete or unreliable*" on page 55. Accordingly, no investment decision should be made on the basis of such information.

This information is subject to change and cannot be verified with certainty due to limits on the availability and reliability of the raw data and other limitations and uncertainties inherent in any statistical survey. In many cases, there is no readily available external information (whether from trade or industry associations, government bodies or other organizations) to validate market-related analysis and estimates, and thus we have relied on internally developed estimates.

Disclaimer of CRISIL Report

This Letter of Offer contains data and statistics from the CRISIL Report, which is subject to the following disclaimer:

"CRISIL Market Intelligence and Analytics (**MI&A**), a division of CRISIL Limited ("**CRISIL**") has taken due care and caution in preparing this report ("**Report**") based on the Information obtained by CRISIL from sources which it considers reliable ("**Data**"). This Report is not a recommendation to invest / disinvest in any entity covered in the Report and no part of this Report should be construed as an expert advice or investment advice or any form of investment banking within the meaning of any law or regulation. Without limiting the generality of the foregoing, nothing in the Report is to be construed as CRISIL providing or intending to provide any services in jurisdictions where CRISIL does not have the necessary permission and/or registration to carry out its business activities in this regard. Indiabulls Housing Finance Limited will be responsible for ensuring compliances and consequences of non-compliances for use of the Report or part thereof outside India. CRISIL MI&A operates independently of and does not have access to information obtained by CRISIL Ratings Limited which may, in their regular operations, obtain information of a confidential nature. The views expressed in this Report are that of CRISIL MI&A and not of CRISIL Ratings Limited. No part of this Report may be published/reproduced in any form without CRISIL's prior written approval."

Currency of Presentation

All references to:

- 'INR', '₹', 'Indian Rupees' and 'Rupees' are to the legal currency of the Republic of India;
- 'US$', 'USD', '$' and 'U.S. dollars' are to the legal currency of the United States of America; and

Please note:

- One million is equal to 1,000,000 or 10 lakhs;
- One crore is equal to 10 million or 100 lakhs; and
- One lakh is equal to 100,000.

Conversion Rates for Foreign Currency

The conversion rate for the following foreign currency is as follows:

Sr. No.	Name of the Currency	As of September 30, 2023 (in ₹)	As of March 31, 2023 (in ₹)	As of March 31, 2022 (in ₹)
1.	1 USD	83.06	82.22	75.81

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

In the event that any of the above mentioned dates was a public holiday, the previous calendar day not being a public holiday has been considered.

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

FORWARD LOOKING STATEMENTS

Certain statements contained in this Letter of Offer that are not statements of historical fact constitute 'forward-looking statements'. Investors can generally identify forward-looking statements by terminology such as 'aim', 'anticipate', 'believe', 'continue', 'can', 'could', 'estimate', 'expect', 'expected to' 'intend', 'is likely', 'may', 'objective', 'plan', 'potential', 'project', 'pursue', 'shall', 'should', 'will', 'would', or other words or phrases of similar import. Similarly, statements that describe the strategies, objectives, plans or goals of the Company are also forward-looking statements. However, these are not the exclusive means of identifying forward-looking statements.

All statements regarding the Company's expected financial conditions, result of operations, business plans and prospects are forward-looking statements. These forward-looking statements include statements as to the Company's business strategy, planned projects, revenue and profitability (including, without limitation, any financial or operating projections or forecasts), new business and other matters discussed in this Letter of Offer that are not historical facts. These forward-looking statements contained in this Letter of Offer (whether made by the Company or any third party), are predictions and involve known and unknown risks, uncertainties, assumptions and other factors that may cause the actual results, performance or achievements of the Company to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements or other projections. All forward-looking statements are subject to risks, uncertainties and assumptions about the Company that could cause actual results to differ materially from those contemplated by the relevant forward-looking statement.

Important factors that could cause our actual results, performances and achievements to be materially different from any of the forward-looking statements include, among others:

- interest rates and inflation in India;
- volatility in interest rates for our lending and investment operations as well as the rates at which our Company borrows from banks/financial institution;
- general, political, economic, social and business conditions in Indian and other global markets;
- our ability to successfully implement our strategy, growth and expansion plans;
- competition from our existing as well as new competitors;
- change in the government regulations and/or directions issued by the RBI in connection with NBFCs;
- availability of adequate debt and equity financing at commercially acceptable terms;
- performance of, and the prevailing conditions affecting, the real estate market in India;
- performance of the Indian debt and equity markets; and
- our ability to comply with certain specific conditions prescribed by the GoI in relation to our business changes in laws and regulations applicable to companies in India, including foreign exchange control regulations in India

By their nature, certain of the market risk disclosures are only estimates and could be materially different from what actually occurs in the future. As a result, actual future gains, losses or impact on revenue or income could materially differ from those that have been estimated, expressed or implied by such forward-looking statements or other projections. All forward-looking statements are subject to risks, uncertainties and assumptions about us that could cause actual results to differ materially from those contemplated by the relevant forward-looking statement. Additional factors that could cause our actual results, performance or achievements to differ include but are not limited to, those discussed in "*Risk Factors*" on page 21.

The forward-looking statements contained in this Letter of Offer are based on the beliefs of management, as well as the assumptions made by, and information currently available to, management of the Company. Whilst the Company believes that the expectations reflected in such forward-looking statements are reasonable at this time, it cannot assure investors that such expectations will prove to be correct. Given these uncertainties, Investors are cautioned not to place undue reliance on such forward-looking statements. In any event, these statements speak only as of the date of this Letter of Offer or the respective dates indicated in this Letter of Offer, and the Company undertakes no obligation to update or revise any of them, whether as a result of new information, future events or otherwise. If any of these risks and uncertainties materialise, or if any of the Company's underlying assumptions prove to be incorrect, the actual results of operations or financial condition of the Company could differ materially from that described herein as anticipated, believed, estimated or expected. All subsequent forward-looking statements attributable to the Company are expressly qualified in their entirety by reference to these cautionary statements.

In accordance with SEBI and Stock Exchange requirements, our Company and the Lead Manager will ensure that the Eligible Equity Shareholders are informed of material developments until the time of the grant of listing and trading permissions for the Rights Equity Shares by the Stock Exchange.

SUMMARY OF LETTER OF OFFER

The following is a general summary of certain disclosures included in this Letter of Offer and is not exhaustive, nor does it purport to contain a summary of all the disclosures in this Letter of Offer or all details relevant to the prospective investors. This summary should be read in conjunction with, and is qualified in its entirety by, the more detailed information appearing elsewhere in this Letter of Offer, including, the sections entitled "*Risk Factors*", "*Objects of the Issue*", "*Capital Structure*", "*Industry Overview*", "*Our Business*", "*Outstanding Litigation and Defaults*" and "*Financial Information*" on pages 21, 85, 78, 97, 122, 637 and 169, respectively.

Primary Business of the Issuer

We are a non-deposit taking housing finance company ("**HFC**") and pre-dominantly offer housing loans and loans against property to our varied client base. We also offer mortgage loans to real estate developers in India in the form of lease rental discounting for commercial premises and construction finance for the construction of residential premises. As of September 30, 2023, we were among the top 5 housing finance companies in India in terms of asset under management ("**AUM**"), and as on September 30, 2023, our Loan Book was Rs.543,407.4 million on a consolidated basis.

Objects of the Issue

Our Company intends to utilize the Net Proceeds from the Issue towards funding of the following objects:

(in ₹ million)

Particulars	Estimated amount (up to)
Augmenting the capital base of our Company	27,341.1
General corporate purposes*	8,398.9
Total Net Proceeds**	**35,740.0**

* *Subject to the finalization of the Basis of Allotment and the Allotment. The amount utilised for general corporate purposes shall not exceed 25% of the Net Proceeds.*

** *Assuming full subscription in the Issue and receipt of all Call Monies with respect to the Rights Equity Shares and subject to finalization of the Basis of Allotment and to be adjusted per the Rights Entitlement ratio.*

For further details, please see the section entitled *"Objects of the Issue"* on page 85.

Intention and extent of participation by the promoter/ promoter group with respect to (i) their rights entitlement; and (ii) their intention to subscribe over and above their right entitlement

Our Company does not have an identifiable promoter.

Summary of outstanding litigation and defaults

A summary of outstanding legal proceedings involving our Company and our Subsidiaries as on the date of this Letter of Offer is set forth in the table below:

Name of Entity	Proceedings involving issues of moral turpitude or criminal liability	Civil proceedings where the amount involved is equivalent to or in excess of the Materiality Threshold	Tax proceedings where the amount involved is equivalent to or in excess of the Materiality Threshold	Proceedings before regulatory authorities involving material violations of statutory regulations	Matters involving economic offences where proceedings have been initiated	Other pending matters which, if they result in an adverse outcome, would materially and adversely affect the operations or the financial position	Aggregate amount involved *(to the extent quantifiable) (₹ in million)*
Company							
By our Company	7#	25	Nil	Nil	Nil	Nil	39,146.9

Name of Entity	Proceedings involving issues of moral turpitude or criminal liability	Civil proceedings where the amount involved is equivalent to or in excess of the Materiality Threshold	Tax proceedings where the amount involved is equivalent to or in excess of the Materiality Threshold	Proceedings before regulatory authorities involving material violations of statutory regulations	Matters involving economic offences where proceedings have been initiated	Other pending matters which, if they result in an adverse outcome, would materially and adversely affect the operations or the financial position	Aggregate amount involved *(to the extent quantifiable) (₹ in million)*
Company							
Against our Company	15	10	Nil	Nil	Nil	Nil	6,098.6*
Our Subsidiaries							
By our Subsidiaries	Nil	7	Nil	Nil	Nil	Nil	14,718.6
Against our Subsidiaries	2	6	1	Nil	Nil	Nil	6,666.0*

**We have not included amounts in relation to matters which have no financial implication on us.*
 # Excluding criminal complaints filed by the Company (i) under Section 138 of Negotiable Instruments Act, 1881 and Section 25 of the Payment and Settlement Systems Act, 2007 and (ii) FIRs registered, each in the ordinary course of business.

For further details, please see section entitled "*Outstanding Litigation and Defaults*" on page 637.

Risk Factors

For details, please see the section entitled "*Risk Factors*" on page 21. Investors are advised to read the risk factors carefully before taking an investment decision in the Issue.

Contingent liabilities

For details regarding our contingent liabilities as per Ind AS 37 for the Financial Year 2023 and Financial Year 2022, please see the section entitled "*Financial Statements*" on page 169.

Related party transactions

For details regarding our related party transactions as per Ind AS 24 entered into by our Company for Financial Year 2023 and Financial Year 2022 please see the section entitled "*Financial Statements*" on page 169.

Issue of Equity Shares for consideration other than cash

Our Company has not made any issuances of Equity Shares for consideration other than cash in the last one year immediately preceding the date of filing this Letter of Offer.

SECTION II: RISK FACTORS

This offering and an investment in equity shares involve a high degree of risk. This section describes the risks that we currently believe may materially affect our business and operations. However, they may not be exhaustive or are not the only risks relevant to us or the Rights Equity Shares or the industry in which we currently operate. You should carefully consider the following, in addition to any forward-looking statements and the cautionary statements in this Letter of Offer and the other information contained in this Letter of Offer, before making any investment decision relating to the Rights Equity Shares. Prospective investors should read this section in conjunction with the sections "Our Business", "Forward Looking Statements" and "Financial Statements", as well as other financial and statistical information contained in this Letter of Offer. Unless specified or quantified in the relevant risk factors below, we are not in a position to quantify the financial implication of any of the risks mentioned below. The occurrence of any of the following events, or the occurrence of other risks that are not currently known or are now deemed immaterial, could cause our business, results of operations, cash flows, financial condition and prospects to suffer and could cause the market price of our Equity Shares to decline or fall significantly and you may lose all or part of your investment.

This Letter of Offer also contains forward-looking statements that involve risks and uncertainties. Our actual results may differ materially from the anticipated results in the forward-looking statements as a consequence of certain factors including the considerations described below and elsewhere in this Letter of Offer.

The risks described below are not the only ones relevant to us or the Equity Shares. Additional risks that may be unknown to us and some risks that we do not currently believe to be material could subsequently turn out to be material. Although we seek to mitigate or minimize these risks, one or more of a combination of these risks could materially and adversely impact our business, financial condition and results of operations. Investors should pay particular attention to the fact that our Company is an Indian company and is subject to a legal and regulatory regime which in some respects may be different from that applicable in other countries. In making an investment decision, prospective Investors must rely on their own examination of us and the terms of the Issue, including the merits and risks involved. Prospective investors should consult their own tax, financial and legal advisors about the particular consequences of an investment in the Issue.

Unless otherwise indicated or the context requires otherwise, all financial information used in this section is derived from the Audited Consolidated Financial Statements. For additional details, please refer to the section titled "Financial Statements".

*Unless otherwise indicated, industry and market data used in this section has been extracted from the CRISIL Report. We commissioned and paid for the report titled "NBFC Report" dated December 2023 prepared by CRISIL Limited ("**CRISIL Report**") for the purposes of confirming our understanding of the industry exclusively in connection with the Issue. The CRISIL Report forms part of the material documents for inspection. The data included in this section includes excerpts from the CRISIL Report and may have been re-ordered by us for the purposes of presentation. See "Presentation of financial information and other information", "Risk Factors – Risks relating to Our Business - Statistical and industry data in this Letter of Offer is derived from the CRISIL Report commissioned by us for such purpose. The CRISIL Report is not exhaustive and is based on certain assumptions, parameters and conditions. The data and statistics in the CRISIL Report may be inaccurate, incomplete or unreliable" and "Industry Overview" on pages 14, 55 and 97 of this Letter of Offer, respectively.*

Risks relating to Our Business

1. ***Any inability to manage and maintain our business growth effectively may have a material adverse effect on our business, results of operations, cash flows and financial condition.***

We cannot assure you that our growth strategy will continue to be successful or that we will be able to continue to grow further, or at the same rate. For Fiscal Year 2023, our total consolidated revenue from operations and consolidated profit for the year attributable to the Shareholders of the Company decreased by 2.9% and 4.1%, respectively, compared to Fiscal Year 2022.

Growth in our business exposes us to a wide range of increased risks within India, including business risks, operational risks, fraud risks, regulatory and legal risks and the possibility that the quality of our Loan Book may decline. Moreover, our ability to sustain our rate of growth depends significantly upon our ability to manage key issues such as selecting and retaining key management personnel, maintaining effective risk management policies, continuing to offer products which are relevant to our target base of clients, developing managerial experience to address emerging challenges and ensuring a high standard of client service. Our results of operations depend on a number of internal and external factors, including the increase in demand for housing loans in India, competition, the RBI's monetary and regulatory policies, NHB and RBI regulations, inflation, our ability to expand geographically and diversify our product offerings and also, significantly, on our net interest income. Further, it cannot be assured that we will not experience issues such as capital constraints, difficulties in expanding our existing business and operations, and hiring and training of new personnel in order to manage and operate our expanded business.

Our business depends significantly on our marketing initiatives. There can be no assurance in relation to the impact of such initiatives and any failure to achieve the desired results may negatively impact our ability to leverage our brand value. There can also be no assurance that we would be able to continue such initiatives in the future in a similar manner and on commercially viable terms. Furthermore, any adverse publicity about, or loss of reputation by us could negatively impact our results of operations or cash flows.

If we grow our Loan Book too rapidly or fail to make proper assessments of credit risks associated with new borrowers or new businesses, a higher percentage of our loans may become non-performing, which would have a negative impact on the quality of our assets and our business, prospects, financial condition, cash flows and results of operations.

We cannot assure you that our existing or future management, operational and financial systems, processes, procedures and controls will be adequate to support future operations or establish or develop business relationships beneficial to future operations. Any one or a combination of some or all of the above-mentioned factors may result in a failure to maintain the growth of our Loan Book, which may in turn have a material adverse effect on our business, results of operations, cash flows and financial condition.

Please see "*Our Business — Overview*" on page 122 of the Letter of Offer for a tabular summary of our key operating and financial metrics on a consolidated basis as at and for the six months ended September 30, 2023 and as at and for the years ended March 31, 2023 and March 31, 2022.

2. Any increase in the levels of non-performing assets ("NPAs") in our Loan Book, for any reason whatsoever, would adversely affect our business, results of operations, cash flows and financial condition.

RBI Master Directions and the RBI Master Circular on Prudential Norms on Income Recognition, Asset Classification and Provisioning Pertaining to Advances (IRACP norms) dated October 1, 2021 (the "**IRACP Norms**"), which are applicable to us, have laid down prudential norms with regard to NPAs, including in relation to the identification of NPAs and income recognition against NPAs. There is no assurance that our NPA level will continue to stay at its current level. If the credit quality of our Loan Book deteriorates or we are unable to implement effective monitoring and collection methods, our results of operations and financial condition may be adversely affected. As we intend to continue our efforts to originate new loans, we cannot assure you that there will not be significant additional NPAs in our Loan Book in the future.

Further, the RBI Master Directions or the RBI IRACP Norms on NPAs may become more stringent than they currently are, which may materially adversely affect our profitability and results of operations. For instance, the RBI circular RBI/2021-2022/125 titled "Prudential norms on Income Recognition, Asset Classification and Provisioning pertaining to Advances – Clarifications" dated November 12, 2021 ("**Prudential Norms – Clarifications 2021**") read with the Prudential norms on Income Recognition, Asset Classification and Provisioning pertaining to Advances – Clarifications dated February 15, 2022, which is applicable to housing finance companies, provided detailed clarifications regarding the classification and recognition of NPAs. One such clarification requires lenders to classify borrower accounts as overdue as a part of their day-end processes for the due date, irrespective of the time of running such processes. Similarly, classification of borrower accounts as SMA as well as NPA is to be undertaken as part of day-end process for the relevant date and the SMA or NPA classification date is to be the calendar date for which the day-end process is run. Similarly, upgradation of accounts classified as NPA to standard has been made more stringent under the Prudential Norms – Clarifications 2021. As a result of the provisions of the Prudential Norms - Clarifications 2021, our Company may not be able to maintain historic NPA positions, and our NPA position may significantly increase, which may in turn have a material adverse effect on our cash flows, profits, results of operations and financial condition.

The RBI Master Directions also prescribe the provisioning required in respect to our outstanding loans. Should the overall credit quality of our loans deteriorate, the current level of our provisions may not be adequate to cover further increases in the amount of our NPAs.

The following table sets forth, for the periods indicated, information about our NPA portfolio.

Particulars	Consolidated		
	As at and for the Fiscal Years ended March 31,		As at and for the Six Months ended September 30,
	2022	2023	2023
Opening balance at the beginning of the year	21,467.4	23,184.6	19,184.4
Increase/(decrease) in NPAs during the year/period	1,717.2	(4,000.2)	(884.6)
Gross NPAs at the end of the year/period	23,184.6	19,184.4	18,299.8
Provision for NPAs	(9,543.1)	(6,417.6)	(7,744.7)
Provision for NPAs as a percentage of gross NPAs	41.2%	33.5%	42.3%
Net NPAs[1]	13,641.5	12,766.8	10,555.1
Loan Book (including interest accrued)	615,892.6	570,112.2	543,407.4
Net loans	593,326.5	542,764.1	510,736.6
Gross NPAs as a percentage of Loan Book	3.8%	3.4%	3.4%
Net NPAs as a percentage of Loan Book	2.2%	2.2%	1.9%
Net gearing ratio (in times)[2]	2.9	2.5	2.1

Notes:

1. Net NPAs reflect the Group's gross NPAs less provisions for ECL on NPAs.
2. Net gearing ratio refers to borrowings, including temporary overdrawn balances less investment valued at fair value through profit or loss account and cash and cash equivalents (as per balance sheet) at the end of the period divided by the net worth (without netting off goodwill) at the end of the period.

If we are required to increase our provisioning in the future due to increased NPAs or the introduction of more stringent requirements in respect of loan loss provisioning, this may reduce our profit after tax and adversely impact our results of operations. Further, there can be no assurance that we will be able to recover the outstanding amounts due under any defaulted loans. We may also face difficulties in disposing of the underlying assets relating to such loans, as a result of which we may be unable to realize any liquidity from such assets.

Under the RBI's Resolution Frameworks 1.0 and 2.0, which allows one-time restructuring of assets under stress due to the COVID-19 pandemic, we have restructured loans amounting to Rs.361.7 million as at September 30, 2023. As of September 30, 2023, we have total ECL allowance on financial assets and loan commitments amounting to Rs.12,379.9 million on a consolidated basis which is equivalent to 2.3% of our consolidated Loan Book and 67.7% of our consolidated gross NPAs. The ECL allowance also includes provision for increased risk of deterioration of our loan portfolio on account of macroeconomic factors caused by the COVID-19 pandemic.

The provisioning measures imposed by the RBI may also have an adverse effect on our business, cash flows, financial condition and results of operations.

Further, we are subject to risks of customer default which includes default or delays in repayment of principal and/or interest on the loans we provide to our customers. Customers may default on their obligations as a result of various factors, including certain external factors which may not be within our control, such as developments in the Indian economy and the real estate market, movements in global markets, changes in interest rates and changes in regulations. Customers could also be adversely affected by factors such as, bankruptcy, lack of liquidity, lack of business and operational failure. If customers fail to repay loans in a timely manner or at all, it could result in an increase in the levels of NPAs in our loan book and our financial condition and results of operations will be adversely impacted.

3. The RBI Circular on AIFs may have a material adverse impact on our financial results and regulatory capital ratios.

The RBI through its circular dated December 19, 2023 ("**RBI Circular on AIFs**"), barred entities regulated by it, including HFCs and NBFCs ("**Regulated Entity**"), from investing in alternate investment funds ("**AIFs**") that have either direct or indirect investments in a "debtor company" of the Regulated Entity. A "debtor company" includes any company to which the Regulated Entity currently has or previously had a loan or investment exposure anytime during the preceding 12 months. In accordance with the RBI Circular on AIFs,

i. If an AIF scheme, in which the Regulated Entity is already an investor, makes a downstream investment in any such "debtor company", then the Regulated Entity is required to liquidate its investment in the scheme within 30 days from the date of such downstream investment by the AIF; or

ii. If the Regulated Entity has, as on date of the RBI Circular on AIFs, already invested in an AIF scheme having downstream investment in a "debtor company", the Regulated Entity shall liquidate its investment within 30 days of the date of the RBI Circular on AIFs.

In the event the Regulated Entity is unable to liquidate its investments within the prescribed timelines, the Regulated Entity shall make 100% provision on such investments, and we estimate that we will have to create provision of up to approximately Rs.14,000 million.

Additionally, any investment by the Regulated Entity in the subordinated units of any AIF scheme with a "priority distribution model" shall be subject to full deduction from the Regulated Entity's capital funds. This shall adversely impact our regulatory capital ratios.

4. We cannot assure you that we will be able to successfully execute our growth strategies, which could affect our operations, results, financial condition and cash flows.

Our growth strategy includes adopting an "asset-light" business model, increasing the number of loans we extend and expanding our customer base. For further details, see "*Our Business – History and group structure – Our Strategy*" on page 127 of this Letter of Offer. The change to an asset-light business model is a fundamental change to our business, as we focus on co-lending of loans along with other financial institutions and credit funds with banks and increase sell-downs of our loan portfolio. However, there is no assurance that our asset-light business model will be successful. Further, our ability to co-originate loans also depends on the banks with which we enter into co-lending agreements, as they provide 80% of the value of such loans. In addition, we may earn lesser spreads on our loans through the co-lending model, which may adversely impact our business, financial condition, cash flows and results of operations.

Further, we expect that our growth strategy will place significant demands on our management, financial and other resources. While we intend to pursue existing and potential market opportunities, our inability to manage our business plan effectively and execute our growth strategy could have an adverse effect on our operations, results, financial condition and cash flows.

In order to manage growth effectively, we must implement and improve operational systems, procedures and internal controls on a timely basis. Our ability to execute our growth strategies will depend on identifying key target markets correctly, manage our pricing to compete effectively, and scale up and grow our network efficiently. We will also need to manage relationships with a greater number of customers, service providers, lenders and other parties as we expand. If we fail to implement these systems, procedures and controls on a timely basis, or if there are weaknesses in our internal controls that would result in inconsistent internal standard operating procedures, we may not be able to meet our customers' needs, hire and retain new employees, pursue new business, complete future strategic agreements or operate our business effectively. There can be no assurance that our existing or future management, operational and financial systems, procedures and controls will be adequate to support future operations or establish or develop business relationships beneficial to future operations.

Our management may also change our view on the desirability of current strategies, and any resultant change in our strategies could put significant strain on our resources. Further, we may be unable to achieve any synergies or successfully integrate any acquired business into our portfolio. Any business that we acquire may have unknown or contingent liabilities, and we may become liable for the past activities of such businesses.

5. ***We are vulnerable to the volatility in interest rates and we may face interest rate and maturity mismatches between our assets and liabilities in the future which may cause liquidity issues.***

Our operations are particularly vulnerable to volatility and mismatches in interest rates. Our net interest income and profitability directly depend on the difference between the average interest rate at which we lend and the average interest rate at which we borrow. The cost of our funding and the pricing of our loan products are determined by a number of factors, many of which are beyond our control, including the RBI's monetary policies, inflationary expectations, competition, deregulation of the financial sector in India, domestic and international economic and political conditions and other factors. These factors could affect the interest rates charged on interest-earning assets differently than the interest rates paid on interest bearing-liabilities. While any reduction in our cost of funds may be passed on to our customers, we may not have the same flexibility in passing on any increase in our cost of funds to our customers, thereby affecting our net interest income. Similarly, competition pressures may require us to reduce our cost of lending to our customers without a proportionate reduction in our cost of borrowing from our lenders. Further, if we do not pass on the reduced interest rates to our borrowers, it may result in some of the borrowers prepaying the loan to take advantage of the reduced interest rate environment, thereby impacting our growth and profitability. If interest rates rise, some or all of our lenders may increase the interest rates at which we borrow, resulting in an increase in our effective cost of funds. We may or may not be able to pass on the increased interest rates to our borrowers simultaneously with the increase in our borrowing rates, or at all, thereby affecting our net interest income, and we may find it difficult to compete with our competitors, who may have access to low-cost funds or lower cost deposits. Further, an increase in interest rates may result in some of our borrowers prepaying their loans by arranging funds from other less expensive sources, thereby impacting our growth and profitability.

Additionally, an increase in general interest rates in the economy could reduce the overall demand for housing finance and impact our growth. There can be no assurance that we will be able to adequately manage our interest rate risk in the future, and if we are unable to do so, this could have an adverse effect on our net interest income, which could in turn have a material adverse effect on our business, results of operations, cash flows and financial condition. Please see "*Selected Statistical Information — Average Balance Sheet*" on page 153●] of this Letter of Offer for a tabular summary of our average balances for income-earning assets and interest-bearing liabilities together with the related income and expense amounts, resulting in the presentation of the average yields and cost as at and for the fiscal years ended March 31, 2022, March 31, 2023 and as at and for the six months ended September 30, 2023.

While we enter into interest rate swaps to reduce our risk of exposure to interest rate fluctuations, we cannot assure you that such arrangements will sufficiently reduce our exposure to interest rate fluctuations or adequately protect us against any unfavorable fluctuations in the interest rates.

6. ***We, our Directors and Subsidiaries are party to certain legal and regulatory proceedings and any adverse outcome in these or other proceedings may adversely affect our business and operations.***

We, our Directors and Subsidiaries are involved, from time to time, in legal and regulatory proceedings that are incidental to our operations and these involve proceedings filed by and against us. These include criminal and civil proceedings, including arbitration cases, consumer proceedings, tax investigations, labour proceedings and cases filed by us under the Negotiable Instruments Act and Insolvency and Bankruptcy Code, 2016 and applications under the SARFAESI Act challenging proceedings adopted by us towards enforcement of security interests. These proceedings are pending at different levels of adjudication before various courts, fora, authorities, tribunals and appellate tribunals. A significant degree of judgment is required to assess our exposure in these proceedings and determine the appropriate level of provisions, if any. There can be no assurance on the outcome of legal proceedings or that the provisions we make will be adequate to cover all losses we may incur in such proceedings, or that our actual liability will be as reflected in any provision that we have made in connection with any such legal proceedings.

We may be required to devote management and financial resources in the defence or prosecution of such legal proceedings. If a significant number of these disputes are determined against us and if we are required to pay all or a portion of the disputed amounts or if we are unable to recover amounts for which we have filed recovery proceedings, there could be a material and adverse impact on our reputation, business, financial condition, cash flows and results of operations.

For instance, on September 3, 2019, the Citizens Whistle Blower Forum ("**CWBF**") filed a writ petition in public interest litigation ("**PIL**") before the High Court of Delhi at New Delhi ("**Delhi High Court**") against our Company, our erstwhile promoter and others seeking direction for investigation by government authorities into alleged violations by our erstwhile promoter and alleged irregularities pertaining to facilities extended by our Company to five borrower groups. Our Company filed two applications being (i) initiation of prosecution against Prashant Bhushan, the deponent of the PIL, for having made false statements on oath; and (ii) seeking dismissal of the PIL and imposition of exemplary costs, before the Delhi High Court. Further, MCA through its interim affidavit dated October 22, 2019 and additional affidavit dated November 28, 2019, stated that pursuant to the inspection of the books of accounts of our Company, the MCA had received the inspection report on November 15, 2019 which provided that, of the facilities extended to the five borrower groups that were the subject matter of the PIL, three loans were repaid and the remaining two loans were reported to be "Standard Accounts". Additionally, RBI submitted a counter affidavit dated February 26, 2020, in the PIL to place on record certain facts relevant to RBI. Further, based on facts referred to in the counter affidavit, RBI has submitted that the PIL is not maintainable either on facts or on law as against RBI and hence liable to be dismissed as such. SEBI has filed a counter affidavit on January 6, 2020, stating that prima facie, there appears to be no specific allegations of non-compliance of the provisions of the SEBI Act or any of the rules and regulations made thereunder. SEBI also requested for it to be deleted from the array of parties as it was not the proper and necessary party to the proceedings. By an order dated February 28, 2020, the Delhi High Court granted four weeks' time to NHB, the Registrar of Companies, Kolkata and SFIO to file their counter affidavits and the counsel for Union of India sought time to take instructions. NHB submitted a counter affidavit dated November 4, 2020 stating certain procedural lapses that were identified pursuant for which appropriate penalties were imposed. Additionally, CWBF has filed an application seeking restraint on further sale of shares of the Company by Mr. Sameer Gehlaut. The court reserved orders on the petition. Any negative publicity, or an adverse outcome in the ongoing and any future proceedings related to the PIL could have a material adverse impact on our reputation, business prospects and financial condition.

Additionally, we are involved in litigation with Veritas Investment Research Corporation ("**Veritas**") in relation to a report that they published on August 8, 2012, on the Indiabulls group. On August 8, 2012, we published a press release stating that the allegations made in the report were factually incorrect and misleading. A criminal complaint dated August 8, 2012 was registered at the Police Station, Cyber Cell, Mumbai and a FIR was also registered by IBREL on August 8, 2012 at the Police Station, Udyog Vihar, Gurgaon against Veritas, Neeraj Monga and another stating, *inter alia*, that Neeraj Monga threatened to publish the report if the Indiabulls group failed to pay USD 50,000. On August 5, 2014, Veritas and Neeraj Monga filed a claim in the Superior Court of Justice, Ontario, ("**SCJ, Ontario**") against the Indiabulls group claiming an aggregate of 11 million Canadian Dollars as punitive damages on the grounds that the press release dated August 8, 2012 was false and defamatory. A motion challenging the jurisdiction of SCJ, Ontario has been filed by our Company and Indiabulls Real Estate Limited on February 27, 2015, which is currently pending in the SCJ, Ontario.

Our Company, its Directors and Key Managerial Persons had received show cause notices from the Registrar of Companies, NCT of Delhi and Haryana, Ministry of Corporate Affairs, New Delhi ("**RoC**"), for non-compliance of certain applicable provisions and disclosure requirements, under different provisions of the Companies Act, 2013 ("**Act**"), as observed by MCA officials during inspection of our Company records under section 206(5) of the Act for the period from Fiscal Year 2014-15 to Fiscal Year 2016-17, which were compoundable and adjudicable in nature. The Company and its Directors and Key Managerial Persons filed compounding applications and petitions under Section 441 of the Act and application or request for adjudication of penalties under Section 454 of the Act. The compounding applications were adjudicated and the Company and its officers have paid the fees and penalties as imposed. One of the earlier applications filed with ROC for adjudication under Section 454 of the Act has also been heard and adjudicated. Post inspection findings, as desired by the office of the Regional Director, Northern Region ("**RD**"), the Company had duly submitted desired additional information and documents pertaining to Financial Years 2017-18 to 2020-21 with RD office on August 2, 2022. Further, MCA vide their letter dated December 21, 2023 has directed the Company to file compounding/adjudication application for the alleged offences under Section 134(3)(f) and 129 read with Schedule III of Companies Act, 2013 for various financial years, arising out of the supplementary inspection under Section 206(5) of the Act carried out the MCA. Our Company has responded to this letter on January 4, 2024 requesting for details of these non-compliances to proceed further.

In April 2021, an FIR was registered against the Company, its officials and other before the Wada Police Station in Palgarh, Maharashtra ("**Palgarh FIR**"). The Company had filed a petition before the High Court of Bombay seeking quashing of the Palgarh FIR wherein the court stayed further investigations. However, in February 2022, the Enforcement Directorate ("**ED**") conducted searches at our offices in Delhi, Gurugram and Mumbai and sought information regarding certain clients, which our Company duly provided. The ED investigation was under an Enforcement Case Information report ("**ECIR**") that was registered pursuant to the Palgarh FIR. Subsequently, our Company filed a writ petition on February 24, 2022, before the High Court of Delhi seeking quashing of the ECIR. In the meantime, the High Court of Bombay quashed the Palgarh FIR by an order dated May 4, 2022 ("**Order**"). Although the ED is not a party to the quashing proceedings, ED has filed a special leave petition ("**SLP**") against the Order. The SLP is pending admission, no notices have been issued yet. The fact relating to the pending SLP was brought to the notice of the High Court of Delhi by the ED. Separately, the Supreme Court in its judgment dated July 27, 2022 ("**Supreme Court Judgment**"), for certain matters dealing with the Prevention of Money Laundering Act ("**PMLA**") held that proceedings under PMLA cannot continue where the schedule offence has been quashed by a competent court. Consequently, in view of the Order and the Supreme Court Judgment, the High Court of Delhi by its judgement dated September 26, 2022 ("**Order 2**") has quashed the ECIR while also setting aside all proceedings arising from the ECIR including all look out circulars (LOCs) issued thereunder while directing that there would be no further coercive action, search, seizure or summons arising from the ECIR. Furthermore, the ED has filed a special leave petition ("**SLP 1**") against the Order 2. The SLP 1 is pending admission, no notices have been issued yet.

A summary of outstanding legal proceedings involving our Company and our Subsidiaries as on the date of this Letter of Offer is set forth in the table below:

Name of Entity	**Proceedings involving issues of moral turpitude or criminal liability**	**Civil proceedings where the amount involved is equivalent to or in excess of the Materiality Threshold**	**Tax proceedings where the amount involved is equivalent to or in excess of the Materiality Threshold**	**Proceedings before regulatory authorities involving material violations of statutory regulations**	**Matters involving economic offences where proceedings have been initiated**	**Other pending matters which, if they result in an adverse outcome, would materially and adversely affect the operations or the financial position**	**Aggregate amount involved *(to the extent quantifiable) (₹ in million)***
Company							
By our Company	7#	25	Nil	Nil	Nil	Nil	39,146.9
Against our Company	15	10	Nil	Nil	Nil	Nil	6,098.6*
Our Subsidiaries							
By our Subsidiaries	Nil	7	Nil	Nil	Nil	Nil	14,718.6
Against our Subsidiaries	2	6	1	Nil	Nil	Nil	6,666.0*

**We have not included amounts in relation to matters which have no financial implication on us.*

 # Excluding criminal complaints filed by the Company (i) under Section 138 of Negotiable Instruments Act, 1881 and Section 25 of the Payment and Settlement Systems Act, 2007 and (ii) FIRs registered, each in the ordinary course of business.

Any adverse outcome in the ongoing and any future proceeding, could have a material adverse impact on our reputation, business prospects and financial condition. For further details, please see "*Outstanding Litigation and Defaults*" on page 637 of this Letter of Offer.

7. We have geographic concentration in certain states and therefore are dependent on the general economic conditions and activities in these cities.

As of September 30, 2023, 72% of our retail Loan Book was geographically concentrated in Maharashtra, Uttar Pradesh, Haryana, Karnataka and Delhi and 94% of our wholesale Loan Book was geographically concentrated in Maharashtra, Haryana, Karnataka, Delhi and Telangana. Our concentration in these states or urban clusters exposes us to any adverse geological, ecological, economic and/or political circumstances in those respective regions. If there is a sustained downturn in the economy of those regions or a sustained change in housing market in those regions for any reason, our financial position may be adversely affected.

8. We have significant exposure to certain borrowers. Any negative developments impacting the ability of such borrowers to perform their obligations under their existing financing agreements with us and increase in the level of gross stage 3 assets in our portfolio, may adversely affect our business, financial performance and results of operations.

The table below sets forth the adjusted loans and advances of our top 20 borrowers, on a standalone basis (excluding credit substitutes) as a percentage of our total loans book as of September 30, 2023, March 31, 2023 and March 31, 2022, respectively.

Particulars	**Standalone**		
			As at September 30,
	2022	**2023**	**2023**
Adjusted loans and advances of the top 20 borrowers as a percentage of total loan book	23.5%	25.8%	27.7%

We may continue to have significant concentration of loans to such borrowers or other large corporate groups in India. Any negative developments impacting the ability of such borrowers to perform their obligations under their financing agreements with us, including any defaults on their obligations as a result of their bankruptcy, competition within their respective sectors, lack of liquidity, operational failure, government or other regulatory intervention, among others, may increase the level of gross stage 3 assets in our portfolio and may adversely affect our business, financial performance and results of operations.

9. The Equity Shares and non-convertible debentures of our Company are listed on BSE and NSE. Therefore, our Company is subject to certain obligations and reporting requirements under the SEBI Listing Regulations. Any non-compliance or delay in complying with such obligations and reporting requirements may render us liable to prosecution and/or penalties.

The Equity Shares and non-convertible debentures of our Company are listed on BSE and NSE. We are, therefore, subject to the obligations and reporting requirements prescribed under the SEBI Listing Regulations. Our Company has, in the past, been issued warning letters by SEBI and subjected to payment of penalties and fines levied by the Stock Exchanges for non-compliance and non-disclosures under certain provisions of the SEBI Listing Regulations, which have, as on the date of this Letter of Offer, been rectified. While our Company endeavours to comply with all such obligations and reporting requirements, there may at times be inadvertent non-disclosures and/or delayed or erroneous disclosures and/or any other violations which may be committed by us, and the same may result into the Stock Exchanges and/or SEBI imposing penalties, issuing warnings or show cause notices against us and/or taking actions as provided under the SEBI Act and rules and regulations made thereunder and applicable SEBI circulars. For instance, we were issued a warning letter dated February 22, 2022, by SEBI for inadequate disclosures on our website with respect to Director's familiarization programs and non-compliance with our related party transaction policy under the SEBI Listing Regulations. We have since taken corrective measures by making appropriate disclosures on our website and placed the aforementioned letter before the Audit Committee and Board of Directors, in addition to forwarding the letter to the Stock Exchanges and SEBI with our comments. Any adverse regulatory action or such development could affect our business reputation, divert management attention, and result in a material adverse effect on our business prospects and financial performance.

10. ***We may face asset-liability mismatches, which could affect our liquidity and consequently affect our operations and financial performance adversely.***

We may also face potential liquidity risks due to mismatches in the maturity of our assets and liabilities. Such mismatches, where the financial terms of an institution's assets and liabilities do not match, are a key financial parameter for us. As is typical for a company in the business of lending, a portion of our funding requirements is met through short- and medium-term funding sources such as bank loans, non-convertible debentures, commercial paper or cash credit. Our inability to obtain additional credit facilities or renew our existing credit facilities for matching the tenure of our liabilities in a timely and cost-effective manner, or at all, may lead to mismatches between our assets and liabilities, which in turn may adversely affect our operations and financial performance.

The table below sets forth our asset liability management maturity pattern of certain items of assets and liabilities as of September 30, 2023 on a standalone basis.

Particulars	**1 day to 30/31 days (1 month)**	**Over one month to two months**	**Over 2 months to 3 months**	**Over 3 months to 6 months**	**Over 6 months to 1 year**
			(in Rs. millions)		
Liabilities					
Borrowing from banks[(2)]	2,255.3	1,335.5	4,061.7	8,193.4	15,493.4
Market borrowings	1,239.1	6,485.0	1,474.7	22,782.9	25,267.0
Foreign Currency Liabilities	—	—	37.1	12.5	—
Assets					
Advances	14,584.6	8,598.9	5,846.0	20,653.9	39,650.5
Investments[(3)]	6,983.0	1,097.7	1,702.4	8,882.4	7,064.1
Foreign Currency Assets	—	—	—	—	—

Particulars	**Over 1 to 3 years**	**Over 3 to 5 years**	**Over 5 years**	**Grand Total**
		(in Rs. millions)		
Liabilities				
Borrowing from banks[(2)]	78,546.2	43,124.2	8,472.1	161,481.8
Market borrowings	85,137.2	102,493.8	31,099.2	275,978.8
Foreign Currency Liabilities	404.5	—	—	454.1
Assets				
Advances	188,153.3	136,251.8	87,238.5	500,977.5
Investments[(3)]	53,021.1	6,136.3	38,658.2	123,545.2
Foreign Currency Assets	3,212.4	—	—	3,212.4

Note:

1. In addition to the investments shown in the table above, the company also had cash, cash equivalents and bank balances of Rs.34,763.6 million as at September 30, 2023.

2. Net of lease liability recognized under Ind AS 116 in respect of leases (other than short-term leases) aggregating to Rs.2,848.2 million as at September 30, 2023.
3. Investments includes assets held for sale amounting to Rs.3,524.0 million and fixed deposit with bank amounting to Rs.6,056.1 million as at September 30, 2023.

11. The audit report of the Statutory Auditors on our consolidated audited financial statements for Fiscal Year 2023 and the review reports of the Statutory Auditors on our consolidated interim condensed unaudited financial statements for the six months ended September 30, 2023 contain certain remarks and matters of emphasis, which are set forth below:

Financial year ended March 31, 2023:

Emphasis of Matter

1. Our Statutory Auditors have drawn attention to Note 33(ix) of the Audited Consolidated Financial Statements which states that as at March 31, 2023, the Holding Company is unable to meet its Principal Business Criteria ("**PBC**") pursuant to the requirements of para 5.3 of the Master Direction - Non Banking Financial Company – Housing Finance Company ("**NBFC-HFC**") (Reserve Bank) Directions, 2021. The Holding Company has submitted a plan for reorganisation approved by its Board of Directors to the Reserve Bank of India ("**RBI**") on April 28, 2023 for conversion into an NBFC-ICC and has been granted timeline up to September 30, 2023 by the RBI to implement such plan.
2. Our Statutory Auditors have drawn attention to Note 47 of the Audited Consolidated Financial Statements which states that the Holding Company has withdrawn an amount of Rs.5,250 million net of related tax impact towards the impairment allowance on financial instruments, from the additional special reserve created under Section 29 C of the National Housing Bank Act, 1987 in accordance with the Master Direction - Non-Banking Financial Company - Housing Finance Company (Reserve Bank) Directions, 2021 issued by the Reserve Bank of India read with erstwhile NHB circular no NHB(ND)/DRS/Polo. 03/2004-05 dated August 26, 2004.

Our Statutory Auditors' opinion was not modified in respect of the above matters.

Other Matters

a. The accompanying statement includes the financial results of 13 subsidiaries whose financial statements reflects total assets of Rs. 144,159.4 million as at 31 March 2023, total revenue of Rs.4,818.2 million and Rs.19,646.4 million, net profit after tax of Rs.2,260.8 million and Rs.5,136.1 million and total comprehensive income of Rs.2,261.9 million and Rs.5,137.4 million for the quarter and year ended March 31, 2023 respectively and net cash inflows of Rs.5,114.3 million for the year ended March 31, 2023, as considered in the consolidated financial results. These financial statements have been audited by other auditors whose reports have been furnished to our Statutory Auditors by our Board of Directors. Our Statutory Auditors' opinion on the consolidated financial results, in so far as it relates to the amounts and disclosures included in respect of these entities, is based solely on the report of such auditors.

b. The accompanying statement includes the financial results of 1 subsidiary, whose financial information reflects total assets of Rs. Nil as at March 31, 2023, total revenue of Rs. Nil, net profit / (loss) after tax of Rs. Nil and total comprehensive income / (loss) of Rs. Nil for the quarter and year ended March 31, 2023 and net cash outflows/(inflows) of Rs. Nil for the year ended March 31, 2023, as considered in the Audited Consolidated Financial Statements. These financial information are unaudited and have been furnished to our Statutory Auditors by our Board of Directors. Our Statutory Auditors' opinion on the statement, in so far as it relates to the amounts and disclosures included in respect of this entity is based solely on such unaudited financial information. In our Statutory Auditors' opinion and according to the information and explanations given to our Statutory Auditors by our Board of Directors, these financial information are not material to the Group.

Our Statutory Auditors' opinion on the statement was not modified in respect of the above matters with respect to our Statutory Auditors' reliance on the work done and the reports of the other auditors and the financial information certified by our Board of Directors.

c. The statement include the results for the quarter ended March 31, 2023 being the balancing figure between the audited figures in respect of the full financial year and the published unaudited year to date figures up to the third quarter of the current financial year which were subject to limited review by our Statutory Auditors. Our Statutory Auditors' opinion was not modified in respect of the above matter.

Six months ended 30 September 2023

Emphasis of Matter

1. Our Statutory Auditors have drawn attention to draw attention to Note 7 to the accompanying statement which states that the Holding Company has applied to the RBI for change of its Certification of Registration to Non-Banking Financial Company-Investment and Credit Company (NBFC-ICC) consequent to the Holding Company not meeting the Principal Business Criteria for Housing Finance Companies as laid out in para 5.3 of NBFC-HFC (Reserve Bank) Directions, 2021 and is awaiting approval from RBI for the conversion.

Other Matters

a. The accompanying statement includes the unaudited interim financial results and other financial information, in respect of 10 (ten) subsidiaries, whose unaudited interim financial results include total assets of Rs.132,823.5 million as on September 30, 2023, total revenues of Rs 4,737.9 million & Rs.7,307.3 million, total net profit after tax of Rs.301.3 million & Rs.1,392.5 million and total comprehensive income of Rs.421.6 million & Rs.1,514.2 million for the quarter and half year ended September 30, 2023 respectively as considered in the statement which have been reviewed by their respective independent auditors. The independent auditors review reports on interim financial results of these entities have been furnished to the Statutory Auditors by our management and conclusion on the statement, in so far as it relates to the amounts and disclosures in respect of these subsidiaries, is based solely on the reports of such auditors and procedures performed by the Statutory Auditors as stated in paragraph 3 of their review report.

b. The accompanying Statement includes unaudited interim financial information in respect of 2 (two) subsidiaries, whose interim financial information reflect total revenues of Rs.(8.1) million, total net loss after tax of Rs.16.6 million and total comprehensive loss of Rs.16.6 million for the period April 1, 2023 to May 2, 2023 and in respect of 1 (one) subsidiary, whose interim financial information reflect total revenue of Rs. Nil, total net profit after tax of Rs. Nil and total comprehensive income of Rs. Nil for the period April 1, 2023 to September 21, 2023. The unaudited interim financial information of these subsidiaries has not been reviewed by any auditor and has been approved and furnished to the Statutory Auditors by the management and conclusion on the statement, in so far as it relates to the affairs of these subsidiaries, is based solely on such unaudited interim financial information. According to the information and explanations given to the Statutory Auditors by the management, the interim financial information in respect of these subsidiaries are not material to the Group.

12. ***Our indebtedness and conditions and restrictions imposed by our financing arrangements could adversely affect our ability to conduct our business and operations.***

As at September 30, 2023, our consolidated borrowings (other than debt securities) were Rs.281,361.1 million, consolidated debt securities were Rs.160,775.1 million and consolidated subordinated liabilities were Rs.42,068.9 million. We have entered into agreements with certain banks and financial institutions for short-term and long-term borrowings. Some of our agreements require us to take consent from our lenders and trustees for undertaking various actions, including for:

- entering into any schemes of mergers, amalgamations, compromise or reconstruction;
- enter into any borrowing arrangement with any bank, financial institution, company or person;
- approaching capital market for mobilizing additional resources either in the form of debt or equity;
- changing the substantial nature of the business of our Company;
- effecting any change in our capital structure, including shareholding of our erstwhile promoter and erstwhile promoter group;
- any material change in our management, ownership, shareholding pattern or business;
- any amendments to our Memorandum or Articles of Association;
- undertaking guarantee obligations on behalf of any third party;
- declare any dividends to our shareholders if there is a subsisting event of default or breach in any financial covenant;
- transfer or dispose of any of our undertakings;
- utilization of funds for any other purpose other than for which approval has been granted or agreed to be granted; and
- entering into any long-term contractual obligations that significantly affect the lender or trustee.

Our Company has obtained consents from its lenders and trustees in 2021 for issuing securities for an amount aggregating up to ₹37,500 million from time to time ("**Approved Limit**") including pursuant to this Issue. However, since this Issue may result in our Company issuing fresh equity shares beyond the Approved Limit, our Company has subsequently, on January 15, 2024, written to our lenders, wherever applicable, expressing our intent to issue securities for an additional amount limit aggregating up to ₹50,000 million from time to time and our trustees have given their approval for the additional limit through their letters dated January 17, 2024 and January 25, 2024. While all such letters have been acknowledged by the respective lenders, formal consents have not been issued by the lenders in the manner that is customary to such transactions. If the above is not deemed to be in compliance with the conditions in our loan agreements, lenders may take appropriate actions, as may be prescribed in their loan agreements. Our loan agreements contain, *inter alia*, cross-default and cross-acceleration clauses, which are triggered in the event of default by our Company under the respective loan agreements. Additionally, some of our loan agreements also require us to maintain certain periodic financial ratios. Non-compliance with such covenants could result in penal interest being charged or trigger events of default under the relevant financing agreements. In the past, we have not been in compliance with financial covenants under certain of our loan agreements. We cannot assure you that we will be able to meet all the financial/ non-financial covenants/ ratios and other covenants included in the financing agreements in future. Also, our Company has certain loan facilities which the lenders can recall without any cause, which may have an adverse effect on our business operations and cash flows.

Our future borrowings may also contain similar restrictive provisions. In the event that we breach any financial or other covenants contained in any of our financing arrangements or in the event that we had breached any terms in the past which are only identified in the future, we may be required to immediately repay our borrowings either in whole or in part, together with any related costs. We may be forced to sell some or all of the assets in our portfolio if we do not have sufficient cash or credit facilities to make repayments.

We cannot assure you that our business will generate sufficient cash to enable us to service our debt or to fund our other liquidity needs. In addition, we may need to refinance all or a portion of our debt on or before maturity. We cannot assure you that we will be able to refinance any of our debt on commercially reasonable terms or at all.

The following table sets out our sources of funding as at September 30, 2023, March 31, 2023 and 2022.

Source of Funding	**Consolidated**		
			As at September 30,
	2022	**2023**	**2023**
		(Amount in Rs. Million)	
Debt Securities..	236,653.4	188,370.7	160,775.1
Borrowings (other than Debt Securities).....	330,679.9	291,694.6	281,361.1
Subordinated liabilities	46,260.3	43,969.4	42,068.9
Total Debt..	**613,593.6**	**524,034.7**	**484,205.1**

13. ***We are subject to periodic inspections by the NHB and RBI. Non-compliance with the NHB's or RBI's observations made during any such inspections could adversely affect our reputation, financial condition and results of operations.***

We are subject to periodic inspection by the NHB under the NHB Act, wherein the NHB inspects our books of accounts and other records for the purpose of verifying the correctness or completeness of any statement, information or particulars furnished to the NHB or for obtaining any information, which we may have failed to furnish when called upon to do so. Inspection by the NHB is a regular exercise and is carried out periodically by the NHB for all housing finance institutions under the NHB Act. In its past, the NHB has (a) identified certain deficiencies in our operations, (b) made certain observations in relation to our operations and non-compliance with provisions under the RBI Master Directions in relation to meeting the principal business criteria during its periodic inspections and (c) sought certain clarifications and supporting documents on our operations. While we attempt to be in compliance with all regulatory provisions applicable to us, in the event that we are unable to comply with the observations made by the NHB, we could be subject to penalties and restrictions which may be imposed by the NHB. For instance, NHB had conducted a special audit pursuant to which detailed inspection of the Company was carried out. During the inspection, NHB observed certain non-compliances with applicable law and subsequently through an order dated February 26, 2021 levied penalty aggregating to Rs.2.4 million (inclusive of applicable GST) for said non-compliance, procedural lapses and operational shortcomings. While our Company has paid the requisite penalty, imposition of any penalty or adverse finding by the NHB during any future inspection may have a material adverse effect on our reputation, business, financial condition, results of operations and cash flows. For the year ended March 31, 2022, our Company has received the preliminary observations from the NHB, and we have submitted our responses to those observations. The final supervisory rating for the year ended March 31, 2022 from NHB is pending. The NHB inspection for the year ended March 31, 2023 has not been conducted as on the date of this Letter of Offer.

Further, pursuant to the NHB Act Amendments, in addition to the NHB's inspection, the RBI will also have the power to conduct inspections. Additionally, our Material Subsidiary has obtained a certificate of registration from the RBI to operate as an NBFC without accepting deposits which requires it to comply with certain terms and conditions in order for it to continue its NBFC operations. The RBI conducts an annual inspection of our Material Subsidiary's books of accounts and other records relating to its financial position under Section 45N of the RBI Act. RBI's inspection is a regular exercise and is carried out periodically by the RBI for banks, financial institutions and NBFCs. For instance, the RBI has conducted periodic inspections in the past on various matters addressing our Material Subsidiary's operations and relating to, among other things, its (i) internal controls and processes, (ii) risk management systems, (iii) policies, (iv) management and (v) other operational matters. In the event there are certain lapses in compliances or observations made by RBI during the said inspections, RBI may impose penalties and restrictions on our Material Subsidiary. For instance, RBI issued a show cause notice to ICCL for certain non-compliances under the Master Direction - Know Your Customer (KYC) Direction, 2016 pertaining to (i) non-allotment of UCIC; and (ii) failure to implement KYC based risk categorization for fiscal 2020. Through an order dated September 9, 2022 the RBI imposed a penalty of Rs.1.2 million in this regard.

While we attempt to be in compliance with all the regulatory provisions applicable to us, in the event we are not able to comply with the observations made by the regulators, we could be subject to supervisory actions, which may have a material adverse effect on our reputation, financial condition and results of operations.

14. A substantial portion of our Loan Book is exposed to corporates in the real estate sector ("Corporate Borrowers") and such Corporate Borrowers may be party to legal proceedings, which, if determined against them, could affect our ability to recover loans granted to such Corporate Borrowers.

Our lending products include housing loans and non-housing loans. A substantial portion of our Loan Book is exposed to the real estate sector as the underlying security on these loans is primarily mortgages. The economic slowdown caused by the spread of COVID-19 pandemic has impacted the real estate sector including our Corporate Borrowers thereby resulting in default on payment of outstanding dues by entities in real estate sector. On account of such defaults, amongst others, there are ongoing legal proceedings initiated by third parties against certain of our Corporate Borrowers and these entities may become liable to various further legal proceedings. Any adverse outcome in such legal proceedings against the Corporate Borrowers, their promoters or any entities associated with them may adversely impact our ability to recover outstanding dues or enforcement of security on such loans. Our inability to recover outstanding dues or enforcement of security may in turn have a material adverse effect on our business, results of operations, cash flows and financial condition.

15. Any downgrade in our credit ratings may increase interest rates for refinancing our outstanding debt, which would increase our financing costs, and adversely affect our future issuances of debt and our ability to borrow on a competitive basis.

Credit ratings reflect the opinions of ratings agencies on our financial strength, operating performance, strategic position and ability to meet our obligations. These ratings signify a high degree of safety regarding timely servicing of financial obligations and very low credit risk and allow us to access debt financing at competitive rates of interest. We have a long-term credit rating of "CRISIL AA/Stable" from CRISIL, "[ICRA] AA (Stable)" from ICRA and "CARE AA-; Stable" from CARE Ratings for non-convertible debentures and subordinated debt programme. Additionally, we have a long-term credit rating of "CRISIL AA/Stable" from CRISIL and "CARE AA-; Stable" from CARE Ratings for our long-term bank facilities. We also have the highest short-term credit rating of "CRISIL A1+" from CRISIL for our commercial paper programme and have short term ratings of "CRISIL A1+" from CRISIL and "CARE A1+" from CARE ratings for short term bank facilities. While CRISIL, ICRA and Moody's have revised the outlook of our long-term debt instruments and bank facilities from negative to stable, any downgrades in our credit ratings may increase interest rates for refinancing our outstanding debt, which would increase our financing costs, and adversely affect our future issuances of debt and our ability to borrow on a competitive basis, which may adversely affect our business, financial condition, results of operations and cash flows. Further, any downgrade in our credit ratings may also trigger an event of default or acceleration of certain of our borrowings.

16. We may experience difficulties in expanding our business or pursuing new business opportunities in new regions and markets.

As part of our growth strategy, we continue to evaluate attractive growth opportunities to expand our business and pursue new business opportunities in new regions and markets.

Factors such as competition, customer requirements, regulatory regimes, culture, business practices and customs in these new markets may differ from those in our current markets, and our experience in our current markets may not be applicable to these new markets.

Our present and future business may be exposed to various additional challenges, including obtaining necessary governmental approvals, identifying and collaborating with local business and partners with whom we may have no previous working relationship; successfully marketing our products in markets with which we have no previous familiarity; attracting potential customers in a market in which we do not have significant experience or visibility; attracting and retaining new employees; expanding our technological infrastructure; maintaining standardized systems and procedures; and adapting our marketing strategy and operations to different regions of India or outside India in which different languages are spoken. To address these challenges, we may have to make significant investments that may not yield the desired results, or incur costs that we may not recover. Our inability to expand our current operations or pursue new business opportunities may adversely affect our business prospects, financial condition, cash flows and results of operations.

In addition, we also serve low- and middle-income segment in semi-urban areas in India, where infrastructure may be limited, particularly for transportation, electricity and internet bandwidth. At our branch offices in remote markets, we may face difficulties in conducting operations, such as accessing power facilities, transporting people and equipment, and implementing technology measures. We may also face increased costs in conducting our business and operations and implementing security measures. We cannot assure you that such costs will not increase in the future as we expand our branch network in rural and semi urban markets, which could adversely affect our profitability.

17. ***Our Company and our Material Subsidiary have issued recall notices and subsequently initiated legal proceedings in connection with loan facilities extended to certain entities wherein Rana Kapoor (former CEO and promoter of an Indian private sector bank) and/or his relatives were guarantors; or in a few facilities, where Rana Kapoor was a co-borrower. In the event that we are unable to recover whole or part of the outstanding dues under these loan facilities, our reputation, financial condition and cash flows could be adversely impacted.***

Our Company and our Material Subsidiary had served 11 recall notices, each dated March 9, 2020 (collectively, "**Recall Notices**") recalling the entire outstanding loan amount in relation to the loan facilities extended to certain entities wherein Rana Kapoor and/or his relatives were guarantors; or in a few loan facilities, where Rana Kapoor was a co-borrower ("**Noticees**", and such loan facilities, "**RK Group Facilities**") on account of an alleged material adverse event as contemplated under the respective facility documents which resulted in an event of default in relation to the RK Group Facilities.

Subsequently, on June 18, 2020, our Company and our Material Subsidiary issued 21 notices under Section 13(2) of the SARFAESI Act ("**SARFAESI Notices**") to the Noticees in their capacity as the mortgagor, borrower and/or guarantor for the RK Group Facilities, upon such RK Group Facilities being classified as NPAs in accordance with the applicable prudential guidelines for HFCs. By way of the SARFAESI Notices, our Company has called upon the Noticees to forthwith pay the outstanding amount, aggregated across all individual SARFAESI Notices of Rs.23,645.7 million together with TDS amount of Rs.115.3 million due as on the date of the SARFAESI Notices, along with applicable interest amounts thereon in the SARFAESI Notices. In terms of the SARFAESI Notices, in the event the outstanding dues are not cleared within 60 days from the date of issuance of the SARFAESI Notices, our Company in its capacity as the financial creditor shall be entitled to take such steps as provided under Section 13(4) of the SARFAESI Act, which include, *inter alia*, taking possession and disposing of the secured assets as described in the SARFAESI Notices. Our Company has, through notices, each dated September 4, 2020, issued under Section 13(4) of the SARFAESI Act and newspaper publications on September 6, 2020, and September 7, 2020, taken symbolic possession of the secured assets as described in the SARFAESI Notices.

Certain Noticees have filed securitization applications before the Debts Recovery Tribunal-II at New Delhi against our Company challenging the notices issued by the Company under the SARFAESI Act and the notices of sale under Rule 8(6) of the Security Interest Enforcement Rules, 2002.

Further, our Company has also filed applications under Section 9 of the Arbitration and Conciliation Act, 1996 before the High Court of Delhi. Through its orders, each dated March 13, 2020, the Delhi High Court has, inter alia, restrained the Respondents from creating any encumbrance or lien or third-party rights on the secured assets. By its common order dated June 29, 2020, the Delhi High Court extended the operation of the interim orders, each dated March 13, 2020 and fixed the next date of hearing to September 3, 2020. Through its common order dated September 3, 2020, the Delhi High Court has disposed of the Sections 9 Applications and has ordered the Sections 9 Applications to be treated as applications made under Section 17 of the Arbitration and Conciliation Act, 1996 and same are to be filed before the sole arbitrator Justice Deepak Verma (retired). The operation of the orders dated March 13, 2020 has been extended till September 19, 2020. Further, the Delhi High Court has also ordered that the sole arbitrator Justice Deepak Verma (retired) may modify, continue or vary the operation of the orders dated March 13, 2020.

Additionally, our Company also invoked the arbitration clause and initiated 10 arbitral proceedings, and ICCL has also invoked the arbitration clause and initiated 1 arbitral proceeding, before Justice Deepak Verma (retired) as the sole arbitrator in each of the 10 arbitral proceedings for recovery of the amounts due by the Noticees. A consolidated award dated February 28, 2023 in relation to the 'lead matter' was passed by the learned sole arbitrator concluding all the arbitral proceedings under Section 32 of the Arbitration and Conciliation Act, 1996. Entities wherein Rana Kapoor and/or his relatives were guarantors have filed 10 appeals under Section 34 of the Arbitration and Conciliation Act, 1996. The matters are currently pending.

We may be required to devote management and financial resources in such legal proceedings. If a significant number of these disputes are determined against our Company and if we are unable to recover amounts for which we have filed recovery proceedings, there could be a material and adverse impact on our business, financial condition and results of operations. For further details, see "*Outstanding Litigation and Defaults*" on page 637 of this Letter of Offer.

18. ***We may have to comply with stricter regulations and guidelines issued by regulatory authorities in India, including the NHB and RBI, which may increase our compliance costs, divert the attention of our management and subject us to penalties.***

We are regulated principally by and have reporting obligations to the NHB and the RBI. We are also subject to the corporate, taxation and other laws in effect in India. The regulatory and legal framework governing us differs in certain material respects from that in effect in other countries and may continue to change as India's economy and commercial and financial markets evolve. In recent years, existing rules and regulations have been modified, new rules and regulations have been enacted and reforms have been implemented which are intended to provide tighter control and more transparency in India's housing finance sector.

The laws and regulations governing the housing finance industry in India have become increasingly complex and cover a wide variety of issues. Compliance with many of the regulations applicable to our operations in India, including any restrictions on investments and other activities currently being carried out by us, involves a number of risks, particularly in markets where applicable regulations may be subject to varying interpretations.

Moreover, new regulations may be passed that restrict our ability to do business. Further, these regulations are subject to frequent amendments and depend upon government policy. We cannot assure you that we will not be subject to any adverse regulatory action in the future. The costs of compliance may be high, which may affect our profitability. If we are unable to comply with any such regulatory requirements, our business and results of operations may be materially and adversely affected.

Further, the NHB Act Amendments have come into force on August 9, 2019. Pursuant to the NHB Act Amendments, amongst others, (i) HFCs are now required to apply to the RBI for registration under the NHB Act, in place of the NHB; and (ii) the RBI has now been conferred the power (a) to determine the percentage of assets to be maintained in terms of its investments and its reserve fund to be maintained; and (b) to regulate, by specifying conditions or prohibit the issue by any HFC of any prospectus or advertisement soliciting deposits of money from the public. However, the NHB Act Amendments, retain certain powers with the NHB, in addition to conferring such powers on the RBI, such as power to conduct inspections and request for documents from the HFCs. The NHB Act Amendments also provide for certain powers to be exercised by the RBI concurrently with the NHB, such as the power to conduct inspections and request for documents from the HFCs.

Further, pursuant to the notification of the RBI dated November 19, 2019 and the amendments to the 'Master Directions – Exemptions from the RBI Act, 1934' issued by the RBI on November 11, 2019, certain existing exemptions available to HFCs under the RBI Act have been withdrawn and accordingly HFCs shall also be subject to regulation and directions of the RBI. Accordingly, there may be further scrutiny and instructions from the RBI in relation to the regulation of HFCs. If we fail to comply with such requirements, we may be subject to penalties or compounding proceedings.

On June 17, 2020, the RBI released proposed changes to be undertaken in the regulatory framework for HFCs post the transfer of regulation of HFCs from NHB to the RBI with effect from August 9, 2019, for public comments ("**Draft Framework**"). These included changes such as (a) defining principal business and qualifying assets for HFCs; (b) defining the phrase 'providing finance for housing' or 'housing finance'; (c) classification of HFCs as systematically important or non-systematically important; and (d) applicability of liquidity risk framework, liquidity coverage ratio, and securitization of NBFCs to HFCs.

Based on the inputs received in relation to the Draft Framework, the RBI issued a revised framework for regulating the HFCs by way of its circular dated October 22, 2020 ("**Revised HFC Framework**"). Pursuant to the Revised HFC Framework, the RBI has, amongst others, (a) exempted HFCs from the applicability of section 45-IA, 45-IB and 45-IC of the RBI Act; (b) increased the minimum net owned fund requirement for HFCs from ₹10 crore to ₹20 crore; and (c) extended applicability of regulations applicable on NBFCs to HFCs pertaining to monitoring of frauds, information technology framework and implementation of Indian Accounting Standards for impairment allowances and regulatory capital. Further, pursuant to the Revised HFC Framework, the Master Directions on Non-Banking Financial Company - Systemically Important Non-Deposit taking Company and Deposit taking

Company (Reserve Bank) Directions, 2016 have been made applicable on various aspects including loan against security of shares and gold jewelry, securitization transactions, managing risk and code of conduct in outsourcing, liquidity risk management framework and liquidity coverage ratio. On February 17, 2021, the RBI NBFC-HFC Regulations have been notified, and amended from time to time, and are applicable to us.

Additionally, pursuant to the RBI Master Directions, HFCs are currently required to pursue liquidity risk management which should cover, among other things, adherence to gap limits, making use of liquidity risk monitoring tools and adoption of stock approach to liquidity risk. We are required to maintain a liquidity buffer in terms of liquidity coverage ratio ("**LCR**") that enables us to survive any acute liquidity stress scenario for 30 days. As of September 30, 2023, we are required to maintain an LCR of 60%. Our LCR as of September 30, 2023 was 62%. We may be unable to comply with any increased or more stringent regulatory requirements, in part or at all. For further details, please see "*Risk Factor – We are a housing finance company ("HFC") and subject to various regulatory and legal requirements. Also, future regulatory changes may have a material adverse effect on our business, results of operations, cash flows and financial condition*" on page 38 of this Letter of Offer.

Activities of HFCs are primarily regulated by the RBI and supervised by the NHB, including various aspects of our business such as definition of housing finance and housing finance company, net owned fund requirement, capital adequacy, sourcing of funds, on-boarding of customers, credit approval and risk management and asset classification and provisioning. Accordingly, there may be further scrutiny and instructions from the RBI in relation to the regulation of HFCs. If we fail to comply with such requirements, we may be subject to penalties or compounding proceedings.

Further, pursuant to notification dated November 18, 2019 issued by the Ministry of Corporate Affairs, certain prescribed non-banking finance companies (which include HFCs) with asset size of Rs.5,000 million or more, as per last audited balance sheet have been notified as a category of financial service providers ("**Notified FSPs**"). The Ministry of Corporate Affairs has also issued the Insolvency and Bankruptcy (Insolvency and Liquidation Proceedings of Financial Service Providers and Application to Adjudicating Authority) Rules, 2019, in terms of which the RBI may initiate insolvency and liquidation proceedings under the IBC against Notified FSPs (which includes our Company) for a 'default' in terms of the IBC.

If the interpretation of the regulators and authorities varies from our interpretation, we may be subject to penalties and our business could be adversely affected. Any changes in the existing regulatory framework, including any increase in the compliance requirements, may require us to divert additional resources, including management time and costs towards such increased compliance requirements. Such an increase in costs could have an adverse effect on our business, prospects, financial condition and results of operations.

Additionally, our management may be required to divert substantial time and effort towards meeting such enhanced compliance requirements and may be unable to devote adequate time and efforts towards our business, which may have an adverse effect on our future business, prospects, financial condition and results of operations.

There can be no guarantee that we will be able to comply with any increased or more stringent regulatory requirements, in part or at all. Failure to comply with such further regulatory requirements could lead to regulatory actions, including penalties, which may have an adverse effect on our future business, prospects, financial condition, cash flows and results of operations.

19. ***Our business and operations significantly depend on senior management and key employees and may be adversely affected if we are unable to retain them.***

Our business and operations largely depend on the continued services and performance of our senior management and other key employees and our ability to attract and retain such personnel. On August 12, 2020, Mr. Sameer Gehlaut relinquished the office of executive chairman and was replaced by Mr. Subhash Sheoratan Mundra as our Non-executive Chairman. Subsequently, Mr. Sameer Gehlaut resigned from his post of Non-Executive, Non-Independent Director on the Board of our Company with effect from March 14, 2022, and along with the members of the erstwhile promoter group, requested to be re-classified from the 'promoter and promoter group' category to 'public' category of shareholders of our Company, in accordance with Regulation 31A of the SEBI Listing Regulations, subject to receipt of requisite approvals. Thereafter, the Board, at its meeting held on March 15, 2022, considered and approved the request. Further, the Shareholders of the Company, at their extraordinary general meeting held on April 18, 2022, approved said re-classification, subject to Stock Exchanges and other approvals. On April 19, 2022, the Company filed the relevant applications with National Stock Exchange of India Limited and BSE Limited for approval of this re-classification and received the approvals from both Stock

Exchanges vide their letters dated February 22, 2023. As on the date of this Letter of Offer, our Company has no identifiable promoters and is a professionally managed company.

Considering the compact nature of our management team, our ability to identify, recruit and retain our employees is critical. As common to the housing finance industry we also face a continuing challenge to recruit and retain a sufficient number of suitably skilled personnel, knowledgeable in sectors to which we lend. There is significant competition in India for such personnel, and it may be difficult to attract, adequately compensate and retain the personnel we need in the future. Inability to attract and retain appropriate and adequate managerial personnel, or the loss of key personnel could adversely affect our business, prospects, results of operations and financial condition. We will need to recruit new employees, who will have to be trained and integrated into our operations. We will also have to train existing employees to adhere properly to internal controls and risk management procedures. Failure to train and motivate our employees properly may result in an increase in employee attrition rates, require additional hiring, erode the quality of customer service, divert management resources, increase our exposure to high-risk credit and impose significant costs on us. Hiring and retaining qualified and skilled managers are critical to our future, as our business model depends on our credit-appraisal and asset valuation mechanism, which are personnel-driven operations. The loss of the services of senior members of our management team and key employees could seriously impair our ability to continue to manage and expand our business efficiently and adversely affect our business, results of operations, cash flows and financial condition. Further, we do not maintain any key man insurance policies, and as a result, we may be unable to compensate for the loss of service of our key personnel.

20. ***We are a housing finance company ("HFC") and subject to various regulatory and legal requirements. Also, future regulatory changes may have a material adverse effect on our business, results of operations, cash flows and financial condition.***

We are subject to the corporate, taxation and other laws in effect in India which require continued monitoring and compliance. These regulations, apart from regulating the manner in which a company carries out its business and internal operation, prescribe various periodical compliances and filings including, but not limited to, filing of forms and declarations with the relevant registrar of companies, and the NHB. Pursuant to Non-Banking Financial Company – Housing Finance Company (Reserve Bank) Directions, 2021, issued by the RBI on February 17, 2021 ("**RBI NBFC-HFC Regulations**"), RBI has prescribed various stringent requirements for HFCs, including amongst others, requirement to maintain a minimum capital to risk (weighted) assets ratio ("**CRAR**"), computed in accordance with the RBI NBFC-HFC Regulations, consisting of Tier I and Tier II Capital which collectively shall not be less than 14% of their aggregate risk weighted assets and their risk adjusted value of off-balance sheet items on or before March 31, 2021, 15% on or before March 31, 2022 and 15% on or before March 31, 2023 and thereafter. This ratio is used to measure an HFC's capital strength and to promote the stability and efficiency of the housing finance system.

The following table summarizes certain key financial data and ratios as at and for fiscal years ended March 31, 2023 and 2022 and as at and for the six months ended September 30, 2023.

Particulars	**Standalone**		
	As at and for the Fiscal Years ended March 31,		**As at and for the Six Months ended September 30,**
	2022	**2023**	**2023**
CRAR (%)[(1)] (on a standalone basis)	22.5%	23.0%	26.0%
CRAR – Tier I capital (%)[(1)] (on a standalone basis)................................	16.6%	18.4%	21.9%
CRAR – Tier II Capital (%)[(1)] (on a standalone basis)................................	5.9%	4.6%	4.1%

Notes:

1. Computed in accordance with the RBI NBFC-HFC Regulations.

Should we be required to raise additional capital in the future in order to maintain our CRAR, computed in accordance with the RBI NBFC-HFC Regulations, above the existing and future minimum required levels, we cannot guarantee that we will be able to obtain this capital on favorable terms, in a timely manner or at all. Further, the RBI NBFC-HFC Regulations also require us to maintain a minimum exposure to certain loan assets classes specified thereunder.

The introduction of additional government controls or newly implemented laws and regulations including, the RBI NBFC-HFC Regulations (which prescribes guidelines for prudential regulation, corporate governance and issuance of non-convertible debentures by housing finance companies in India, and in relation to classifications of and provisioning for NPAs, recoveries, capital adequacy requirements and exposure norms), depending on the nature and extent thereof and our ability to make corresponding adjustments, may result in a material adverse effect on our business, results of operations, cash flows and financial condition and our future expansion plans in India. In particular, decisions taken by regulators concerning economic policies or goals that are inconsistent with our interests, could adversely affect our results of operations. Further, we cannot assure you that we will be able to timely adapt to new laws, regulations or policies that may come into effect from time to time with respect to the financing of housing and urban infrastructure sector in general. The RBI issued a circular bearing reference no. DoS.CO.ARG/SEC.01/08.91.001/2021-22 on April 27, 2021 which prescribes guidelines for the appointment of the statutory auditor firms for a continuous period of three years. In compliance with the same, the erstwhile auditors of our Company, having completed three years, had to discontinue their assignment and our Company has appointed new Joint Statutory Auditors, and the period of transition for the same, could entail certain operational challenges.

Moreover, new regulations may be passed that restrict our ability to do business. Further, these regulations are subject to frequent amendments and depend upon government policy. We cannot assure you that we will not be subject to any adverse regulatory action in the future. The costs of compliance may be high, which may affect our profitability. If we are unable to comply with any such regulatory requirements, our business and results of operations may be materially and adversely affected.

The availing of housing loans for residential properties has become attractive due to certain government schemes and income tax exemptions on the repayment of loans and interest payments. There can be no assurance that the government will continue with such schemes or tax benefits on housing loans and any significant change by the government in its monetary policy or tax laws, may adversely affect our business and results of operations. Changes in tax laws and reduction in tax concessions for housing loans may negatively impact the housing market and the housing loan market in general.

We cannot assure you that we will be in compliance with the various regulatory and legal requirements in a timely manner or at all, and our inability to comply with the requirements prescribed by RBI and NHB, including RBI NBFC-HFC Regulations, may subject us to certain penalties and revocation of our license impacting our ability to conduct housing finance business, amongst others, which may have an adverse effect on our business, prospects, financial condition, cash flows and results of operations. Further, the requirement for compliance with such applicable regulations presents a number of risks, particularly in areas where applicable regulations may be subject to varying interpretations. Further, if the interpretations of the regulators and authorities with respect to these regulations vary from our interpretation, it may be subject to penalties and our business could be adversely affected. For further details, see "*Risk Factors – Risks relating to Our Business – We may have to comply with stricter regulations and guidelines issued by regulatory authorities in India, including the RBI, which may increase our compliance costs, divert the attention of our management and subject us to penalties*" on page 36 of this Letter of Offer.

21. ***Significant changes by the Government, the RBI or the NHB in their policy initiatives facilitating the provision of housing and housing finance may have an adverse effect on our business, results of operations and financial condition.***

The Government of India provides certain incentives to encourage providing credit to the housing industry and has implemented policies that are aimed at providing low-cost, long-term credit to the low and middle income segments in India (Source: CRISIL Report). The NHB provides re-finance for certain qualifying loans at reduced rates to certain qualifying HFCs through its schemes. In addition, the RBI provides certain incentives to the housing finance industry by extending priority sector status to housing loans. Certain key measures taken by the RBI to assist in fulfilling the Government's objectives include the reduction in risk weights applicable for affordable housing loans for the purpose of calculation of CRAR and allowing HFCs to raise long-term ECBs for on-lending towards affordable housing, which the RBI defines as housing loans with a size of up to ₹2.50 million. However, we cannot assure you that the Government, the RBI and the NHB will continue to provide such incentives in the future.

The Government had introduced the Credit Linked Subsidy Scheme ("**CLSS**") of the Pradhan Mantri Awas Yojana ("**PMAY**") – Housing for All (Urban) which aims at expanding institutional credit flow to the housing needs of the urban poor, by providing credit-linked subsidy on home loans taken by eligible urban poor for acquisition or construction of houses. Individuals belonging to the economically weaker sections ("**EWS**") and the low income group ("**LIG**") seeking housing loans from primary lending institutions ("**PLIs**"), including banks and HFCs, are eligible to avail benefits under the scheme.

Any significant change by the Government in its various policy initiatives facilitating provision of housing and housing finance or any change in the tax incentives that it currently provides to HFCs and homebuyers may have an adverse effect on our business, results of operations and financial condition.

22. ***Changing laws, rules and regulations and legal uncertainties, including adverse application of corporate and tax laws, may adversely affect our business, results of operations and prospects.***

The regulatory and policy environment in which we operate is evolving and subject to change. Such changes, including the instances mentioned below, may adversely affect our business, results of operations and prospects, to the extent that we are unable to suitably respond to and comply with any such changes in applicable law and policy.

Unfavourable changes in or interpretations of existing, or the promulgation of new, laws, rules and regulations including foreign investment and stamp duty laws governing our business and operations could result in us being deemed to be in contravention of such laws and may require us to apply for additional approvals. We may incur increased costs and other burdens relating to compliance with such new requirements, which may also require significant management time and other resources, and any failure to comply may adversely affect our business, results of operations and prospects. Uncertainty in the application, interpretation or implementation of any amendment to, or change in, governing law, regulation or policy, including by reason of an absence, or a limited body, of administrative or judicial precedent may be time consuming as well as costly for us to resolve and may impact the viability of our current business or restrict our ability to grow our businesses in the future.

23. ***Borrowing for the purchase or construction of property may not continue to offer borrowers the same fiscal benefits it currently offers and the housing sector may not continue to be regarded as a priority sector by the Government, which may adversely affect our business, prospects, financial condition and results of operations.***

The rapid growth in the housing finance industry in India in the last decade is in part due to the introduction of fiscal benefits for homeowners. Since the early 1990s, interest and principal repayments on capital borrowed for the purchase or construction of housing have been tax deductible up to certain limits, and tax rebates have been available for borrowers of such capital up to specified income levels.

In addition, there can be no assurance that the Government will not introduce tax efficient investment options which are more attractive to borrowers than property investment. The demand for housing and/or housing finance may be reduced if any of these changes occur.

The RBI has also provided incentives to the housing finance industry by extending priority sector status to housing loans given within prescribed thresholds. In addition, pursuant to Section 36(1)(viii) of the Income Tax Act, 1961, up to 20% of profits from eligible business computed under the head "profits and gains of business or profession", may be carried to a "Special Reserve" and are not subject to income tax. This would be applicable till the aggregate of the amounts carried to such reserve account from time to time exceeds twice the amount of the paid-up share capital (excluding the amounts capitalized from reserves) of the company. Further, in terms of Section 41(4A) of the Income Tax Act, 1961, where a deduction has been allowed in respect of any special reserve created and maintained under Section 36(1)(viii) of the Income Tax Act, 1961, any amount subsequently withdrawn from such special reserve shall be deemed to be the profits and gains of business or profession and accordingly be chargeable to income tax as the income of the previous year in which such amount is withdrawn. If it does not, this may result in a higher tax outflow.

In addition, home buyers receive tax incentives on home loans for principal and interest payment of home loans, which has improved affordability levels of borrowers. Principal repayment qualifies for tax deduction under Section 80C of the Income Tax Act, 1961. However, we cannot assure you that the Government will continue to make such benefits available to HFCs or home buyers.

24. ***We are in the process of changing our brand name and our business may be harmed if our brand development strategy is not successful.***

In October 2023, we announced that the Company had applied to change its name from Indiabulls Housing Finance Limited to Samman Capital with the regulator along with an application for conversion from a “Housing Finance Company” to a “Non-banking Financial Company – Investment and Credit Company”. Post conversion, we expect to continue to focus on asset light business model. Additionally, our Material Subsidiary has received the no objection letter from the RBI for the proposed change in its name to Sammaan Finance Limited in January 2024, and is in the process of getting the necessary approvals from the relevant authorities. Developing and maintaining awareness and integrity of our Company and our new brand are important to achieving widespread acceptance of our existing and future offerings and are important elements in attracting new customers. The importance of brand recognition will increase as competition in our market further intensifies. Successful promotion of our brand will depend on the effectiveness of our marketing efforts. We plan to continue investing resources to promote our brand, but there is no guarantee that our brand development strategies will enhance the recognition of our brand. If our efforts to promote and maintain our brand are not successful, our operating results and our ability to attract and retain customers may be adversely affected.

25. ***Our inability to obtain, renew or maintain statutory and regulatory permits and approvals required to operate our business may materially and adversely affect our business and results of operations.***

Our operations are subject to extensive government regulation and we are required to obtain and maintain a number of statutory and regulatory permits and approvals under central, state and local government rules in India, generally for carrying out our business. These include registration with the RBI for carrying out business as an HFC. We are also required to maintain licenses under various applicable national and state labor laws in force in India for some of our offices and with regard to some of our employees. While we currently possess or have applied for renewals of certain licenses, permits, registrations and approvals that have expired, there can be no assurance that the relevant authorities will renew these in the anticipated time-frame, or at all. In addition, we may apply for more approvals.

A majority of these approvals are granted for a limited duration and are subject to numerous conditions. We cannot assure you that these approvals would not be suspended or revoked in the event of non-compliance or alleged non-compliance with any terms or conditions thereof, or pursuant to any regulatory action. Additionally, failure by us to comply with the terms and conditions to which such licenses, approvals, permits or registrations are subject, and/or to renew, maintain or obtain the required licenses, approvals, permits or registrations may result in the interruption of our operations and may have a material adverse effect on our business, financial condition, cash flows and results of operations.

26. ***We assign or securitize a substantial portion of our loan assets to banks and other institutions. Any deterioration in the performance of any pool of receivables assigned or securitized to banks and other institutions may adversely impact our financial performance and/or cash flows.***

As part of our means of raising and/or managing our funds, we assign or securitize a substantial portion of the receivables from our loan portfolio to banks and other institutions. Such assignment or securitization transactions are conducted on the basis of our internal estimates of our funding requirements, which may vary from time to time. As of September 30, 2023, March 31, 2023 and March 31, 2022, our consolidated loans assigned was Rs.124,950.2 million, Rs.127,436.3 million and Rs.128,784.7 million, respectively, representing 19.7%, 19.0% and 17.8% of our total term loans on a consolidated basis. Any change in statutory and/or regulatory requirements in relation to assignments or securitizations by financial institutions, including the requirements prescribed by the RBI, NHB and the Government of India, could have an adverse impact on our assignment or securitization transactions. The commercial viability of assignment and securitization transactions has been significantly affected by changes and developments relating to regulation governing such transactions. Such changes include:

- prohibition on carrying out securitization or assignment transactions at rates lower than the prescribed base rate of the bank;
- prohibition on HFCs such as our Company from offering credit enhancements in any form and liquidity facilities in the case of loan transfers through direct assignment of cash flows;
- minimum holding period or 'seasoning' and minimum retention requirements of assignment and securitization loans; and
- securitization and assignments shall be eligible for classification under priority sector only if the interest rate charged to the ultimate borrower by the originating entity does not exceed base rate of such bank plus 8% per annum.

Any adverse changes in the policy and/or regulations in connection with securitization of assets by NBFCs and/or new circulars and/or directions issued by the RBI in this regard, affecting NBFCs or the purchasers of assets, would affect the securitization market in general and our ability to securitize and/or assign our assets.

The aggregate credit enhancement amounts outstanding on a consolidated basis as of September 30, 2023 March 31, 2023 and March 31, 2022 were Rs.8,568.3 million, Rs.8,408.6 million and Rs.11,571.7 million, respectively. For such transactions, in the event that a relevant bank or institution does not realize the receivables due under such loan assets, such bank or institution would have recourse to such credit enhancement, which could have a material adverse effect on our results of operations, financial condition and/or cash flows.

Further, under some of the assignment and pass-through certificate transactions that we undertake, we provide credit support in the form of cash collateral. In the case of any increases in losses on such transactions, such guarantee may be called or the cash collateral may be enforced.

27. ***The growth rate of India's housing finance industry may not be sustainable.***

We expect the housing finance industry in India to continue to grow as a result of anticipated growth in India's economy, increases in household income and demographic changes. In addition, the Government of India is pursuing various social welfare schemes and initiatives to create an enabling and supportive environment to both enhance the flow of credit to the housing sector and increase home ownership in India. Various Central Government policies and initiatives such as "*Pradhan Mantri Awas Yojana*" or the "*Housing for all by 2022*" scheme have reinforced the primacy of the housing sector and the need to provide housing to all and are expected to promote affordable housing through partnerships with private sector entities (Source: CRISIL Report). However, it is not clear how certain trends and events, such as the pace of India's economic growth, the development of domestic capital markets and the on-going reform will affect India's housing finance industry. In addition, there can be no assurance that the Government policies and initiatives for the housing finance industry will continue at the same or expected pace in the future. Consequently, there can be no assurance that the growth and development of India's housing finance industry will be sustainable.

28. ***Instability of global and Indian economies and banking and financial sectors could affect our liquidity, which could have a material adverse effect on our business, financial condition and results of operations.***

Over fiscals 2016-2018, the share of NBFCs in the housing loan market increased from 24% to 26%. The focus on aggressive expansion during this period led to a CAGR of 16%. However, starting fiscal 2019, the trend reversed. Banks started growing faster than HFCs owing to the IL&FS crisis and liquidity concerns among NBFCs/HFCs. The merger of HDFC twins on July 1, 2023, further contributed to a decrease in the share of NBFCs/HFCs to 20% in fiscal 2023. The overall housing credit at NBFCs/HFCs (12%) was outpaced by banks (15%) during fiscal 2023. In fiscal 2024, CRISIL MI&A Research expects banks to grow slightly faster than NBFCs/HFCs at 14-16% and NBFCs/HFCs at 12-14%. Further in fiscal 2025 banks are expected to grow at 15-17% while NBFCs/HFCs will remain stable at 12-14%. Because of stress and asset quality pressures in the corporate and real estate segments, banks have intensified their focus on the housing loan segment. Outstanding housing loans of banks increased at a 15% CAGR between fiscals 2018 and 2022. With a strong deposit base, better presence in Tier II and III areas, and capability to offer home loans at lower rates (because their cost of funds is better than NBFCs or HFCs), the banks' housing loans grew at 13% in fiscal 2022. Further, with the pent-up housing demand and lower rates, the housing loan book of banks grew 16% in fiscal 2023. In comparison, HFCs' grew 12%. Non-convertible debentures (NCDs) continue to be the primary source of borrowings for HFC borrowings, but their percentage decreased from 53% in fiscal 2018 to 38% in fiscal 2023. This resulted from the increased pressure that NBFCs encountered following the IL&FS crisis, which curtailed their capacity to obtain loans. In addition, because bank term loans became less expensive to borrow as RBI started to aggressively cut the repo rate starting fiscal 2021, the benchmark commercial paper and NCD rates softened as well. Consequently, their share of bank term loans increased to an estimated 36% in fiscal 2023 from 21% in fiscal 2018. However, despite the reversal in the interest rate cycle, risk perception stayed elevated for players with a larger non-retail portfolio and those without strong parent company support. According to CRISIL MI&A Research, term loan share of borrowings will climb by approximately 200 basis points to 38% in fiscal 2024, while NCD share will rise by approximately 100 basis points to 39%. In fiscal 2025, term loan and bond shares will be equal at 40% each. (Source: CRISIL Report)

Any protracted instability in the Indian credit markets or other macro-economic factors which may impact the overall liquidity available in the Indian credit markets in general or the amount of credit available to non-banking financial companies in particular, could adversely impact our ability to raise funds in a time-bound manner and at commercially acceptable terms.

Non-availability of credit may lead to disruption in our business, including asset-liability mismatches and an inability to grow our business, and may require us to seek alternate sources of funding, which may not be available on commercially acceptable terms or at all.

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

The effectiveness of our risk management is affected by the quality and timeliness of available data. We have devoted resources to develop our risk management policies and procedures and aim to continue to do so in the future. For details, see "*Our Business – Liability Management – Risk and Asset-Liability Management*" on page 141 of this Letter of Offer. Despite this, our policies and procedures to identify, monitor and manage risks of fraud, money laundering, any other credit, operational or other risks may not be fully effective. Our Board of Directors and the Risk Management Committee review our risk management policies from time to time. We also depend on our information technology systems to assist us with our risk management functions. Further, some of our methods of managing risks are based upon the use of observed historical market behavior. As a result, these methods may not accurately predict future risk exposures, which could be significantly greater than those indicated by the historical measures. To the extent that any of the instruments and strategies we use to hedge or otherwise manage our exposure to market or credit risks are not effective, we may face risk exposure in certain market environments or particular types of risk as a result of not being able to effectively mitigate those market or credit risks.

Our investment and interest rate risk are dependent upon our ability to properly identify, and mark-to-market changes in the value of financial instruments caused by changes in market prices or rates. Our earnings are dependent upon the effectiveness of our management of changes in credit quality and risk concentrations, the accuracy of our valuation models and our critical accounting estimates and the adequacy of our allowances for loan losses. To the extent our assessments, assumptions or estimates prove inaccurate or not predictive of actual results, we could suffer higher than anticipated losses. See "*– Any increase in the levels of NPAs in our Loan Book, for any reason whatsoever, would adversely affect our business, results of operations, cash flows and financial condition*" on page 22 of this Letter of Offer.

If we fail to effectively implement our risk management policies, we could materially and adversely affect our business, financial condition, results of operations and cash flows.

30. ***As an HFC, we have significant exposure to the real estate sector and any negative events affecting this sector could adversely affect our business and result of operations.***

Our lending products include housing loans and non-housing loans. A substantial portion of our Loan Book is exposed to the real estate sector as the underlying security on these loans is primarily mortgages. In the event the real estate sector is adversely affected due to any reason whatsoever, including without limitation, the passing of any stringent norms regarding construction, floor space index or other compliances, the value of our collateral may diminish which may affect our business and results of operations in the event of a default in repayment by our clients. Also, if any of the projects which form part of our collateral are stalled for any reason for any length of time, the same may affect our ability to enforce our security, thereby effectively diminishing the value of such security.

The primary security for the loans disbursed by us is the underlying property; the value of this security is largely dependent on housing market conditions prevalent at that time, as well the quality of the construction and the relevant developer. The value of the collateral on the loans disbursed by us may decline due to adverse market conditions including an economic downturn or a downward movement in real estate prices. In the event the real estate sector is adversely affected due to a decline of demand for real properties, changes in regulations or other trends or events, which negatively impact the real estate sector, the value of our collateral may diminish which may affect our business and results of operations. Failure to recover the expected value of collateral could expose us to losses and, in turn, result in a material adverse effect on our business, results of operations, cash flows and financial condition.

Following the introduction of the SARFAESI Act and the subsequent extension of its application to HFCs, we are allowed to foreclose on collateral and take certain other actions, including taking over the management of the business of the borrower, and which includes our right to transfer (in any manner) the underlying collateral after 60 days' notice to a borrower whose loan has been classified as non-performing.

Although the enactment of the SARFAESI Act has strengthened the rights of creditors by allowing expedited enforcement of security in an event of default, there is still no assurance that we will be able to realize the value of its collateral, in full or in part. The Debt Recovery Tribunal ("**DRT**") has the power to issue a stay order prohibiting the lender from selling the assets of a defaulted borrower. As a result, there can be no assurance that any foreclosure proceedings would not be stayed by the DRT or any other relevant authority. In addition, delays on our part to take immediate action, delays in bankruptcy foreclosure proceedings, economic downturns, defects in security and fraudulent transfers by borrowers, may hinder our ability to realize the full value of security. In the event that a regulatory agency asserts jurisdiction over the enforcement proceedings, creditor actions can be further delayed. Therefore, there can be no assurance that we will be able to foreclose on collateral on a timely basis, or at all, and if we are able to foreclose on the collateral, that the value will be sufficient to cover the outstanding amounts owed to us which may result in a material adverse effect on our business, results of operations, cash flows and financial condition.

In addition, the RBI has developed a corporate debt restructuring process to enable timely and transparent debt restructuring of corporate entities. The applicable Reserve Bank of India (Prudential Framework on Resolution Stressed Assets) Directions, 2019 dated June 7, 2019 contemplate that lenders representing more than 75% of the total outstanding credit facilities by value and 60% by number may determine the restructuring of such indebtedness and such determination will be binding on all the lenders. In circumstances where other lenders account for more than 75% of such indebtedness by value and 60% by number and they are entitled to determine the restructuring of the indebtedness of any of our borrowers, it may be required by such other lenders to agree to such debt restructuring, irrespective of its preferred mode of settlement of its loan to such borrower. In addition, with respect to any loans granted by us through a consortium, a majority of the relevant lenders may elect to pursue a course of action that may not be favorable to us. Any such debt restructuring could lead to an unexpected loss that could adversely affect our business, results of operations, cash flows and financial condition.

31. ***Our inability to recover the full value of collateral, or amounts outstanding under defaulted loans in a timely manner, or at all, could adversely affect our business, results of operations, cash flows and financial condition.***

Our collateral primarily consists of residential and commercial properties. As a result, a substantial portion of our loan portfolio is exposed to events affecting the real estate sector. The demand for our housing loans, in particular, is affected by movement in real estate prices. The value of the collateral on the loans disbursed by us may decline due to adverse market conditions, including an economic downturn or a downward movement in real estate prices. If we are required to revalue a property which serves as collateral for a loan during a period of reduced real estate prices or if we are required to increase our provisions for loan losses, it could result in a material adverse effect on our business, financial condition and results of operations. Also, if any of the projects which form part of our collateral are delayed for any reason, it may affect our ability to enforce our security, thereby effectively diminishing the value of such security. Any failure to recover the expected value of collateral could have a direct impact on our business and expose us to losses and, in turn, result in a material adverse effect on our business, results of operations, cash flows and financial condition. We may also not be able to realise the full value of our collateral, due to, among others, delays in foreclosure proceedings, defects in the perfection of collateral, fraudulent transfers by customers and decreases in the value of collateral. Foreclosure on collateral may also be subject to delays and administrative requirements that could result in, or be accompanied by, a decrease in the value of the collateral. We may also encounter difficulties in repossessing and liquidating collateral. We cannot assure you that we will be able to successfully repossess the collateral in the event of default under a loan agreement.

32. ***We may not be able to secure the requisite amount of financing at competitive rates for our growth plans, which could adversely affect our business, financial condition, cash flows and results of operations.***

Our liquidity and ongoing profitability are, in large part, dependent upon our timely access to, and the costs associated with, raising capital. Our funding requirements historically have been met predominantly from a combination of borrowings such as term loans and external commercial borrowings from banks and financial institutions, non-convertible debentures and the issuance of commercial paper. Thus, our continued growth will depend, among other things, on our ability to secure requisite financing at competitive rates, to manage our expansion process, to make timely capital investments, to control input costs and to maintain sufficient operational control.

Our ability to raise funds on acceptable terms, at competitive rates and in a timely manner, depends on various factors including our current and future results of operations and financial condition, our risk management policies, our credit ratings, our brand equity, the regulatory environment and policy initiatives in India and developments in the international markets affecting the Indian economy. We cannot assure you that our business will continue to generate sufficient cash to enable us to service our existing debt or to fund our other liquidity needs. Recently, certain HFCs in India have defaulted in the repayment of their borrowings, which has adversely affected the availability of funds to HFCs in general. Any such events in the future may lead to adverse perceptions about the housing finance sector as a whole and affect our ability to obtain financing at commercially reasonable terms.

Further, changes in economic, regulatory and financial conditions or any lack of liquidity in the market could adversely affect our ability to access funds at competitive rates, which could adversely affect our liquidity and financial condition. Our ability to raise debt to meet our funding requirements is also restricted by the limits prescribed under applicable regulations. For example, the RBI Master Directions currently permits HFCs to borrow up to 12 times of their net owned fund ("**NOF**"). Consequently, any inability on our part to secure requisite financing or continue with our existing financing arrangement could have an adverse effect on our business, financial condition, cash flows and results of operations.

33. ***Our ability to raise foreign capital may be constrained by Indian law.***

As an Indian company, we are subject to exchange controls that regulate borrowing in foreign currencies. Such regulatory restrictions limit our financing sources and hence could constrain our ability to obtain financing on competitive terms and refinance existing indebtedness. In addition, we cannot assure you that the required approvals will be granted without onerous conditions, or at all. Limitations on raising foreign debt may have an adverse effect on our business, results of operations, cash flows and financial condition.

34. ***Our investments are subject to market risk and our exposure to capital markets is subject to certain regulatory limits.***

We invest our surplus funds out of our borrowings and operations in mutual funds and/or fixed income securities. These securities include government securities, bonds (with the benefit of a sovereign guarantee), bonds issued by state governments or public-sector enterprises, mutual fund investments, fixed deposits with banks and other fixed income securities. Certain of these investments are unlisted, offering limited exit options. The value of these investments depends on several factors beyond our control, including the domestic and international economic and political scenario, inflationary expectations and the RBI's monetary policies. Furthermore, any equity investments that we undertake may be subject to market and liquidity risks, and we may be unable to realize any benefits from such investments in a timely manner, or at all. Any decline in the value of the investments may have an adverse effect on our business, financial condition and results of operations.

35. ***We have consolidated contingent liabilities as at March 31, 2023 and our financial condition may be adversely affected if these contingent liabilities materialize.***

We have substantial contingent liabilities, which could adversely affect our business and results of operations. Our contingent liabilities aggregated to Rs.2,708.5 million on a consolidated basis as at March 31, 2023 in accordance with Ind-AS 37. The contingent liabilities consist primarily of liabilities on account of income tax disputes, tax payments and capital commitments for the acquisition of fixed assets. In the event that any of these contingent liabilities materialize, our results of operations and financial condition may be adversely affected.

Contingent liabilities and commitments as on March 31, 2023:

We are involved in certain appellate and judicial proceedings (including those described below) concerning matters arising in the normal course of business including claims from revenue authorities and customers. The proceedings in respect of these matters are in various stages. Management has assessed the possible obligations arising from such claims against us, in accordance with the requirements of Ind AS 37 and based on judicial precedents, consultation with lawyers or based on its historical experiences. Accordingly, our management is of the view that based on currently available information no provision in addition to that already recognised in our financial statements is considered necessary in respect of the above.

Below are the details of contingent liabilities as per Ind AS 37 and commitments on a consolidated basis as at March 31, 2023.

Particulars	**Amount *(in Rs. Million)***
In respect of Subsidiary Company, with respect to FY 2007-08 against disallowances under Income Tax Act, 1961, against which appeal is pending before Hon'ble Jurisdictional High Court	8.2
In respect of Subsidiary Company, with respect to FY 2007-08 against disallowances under Income Tax Act, 1961 against which appeal is pending before CIT (Appeals).	11.7
In respect of Holding Company, with respect to FY 2008-09 against disallowances under Income Tax Act, 1961, against which the appeal is pending before Hon'ble Supreme Court	12.3
In respect of Holding Company, with respect to FY 2010-11 against disallowances under Income Tax Act, 1961, against which the department has filed appeal before Hon'ble Jurisdictional High Court	12.7
In respect of Subsidiary Company, with respect to FY 2011-12 against disallowances under Income Tax Act, 1961 against which the appeal is pending before Hon'ble Jurisdictional High Court.	17.5
In respect of Holding Company, with respect to FY 2012-13 against disallowances under Income Tax Act, 1961 against which departmental appeal is pending before ITAT	1.1
In respect of Holding Company, with respect to FY 2013-14 against disallowances under Income Tax Act, 1961 against which departmental appeal is pending before ITAT	141.6
In respect of Holding Company, with respect to FY 2014-15 against disallowances under Income Tax Act, 1961 against which departmental appeal is pending before ITAT	138.1
In respect of Holding Company, with respect to FY 2015-16 against disallowances under Income Tax Act, 1961 against which departmental appeal is pending before ITAT	205.4
In respect of Holding Company, with respect to FY 2016-17 against disallowances under Income Tax Act, 1961 against which departmental appeal is pending before ITAT	486.6
In respect of Holding Company, with respect to FY 2017-18 against disallowances under Income Tax Act, 1961 against which appeal is pending before ITAT	96.5
In respect of Holding Company, with respect to FY 2017-18 against disallowances under Income Tax Act, 1961 against which appeal is pending before CIT (Appeals)	13.0
In respect of Subsidiary Company, with respect to FY 2017-18 against disallowances under Income Tax Act, 1961 against which appeal is pending before CIT (Appeals)	384.8
In respect of Holding Company, with respect to FY 2018-19 against disallowances under Income Tax Act, 1961 against which appeal is pending before CIT (Appeals).	572.4
In respect of Holding Company, with respect to FY 2019-20 against disallowances under Income Tax Act, 1961 against which appeal is pending before CIT (Appeals)	280.4
In respect of Subsidiary Company, with respect to FY 2019-20 against disallowances under Income Tax Act, 1961 against which appeal is pending before CIT (Appeals)	0.8
In respect of Subsidiary Company, with respect to FY 2019-20 against disallowances under Income Tax Act, 1961 against which appeal is pending before CIT (Appeals)	2.9
In respect of Subsidiary Company, with respect to FY 2019-20 against disallowances under Income Tax Act, 1961 against which appeal is pending before CIT (Appeals)	67.2
In respect of Holding Company, with respect to FY 2020-21 against disallowances under Income Tax Act, 1961 against which appeal is pending before CIT (Appeals)	2.3
In respect of Holding Company, with respect to FY 2020-21 against disallowances under Income Tax Act, 1961 against which appeal is pending before CIT (Appeals)	5.8

Demand pending u/s 73 of CGST Act, 2017 (including Interest & Penalty) with respect to FY 2018-19 against which appeal has been filed before Joint Commissioner (Appeals). The Holding Company has paid tax as a pre-deposit of Rs. 0.00 Crore required for the purpose of filing an appeal under GST law.The appeal is pending before the Appellate Authority.	0.8
The Holding Company has filed an appeal before the Commissioner (Appeals-II) under section 85 of the Finance Act, 1994 (32 of 1994), against the order in original no. 08/VS/JC/CGST/DSC/2022-23 dated 15.11.2022 passed by Joint Commissioner, CGST, Delhi South Commissionerate, Bhikaji Cama Place, New Delhi-110066 for disputed amount w.r.t. penalty u/s 78 and penalty u/s 77. In compliance of section 35F of Central Excise Act, 1944, the Company has paid an amount of Rs.0.04 Crore as pre-deposit amount for filing an appeal. The appeal has since been decided in favour of Holding Company with Nil Demand after balance sheet date *vide* order no 01/2023-24 dated 11th April 2023 of Commissioner (Appeals-II). However, statutory period for filing the appeal by the Service Tax department against the order of Commissioner (Appeals-II) has not yet expired.	5.1
Capital commitments for acquisition of fixed assets at various branches as at the year end	238.3
Corporate guarantees provided to Unique Identification Authority of India for Aadhaar verification of loan applications	2.5
Bank guarantees provided against court case	0.5
Total	**2,708.5**

36. ***Our business is dependent on relationships with our clients established through, amongst others, our branches. Closure of branches or loss of our key branch personnel may lead to damage to these relationships and a decline in our revenue and profits.***

Our business is dependent on the key branch personnel who directly manage client relationships. We encourage dedicated branch personnel to service specific clients since we believe that this leads to long-term client relationships, a trust-based business environment and, over time, better cross-selling opportunities. Our business may suffer materially if a substantial number of branch managers either become ineffective or leave us or if we have to close down a significant number of branches due to any particular reason. Over the last two years, we have closed a significant number of branches. As of September 30, 2023, we had 218 branches in operation.

37. ***The outbreak, or threatened outbreak, of any severe communicable disease or any other serious public health concerns, such as the prolonged global outbreak of COVID-19 in 2020, could have a material adverse effect on our business, cash flows, results of the operations and financial condition.***

The outbreak, or continued or threatened outbreak, of any severe communicable disease, such as Severe Acute Respiratory Syndrome (SARS), Middle East Respiratory Syndrome-Corona virus, avian influenza (commonly known as bird flu), H1N1, the novel strain of coronavirus ("**COVID-19**") or any another similar disease could materially and adversely affect overall business sentiment and environment, particularly if such outbreak is inadequately controlled. Such pandemics may result in widespread reductions in consumption, industrial production and business activities and may significantly disrupt the global economy and global markets.

The outbreaks of contagious diseases may affect us in a number of ways:

- our customers (in particular, our retail customers) may default on loan and other payments or other commitments. Our delinquency ratios may substantially increase and our asset quality may deteriorate;
- large-scale furloughs, terminations of employees or reductions in salaries may lead to defaults by our retail borrowers;
- an overall deterioration in the economy may also lead to a reduction in the value of collateral provided for our loans, leading to higher than anticipated losses on default. In addition, economic deterioration could lead to significantly higher interest rates for our customers, which could increase the number of customers who face difficulty paying the amounts due on their loans. This could lead to a potential increase in late payments and loan defaults, ultimately reducing our cash flow;

- there may be reduction in customer demand for our products due to lockdown or other travel restrictions, economic hardship or illness, which may impact our revenue and market share;
- in the event that a member or members of our management team are affected by the disease, it may potentially affect our operations;
- there is no guarantee that we and the Indian financial services industry in general, notwithstanding measures taken by the government, will be able to maintain sufficient liquidity. Further, if, as a consequence of the outbreak, certain banks or HFCs are unable to meet their market commitments, this can impact investor confidence in HFCs generally and result in a loss to investors in the HFC. A liquidity shortage for the industry as a whole may also adversely impact our short to medium term cash flows;
- the lockdown imposed by the Government of India led to widespread reverse migration of migrant labor from various cities and towns of India. As the real estate industry employs a large number of migrant laborers for construction, the ability to complete housing projects and handover projects in time may be adversely affected, which could adversely affect our borrowers (in particular, our corporate borrowers);
- our branch level and other operations (including third-party vendors) will be disrupted by social distancing, split-team, working from home and quarantine measures, which may give rise to risks that we may not have anticipated. In particular, we face heightened cyber-security risks with a large proportion of our employees working from home;
- the requirement to work from home has required changes to be made to certain operating procedures, which are relatively new. Any unforeseen weaknesses in these processes exposes us to operational risk;
- our ability to meet our ongoing disclosure obligations might be adversely affected, despite our best efforts;
- our stress testing, changes in loan disbursement, and other measures to address the effects of the outbreak may fail;
- our strategic projects may be severely delayed or postponed indefinitely.

Any of these factors could have a material adverse effect on our results of operations and financial condition, including its revenues, costs structure, liquidity, cash flows, asset quality and growth.

38. Our business is susceptible to fraud committed by our customers and employees and if we are unable to prevent incidents of fraud, our business, results of operations, cash flows and financial condition may be adversely affected.

Our business is susceptible to fraud committed by our customers and employees and to failures or material errors in our internal systems that may lead to reporting fraud. While our internal mechanisms help us identify and deal with fraud, there can be no assurance that we will be able to completely prevent fraud in the future.

Further, we may be susceptible to claims by our customers for instances of mis-selling by our employees or direct sales agents and consequent actions by regulatory authorities against them and us. Any regulatory action against us and such employees or direct sales agents could reduce our ability to distribute our products through them, harm our reputation and have a material adverse effect on our business, results of operations, and financial condition.

39. ***Certain of our Subsidiaries have incurred losses in the past and may be unable to achieve or sustain profitability in the future, which may adversely affect our business, financial condition, cash flows and results of operations.***

Certain of our Subsidiaries incurred losses during the six months ended September 30, 2023, Fiscal Years 2023 and 2022. There can be no assurance that our Subsidiaries will achieve or sustain profitability in the future, which may in turn affect the profitability of the Group. Accordingly, any losses incurred by our Subsidiaries may have a material adverse effect on our business, financial condition, cash flows and results of operations.

40. ***We rely significantly on our information technology systems for our business and operations. A failure, inadequacy or security breach in our information technology and telecommunication systems may adversely affect our business, results of operations, cash flows and financial condition.***

Our ability to operate and remain competitive depends in part on our ability to maintain and upgrade our information technology systems and infrastructure on a timely and cost-effective basis, including our ability to process a large number of transactions on a daily basis. Our operations also rely on the secure processing, storage and transmission of confidential and other information in our computer systems and networks. Our financial, accounting and other data processing systems, management information systems and our corporate website may fail to operate adequately or become disabled as a result of events beyond our control, including a disruption of electrical or communications services. Further, our computer systems, software and networks may be vulnerable to unauthorized access, computer viruses or other attacks that may compromise data integrity and security and result in the theft of client information or identity theft, for which we may potentially be liable, and there have been certain such instances of breaches and theft in the past. Further, the information available to and received by our management through our existing systems may not be timely and sufficient to manage risks or to plan for and respond to changes in market conditions and other developments in our operations. If any of these systems are disabled or if there are other shortcomings or failures in our internal processes or systems, it may disrupt our business or impact our operational efficiencies and render us liable to regulatory intervention or damage to our reputation. The occurrence of any such events may adversely affect our business, results of operations, cash flows and financial condition.

41. ***We face the threat of fraud and cyber-attacks, such as hacking, phishing, trojans and advanced persistency threats, attempting to exploit our network to disrupt services to customers and/or theft of sensitive internal Company data or customer information. This may expose us to liability, cause damage to our reputation and adversely impact our business, cash flows and financial results.***

We offer online services to our customers. Our systemic and operational controls may not be adequate to prevent adverse impact from frauds, errors, hacking and system failures. Further, customer applications and interfaces, may be open to being hacked or compromised by third parties, resulting in thefts and losses to our customers and to us. Some of these cyber threats from third parties include: (a) phishing and trojans – targeting our customers, wherein fraudsters send unsolicited mails to our customers seeking account sensitive information or to infect customer machines to search and attempt ex-filtration of account sensitive information; (b) hacking – wherein attackers seek to hack into our website with the primary intention of causing reputational damage to us by disrupting services; (c) data theft – wherein cyber criminals may attempt to intrude into our network with the intention of stealing our data or information; (d) ransomware – a malware which threatens to block or publish data unless a ransom is paid; and (e) advanced persistency threat – network attack in which an unauthorized person gains access to our network and remains undetected for a long period of time. In addition, due to the social distancing measures and the lockdown imposed by the government, there has been an increase in electronic transactions which increases the risk of cyber-attacks. The intention of these attacks is to steal our data or information, or to shut down our systems and only release them for a fee. Attempted cyber threats fluctuate in frequency but are generally not decreasing in frequency. For example, in June 2020, our digital risk monitoring service provider flagged an attempt to penetrate our systems. While there was a malware detected, only some peripheral systems were affected and the information leaked by these threat actors was not sensitive in nature. Not only are we exposed to such risks from our own actions or those of our employees, but from actions of our third-party service providers, over whom we do not have full control. If we suffer from any of such cyber threats, it could materially and adversely affect our business, cash flows, financial condition and results of operations. A significant system breakdown or system failure caused due to intentional or unintentional acts would have an adverse impact on our revenue-generating activities and lead to financial loss.

In addition, as part of our business, we store and have access to customers' bank information, credit information and other sensitive data. Any accidental security breaches or other unauthorized access to confidential information could expose us to liability related to the loss of the information, legal proceedings and negative publicity. Security measures could be breached by third-party actions, intrusion into our software by hackers due to software flaws or due to employee error and malfeasance. In addition, we may be required under applicable regulations to notify individuals of data security breaches involving their personal data. Any security breach may cause our customers to lose confidence in the effectiveness of our data security measures, and in turn have an adverse effect on our business, operations, financial condition or cash flows.

Therefore, in such a scenario, where the primary site is completely unavailable, there may be significant disruption to our operations, which would materially adversely affect our reputation and financial condition.

42. ***We may not be able to identify or correct defects or irregularities in title to the properties which are made collateral to the loans offered by us to our customers. Our inability to identify and correct irregularities in the titles to the properties and a further inability to realize the loan amount from such properties may adversely affect our business.***

There is no central title registry for real property in India and the documentation of land records in India has not been fully digitized. Property records in India are generally maintained at the state and district level and in local languages and are updated manually through physical records. Therefore, property records may not be available online for inspection, may be illegible, untraceable, and incomplete, may not have been updated, may be inaccurate in certain respects, or may have been kept in poor condition, which may impede title investigations or our ability to rely on such property records. Title to land in India is often fragmented, and in many cases, land may have multiple owners. Title may also suffer from irregularities, such as non-execution or non-registration of conveyance deeds and inadequate stamping and may be subjected to encumbrances that we are unaware of and that may not be apparent on the face of the relevant documentation. Any defects in, or irregularities of, title may result in a loss of development or operating rights over the land, which may prejudice our ability to realize the loan amount extended to our customers in case of default in payment. This will compel us to write off such loans which will adversely affect our revenues.

Furthermore, there is no mechanism to verify multiple executions on the same day with different registrars or to verify the legitimacy of such executions. Whenever a customer submits his original agreement to sell or the sale deed, we can only verify, among other things, if correct stamp duty has been paid, if the agreement to sell or the sale deed has been signed by all parties, if there is proper seal of registrar and if there is a registration receipt with the customer.

Additionally, improperly executed, unregistered or insufficiently stamped conveyance instruments in a property's chain of title, unregistered encumbrances in favor of third parties, rights of adverse possessors, ownership claims of family members of prior owners or third parties, or other defects that a purchaser may not be aware of can affect title to a property.

As a result, potential disputes or claims over title to the properties mortgaged may arise. However, an adverse decision from a court or the absence of an agreement with such third parties may result in additional costs and delays in realization of the loan amount. Also, such disputes, whether resolved in our favor or not, may divert management's attention, harm our reputation or otherwise disrupt our business.

43. ***We may not be able to detect money laundering and other illegal or improper activities fully or on a timely basis, which could expose us to additional liability and harm our business or reputation.***

We are required to comply with applicable anti-money laundering and anti-terrorism laws and other regulations in India. In the ordinary course of our operations, we run the risk of failing to comply with prescribed KYC procedures, the consequent risk of fraud and money laundering by dishonest customers and the assessment of penalties or the imposition of sanctions against us for such compliance failures, despite putting in place systems and controls to prevent the occurrence of these risks. In certain of our activities and in our pursuit of business, we run the risk of inadvertently offering our financial products and services ignoring customer suitability and appropriateness, despite having a Board-approved customer suitability policy and associated processes in place. Such incidents may adversely affect our business and our reputation. There can be no assurance that we will be able to fully control instances of any potential or attempted violation by other parties and may accordingly be subject to regulatory actions including imposition of fines and other penalties. We may accordingly be subject to regulatory actions including imposition of fines and other penalties by the RBI and other relevant governmental authorities to whom we report.

44. ***A number of our retail loan portfolio comprises loans to salaried customers and self-employed customers, who may be adversely affected by various factors such as business failure, insolvency, lack of liquidity, loss of employment or personal emergencies. These factors could lead to increased customer defaults, leading to an increase in the levels of our NPAs and possible fall in the rate of loan portfolio expansion.***

We pre-dominantly offer housing loans and loans against property to our varied client base which comprises (i) salaried employees; (ii) self-employed individuals; (iii) micro, small and medium-sized enterprises ("**MSMEs**") and (iv) corporates. Self-employed individuals and salaried employees clients may be particularly adversely affected by various factors such as business failure, insolvency, lack of liquidity, loss of employment or personal emergencies, any of which could be exacerbated by an outbreak of a pandemic such as the COVID-19, and its impact on the Indian economy. These factors could lead to increased customer defaults, leading to an increase in the levels of our NPAs and possible fall in the rate of loan portfolio expansion.

45. ***We depend on the accuracy and completeness of information provided by our potential borrowers and third-party service providers. Our reliance on any misleading information given by potential borrowers may affect our judgment of credit-worthiness of potential borrowers, and the value of and title to the collateral, which may affect our business, results of operations, cash flows and financial condition.***

In deciding whether to extend credit or enter into other transactions with potential borrowers, we rely on information furnished to us by potential borrowers, and analysis of the information by independent valuers and advocates. To further verify the information provided by potential borrowers, we conduct searches on Credit Information Bureau (India) Limited ("**CIBIL**") and other credit bureaus for creditworthiness of our borrowers. We also verify information with registrars and sub-registrars of assurances for encumbrances on collateral. We follow the know your customer ("**KYC**") guidelines prescribed by the RBI on the potential borrower, verify the place of business or place of employment as applicable to the potential borrower and also verify the details with the caution list of the RBI as circulated from time to time. Such information includes representations with respect to the accuracy and completeness of information relating to the financial condition of potential borrowers, and independent valuation reports and title reports with respect to the property secured. Additionally, once a prospective borrower has submitted a completed loan application, our empaneled third-party agencies conduct various on-site checks to verify the prospective customer's work and home addresses. We have framed our policies to prevent frauds in accordance with the KYC guidelines issued and amended by NHB and RBI from time to time mandating the policies of HFCs to have certain key elements, including, *inter alia,* a customer acceptance policy, customer identification procedures, monitoring of transactions and risk management.

While we have a well-established and streamlined credit appraisal process, there can be no assurance that information furnished to us by potential borrowers and analysis of the information by independent valuers or the independent searches conducted by us with credit bureaus and RBI, or the on-site verification conducted by our empaneled third-party agencies will be accurate, and our reliance on such information given by potential borrowers may affect our judgment of the credit-worthiness of potential borrowers, and the value of and title to the collateral, which may affect our business, results of operations, cash flows and financial condition.

46. ***We are exposed to risks that may arise if our customers opt for balance transfers to other banks or financial institutions, or if customers face increased difficulties in refinancing their existing housing loans from other banks and financial institutions to our Company.***

We offer our customers fixed and floating interest rate loans, which are linked to our reference rate. Based on market conditions, we price our loans at either a discount or a premium to our reference rate, which is determined primarily on the basis of our cost of borrowings. Customers with floating interest rates on their loans are exposed to increased equated monthly instalments ("**EMIs**") when the loans' interest rate adjusts upward, to the rate computed in accordance with the applicable index and margin. Such customers typically seek to refinance their loans through balance transfer to other banks and financial institutions, to avoid increased EMIs that may result from an upwards adjustment of the loans' interest rate. While refinancing of loans by other lenders could in certain circumstances be beneficial for our customers, it results in a loss of interest income expected from such loans over the course of their tenure. In addition, all housing finance providers in India are prohibited from charging pre-payment penalties on loans with variable interest rates, which has led to a high incidence of balance transfer, which results in a high turnover of loan assets between lenders, causing lenders to incur increased origination costs. In addition, increased difficulties for customers in refinancing their existing housing loan from another bank or financial institution, may also adversely affect our balance transfer loan originations. As competition in the housing finance sector intensifies, some of our customers with variable interest rate loans may not be able to find balance transfer options at comparably lower interest rates or other financing alternatives. As a result, they may be exposed to the risks associated with increases in EMIs, which may lead to increased delinquency or default rates. Increased delinquency rates may also result in deterioration in credit quality of our loan portfolio, which could have an adverse effect on our business, results of operations and financial condition.

47. ***We outsource certain operational activities to third-party service providers. Any lapse by such third party service providers may have adverse consequences on our business and reputation***

We have entered into a number of outsourcing agreements with different third party service providers for certain services. Accordingly, we are exposed to the risk that third party service providers may be unable to fulfil their contractual obligations to us (or will be subject to the risk of fraud or operational errors by their respective employees) and to the risk that their (or their vendors') business continuity and data security systems prove to be inadequate. Any defaults or lapses by our third-party service providers could result in a material adverse effect on our business, reputation, financial condition and results of operations.

48. ***The Indian housing finance industry is highly competitive and our inability to compete effectively could adversely affect our business and results of operations.***

We operate in a highly competitive industry in India and we compete with banks, other HFCs, small finance banks and NBFCs in each of the geographies in which we operate. Our competitors may have more resources, a wider branch and distribution network, access to cheaper funding, superior technology and may have a better understanding of and relationships with customers in these markets. This may make it easier for competitors to expand and to achieve economies of scale to a greater extent. In addition, our competitors may be able to rely on the reach of the retail presence of their affiliated group companies or banks. Competition in this market segment has also increased as a result of interest rate deregulation and other liberalization measures affecting the housing finance industry in India and we expect competition to intensify in the future.

Our ability to compete effectively will depend, in part, on our ability to maintain or increase our margins. Our margins are affected in part by our ability to continue to secure low-cost capital, and to charge optimum interest rates when lending to our customers. Consequently, our ability to maintain or increase our margins will be dependent on our ability to pass on increases in the interest rates on our interest-bearing liabilities to our customers. Moreover, any increases in the interest rates on the loans we extend may also result in a decrease in business. We cannot assure you that we will be able to react effectively to these or other market developments or compete effectively with new and existing players in the increasingly competitive housing finance industry. If we are unable to compete effectively, our business and results of operations may be adversely affected.

49. ***Our insurance coverage may not be sufficient or may not adequately protect us against losses, and successful claims that exceed our insurance coverage could harm our results of operations and diminish our financial position.***

We maintain insurance coverage of the type and in the amounts that we believe are commensurate with, and appropriate to, our operations. For further details on our insurance coverage, see "*Our Business – History and group structure – Insurance*" on page 127 of this Letter of Offer. Our insurance policies, however, may not provide adequate coverage in certain circumstances and may be subject to certain deductibles, exclusions and limits on coverage. Even if we have insurance for the incident giving rise to the loss, we may be required to pay a significant deductible on any claim for recovery of such a loss, or the amount of the loss may exceed our coverage for the loss. However, we cannot assure you that any claim under the insurance policies maintained by us will be honored fully, in part or on time. In addition, our insurance coverage expires from time to time. We apply for the renewal of our insurance coverage in the normal course of our business, but we cannot assure you that such renewals will be granted in a timely manner, or at acceptable cost, or at all. In addition, there are various types of risks and losses for which we do not maintain insurance because they are either uninsurable or because insurance is not available to us on acceptable terms. A successful assertion of one or more large claims against us that exceeds our available insurance coverage or results in changes in our insurance policies, including premium increases or the imposition of a larger deductible or co-insurance requirement, could adversely affect our business, financial condition, cash flows and results of operations.

50. We do not own our registered office and corporate offices and a majority of our branch offices. Any termination or failure by us to renew its lease and rental agreements in a favorable and timely manner, or at all, could adversely affect our business and results of operations. Moreover, many of the lease and rental agreements entered into by us may not be duly registered or adequately stamped.

Most of our branch offices along with our registered office and corporate offices are located on leased or rented premises. The lease agreements can be terminated, and any such termination could result in any of our offices being shifted or shut down. Some of the lease and rental agreements may have expired and we are currently involved in negotiations for the renewal of these lease and rental agreements. If these lease and rental agreements are not renewed or renewed on terms unfavorable to us, we may suffer a disruption in our operations or increased costs, or both, which may affect our business and results of operations.

Further, most of our lease and rental agreements may not be adequately stamped or duly registered. Unless such documents are adequately stamped or duly registered, such documents may be rendered inadmissible as evidence in a court in India or may not be authenticated by any public officer and the same may attract penalty as prescribed under applicable law or may impact our ability to enforce these agreements legally, which may result in an adverse effect on the continuance of our operations and business. For further details, please refer to "*Business – Property*" on page 147 of this Letter of Offer.

51. We have entered into a number of related party transactions and may continue to enter into related party transactions, which may involve conflicts of interest.

We have entered into a number of related party transactions, within the meaning of Ind-AS-24, as applicable. While we believe that all such transactions have been conducted on an arm's length basis, in accordance with our related party transactions policy and contain commercially reasonable terms, we cannot assure you that we could not have achieved more favorable terms had such transactions been entered into with unrelated parties. It is likely that we may enter into related party transactions in the future. Such transactions may give rise to potential conflicts of interest with respect to dealings between us and such related parties. Additionally, there can be no assurance that any dispute that may arise between us and related parties will be resolved in our favor. For further details of historical related party transactions, please refer to "*Related Party Transactions*".

52. We are subject to risks arising from exchange rate fluctuations, which could materially and adversely affect our business and financial conditions.

As at September 30, 2023, we had consolidated foreign currency borrowings amounting to Rs.31,784 million, representing 6.6% of our consolidated borrowings. The exchange rate between Indian Rupees and U.S. dollars has changed substantially in recent years and may fluctuate substantially in the future. While we have entered into various hedging arrangements to hedge the entire balance sheet risk on our exposure to foreign exchange fluctuations, we cannot be assured that our existing hedging arrangements will adequately reduce our foreign currency exchange risk or protect us against any unfavorable exchange rate fluctuations. Any depreciation in the value of the Indian Rupee against U.S. dollar could cause an increase in our interest expenses, reduce the profitability of our business and have a material and adverse effect on our cash flows, results of operations and financial condition. We may also be unable to pass on any increase in our costs due to foreign currency fluctuations to our customers, and as a result, our revenue and profitability may decline.

53. We may be unable to protect our brand names and other intellectual property rights which are critical to our business.

Our Company has obtained registrations for our trademarks which we use for our business operations. We may be required to resort to legal action to protect our brand names and other intellectual property rights. Any adverse outcome in such legal proceedings may impact our ability to use our brand names and other intellectual property rights in the manner in which such intellectual property is currently used or at all, which can have a material adverse effect on our business and financial condition.

Additionally, the Indiabulls brand that we currently operate under is used by members of the erstwhile Indiabulls group of companies, a diversified set of businesses in the financial services and real estate (including, but not limited to, the Subsidiaries) by virtue of permissive usage of Indiabulls brand accorded by us However, we will have no recourse against any of these companies in the event of any misuse by them of the brand, or any adverse effect on their business, operations or financial performance that leads to diminution in the value of the brand, which could materially affect our reputation, business and results of operations.

54. Our operations could be adversely affected by strikes or increased wage demands by our employees or any other kind of disputes with our employees.

As of September 30, 2023, we employed 4,956 personnel across our operations. Although we have not experienced any material employee unrest in the past, we cannot assure you that we will not experience disruptions in work due to disputes or other problems with our work force, which may adversely affect our ability to continue our business operations. Any employee unrest directed against us, could directly or indirectly prevent or hinder our normal operating activities, and, if not resolved in a timely manner, could lead to disruptions in our operations. While we have not experienced any disruptions resulting from employee strikes or disputes, these actions are impossible for us to predict or control and any such event could adversely affect our business, results of operations and financial condition.

None of our workforce is currently unionized. However, there is a risk that our employees may choose to unionize in the future. Labor unions for banking employees organize strikes, and we may in the future be affected by strikes, work stoppages or other labor disputes if any portion of our workforce were to become part of a union in the future. In the event of a labor dispute, protracted negotiations and strike action may impair our ability to carry on our day-to-day operations and, if not resolved in a timely manner, could adversely affect our business, financial condition, results of operations, cash flows and prospects.

55. We depend on third-party selling agents for referral of a certain portion of our customers, who do not work exclusively for us.

We depend on external direct selling agents ("**DSAs**"), who are typically proprietorships and self-employed professionals, to source a portion of our customers. Such DSAs pass on leads of any loan requirements of these small businesses to us. Our agreements with such DSAs typically do not provide for any exclusivity, and accordingly, such DSAs can work with other lenders, including our competitors. There can be no assurance that our DSAs will continue to drive a significant number of leads to us, and not to our competitors, or at all. As of September 30, 2023, we had over 8,000 DSAs.

56. Some of our Directors may have interests in entities in businesses similar to ours or have interests in us other than reimbursement of expenses incurred and normal remuneration or benefits, which may result in conflicts of interest with us.

As at the date of this Letter of Offer, some of our Directors may have investments or interests in entities engaged in businesses similar to ours, including in other geographies or across the financial services sector in general. Some of our Directors are also directors on the board of our related parties. Commercial transactions in the future between us and related parties may result in conflicting interests which could have an adverse effect on our operations. These interests may, in the future, result in conflicts of interest with us. Such factors may also have an adverse effect on the results of our operations and financial condition.

In addition, certain of our Directors and Key Management Personnel may be regarded as having an interest in our Company other than reimbursement of expenses incurred and normal remuneration or benefits. Certain Directors and Key Management Personnel may be deemed to be interested to the extent of our Shares held by them as well as to the extent of any dividends, bonuses, or other distributions on such Shares. We cannot assure you that our Directors and our Key Management Personnel will exercise their rights as shareholders to the benefit and best interest of our Company. For details, see "*Our Management*" on page 148 of this Letter of Offer.

57. Certain of our documents may bear higher stamp duty than we have paid and as a result, our cash flows and results of operations may be adversely affected.

In relation to assignment or securitization transactions executed by us in relation to our Loan Book, we have entered into certain documentation, wherein we have, in accordance with industry practice, agreed to bear all costs in relation to stamp duty payable in respect of the assignment and securitization documents. Most of these transactions involve loans (and underlying mortgages) situated across India, and not just the jurisdiction where the documents in relation to the assignment and securitization are stamped. If any of the transaction documents in relation to these assignment or securitization transactions, are for any reason, taken out of the state in which stamp duty has been paid, including for registration of the same in the state where the underlying property is situated, there may be an additional stamp duty implication, to the extent of the difference between the stamp duty payable in such state and the stamp duty already paid. Any such liability may have a financial impact on our cash flows and results of operations.

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

We are responsible for establishing and maintaining adequate internal measures commensurate with the size of our business and complexity of operations. Our internal or concurrent audit functions are equipped to make an independent and objective evaluation of the adequacy and effectiveness of internal controls on an ongoing basis to ensure that business units adhere to our policies, compliance requirements and internal circular guidelines. While we periodically test and update, as necessary, our internal control systems, we are exposed to operational risks arising from the potential inadequacy or failure of internal processes or systems, and our actions may not be sufficient to guarantee effective internal controls in all circumstances. Given our high volume of transactions, it is possible that errors may repeat or compound before they are discovered and rectified. Our management information systems and internal control procedures that are designed to monitor our operations and overall compliance may not identify every instance of non-compliance or every suspicious transaction. Further, due to the scale of our operations, our management may not be able to exercise adequate oversight on our internal controls or compliance functions. If internal control weaknesses are identified, our actions may not be sufficient to fully correct such internal control weakness. We face operational risks in our various businesses within the group and there may be losses due to, amongst others, deal errors, errors made by back office teams, settlement problems, errors in computation of NAV, pricing errors, inaccurate financial reporting, fraud and failure of mission critical systems and infrastructure. In addition, certain processes are carried out manually, which may increase the risk that human error, tampering or manipulation will result in losses that may be difficult to detect. As a result, we may suffer material monetary losses. Such instances may also adversely affect our reputation.

59. We have in this Letter of Offer included certain non-GAAP financial measures and certain other selected statistical information related to our operations and financial condition. These non-GAAP measures and statistical information may vary from any standard methodology that is applicable across the financial services industry and therefore may not be comparable with financial or statistical information of similar nomenclature computed and presented by other financial services companies.

Certain non-GAAP financial measures and certain other statistical information relating to our operations and financial performance like Net Worth, Financial Assets (excluding cash and cash equivalents) and Investments, Non Financial Assets (excluding property, plant and equipment and other intangible assets), Financial Liabilities (excluding debt securities, borrowing (other than debt securities and subordinated liabilities) and Total Debt to Total Assets, have been included in this section and elsewhere in this Letter of Offer which are supplemental measures of our performance and liquidity that is not required by, or presented in accordance with, Ind AS, IFRS and US GAAP. We compute and disclose such non-GAAP financial measures and such other statistical information relating to our operations and financial performance as we consider such information to be useful measures of our business and financial performance, and because such measures are frequently used by securities analysts, investors and others to evaluate the operational performance of financial services businesses. Many financial services businesses provide such non-GAAP financial measures and other statistical and operational information when reporting their financial results. Such non-GAAP measures are not measures of operating performance or liquidity defined by generally accepted accounting principles and should not be considered in isolation or construed as an alternative to cash flows, profit/(loss) for the years/period or any other measure of financial performance or as an indicator of our operating performance, liquidity, profitability or cash flows generated by operating, investing or financing activities derived in accordance with Ind AS, IFRS and US GAAP. These non-GAAP financial measures and other statistical and other information relating to our operations and financial performance are not standardized terms and may not be computed on the basis of any standard methodology that is applicable across the industry. Therefore, such non-GAAP measures may not be comparable to financial measures and statistical information of similar nomenclature that may be computed and presented by other banks or financial institutions in India or elsewhere.

60. Statistical and industry data in this Letter of Offer is derived from the CRISIL Report commissioned by us for such purpose. The CRISIL Report is not exhaustive and is based on certain assumptions, parameters and conditions. The data and statistics in the CRISIL Report may be inaccurate, incomplete or unreliable.

This Letter of Offer includes information that is derived from the CRISIL Report for the purposes of confirming our understanding of the industry exclusively in connection with the Issue. The CRISIL Report is not exhaustive and is based on certain assumptions, parameters and conditions. While we have taken reasonable care in the reproduction of the information from the CRISIL Report, neither our Company nor the Managers nor any of our or their respective affiliates or advisers or any other person connected with the Issue has independently verified third party and industry related data and statistics obtained from the CRISIL Report. While we have no reason to believe the data and statistics in the CRISIL Report are incorrect, we cannot assure you that they are accurate, complete or reliable and, therefore, we make no representation or warranty, express or implied, as to the accuracy, completeness or reliability of such data or statistics. Therefore, discussions of matters relating to India, its economy and the industry in which we currently operate are subject to the caveat that the data and statistics upon which such discussions are based may be inaccurate, incomplete or unreliable. Further, there can be no assurance that such data and statistics are stated or compiled on the same basis or with the same degree of accuracy as may be the case in other reports. Statements from third parties that involve estimates are subject to change, and actual amounts may differ materially from those included in this Letter of Offer.

61. Negative publicity could damage our reputation and adversely impact our business and financial results.

Reputational risk, or the risk to our business, earnings and capital from negative publicity, is inherent in our business. The reputation of the non-banking financial industry in general has been closely monitored as a result of the global financial crisis and other matters affecting the financial services industry. Negative public opinion about the housing finance industry generally or us specifically could materially adversely affect our ability to attract and retain customers and may expose us to litigation and regulatory action. While we have developed our brand and reputation over our history, any negative incidents or adverse publicity could rapidly erode customer trust and confidence in us, particularly if such incidents receive widespread adverse mainstream and social media publicity, or attract regulatory investigations. Negative publicity can result from our own or our third-party service providers' actual or alleged conduct in any number of activities, including lending practices, mortgage servicing and foreclosure practices, technological practices, corporate governance, regulatory compliance, mergers and acquisitions, and related disclosure, sharing or inadequate protection of customer information, and actions taken by government regulators and community organizations in response to that conduct. Although we take steps to minimize reputational risk in dealing with customers and other constituencies, we, as a large financial services organization with a high industry profile, are inherently exposed to this risk.

Any damage to our brand or our reputation may result in withdrawal of business by our existing customers, loss of new business from potential customers.

62. Our ability to pay dividends in the future will depend on restrictive covenants of our financing arrangements, our future results of operations, financial condition, cash flows and working capital and capital expenditure requirements.

Any dividends to be declared and paid by us in the future are required to be recommended by our Board and approved by our Shareholders, at their discretion, subject to the provisions of the Articles of Association, dividend policy and applicable laws, including the Companies Act. Our ability to pay dividends in the future will depend on our future results of operations, financial condition, cash flows, sufficient profitability, working capital requirements, capital expenditure requirements, business prospects and any other financing arrangements. For example, certain of our financing agreements may contain restricted payment covenants which may limit our ability to make payments in the nature of dividends or distributions to our equity holders. Dividends distributed by us will be taxed by any applicable dividend distribution tax and may be subject to other requirements prescribed by the RBI, as the case may be. We cannot assure you that we will generate sufficient revenues to cover our operating expenses and, as such, pay dividends to our shareholders in future consistent with our past practices, or at all.

Under the Indian laws, dividends may be paid out of profits earned during the year or out of accumulated profits earned by a company in previous years and transferred by it to its reserves (subject to certain conditions). Any accumulated profits that are not distributed in a given year are retained and may be available for distribution in subsequent years.

63. The objects of the Issue are not for any specified projects.

The proceeds of this Issue will be used by the Issuer in accordance with applicable laws and not for any specified projects.

We intend to use the proceeds of the Issue, after meeting the expenditures of and related to the Issue, for the purpose of augmenting the capital base of our Company and for general corporate purposes, subject to applicable statutory and/or regulatory requirements. For further details, see "*Objects of the Issue*" on page 85 of this Letter of Offer. The fund requirement and deployment is based on internal management estimates and has not been appraised by any bank or financial institution. The management will have significant flexibility in applying the proceeds received by us from the Issue. The utilization details of the proceeds of the Issue shall be adequately disclosed as per applicable law. As per applicable law, we are required to appoint a monitoring agency and accordingly, CRISIL Ratings Limited has been appointed as the monitoring agency for the Issue.

64. ***Fluctuations in the market value of our investments could adversely affect our results of operations and financial condition.***

Fluctuations in the market values of our investments as part of treasury management could cause us to write down the value of our assets, affect our liquidity and reduce our ability to enforce our security, which could adversely affect our result of operations and financial condition. We may not accurately identify changes in the value of our investments caused by changes in market prices, and our assessments, assumptions or estimates may prove inaccurate or not predictive of actual results.

65. ***The bankruptcy code in India may affect our rights to recover loans from our customers.***

The Insolvency and Bankruptcy Code, 2016 ("**IBC**") was notified on August 5, 2016. The IBC offers a uniform and comprehensive insolvency legislation encompassing all companies, partnerships and individuals (other than financial firms). It allows creditors to assess the viability of a debtor as a business decision, and agree upon a plan for its revival or a speedy liquidation. The IBC creates a new institutional framework, consisting of a regulator, insolvency professionals, information utilities and adjudicatory mechanisms, which will facilitate a formal and time-bound insolvency resolution and liquidation process.

In case insolvency proceedings are initiated against a debtor to our Company or a debtor files for voluntary insolvency under the IBC, we may not have complete control over the recovery of amounts due to us. Under the IBC, upon invocation of an insolvency resolution process, a committee of creditors is constituted by the interim resolution professional, wherein each financial creditor is given a voting share proportionate to the debts owed to it. Any decision of the committee of creditors must be taken by a vote of not less than 75% of the voting share of all financial creditors. Any resolution plan approved by committee of creditors is binding upon all creditors, even if they vote against it.

In case a liquidation process is opted for, the IBC provides for a fixed order of priority in which proceeds from the sale of the debtor's assets are to be distributed. Before sale proceeds are distributed to a secured creditor, they are to be distributed for the costs of the insolvency resolution and liquidation processes and debts owed to workmen and other employees. Further, under this process, dues owed to the Central and State Governments rank below the claims of secured creditors, workmen and other employee dues and unsecured financial creditors. Additionally, pursuant to an amendment to the IBC allotees in real estate projects are considered on part with financial creditors. Therefore, in cases where proceedings under the IBC are initiated against the builders or developers of project where the allottees of the apartments are our borrowers and if the builder or developer subsequently fails to deliver the project, there may be delay in recovery of amounts from such borrowers.

Accordingly, if the provisions of the IBC are invoked against any of the borrowers of our Company, it may affect our Company's ability to recover our loans from the borrowers and enforcement of our Company's rights will be subject to the IBC.

66. ***This Letter of Offer includes certain reviewed financial information, which has been subjected to limited review, in relation to our Company. Reliance on such information should, accordingly, be limited.***

This Letter of Offer includes Unaudited/ Limited Review Consolidated September Financial Results for the six-month period ended September 30, 2023 in respect of which the Statutory Auditors have issued their review reports dated November 14, 2023. Any financial results published in the future may not be consistent with past performance. Accordingly, prospective investors should rely on their independent examination of our financial position and results of operations and should not place undue reliance on or base their investment decision solely on the financial information included in this Letter of Offer.

67. ***There may be inadvertent discrepancies in our secretarial filings and/ or corporate records. We cannot assure you that no legal proceedings or regulatory actions will be initiated against our Company in the future in relation to any such discrepancies and we will not be subject to any penalty imposed by the competent authority in this regard.***

We manage our internal compliance by monitoring and evaluating internal controls and ensuring all relevant statutory and regulatory compliances. However, there can be no assurance that deficiencies in our internal controls will not arise, or that we will be able to implement, and continue to maintain, adequate measures to rectify or mitigate any such deficiencies in our internal controls, in a timely manner or at all.

Accordingly, we cannot assure you that our Company will not be subject to any legal proceedings or regulatory actions, including monetary penalties by statutory authorities on account of any inadvertent discrepancies in our secretarial filings and/or corporate records in the future, which may adversely affect our business, financial condition and reputation.

External Risks and Risk relating to India

68. A slowdown in economic growth in India, natural disasters and other disruptions may adversely affect our business and results of operations.

Our financial performance and the quality and growth of our business depend significantly on the health of the overall Indian economy, the gross domestic product growth rate and the economic cycle in India. A substantial portion of our assets and employees are located in India, and we intend to continue to develop and expand our facilities in India.

Our performance and the growth of our business depend on the performance of the Indian economy and the economies of the regional markets we currently serve. These economies could be adversely affected by various factors, such as the impact of a pandemic, political and regulatory changes including adverse changes in liberalization policies, social disturbances, religious or communal tensions, terrorist attacks and other acts of violence or war, natural calamities, interest rates, commodity and energy prices and various other factors. Our operations, including our branch network, may be damaged or disrupted as a result of natural disasters such as earthquakes, floods, heavy rainfall, epidemics, tsunamis and cyclones and other events such as protests, riots and labor unrest. Such events may lead to the disruption of information systems and telecommunication services for sustained periods. They also may make it difficult or impossible for employees to reach our business locations. Damage or destruction that interrupts our provision of services could adversely affect our reputation, our relationships with our customers, our senior management team's ability to administer and supervise our business or it may cause us to incur substantial additional expenditure to repair or replace damaged equipment or rebuild parts of our branch network.

Any slowdown or perceived slowdown in these economies could adversely affect the ability of our customers to afford our services, which in turn would adversely impact our business and financial performance and results of operations.

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

Majority of our outstanding debt is domestic. Any adverse credit rating outlook on India would impact the country's outlook and cascade into interest rate and currency depreciation. In April 2015, Moody's revised India's sovereign rating outlook from "stable" to "positive" and retained the long-term rating at "Baa3" as it expected actions of policymakers to enhance India's economic strength in the medium term. In July 2016, Fitch revised its outlook for the Indian banking sector to "Negative" from "Stable" due to the increase in nonperforming loans. In November 2017, Moody's had raised India's credit rating from the lowest investment grade of Baa3 to Baa2 and changed the outlook to stable from positive. In November 2019, Moody's cut India's rating outlook to negative, while retaining the rating to Baa2, citing worsening shadow banking crunch, prolonged slowdown in the economy and rising public debt.

Further, on June 1, 2020, Moody's downgraded Government of India's foreign currency and local currency long-term issuer ratings to "Baa3" from "Baa2" while maintaining the "negative outlook" due to relatively weak implementation of reforms since 2017, a sustained period of relatively low growth, significant deterioration in the fiscal position of the government and the rising stress in the financial sector. On June 18, 2020, Fitch Ratings downgraded the outlook on India's long-term foreign currency Issuer Default Rating to "negative" from "stable" and affirmed the rating at BBB-. This was due to the coronavirus pandemic having significantly weakened India's growth outlook for the year and the challenges associated with a high public debt burden. In 2021, S&P reaffirmed its rating on India's long-term rating at BBB- with a stable outlook, which reflected the expectation that India's economy would recover following the resolution of the pandemic. As of the date of this Letter of Offer, India was rated Baa3 (Stable) by Moody's, BBB- (Stable) by Fitch and BBB- (Stable) by S&P.

There can be no assurance that these ratings will not be further revised or changed by S&P, Fitch or Moody's or that any of the other global rating agencies will not downgrade India's credit rating. As our foreign currency ratings are pegged to India's sovereign ratings any adverse revision to India's credit rating for international debt will have a corresponding effect on our ratings. Therefore, any adverse revisions to India's credit ratings for domestic and international debt by international rating agencies may adversely impact our ability to raise additional financing and the interest rates and other commercial terms at which such financing is available. Any of these developments may materially and adversely affect our business, cash flows, financial condition and results of operations.

70. ***India's existing infrastructure may be less developed than that of many developed nations, which may cause increased risks of loan defaults.***

All of our business is located in India. India's infrastructure may be less developed than that of many developed nations, and problems with its port, rail and road networks, electricity grid, communication systems or other public facilities could disrupt our normal business activity and the real estate industry in India with which our business is closely inter-related. Any material deterioration of India's infrastructure, including technology and telecommunications, adds costs to doing business in India. These problems could interrupt our business operations and reduce demand for our services, which could have an adverse effect on our business and results of operations.

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

71. ***We may be affected by competition laws, the adverse application or interpretation of which could adversely affect our business.***

The Competition Act, 2002, of India, as amended ("**Competition Act**"), regulates practices having an appreciable adverse effect on competition in the relevant market in India ("**AAEC**"). Under the Competition Act, any formal or informal arrangement, understanding or action in concert, which causes or is likely to cause an AAEC is considered void and may result in the imposition of substantial penalties. Further, any agreement among competitors which directly or indirectly involves the determination of purchase or sale prices, limits or controls production, supply, markets, technical development, investment or the provision of services or shares the market or source of production or provision of services in any manner, including by way of allocation of geographical area or number of customers in the relevant market or directly or indirectly results in bid-rigging or collusive bidding is presumed to have an AAEC and is considered void. The Competition Act also prohibits abuse of a dominant position by any enterprise.

On March 4, 2011, the Government notified and brought into force the combination regulation (merger control) provisions under the Competition Act with effect from June 1, 2011. These provisions require acquisitions of shares, voting rights, assets or control or mergers or amalgamations that cross the prescribed asset and turnover based thresholds to be mandatorily notified to and pre-approved by the Competition Commission of India (the "**CCI**"). Additionally, on May 11, 2011, the CCI issued Competition Commission of India (Procedure for Transaction of Business Relating to Combinations) Regulations, 2011, as amended, which sets out the mechanism for implementation of the merger control regime in India.

The Competition Act aims to, among others, prohibit all agreements and transactions which may have an AAEC in India. Consequently, all agreements entered into by us could be within the purview of the Competition Act. Further, the CCI has extra-territorial powers and can investigate any agreements, abusive conduct or combination occurring outside India if such agreement, conduct or combination has an AAEC in India. However, the impact of the provisions of the Competition Act on the agreements entered into by us cannot be predicted with certainty at this stage. However, since we pursue an acquisition driven growth strategy, we may be affected, directly or indirectly, by the application or interpretation of any provision of the Competition Act, or any enforcement proceedings initiated by the CCI, or any adverse publicity that may be generated due to scrutiny or prosecution by the CCI or if any prohibition or substantial penalties are levied under the Competition Act, it would adversely affect our business, results of operations, cash flows and prospects.

The Competition (Amendment) Act, 2023 ("**Competition Amendment Act**") was recently notified. The Competition Amendment Act amends the Competition Act and give the CCI additional powers to eliminate practices that have an adverse effect on competition and to protect the interests of consumers. The Competition Amendment Act, inter alia, modifies the scope of certain factors used to determine AAEC, reduces the overall time limit for the assessment of combinations by the CCI from 210 days to 150 days and empowers the CCI to impose penalties based on the global turnover of entities, for anti-competitive agreements and abuse of dominant position.

72. Significant differences exist between Ind AS and other accounting principles, such as IFRS, which may be material to investors' assessments of the Group's financial condition.

The Group's financial statements as at and for the financial years ended March 31, 2023, March 2022 and for the six months period ended September 30, 2023 were prepared in accordance with Ind-AS. Ind-AS and IFRS are significantly different. Accordingly, the degree to which the Ind-AS financial statements included in this Letter of Offer will provide meaningful information entirely depends on the reader's level of familiarity with Indian accounting practices. Any reliance by persons not familiar with Indian accounting practices on the financial statements included in this Letter of Offer should accordingly be limited.

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

Tax and other levies imposed by the central and state governments in India that affect our tax liability include central and state taxes and other levies, income tax, value added tax, turnover tax, service tax, stamp duty, tax on dividends and other special taxes and surcharges which are introduced on a temporary or permanent basis from time to time. Moreover, the central and state tax scheme in India is extensive and subject to change from time to time. The central or state government may in the future increase the corporate income tax it imposes. Any such future increases or amendments may affect the overall tax efficiency of companies operating in India and may result in significant additional taxes becoming payable. Additional tax exposure could adversely affect our business, cash flows and results of operations. The Company, being a listed entity, has been regularly assessed by tax authorities in earlier years, wherein the record had been thoroughly scrutinised from a direct tax angle. The assessing officer has made an addition during the course of assessment on the various grounds wherein we have received the relief either at the first level appellate authority or subsequent levels. Presently, no risk has been observed with respect to any specific tax proceedings. As such, no adverse view or material financial impact has been imposed on the Company by direct tax authorities. The Company is registered with GST authorities in multiple states and avails GST credit under Section 17(4) of the Central Goods and Services Tax Act, 2017. The Company is subject to ongoing GST audits and scrutiny, and as of the date of this Letter of Offer, no material financial impact has been imposed on the Company by indirect tax authorities.

74. The taxation system in India could adversely affect our business, prospects, financial condition and results of operations.

Our business and financial performance could be adversely affected by any unexpected or onerous requirements or regulations resulting from the introduction of new or any changes in or interpretation of existing laws, or the promulgation of new laws, rules and regulations relating to taxation, as it is implemented.

The Government has enacted the GAAR provisions which have come into effect from April 1, 2017. The tax consequences of the GAAR provisions being applied to an arrangement could result in denial of tax benefit amongst other consequences. In the absence of any precedents on the subject, the application of these provisions is uncertain. If the GAAR provisions are invoked, then the Indian tax authorities have wide powers, including the ability to deny a tax benefit or deny a benefit under a tax treaty. The Company has not entered into any impermissible avoidance arrangements as of the date of this Letter of Offer. As such, the GAAR provisions have not been invoked in the Company's case.

Further, the Government of India has announced the Union Budget for Financial Year ended March 31, 2024 and the Finance Act, 2023, which was notified on the e-Gazette on March 31, 2023. The Finance Act, 2023 proposes various amendments to taxation laws in India. As such there is no certainty on the impact this will have on our business and operations or on the industry in which we operate. Any future increases or amendments may affect the overall tax efficiency of companies operating in India and may result in significant additional taxes becoming payable. If, as a result of a particular tax risk materialising, the tax costs associated with certain transactions are greater than anticipated, it could affect the profitability of such transactions.

75. Financial instability in other countries may cause increased volatility in Indian financial markets.

The Indian market and the Indian economy are influenced by economic and market conditions in other countries, particularly emerging market countries in Asia. Financial turmoil in Asia, Russia and elsewhere in the world in recent years has affected the Indian economy. Although economic conditions are different in each country, investors' reactions to developments in one country can have adverse effects on the securities of companies in other countries, including India. A loss of investor confidence in the financial systems of other emerging markets may cause increased volatility in Indian financial markets and, indirectly, in the Indian economy in general. Any worldwide financial instability could also have a negative impact on the Indian economy. Financial disruptions may occur again and could harm our business and our future financial performance. The global credit and equity markets have experienced substantial dislocations, liquidity disruptions and market corrections in recent years.

These and other related events have had a significant impact on the global credit and financial markets as a whole, including reduced liquidity, greater volatility, widening of credit spreads and a lack of price transparency in the United States, Europe and global credit and financial markets.

In response to such developments, legislators and financial regulators in the United States, Europe and other jurisdictions, including India, have implemented several policy measures designed to add stability to the financial markets. However, the overall impact of these and other legislative and regulatory efforts on the global financial markets is uncertain, and they may not have the intended stabilizing effects. In the event that the current adverse conditions in the global credit markets continue or if there is any significant financial disruption, this could have an adverse effect on our business and future financial performance.

76. A global or regional financial crisis could adversely affect our operations, cash flows, asset quality and growth.

Our business has been, and in the future will continue to be, materially affected by geo-political, economic and market conditions, including factors such as the liquidity of the global financial markets, the level and volatility of debt and equity prices, interest rates, currency and commodity prices, investor sentiment, inflation and the availability and cost of capital and credit.

A number of countries in Asia, including India, as well as countries in other parts of the world, are susceptible to contagious diseases and, for example, have had confirmed cases of diseases such as the highly pathogenic H7N9, H5N1 and H1N1 strains of influenza in birds and swine and more recently, the COVID-19. A worsening of the current outbreak of COVID-19 pandemic or future outbreaks of COVID-19 or a similar contagious disease could adversely affect the global economy and economic activity in the region. As a result, any present or future outbreak of a contagious disease could have a material adverse effect on our financial condition and results of operations.

While our direct exposures outside the Indian financial markets are relatively modest, financial market volatility and increased uncertainty may have a broader global economic impact that may in turn have a material adverse effect on our business, cash flows, financial condition and results of operations.

Investors should be aware that there is a recent history of financial crises and boom-bust cycles in multiple markets in both emerging and developed economies which leads to risks for all financial institutions, including us. We remain subject to the indirect economic effect of any potential tightening in global credit conditions, some of which cannot be anticipated and the vast majority of which are not under its control. We also remain subject to counterparty risk arising from financial institutions that can fail or are otherwise unable to meet their obligations under their contractual commitment to us.

A loss of investor confidence in the financial systems of other emerging markets may cause increased volatility in the Indian financial markets and indirectly in the Indian economy in general. Any worldwide financial instability in the global markets could have a negative influence on the Indian economy. While legislators and financial regulators across the globe have implemented several measures designed to add stability to the financial markets, these may not have the intended stabilizing effects.

77. Civil unrest, acts of violence including terrorism or war involving India and other countries could materially and adversely affect the financial markets and our business.

Civil unrest, acts of violence including terrorism or war, may negatively affect the Indian stock markets and also materially and adversely affect the worldwide financial markets. These acts may also result in a loss of business confidence, make travel and other services more difficult and ultimately materially and adversely affect our business. Although the governments of India and neighboring countries have recently been engaged in conciliatory efforts, any deterioration in relations between India and neighboring countries might result in investor concern about stability in the region, which could materially and adversely affect our business, results of operations, cash flows and financial condition.

78. ***Investors may have difficulty enforcing foreign judgments in India against the Company or its management.***

The Company was constituted under the Companies Act, 1956. Substantially all of the Company's directors and executive officers named herein are residents of India and a substantial portion of the assets of the Company and such persons are located in India. As a result, it may not be possible for investors outside India to effect service of process on the Company or such persons from their respective jurisdictions outside India, or to enforce against them judgments obtained in courts outside India predicated upon civil liabilities of the Company or such directors and executive officers under laws other than Indian Law. The recognition and enforcement of foreign judgments in India is governed by Sections 13 and 44A of the Civil Procedure Code, which provide that a suit must be brought in India within three years from the date of the judgment sought to be enforced. However, Section 44A of the Civil Code is applicable only to monetary decrees not being in the nature of any amounts payable in respect of taxes or other charges of a like nature or in respect of a fine or other penalty and shall in no case include an arbitration award, even if such award is enforceable as a decree or judgment. While the United Kingdom and Singapore have been declared by the Government to be reciprocating territories for the purposes of Section 44A of the Civil Code, but the U.S. has not been so declared. A judgment of a court in a jurisdiction, which is not a reciprocating territory, may be enforced only by a fresh suit upon the judgment and not by proceedings in execution. Generally, there are considerable delays in the disposal of suits by Indian courts. It is unlikely that a court in India would award damages on the same basis as a foreign court if an action is brought in India. Furthermore, it is unlikely that an Indian court would enforce foreign judgments if it viewed the amount of damages awarded as excessive or inconsistent with Indian practice. A party seeking to enforce a foreign judgment in India is required to obtain prior approval from the RBI under the FEMA to repatriate any amount recovered.

79. ***Financial difficulty and other problems in certain financial institutions in India could adversely affect our business, results of operations, cash flows and financial condition.***

As a housing finance company, we are exposed to the risks of the Indian financial system which may be affected by the financial difficulties faced by certain Indian financial institutions because the commercial soundness of many financial institutions may be closely related as a result of credit, trading, clearing or other relationships. This risk, which is sometimes referred to as "systemic risk", may adversely affect financial intermediaries, such as clearing agencies, banks, securities firms and exchanges with whom we interact on a daily basis. Any such difficulties or instability of the Indian financial system in general could create an adverse market perception about Indian financial institutions and banks and adversely affect our business, results of operations, cash flows and financial condition. As the Indian financial system operates within an emerging market, it faces risks of a nature and extent not typically faced in more developed economies, including the risk of deposit runs notwithstanding the existence of a national deposit insurance scheme.

80. ***Any volatility in the exchange rate and increased intervention by the RBI in the foreign exchange market may lead to a decline in India's foreign exchange reserves and may affect liquidity and interest rates in the Indian economy, which could adversely impact us.***

One of the direct adverse impacts of the global financial crisis on India has been the reversal of capital inflows and a decline in exports, leading to pressures on the balance of payments and a sharp depreciation of the Indian Rupee vis-à-vis the U.S. dollar. Any increased intervention by the RBI in the foreign exchange market to control the volatility of the exchange rate may result in a decline in India's foreign exchange reserves and reduced liquidity and higher interest rates in the Indian economy, which could adversely affect our business and our future financial performance.

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

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

82. An outbreak of an infectious disease or any other serious public health concerns in India or elsewhere could adversely affect our business.

The outbreak of an infectious disease in India or elsewhere or any other serious public health concern could have a negative impact on the global economy, financial markets and business activities worldwide, which could adversely affect our business. There is no assurance that a future outbreak of an infectious disease or any other serious public health concern will not have a material adverse effect on our business.

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

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

Risks relating to this Issue

84. Failure to exercise or sell the Rights Entitlements will cause the Rights Entitlements to lapse without compensation and result in a dilution of shareholding.

The Rights Entitlements that are not exercised prior to the end of the Issue Closing Date will expire and become null and void, and Eligible Equity Shareholders will not receive any consideration for them. The proportionate ownership and voting interest in our Company of Eligible Equity Shareholders who fail (or are not able) to exercise their Rights Entitlements will be diluted. Even if you elect to sell your unexercised Rights Entitlements, the consideration you receive for them may not be sufficient to fully compensate you for the dilution of your percentage ownership of the equity share capital of our Company that may be caused as a result of the Issue. Renouncees may not be able to apply in case of failure in completion of renunciation through off-market transfer in such a manner that the Rights Entitlements are credited to the demat account of the Renouncees prior to the Issue Closing Date. Further, in case, the Rights Entitlements do not get credited in time, in case of On Market Renunciation, such Renouncee will not be able to apply in this Issue with respect to such Rights Entitlements. For details, see "*Terms of the Issue*" on page 674 of this Letter of Offer.

85. Our funding requirements and proposed deployment of the Net Proceeds are based on management estimates and have not been independently appraised and may be subject to change based on various factors, some of which are beyond our control.

Our funding requirements of the Net Proceeds are based on internal management estimates based on current market conditions, and have not been appraised by any bank or financial institution or other independent agency. Further, in the absence of such independent appraisal, our funding requirements may be subject to change based on various factors which are beyond our control. For details, see "*Objects of the Issue*" on page 85 of this Letter of Offer. However, the deployment of the Net Proceeds will be monitored by the Monitoring Agency, CRISIL Ratings Limited.

86. No market for the Right Entitlements may develop and the price of the Right Entitlements may be volatile.

No assurance can be given that an active trading market for the Rights Entitlements will develop on the Stock Exchanges during the Renunciation Period or that there will be sufficient liquidity in Rights Entitlements trading during this period. The trading price of the Rights Entitlements will not only depend on supply and demand for the Rights Entitlements, which may be affected by factors unrelated to the trading in the Equity Shares, but also on the quoted price of the Equity Shares, amongst others. Factors affecting the volatility of the price of the Equity Shares, as described herein, may magnify the volatility of the trading price of the Rights Entitlements, and a decline in the price of the Equity Shares will have an adverse impact on the trading price of the Rights Entitlements. Since the trading of the Rights Equity Shares will be on a separate segment compared to the Equity

Shares on the floor of the Stock Exchanges, the trading of Rights Equity Shares may not track the trading of Equity Shares. The trading price of the Rights Entitlements may be subject to greater price fluctuations than that of the Equity Shares.

87. ***The Equity Shares may experience price and volume fluctuations or an active trading market for the Equity Shares may not develop.***

The price of the Equity Shares may fluctuate after this Issue as a result of several factors, including volatility in the Indian and global securities markets, the results of our operations, the performance of our competitors, changes in the estimates of our performance or recommendations by financial analysts, significant developments in India's economic liberalization and deregulation policies, inclusion or exclusion of our Company in indices, significant developments in India's fiscal regulations and any other political or economic factors. In addition, if the stock markets experience a loss of investor confidence, the trading price of our Equity Shares could decline for reasons unrelated to our business, financial condition or operating results. The trading price of our Equity Shares might also decline in reaction to events that affect other companies in our industry even if these events do not directly affect us. Further, the price at which the Equity Shares are initially traded may not correspond to the prices at which the Equity Shares will trade in the market subsequently.

General or industry specific market conditions or stock performance or domestic or international macroeconomic and geopolitical factors unrelated to our performance also affect the price of the Rights Equity Shares. In particular, the stock market as a whole recently experienced extreme price and volume fluctuations that have affected the market price of many companies in ways that may have been unrelated to the companies' operating performances. For these reasons, investors should not rely on recent trends to predict future share prices, results of operations or cash flow and financial condition.

88. ***We may, at any time in the future, make further issuances or sales of our Equity Shares, and this may significantly dilute your future shareholding and affect the trading price of our Equity Shares.***

Any future equity issuances by us, may lead to the dilution of investors' shareholdings in our Company. Any future equity issuances by us or sales of our Equity Shares by our shareholders may adversely affect the trading price of our Equity Shares, which may lead to other adverse consequences for us including difficulty in raising capital through offering of our Equity Shares or incurring additional debt. In addition, any perception that such issuance or sales of shares may occur, may lead to dilution of your shareholding, significantly affect the trading price of our Equity Shares and our ability to raise capital through an issue of our securities. There can be no assurance that such future issuance by us will be at a price equal to or more than the Issue Price. Further, there can be no assurance that we will not issue further shares or that the major shareholders will not dispose of, pledge or otherwise encumber their shares.

89. ***Investors may be subject to Indian taxes arising out of capital gains on the sale of our Equity Shares and Rights Entitlements.***

Under current Indian tax laws and regulations, capital gains arising from the sale of shares in an Indian company are generally taxable in India. Previously, any gain realised on the sale of listed equity shares on or before March 31, 2018 on a stock exchange held for more than 12 months was not subject to long-term capital gains tax in India if securities transaction tax ("**STT**") was paid on the sale transaction. However, tax is now payable on such long-term capital gains exceeding Rs.100,000 arising from sale of equity shares on or after April 1, 2018, while unrealized capital gains earned up to January 31, 2018 on such Equity Shares are exempted.

Further, any capital gains realized on the sale of listed equity shares held for a period of 12 months or less immediately preceding the date of transfer will be subject to short term capital gains tax in India. Accordingly, you may be subject to payment of long-term capital gains tax in India, in addition to payment of STT, on the sale of any Equity Shares held for more than 12 months. STT will be levied on and collected by a domestic stock exchange on which our Equity Shares are sold. Further, any gain realized on the sale of listed equity shares held for a period of 12 months or less will be subject to short term capital gains tax in India. Capital gains arising from the sale of our Equity Shares will be exempt from taxation in India in cases where the exemption from taxation in India is provided under a treaty between India and the country of which the seller is resident. Generally, Indian tax treaties do not limit India's ability to impose tax on capital gains. As a result, residents of other countries may be liable for tax in India as well as in their own jurisdiction on a gain upon the sale of our Equity Shares and Rights Entitlements. Further, the Finance Act, 2020, has, amongst others things, notified changes and provided a number of amendments to the direct and indirect tax regime, including, without limitation, a simplified alternate direct tax regime and that dividend distribution tax will not be payable in respect of dividends declared, distributed or paid by a domestic company after March 31, 2020 and accordingly, such dividends would not be exempt in the hands of the shareholders, both resident as well as non-resident, and are subject to tax deduction at source.

Further, the GOI has notified the Finance Act, 2023, which has introduced various amendments to the Income Tax Act, 1961. There is no certainty on the impact that the Finance Act, 2023 may have on our business and operations or on the industry in which we operate.

90. We will not distribute this Letter of Offer, the Abridged Letter of Offer, the Application Form and the Rights Entitlement Letter to certain categories of overseas shareholders.

In the case that Eligible Equity Shareholders have provided their valid e-mail address our Company will send the Abridged Letter of Offer, the Rights Entitlement Letter, Application Form and other issue material ("**Issue Material**") only to their valid e-mail address and in the case that such Eligible Equity Shareholders have not provided their e-mail address, then the Issue Material will be dispatched, on a reasonable effort basis, to the Indian addresses provided by them. Other than as indicated above, the Issue materials will not be distributed to addresses outside India on account of restrictions that apply to circulation of such materials in overseas jurisdictions.

However, the Companies Act, 2013 requires companies to serve documents at any address, which may be provided by the members as well as through e-mail. Presently, there is lack of clarity under the Companies Act, 2013 and the rules made thereunder with respect to distribution of the Issue materials in overseas jurisdictions where such distribution may be prohibited under the applicable laws of such jurisdictions. We have requested all the overseas Eligible Equity Shareholders to provide an address in India and their e-mail addresses for the purposes of distribution of the Issue materials. However, we cannot assure you that the regulator or authorities would not adopt a different view with respect to compliance with the Companies Act, 2013 and may subject us to fines or penalties.

91. Applicants to this Issue are not allowed to withdraw their Applications after the Issue Closing Date.

In terms of the SEBI ICDR Regulations, Applicants in this Issue are not allowed to withdraw their Applications after the Issue Closing Date. The Allotment in this Issue and the credit of such Rights Equity Shares to the Applicant's demat account with its depository participant shall be completed within such period as prescribed under the applicable laws. There is no assurance, however, that material adverse changes in the international or national monetary, financial, political or economic conditions or other events in the nature of force majeure, material adverse changes in our business, results of operation or financial condition, or other events affecting the Applicant's decision to invest in the Rights Equity Shares, would not arise between the Issue Closing Date and the date of Allotment in this Issue. Occurrence of any such events after the Issue Closing Date could also impact the market price of our Equity Shares. The Applicants shall not have the right to withdraw their applications in the event of any such occurrence. We cannot assure you that the market price of the Equity Shares will not decline below the Issue Price. To the extent the market price for the Equity Shares declines below the Issue Price after the Issue Closing Date, the shareholder will be required to purchase Rights Equity Shares at a price that will be higher than the actual market price for the Equity Shares at that time. Should that occur, the shareholder will suffer an immediate unrealized loss as a result. We may complete the Allotment even if such events may limit the Applicants' ability to sell our Equity Shares after this Issue or cause the trading price of our Equity Shares to decline.

92. SEBI has streamlined the process of rights issues. You should follow the instructions carefully, as stated in such SEBI circulars, and in this Letter of Offer. The Rights Entitlement of Eligible Equity Shareholders holding Equity Shares in physical form may lapse in case they fail to furnish the details of their demat account to the Registrar.

In accordance with Regulation 77A of the SEBI ICDR Regulations read with the SEBI Rights Issue Circulars, the credit of Rights Entitlements and Allotment of Rights Equity Shares shall be made in dematerialized form only. Prior to the Issue Opening Date, our Company shall credit the Rights Entitlements to (i) the demat accounts of the Eligible Equity Shareholders holding the Equity Shares in dematerialised form; and (ii) demat suspense escrow account opened by our Company, for the Eligible Equity Shareholders which would comprise Rights Entitlements relating to (a) Equity Shares held in a demat suspense account pursuant to Regulation 39 of the SEBI Listing Regulations; or (b) Equity Shares held in the account of IEPF authority; or (c) the demat accounts of the

Eligible Equity Shareholder which are frozen or details of which are unavailable with our Company or with the Registrars on the Record Date; or (d) Equity Shares held by Eligible Equity Shareholders holding Equity Shares in physical form as on Record Date where details of demat accounts are not provided by Eligible Equity Shareholders to our Company or Registrar; or (e) credit of the Rights Entitlements returned, reversed or failed; or (f) the ownership of the Equity Shares currently under dispute, including any court proceedings.

Our Company (with the assistance of the Registrar) shall, after verification of the details of such demat account by the Registrar, transfer the Rights Equity Shares from the demat suspense account to the demat accounts of such Eligible Equity Shareholders. In case of non-receipt of such details of demat account, our Company shall conduct a sale of such Rights Equity Shares lying in the demat suspense account on the floor of the Stock Exchanges at the prevailing market price and remit the proceeds of such sale (net of brokerage, applicable taxes and administrative and incidental charges) to the bank account mentioned by the resident Eligible Equity Shareholders in their respective Application Forms and from which the payment for Application Money was made. Proceeds of such sale (net of brokerage, applicable taxes and administrative and incidental charges) may be higher or lower than the Application Money paid by such Eligible Equity Shareholders. We cannot assure you that such proceeds by way of sale of such Rights Equity Shares will be higher than the Application Money paid by you, and that you shall not suffer a loss in this regard.

Further, in case, bank accounts of the aforesaid Eligible Equity Shareholders cannot be identified due to any reason or bounce back from such bank accounts, our Company may use payment mechanisms such as cheques, demand drafts etc. to remit the proceeds of sale of the Rights Equity Shares to such Eligible Equity Shareholders. If such bank account from which Application Money was received is closed or non-operational, the sale proceeds will be transferred to Investor Education and Protection Fund in accordance with practice on Equity Shares and as per applicable law.

93. Investors will be subject to market risks until our Equity Shares credited to the investor's demat account are listed and permitted to trade.

Investors can start trading our Equity Shares Allotted to them only after they have been credited to an investor's demat account, are listed and permitted to trade. Since our Equity Shares are currently traded on the Stock Exchanges, investors will be subject to market risk from the date they pay for our Equity Shares to the date when trading approval is granted for the same. Further, there can be no assurance that our Equity Shares allocated to an investor will be credited to the investor's demat account or that trading in such Equity Shares will commence in a timely manner.

94. Foreign investors are subject to foreign investment restrictions under Indian law that limits our ability to attract foreign investors, which may adversely impact the market price of our Equity Shares.

Foreign investment in Indian securities is subject to regulation by Indian regulatory authorities. Under the FDI Policy, issued by the Department of Industrial Policy and Promotion, Ministry of Commerce and Industry, Government of India, foreign investment up to 100% is permitted in our sector, subject to satisfaction of certain conditions.

Also, under the foreign exchange regulations currently in force in India, transfers of shares between non-residents and residents are permitted (subject to certain exceptions) if they comply with, among other things, the pricing guidelines and reporting requirements specified by the RBI. If the transfer of shares does not comply with such pricing guidelines or reporting requirements, or falls under any of the exceptions referred to above, then prior approval of the RBI will be required.

Additionally, shareholders who seek to convert the Rupee proceeds from a sale of shares in India into foreign currency and repatriate any such foreign currency from India will require a no objection or a tax clearance certificate from the income tax authority. We cannot assure you that any required approval from the RBI or any other Government agency can be obtained on any particular terms or at all.

95. SEBI operates an index-based market-wide circuit breaker. Any operation of a circuit breaker may adversely affect a shareholder's ability to sell, or the price at which it can sell, our Equity Shares at a particular point in time.

We are subject to an index-based market-wide circuit breaker generally imposed by SEBI on Indian stock exchanges. This may be triggered by an extremely high degree of volatility in the market activity (among other things). Due to the existence of this circuit breaker, there can be no assurance that shareholders will be able to sell our Equity Shares at their preferred price or at all at any particular point in time.

96. Holders of our Equity Shares could be restricted in their ability to exercise pre-emptive rights under Indian law and could thereby suffer future dilution of their ownership position.

Under the Companies Act, a company incorporated in India must offer holders of its equity shares preemptive rights to subscribe and pay for a proportionate number of shares to maintain their existing ownership percentages prior to the issuance of any new equity shares, unless the pre-emptive rights have been waived by the adoption of a special resolution by holders of three-fourths of the equity shares who have voted on such resolution. However, if the law of the jurisdiction that you are in does not permit the exercise of such preemptive rights without us filing an offering document or registration statement with the applicable authority in such jurisdiction, you will be unable to exercise such pre-emptive rights unless we make such a filing. We may elect not to file a registration statement in relation to pre-emptive rights otherwise available by Indian law to you. To the extent that you are unable to exercise pre-emptive rights granted in respect of our Equity Shares, you may suffer future dilution of your ownership position and your proportional interests in us would be reduced.

97. ***From the Call Record Date for each Call prior to the final Call, the trading of the Rights Equity Shares would be suspended for a period under applicable law. Further, the Rights Equity Shares will not be traded with effect from the Call Record Date for the final call fixed for the determination of the Investors liable to pay Call Monies, with terms and conditions such as the number of Calls and the timing and quantum of each Call as may be decided by our Board or Rights Issue Committee from time to time. The holders of the Rights Equity Shares will not be able to trade in these securities till they are credited to the holders' account as fully paid-up. Further, until the subsistence of Rights Equity Shares issued by way of this Issue, we may not be able to undertake certain forms of equity capital raising.***

The Issue Price is ₹ 150 per Rights Equity Share. Investors will have to pay ₹ 50 per Rights Equity Share, which constitutes 33.3% of the Issue Price on Application and the balance Rs.100 per Rights Equity Share, which constitutes 66.7% of the Issue Price, in additional Calls, with terms and conditions such as the number of Calls and the timing and quantum of each Call as may be decided by our Board or Securities Issuance and Investment Committee from time to time,. The Rights Equity Shares offered under this Issue will be listed under a separate ISIN. An active market for trading may not develop for the Rights Equity Shares. This may affect the liquidity of the Rights Equity Shares and restrict your ability to sell them. If our Company does not receive the Call Money as per the timelines stipulated in the Call notice, unless extended by our Board or Securities Issuance and Investment Committee, the defaulting Rights Equity Shareholders will be liable to pay interest as may be fixed by our Board or Securities Issuance and Investment Committee unless waived or our Company may forfeit the Application Money and any Call Money received for previous Calls made, in accordance with the Companies Act, 2013 and our Articles of Association. For details, see "*Terms of the Issue*" on page 674.

Rights Equity Shareholders are only entitled to dividend in proportion to the amount paid up and the voting rights (exercisable on a poll) by investors shall also be proportional to such investor's share of the paid-up equity capital of our Company. If certain investors do not pay the full amount, we may not be able to raise the amount proposed under this Issue. The ISIN representing partly paid-up Rights Equity Shares will be terminated after the Call Record Date for the final Call. On payment of the final Call in respect of the partly paid-up Rights Equity Shares, such partly paid-up Rights Equity Shares would be converted into fully paid-up Rights Equity Shares and shall be listed and identified under the existing ISIN for our fully paid-up Equity Shares. Our Company would fix a Call Record Date for the purpose of determining the list of allottees to whom the notice for the final Call would be sent. From the Call Record Date for each Call prior to the final Call, the trading of the Rights Equity Shares would be suspended for a period under the applicable law. Further, with effect from the Call Record Date, trading in the partly paid-up Rights Equity Shares for which final Call have been made, would be suspended prior to the Call Record Date, for such period as may be applicable under the rules and regulations.

Furthermore, the holders of the partly paid-up Rights Equity Shares will not be able to trade in these shares until they are credited to the holders' account as fully paid-up Rights Equity Shares. Further, there is limited history of trading partly paid-up shares in India and therefore, there could be less liquidity in the trading of partly paid-up shares, which may cause the price of the Equity Shares to fall and may limit ability of Investors to sell the Equity Shares. There may also be a risk of the Rights Equity Shares not forming part of the index. Further, until the subsistence of Rights Equity Shares, we cannot undertake further rights issues, further public offers or bonus issues, since in terms of Regulations 62 and 104 of the SEBI ICDR Regulations, an issuer making a rights issue or further public offer is required to ensure that all its existing partly paid-up equity shares have either been fully paid-up or have been forfeited. Additionally, a bonus issue will not be permitted under law till the subsistence of partly paid-up equity shares in terms of Regulation 293 of the SEBI ICDR Regulations

SECTION III: INTRODUCTION

THE ISSUE

The Issue has been authorized by way of resolution passed by our Board on January 17, 2024, pursuant to section 62(1)(a) of the Companies Act, 2013 and other applicable provisions. The terms and conditions of the Issue including the rights entitlement ratio, Issue Price, Record Date, timing of the Issue and other related matters, have been approved by a resolution passed by the Securities Issuance and Investment Committee at its meeting held on January 28, 2024.

The following is a summary of the Issue. This summary should be read in conjunction with, and is qualified in its entirety by, more detailed information in the section entitled "*Terms of the Issue*" on page 674.

Rights Equity Shares being offered by the Company	Up to 24,62,26,515 Rights Equity Shares
Rights Entitlement for the Rights Equity Shares	1 Rights Equity Share for every 2 fully paid-up Equity Shares held on the Record Date
Record Date	Thursday, February 1, 2024
Face Value per Equity Share	₹2 each
Issue Price	₹150 per Rights Equity Share (including a premium of ₹148 per Rights Equity Share) On Application, Investors will have to pay ₹50 per Rights Equity Share which constitutes 33.3% of the Issue Price and the balance ₹100 per Rights Equity Share which constitutes 66.7% of the Issue Price, will have to be paid, on one or more subsequent Call(s), as determined, from time to time at its sole discretion, by our Board or its Securities Issuance and Investment Committee
Dividend	Such dividend as may be recommended by our Board and declared by our Shareholders, in accordance with applicable law
Issue Size	₹36,933.98 * million **Assuming full subscription and receipt of all Call Monies with respect to Rights Equity Shares*
Equity Shares issued, subscribed, paid-up and outstanding prior to the Issue	492,453,029 Equity Shares. For details, please see the section entitled "*Capital Structure*" on page 78
Equity Shares outstanding after the Issue (assuming full subscription for and Allotment of the Rights Entitlement)	83,75,62,564# Equity Shares *#Assuming full subscription, payment of call money and conversion of outstanding ESOPs & FCCBs.*
Security Codes#	ISIN for Equity Shares: INE148I01020 BSE: 535789 NSE: IBULHSGFIN ISIN of Rights Equity Shares (Partly Paid-up) : IN9148I01010
ISIN for Rights Entitlements	INE148I20012
Terms of the Issue	For further information, please see the section entitled "*Terms of the Issue*" on page 674
Use of Issue Proceeds	For further information, please see the section entitled "*Objects of the Issue*" on page 85

#Our Company will obtain a separate ISIN for the Rights Equity Shares for each Call, as may be required under applicable law

For details in relation fractional entitlements, please see the section entitled "*Terms of the Issue – Basis for this Issue and Terms of this Issue – Fractional Entitlements*" on page 692.

Terms of Payment

For issue of up to 24,62,26,515 Rights Equity Shares

Amount Payable per Rights Equity Share	Face Value (₹)	Premium (₹)	Total (₹)
On Application	0.67	49.33	50.00
Additional Call(s) as may be decided by the Board / Securities Issuance and Investment Committee from time to time	1.33	98.67	100.00
Total	**2.00**	**148.00**	**150.00**

GENERAL INFORMATION

Our Company was incorporated as 'Indiabulls Housing Finance Limited', a public limited company under the provisions of the Companies Act, 1956 on May 10, 2005 pursuant to a certificate of incorporation issued by the Registrar of Companies, Delhi and Haryana at New Delhi ("**RoC**") and commenced its business on January 10, 2006 pursuant to a certificate of commencement of business issued by the RoC. The CIN of our Company is L65922DL2005PLC136029.

Our Company was registered as a non-deposit taking housing finance company registered with the NHB pursuant to a certificate of registration dated December 28, 2005 having registration number 02.0063.05. Further, by notification on September 19, 2007, our Company was specified as a 'financial institution' by the Central Government for the purposes of the SARFAESI. For further details regarding the business of our Company, see "*Our Business*" on page 122.

Registered Office of the Company

5th Floor, Building No. 27
KG Marg Connaught Place
New Delhi – 110001, India
Telephone No.: +91 11 4353 2950
Email: helpdesk@indiabulls.com
Website: www.indiabullshomeloans.com
CIN: L65922DL2005PLC136029
Company Registration Number: 136029

Corporate Offices of the Company

One International Center
Tower 1, 18th Floor, Senapati Bapat Road
Mumbai – 400 013
Maharashtra, India
Telephone No.: +91 22 6189 1400

Plot No. 422B,
Udyog Vihar, Phase-IV,
Gurugram – 122 016
Haryana, India
Telephone No.: +91 12 4668 1199

Changes in the registered office of our Company

Except as disclosed below, there has been no change in the address of the registered office of our Company since the date of its incorporation:

Date of change	Details of change in the registered office
October 1, 2013	The address of our registered office changed from F-60, Malhotra Building, 2nd Floor, Connaught Place, New Delhi – 110 001 to M-62 and 63, First Floor, Connaught Place, New Delhi – 110 001
April 30, 2022	The address of our registered office changed from M-62 and 63, First Floor, Connaught Place, New Delhi – 110 001 to 5th Floor, Building No. 27, KG Marg Connaught Place, New Delhi – 110001, India

Address of the RoC

The Company is registered with the Registrar of Companies, Delhi and Haryana at New Delhi, which is situated at the following address:

Registrar of Companies,
4th Floor, IFCI Tower
61, Nehru Place
New Delhi – 110019, India

Board of Directors of our Company

Set forth below are the details of our Board as on the date of this Letter of Offer:

Name	Age (in years)	Designation	Address	DIN
Subhash Sheoratan Mundra	69	Non-Executive Chairman, Independent Director	Flat 1902, ‘B’ Wing, Indiabulls Blu Ganpatrao Kadam Marg, Lower Parel, Mumbai – 400013, Maharashtra, India	00979731
Gagan Banga	48	Vice Chairman, Managing Director and Chief Executive Officer	D-3201, 3202, Floor-29, Plot-131/132, Indiabulls Blu, Tower – D, Ganpatrao Kadam Marg, Opposite to Shree Ram Mills, Worli, Mumbai – 400013, Maharashtra, India	00010894
Rajiv Gupta	60	Nominee Director	A2402, Omkar 1973, Off A. B. Road, Near Durdarshan, Worli, Mumbai – 400030, Maharashtra, India	08532421
Sachin Chaudhary	50	Executive Director, Chief Operating Officer	Flat No. 702, 7th Floor, Tower – Basil, The Verandas, Sector – 54, Gurugram - 122001, Haryana, India	02016992
Satish Chand Mathur	65	Independent Director	Plot No. 212- 213, Yashodhan, Flat No. 10, 2nd Floor, Dinshaw Wachha Road, Opp. Cricket Club of India, Churchgate, Mumbai - 400020, Maharashtra, India	03641285
Achuthan Siddharth	70	Independent Director	Flat no. 5203, Island City Centre, Two ICC, G D Ambedkar Marg, Dadar East, Mumbai – 400 014, Maharashtra, India	00016278
Dinabandhu Mohapatra	64	Additional Director (Independent)	Goudabad Sahi P.O Puri Town Puri – 752 001, Odisha, India	07488705
Shefali Shah	63	Additional Director (Independent)	D-I/33 Rabindra Nagar, Lodi Road, South Delhi, Delhi-110003	09731801

Company Secretary and Compliance Officer

Amit Kumar Jain is the Company Secretary and Compliance Officer of the Company. His details are as follows:

Amit Kumar Jain
Company Secretary and Compliance Officer
Plot No. 422B,
Udyog Vihar, Phase-IV,
Gurugram – 122 016, Haryana, India
Telephone No.: 0124 6681199
Email: ibsecretarial@indiabulls.com

Lead Manager to the Issue

Nuvama Wealth Management Limited (*formerly known as Edelweiss Securities Limited*)
801-804, Wing A, Building No 3
Inspire BKC, G Block, Bandra Kurla Complex
Bandra East, Mumbai – 400 051, Maharashtra, India
Telephone No.: +91 22 4009 4400
Email: RI.IndiabullsHousing@nuvama.com
Investor Grievance Email: customerservice.mb@nuvama.com
Website: www.nuvama.com
Contact Person: Manish Tejwani

SEBI Registration No.: INM000013004
CIN: U67110MH1993PLC344634

InCred Capital Wealth Portfolio Managers Private Limited
2nd Floor, B-Wing, Kaledonia Building, Sambhaji Nagar,
Sahar Road, Andheri (East) Mumbai-400069 Maharashtra, India
Telephone No.: +91 022 41611596
E-mail: RI.IndiabullsHousing@incredcapital.com
Investor Grievance e-mail: customer.grievance@incredcapital.com
Contact person: Rakesh Postandel
Website: www.incredequities.com
SEBI Registration No.: INM000012865

Legal Advisor to the Company as to Indian law

Saraf and Partners Law Offices
2402, Tower 2, One International Center
Senapati Bapat Marg, Prabhadevi West
Mumbai – 400 013, India
Telephone No.: +91 22 4405 0600
Website: www.sarafpartners.com
Email: Project.Lakshya@sarafpartners.com

Statutory Auditors of the Company

S.N. Dhawan & Co. LLP
Chartered Accountants
51-52, Sector 18, Phase IV, Udyog
Vihar, Gurugram - 122016, Haryana, India
Telephone No.: +91 124 481 4444
Email: rahul.singhal@sndhawan.com
Contact person: Rahul Singhal, Partner
ICAI Firm registration number:
000050N/N500045
Peer Review Certificate Number: 014000

Arora & Choudhary Associates
Chartered Accountants
Plot No. 8/28, W.E.A., Abdul Aziz Road,
Karol Bagh, New Delhi – 110 005
Telephone No.: +91 11 4145 1114
Email: vk.choudhary@arorachoudhary.com
Contact person: Mr. Vijay Kumar Choudhary, Partner
ICAI Firm registration number: 003870N
Peer Review Certificate Number: 015874

Changes in statutory auditors of our Company

Except as disclosed below, there has been no change in the statutory auditors of our Company during the last three years:

Details of Auditor	Date of change	Reason for change
S.R. Batliboi & Co LLP	November 13, 2021	Resignation owing to RBI regulatory requirements
S.N. Dhawan & Co. LLP	November 15, 2021	Appointment as joint statutory auditors
Arora & Choudhary Associates	November 15, 2021	Appointment as joint statutory auditors

Registrar to the Issue

KFin Technologies Limited
(formerly known as KFin Technologies Private Limited)
Selenium Tower B PlotNo.31 and32 Financial District, Nanakramguda Serilingampally, Hyderabad–500 032 Telangana, India
Telephone No.: +91 40 6716 2222
E-mail: ihfl.rights@kfintech.com
Investor Grievance e-mail: einward.ris@kfintech.com
Contact person: M. Murali Krishna
Website: www.kfintech.com
SEBI Registration No.: INR000000221

Investor Grievances

Investors may contact the Registrar to the Issue and Share Transfer Agent or our Company Secretary and Compliance Officer for any pre-Issue or post-Issue related matters. All grievances relating to the ASBA process may be addressed to the Registrar, with a copy to the SCSB giving full details such as name, address of the Applicant, contact number(s), e-mail address of the sole/ first holder, folio number, serial number of the Application Form or demat account, number of Rights Equity Shares applied for, amount blocked, ASBA Account number and the Designated Branch of the SCSB where the Application Forms, or the plain paper application, as the case may be, was submitted by the Investors along with a photocopy of the acknowledgement slip. For details on the ASBA process, see "*Terms of the Issue*" on page 674.

Experts

Our Company has received consent from its Statutory Auditors, S.N. Dhawan & Co. LLP, Chartered Accountants and Arora & Choudhary Associates, Chartered Accountants through their letters dated January 18, 2024 and January 18, 2024, respectively, to include their names as required under Section 26(1) of the Companies Act, 2013 in this Letter of Offer and an "expert" as defined under Section 2(38) of the Companies Act, 2013 in respect of (a) the Audited Consolidated Financial Statements and audit reports dated May 20, 2022 and May 22, 2023 thereon; (b) audited standalone financial statements and audit reports dated May 20, 2022 and May 22, 2023 thereon; (c) limited review standalone September financial results and the report dated November 14, 2023 issued thereon; (d) Limited Review Consolidated September Financial Results and the report dated November 14, 2023 issued thereon; and (e) the statement of possible special tax benefits available to our Company, its shareholders and our Material Subsidiary dated January 18, 2024;. Our Company has further received consent from Independent Chartered Accountant, APT & Co. LLP, Chartered Accountants through its letter dated January 18, 2024 to include their names as required under Section 26(1) of the Companies Act, 2013 in this Letter of Offer and an "expert" as defined under Section 2(38) of the Companies Act, 2013, and such consents have not been withdrawn as of the date of this Letter of Offer. However, the term "expert" shall not be construed to mean an "Expert" as defined under the U.S. Securities Act.

Banker to the Issue

HDFC Bank Limited
Lodha, I Think Techno Campus O-3 Level,
Next to Kanjurmarg, Railway Station,
Kanjurmarg (East) Mumbai- 400042
Contact Person: Eric Bacha, Siddharth Jadhav, Sachin Gawade, Pravin Teli, and Tushar Gavankar
Email: siddharth.jadhav@hdfcbank.com, sachin.gawade@hdfcbank.com, eric.bacha@hdfcbank.com, tushar.gavankar@hdfcbank.com, pravin.teli2@hdfcbank.com
Website: www.hdfcbank.com

Self-Certified Syndicate Banks

The list of banks that have been notified by SEBI to act as the SCSBs for the ASBA process is provided on the website of SEBI at https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=34 and updated from time to time. For a list of branches of the SCSBs named by the respective SCSBs to receive the ASBA Forms from the Designated Intermediaries, please refer to the above-mentioned link.

Issue Schedule

Last Date for credit of Rights Entitlements	Tuesday, February 6. 2024
Issue Opening Date	Wednesday, February 7, 2024
Last date for On Market Renunciation of Rights Entitlements #	Thursday, February 8, 2024
Issue Closing Date*	Tuesday, February 13, 2024
Finalization of Basis of Allotment (on or about)	Wednesday, February 21, 2024
Date of Allotment (on or about)	Thursday, February 22, 2024
Date of credit (on or about)	Monday, February 26, 2024
Date of listing (on or about)	Wednesday, February 28 2024

Eligible Equity Shareholders are requested to ensure that renunciation through off-market transfer is completed in such a manner that the Rights Entitlements are credited to the demat account of the Renouncees on or prior to the Issue Closing Date.

* *Our Board or the Securities Issuance and Investment Committee will have the right to extend the Issue Period as it may determine from time to time but not exceeding 30 days from the Issue Opening Date (inclusive of the Issue Opening Date). Further, no withdrawal of Application shall be permitted by any Applicant after the Issue Closing Date.*

The above schedule is indicative and does not constitute any obligation on our Company or the Lead Manager.

Please note that if Eligible Equity Shareholders holding Equity Shares in physical form as on Record Date have not provided the details of their demat accounts to our Company or to the Registrar, they are required to provide their demat account details to our Company or the Registrar not later than two Working Days prior to the Issue Closing Date, *i.e.*, February 9, 2024 to enable the credit of the Rights Entitlements by way of transfer from the demat suspense escrow account to their respective demat accounts, at least one day before the Issue Closing Date, *i.e.*, February 12, 2024. Such Eligible Equity Shareholders are also requested to ensure that their demat account, details of which have been provided to our Company or the Registrar, is active to facilitate the aforementioned transfer. Eligible Equity Shareholders holding Equity Shares in physical form can update the details of their demat accounts on the website of the Registrar at https://rights.kfintech.com. Such Eligible Equity Shareholders can make an application only after the Rights Entitlements are credited to their respective demat accounts.

Investors are advised to ensure that the Application Forms are submitted on or before the Issue Closing Date. Our Company, the Lead Manager or the Registrar will not be liable for any loss on account of non-submission of Application Forms on or before the Issue Closing Date. Further, it is also encouraged that the applications are submitted well in advance before Issue Closing Date. For details on submitting Application Forms, please see the section entitled "*Terms of the Issue – Process of making an Application in the Issue*" on page 676.

The details of the Rights Entitlements with respect to each Eligible Equity Shareholders can be accessed by such respective Eligible Equity Shareholders on the website of the Registrar at https://rights.kfintech.com after keying in their respective details along with other security control measures implemented thereat. For further details, please see the section entitled "*Terms of the Issue – Credit of Rights Entitlements in demat accounts of Eligible Equity Shareholders*" on page 687.

Please note that if no Application is made by the Eligible Equity Shareholders of Rights Entitlements on or before Issue Closing Date, such Rights Entitlements shall get lapsed and shall be extinguished after the Issue Closing Date. No Rights Equity Shares for such lapsed Rights Entitlements will be credited, even if such Rights Entitlements were purchased from market and purchaser will lose the premium paid to acquire the Rights Entitlements. Persons who are credited the Rights Entitlements are required to make an Application to apply for Rights Equity Shares offered under Rights Issue for subscribing to the Rights Equity Shares offered under Issue.

Inter se allocation of responsibilities

The following table sets forth the responsibilities of the Lead Managers for various activities in relation to the Issue:

S. No.	Activity	Responsibility	Coordination
1.	Capital structuring with the relative components and formalities such as type of instrument, number of instruments to be issued, etc	Lead Managers	Nuvama
2.	Coordination for drafting and design of the Letter of Offer as per the SEBI ICDR Regulations, SEBI LODR Regulations and other stipulated requirements and completion of prescribed formalities with the Stock Exchanges and SEBI	Lead Managers	Nuvama
3.	Drafting, design and distribution of the Abridged Letter of Offer, Application Form, Rights Entitlement Letter etc. and memorandum containing salient features of the Letter of Offer	Lead Managers	Nuvama
4.	Selection of various agencies connected with the Issue, namely Registrar to the Issue, printers, escrow bank, advertisement agencies, and	Lead Managers	Nuvama

	Monitoring Agency and coordination of execution of related agreements		
5.	Drafting and approval of all statutory advertisements	Lead Managers	Nuvama
6.	Drafting and approval of all publicity material including corporate advertisement, brochures, corporate films, etc.	Lead Managers	InCred Capital
7.	Preparation of presentation	Lead Managers	Nuvama
8.	Formulating and coordination of international and domestic marketing strategy and issue structuring	Lead Managers	Nuvama
9.	Formulating retail strategy (including high net worth individual/portfolio management services) which will cover, inter alia, distribution of publicity and Issue materials including application form, brochure and Letter of Offer and coordination for queries related to retail investors	Lead Managers	InCred Capital
10.	Submission of 1% security deposit and formalities for use of online software with stock exchanges	Lead Managers	InCred Capital
11.	Post-Issue activities, which shall involve essential follow-up steps including follow-up with Banker to the Issue and the SCSBs to get quick estimates of collection and advising our Company about the closure of the Issue, finalization of the Basis of Allotment or weeding out of multiple applications, listing of instruments, dispatch of certificates or demat credit and refunds and coordination with various agencies connected with the post-issue activity such as Registrar to the Issue, Banker to the Issue, SCSBs, etc., and coordination for underwriting arrangement, if any	Lead Managers	Nuvama

Credit Rating

As the Issue is of Equity Shares, there is no credit rating required for the Issue.

Debenture Trustee

As the Issue is of Equity Shares, the appointment of a debenture trustee is not required.

Monitoring Agency

The Company has appointed CRISIL Ratings Limited to monitor the utilization of the Net Proceeds in terms of Regulation 82 of the SEBI ICDR Regulations. As required under the SEBI LODR Regulations, the Audit Committee appointed by the Board shall monitor the utilisation of the proceeds of the Issue. Our Company will disclose the utilisation of the proceeds of the Issue under a separate head along with details, if any in relation to all such proceeds of the Issue that have not been utilised thereby also indicating investments, if any, of such unutilised proceeds of the Issue in our balance sheet for the relevant Fiscal Years. The details of the Monitoring Agency are as follows:

CRISIL Ratings Limited
CRISIL House, Central Avenue, Hiranandani Business Park,
Powai, Mumbai 400 076, Maharashtra, India
Telephone No.: +91 22 3342 3000(B)
Contact person: Sushant Sarode
E-mail: crisilratingdesk@crisil.com

Website: www.crisilratings.com
SEBI Registration No.: IN/CRA/001/1999

Appraising Entity

None of the purposes for which the Net Proceeds are proposed to be utilized have been financially appraised by any banks or financial institution or any other independent agency.

Book Building Process

As the Issue is a rights issue, the Issue shall not be made through the book building process.

Minimum Subscription

The objects of the Issue involve (i) augmenting the capital base of our Company; and (ii) general corporate purposes. In terms of Regulation 86 of the SEBI ICDR Regulations, the requirement of minimum subscription is not applicable to the Issue.

Underwriting

This Issue is not underwritten, and our Company has not entered into any underwriting agreement.

Filing

This Letter of Offer is being filed with the Stock Exchanges and the SEBI as per the provisions of the SEBI ICDR Regulations. Further, in terms of the SEBI ICDR Regulations, our Company will simultaneously while filing this Letter of Offer with the Designated Stock Exchange, do an online filing, through the SEBI intermediary portal at siportal.sebi.gov.in in terms of the SEBI ICDR Master Circular.

CAPITAL STRUCTURE

The equity share capital of the Company as at the date of this Letter of Offer is as set forth below:

(In ₹, except share data)

		Aggregate Value at Face Value	Aggregate Value at Issue Price
A	**AUTHORISED SHARE CAPITAL**		
	3,000,000,000 Equity Shares (of face value of ₹2 each)	6,000,000,000	NA
	1,000,000,000 Preference Shares (of face value of ₹10 each)	10,000,000,000	NA
	Total	**16,000,000,000**	**NA**
B	**ISSUED, SUBSCRIBED AND PAID-UP CAPITAL BEFORE THE ISSUE**		
	492,453,029 fully paid-up Equity Shares (of face value of ₹2 each)	984,906,058	NA
C	**PRESENT ISSUE IN TERMS OF THIS LETTER OF OFFER**[(1)]		
	Up to 24,62,26,515 Rights Equity Shares of ₹2 each	492,453,030	Up to 36,933,977,250[(2)]
D	**ISSUED, SUBSCRIBED AND PAID-UP CAPITAL AFTER THE ISSUE**		
	Up to 59,13,36,049[(3)] fully paid-up Equity Shares of ₹2 each	Up to 1,182,672,098	NA
	Up to 24,62,26,515 partly paid-up Equity Shares[(4)] of ₹2 each	Up to 164,151,010	NA
E	**SECURITIES PREMIUM ACCOUNT**		
	Before the Issue	86,586,509,541	
	After the Issue (after all the Calls are made in respect of Rights Equity Shares)	123,028,033,761[(5)]	

(1) *The Issue has been authorised by the Board pursuant to a resolution dated January 17, 2024.*

(2) *On Application, Investors will have to pay ₹50 per Rights Equity Share which constitutes 33.3% of the Issue Price and the balance ₹100 per Rights Equity Share which constitutes 66.7% of the Issue Price, will have to be paid, on one or more subsequent Call(s), as determined, from time to time at its sole discretion, by our Board or its Securities Issuance and Investment Committee;*

(3) *Assuming full conversion of outstanding ESOPs & FCCBs;*

(4) *Assuming full subscription for and Allotment of the Rights Entitlements.*

(5) *Subject to finalisation of Basis of Allotment, Allotment, deduction of Issue Expenses and assuming full payment of all Calls by holders of Rights Equity Shares.*

Notes to the Capital Structure

1. **Shareholding Pattern of the Company as per the last filing with the Stock Exchanges in compliance with the provisions of the SEBI LODR Regulations**

a) The details of the shareholding pattern of our Company as on September 30, 2023, can be accessed on the website of BSE at https://www.bseindia.com/stock-share-price/indiabulls-housing-finance-ltd/ibulhsgfin/535789/shareholding-pattern/; and NSE at https://www.nseindia.com/companies-listing/corporate-filings-shareholding-pattern;

b) The statement showing holding of securities (including Equity Shares, warrants, convertible securities) of persons belonging to the category "Public" including Equity Shareholders holding more than 1% of the total number of Equity Shares as on September 30, 2023, as well as details of shares which remain unclaimed for public can be accessed on the website of BSE at https://www.bseindia.com/corporates/shpdrPercnt.aspx?scripcd=535789&qtrid=119.00&CompName=Indiabulls%20Housing%20Finance%20Ltd&QtrName=September%202023&Type=TM and NSE at https://www.nseindia.com/companies-listing/corporate-filings-shareholding-pattern; and

c) The statement showing holding of Equity Shares shareholding pattern of the Non Promoter-Non Public shareholder as on September 30, 2023 can be accessed on the website of BSE at https://www.bseindia.com/corporates/shpNonProPublic.aspx?scripcd=535789&qtrid=119.00&QtrName=September%202023 and NSE at https://www.nseindia.com/companies-listing/corporate-filings-shareholding-pattern?symbol=IBULHSGFIN&tabIndex=equity.

2. Except as provided below, there are no outstanding options or convertible securities, including any outstanding warrants or rights to convert debentures, loans or other instruments convertible into our Equity Shares as on the date of this Letter of Offer.

*Foreign currency convertible bonds ("**FCCBs**")*

Our Company has issued hybrid debt like FCCBs. Details of FCCBs as on the date of this Letter of Offer:

Sr. no.	Lender name	Facility	Sanctioned without considering conversion Amount (₹ in million)	Sanctioned after considering conversion Amount (₹in million)	Amount outstanding (₹in million)	Amount outstanding as of September 30, 2023 (₹in million)	Repayment Date
1	Various	Foreign Currency Convertible Bonds*#	11,013.8	10,977.1	12,393.4	12,417.2	March 4, 2026
2	Various	Foreign Currency Convertible Bonds^#	12,229.9	10,006.3	11,146.5	11,212.8	September 28, 2026

**Out of the total issued amount of FCCBs i.e. USD 150 million, USD 2,50,000/- have been converted to Equity w.e.f. 18th June 2021 and further USD 2,50,000/- have been converted to Equity w.e.f December 20, 2021.*
^ Out of the total issued amount of FCCBs i.e. USD 165 million USD 1,00,00,000/- have been converted to Equity w.e.f. 20th December 2021, USD 1,00,00,000/- have been converted to Equity w.e.f 17th March, 2022 and further USD 1,00,00,000/- have been converted to Equity w.e.f 18th April, 2022.
 # FCCB outstanding amounts are revalued as on September 30, 2023 using closing exchange rate as per FBIL on that date.

Employee stock option plans

Further, our Company has six stock option plans, namely, IHFL-IBFSL Employee Stock Option Plan - 2006, IHFL-IBFSL Employee Stock Option Plan II - 2006, IHFL-IBFSL Employee Stock Option Plan - 2008, the Indiabulls Housing Finance Limited Employee Stock Option Scheme - 2013, the Indiabulls Housing Finance Limited Employee Stock Benefit Scheme – 2019, the Indiabulls Housing Finance Limited - Employee Stock Benefit Scheme - 2021 and the Indiabulls Housing Finance Limited - Employee Stock Benefit Scheme - 2023 (collectively, the "**IHFL Stock Option Schemes**").

As on the date of this Letter of Offer, there are no outstanding options under the IHFL-IBFSL Employee Stock Option Plan – 2006 and IHFL-IBFSL Employee Stock Option Plan II – 2006.

The IHFL-IBFSL Employee Stock Option Plan - 2006, IHFL-IBFSL Employee Stock Option Plan II - 2006 and IHFL-IBFSL Employee Stock Option Plan - 2008 were originally stock option schemes instituted by IBFSL (collectively, the "**IBFSL Stock Option Schemes**") and entitled their holders to equity shares in IBFSL. Upon the IBFSL-IHFL Scheme coming into effect, in accordance with the terms and conditions of the IBFSL-IHFL Scheme, an equivalent number of stock options entitling the holders thereof to Shares in our Company was granted to the erstwhile holders of stock options under the IBFSL Stock Option Schemes. The Indiabulls Housing Finance Limited Employee Stock Option Scheme 2013 was approved by our Company's shareholders in their meeting on March 6, 2013. Our Company has settled a trust in the name of "Pragati Employee Welfare Trust" for administering the Indiabulls Housing Finance Limited Employee Stock Benefit Scheme 2019.

IHFL-IBFSL Employee Stock Option Plan - 2006 ("2006 Scheme")

IBFSL had introduced an employee stock option scheme namely, IBFSL-ICSL Employees Stock Option Plan – 2006 dated March 6, 2008 ("**2006 Plan**") to grant its employees 1,440,000 options, therefore entitling the option holders to purchase an equivalent number of equity shares of IBFSL of face value ₹2 each as per exercise price as stated in the 2006 Plan. The vesting of stock options granted thereunder commenced from April 1, 2009. As on March 8, 2013 (effective date of the IBFSL-IHFL Scheme) out of the 1,440,000 options, 586,182 options had been exercised. Out the balance options granted, an aggregate of 240,908 options had lapsed and a balance of 612,910 options were outstanding as on March 8, 2013. Accordingly, our Company had created the 2006 Scheme effective from July 1, 2013 to grant 612,910 options (on the same terms and conditions, on which options were granted under the 2006 Plan). The purpose of the 2006 Scheme is to provide a benefit to the employees eligible under the 2006 Plan and to retain and utilise their talent, by providing added incentives for high levels of performance and strengthen interdependence between individual and organisation prosperity. The approval for the 2006 Scheme was granted by the shareholders of our Company by way of a resolution dated July 1, 2013. The criteria for the number of grants to each of the employees was determined by our Company. The maximum aggregate number of Shares in respect of which the options may be granted under the 2006 Scheme is 612,910 Equity Shares.

The details with respect to the 2006 Scheme are set forth below as on the date of this Letter of Offer:

Total no. of Options	6,12,910
Options Granted	6,12,910
Options Vested	6,12,910
Options Exercised	5,75,627
Options cancelled / lapsed / forfeited	37,283
Total options outstanding	Nil

IHFL-IBFSL Employee Stock Option Plan II - 2006 ("2006 Scheme II")

To motivate its employees, IBFSL had introduced an employee stock option scheme namely, IBFSL-ICSL Employees Stock Option Plan II – 2006 dated March 6, 2008 ("**2006 Plan II**") to grant its employees 720,000 options, therefore entitling the option holders to purchase an equivalent number of equity shares of IBFSL of face value ₹2 each as per exercise price as stated in the said 2006 Plan II. The vesting of stock options granted thereunder commenced from November 1, 2008. As on March 8, 2013 (effective date of the IBFSL-IHFL Scheme) out of 720,000 options, 183,329 options had been exercised. Out the balance options granted, an aggregate of 228,709 options had lapsed and a balance of 307,962 were outstanding as on March 8, 2013. Accordingly, our Company has created the 2006 Scheme II effective from July 1, 2013, to grant 307,962 options (on the same terms and conditions, on which options were granted under the 2006 Plan II). The purpose of the 2006 Scheme II is to provide benefit to the Employees eligible under 2006 Plan II and to retain and utilise their talent, by providing the employee added incentives for high levels of performance and strengthen interdependence between individual and organisation prosperity. The approval for the 2006 Scheme II was granted by the shareholders of our Company by way of a resolution dated July 1, 2013. The criteria for the number of grants to each of the employees was determined by our Company. The maximum aggregate number of Shares in respect of which the options may be granted under the 2006 Scheme II is 307,962 Shares.

The details with respect to the 2006 Scheme II are set forth below as on the date of this Letter of Offer:

Total no. of Options	3,07,962
Options Granted	3,07,962
Options Vested	3,07,962
Options Exercised	2,90,376
Options cancelled / lapsed / forfeited	17,586
Total options outstanding	Nil

IHFL-IBFSL Employee Stock Option Plan - 2008 ("2008 Scheme")

To motivate its employees, IBFSL had introduced an employee stock option scheme namely, IBFSL Employees Stock Option Plan – 2008 dated 8 December 2008 ("**2008 Plan**") to grant its employees 7,500,000 options, entitling the option holders to purchase an equivalent number of equity shares of IBFSL of face value ₹2 each as per exercise price as stated in the 2008 Plan. The vesting of stock options granted thereunder commenced from December 8, 2009. As on March 8, 2013 (effective date of the IBFSL-IHFL Scheme) out of 7,500,000 options, 2,174,317 options had been exercised. Out of the balance options granted, an aggregate of 1,859,489 options lapsed and a balance of 3,466,194 were outstanding as on March 8, 2013. Accordingly, our Company has created the 2008 Scheme effective from July 1, 2013 for administering 3,466,194 options (on the same terms and conditions, on which options were granted under the 2008 Plan). The purpose of the 2008 Scheme is to provide benefit to the employees eligible under the 2008 plan and to retain and utilise their talent, by providing the employee added incentives for high levels of performance and strengthen interdependence between individual and organisation prosperity. The approval for the 2008 Scheme was granted by the shareholders of our Company by way of a resolution dated July 1, 2013. The maximum aggregate number of Shares in respect of which the options may be granted under the 2008 Scheme is 3,466,194 Shares.

The details with respect to the 2008 Scheme are set forth below as on the date of this Letter of Offer:

Total no. of Options	34,66,194
Options Granted	34,66,194
Options Vested	34,66,194
Options Exercised	28,77,280
Options cancelled / lapsed / forfeited	5,88,034
Total options outstanding	880

Indiabulls Housing Finance Limited Employee Stock Option Scheme - 2013

The Indiabulls Housing Finance Limited Employee Stock Option Scheme - 2013 ("**2013 Scheme**") effective from March 6, 2013, had been formulated pursuant to a board resolution dated January 30, 2013 and a shareholders' resolution dated March 6, 2013 to grant up to 39,000,000 stock options (exercisable into not more than 39,000,000 Shares) by the erstwhile compensation committee of the Board. The purpose of 2013 Scheme is to reward and motivate employees and attract and retain the best talent by providing them an additional incentive in the form of stock options to acquire a certain number of equity shares of our Company at a future date. The 2013 Scheme is aimed at further motivating the employees and thereby increasing the profitability of our Company.

The Board constituted Nomination and Remuneration Committee of the Company ("**NRC**"), at its meeting held on April 26, 2022, granted, under the 2013 Scheme, 10,800,000 (Ten Million Eight Hundred Thousand) stock options representing an equal number of equity shares of face value of ₹2 each in the Company, at an exercise price of ₹152.85. The stock options so granted have been vested on April 27, 2023. The options vested under each of the slabs, can be exercised within a period of five years from the relevant vesting date.

The Board constituted NRC, at its meeting held on July 19, 2022, granted, under 2013 Scheme, 15,500,000 (Fifteen Million Five Hundred Thousand) stock options representing an equal number of equity shares of face value of ₹2 each in the Company, at an exercise price of ₹96. The stock options so granted have been vested on July 20, 2023. The options vested, can be exercised within a period of five years from the vesting date.

The Board constituted NRC, at its meeting held on October 13, 2022, under the 2013 Scheme, granted 6,400,000 (Six Million Four Hundred Thousand) stock options representing an equal number of equity shares of face value of ₹2 each in the Company, at an exercise price of ₹130. The stock options so granted have been vested on October 14, 2023. The options vested, can be exercised within a period of five years from the vesting date.

The details with respect to the 2013 Scheme are set forth below as on the date of this Letter of Offer:

Total no. of Options	3,90,00,000
Options Granted	3,90,00,000
Options Vested	3,90,00,000
Options Exercised	2,70,56,318
Options cancelled / lapsed / forfeited	10,53,406
Total options outstanding	1,08,90,276

Indiabulls Housing Finance Limited Employee Stock Benefit Scheme - 2019 ("2019 Scheme")

The 2019 Scheme has been adopted and approved pursuant to a resolution of the Board on November 6, 2019 and a special resolution of the shareholders of our Company passed through postal ballot on December 23, 2019, result of which were declared on December 24, 2019. The purpose of this 2019 Scheme is to attract, reward and motivate the employees for their high level of individual performance and for their unusual efforts to improve the financial performance of our Company and to attract and retain the best talent by providing them an additional incentive in the form of employee stock options and/or fully paid-up Shares and/or stock appreciation rights. The 2019 Scheme is being implemented by the Trust under the broad policy and framework laid down by our Company. In terms of the 2019 Scheme our Company is authorised to issue Shares to the Trust and/or the Trust is required to purchase the Shares by way of secondary market acquisition in such a manner that the total number of Shares issued and/or transferred to the Trust shall not exceed 17,000,000 Shares. The 2019 Scheme shall continue in effect unless terminated by our Company.

In line with the Securities and Exchange Board of India (Share Based Employee Benefits) Regulation, 2014, as amended (the "**SBEB Regulations"**) the Company has set up a registered employee's welfare trust titled "Pragati Employee Welfare Trust (formerly Indiabulls Housing Finance Limited-Employees Welfare Trust)" (the "**Trust**") to efficiently manage the 2019 Scheme and to acquire, purchase, hold and deal in fully paid-up equity shares of the Company from the secondary market, for the purpose of administration and implementation of the 2019 Scheme, as may be permissible under the SBEB Regulations. Since shares granted under the 2019 Scheme, on account of exercise of options, will be out of those purchased by the Trust from the secondary market, there will be no dilution in shareholding.

In Fiscal 2021, 17,000,000 Equity Shares held by the Trust have been appropriated for the implementation and management of the 2019 Scheme, towards grant of Share Appreciations Rights (SARs) to the employees of the Company and its subsidiaries as permitted pursuant to and in compliance with the SBEB Regulations.

The details with respect to the 2019 Scheme are set forth below as on the date of this Letter of Offer:

Total no. of Options	1,70,00,000
Options Granted	1,70,00,000
Options Vested	1,70,00,000
Options Exercised	Nil
Options cancelled / lapsed / forfeited	1,70,00,000
Total options outstanding	1,70,00,000

Indiabulls Housing Finance Limited - Employee Stock Benefit Scheme - 2021 ("2021 Scheme")

The 2021 Scheme has been adopted and approved pursuant to a resolution of the Board on June 29, 2021 and a special resolution of the shareholders of our Company passed at the 16th Annual General Meeting held on July 29, 2021. The purpose of the 2021 Scheme is to attract, reward and motivate the employees for their high level of individual performance and for their unusual efforts to improve the financial performance of our Company and to attract and retain the best talent by providing them an additional incentive in the form of employee stock options and/or fully paid-up Shares and/or stock appreciation rights. The 2021 Scheme is being implemented by the Trust under the broad policy and framework laid down by our Company. In terms of the 2021 Scheme our Company is authorised to issue Shares to the Trust and/or the Trust is required to purchase the Shares by way of secondary market acquisition in such a manner that the total number of Shares issued and/or transferred to the Trust shall not exceed 9,245,000 Shares. The 2021 Scheme shall continue in effect unless terminated by our Company.

The details with respect to the 2021 Scheme are set forth below as on the date of this Letter of Offer:

Total no. of Options	92,45,000

Options Granted	Nil
Options Vested	Nil
Options Exercised	Nil
Options cancelled / lapsed / forfeited	Nil
Total options outstanding	92,45,000

The Indiabulls Housing Finance Limited - Employee Stock Benefit Scheme – 2023 ("2023 Scheme")

The Indiabulls Housing Finance Limited - Employee Stock Benefit Scheme – 2023, effective from September 25, 2023, had been formulated pursuant to a board resolution dated July 28, 2023 and a shareholders' resolution dated September 25, 2023 to grant up to 2,00,00,000 stock options (exercisable into not more than 2,00,00,000 Shares) by the Nomination and Remuneration Committee of the Board. The purpose of the 2023 Scheme is to attract, retain and motivate the key employees by providing them an additional incentive in the form of stock options to acquire a certain number of equity shares of our Company at a future date. The 2023 Scheme is aimed at incentivizing the employees who through their skills and performance have played a vital role in the success of the Company and thereby ensuring the future growth of our Company.

The details with respect to the 2023 Scheme are set forth below as on the date of this Letter of Offer:

Total no. of Options	2,00,00,000
Options Granted	Nil
Options Vested	Nil
Options Exercised	Nil
Options cancelled / lapsed / forfeited	Nil
Total options outstanding	2,00,00,000

3. **Subscription to the Issue by the promoter and the promoter group**

   Our Company does not have an identifiable promoter. Accordingly, there are no Equity Shares held by any promoter or members of the promoter group, and no Equity Shares have been acquired by any promoter or promoter group in the last one year preceding the date of filing of this Letter of Offer. The Issue shall not result in a change of control of the management of our Company in accordance with provisions of the SEBI Takeover Regulations. Our Company is in compliance with Regulation 38 of the SEBI LODR Regulations and will continue to comply with the minimum public shareholding requirements under applicable law, pursuant to this Issue.

4. The ex-rights price of the Equity Shares as per regulation 10(4)(b) of the SEBI Takeover Regulations is ₹188.9.

5. At any given time, there shall be only one denomination of the Equity Shares of the Company.

6. All Equity Shares are fully paid-up and there are no partly paid-up Equity Shares as on the date of this Letter of Offer. Further, the Rights Equity Shares allotted pursuant to the Rights Issue, shall be partly paid up. For further details on the terms of the Issue, please see the section entitled "*Terms of the Issue*" on page 674.

7. The shareholding pattern of our Company as of September 30, 2023 can be accessed on the website of BSE at https://www.bseindia.com/stock-share-price/indiabulls-housing-finance-ltd/ibulhsgfin/535789/shareholding-pattern/ and of NSE at https://www.nseindia.com/get-quotes/equity?symbol=IBULHSGFIN.

8. The statement showing holding of Equity Shares of persons belonging to the category "Promoter and Promoter Group" as of September 30, 2023 can be accessed on the website of BSE at https://www.bseindia.com/corporates/shpPromoterNGroup.aspx?scripcd=535789&qtrid=119.00&QtrName=September%202023 and of NSE at https://www.nseindia.com/get-quotes/equity?symbol=IBULHSGFIN.

9. The statement showing holding of Equity Shares of persons belonging to the category "Public" including Equity Shareholders holding more than 1% of the total number of Equity Shares as of September 30, 2023 as well as details of Equity Shares which remain unclaimed for public shareholders can be accessed on the website of BSE at https://www.bseindia.com/corporates/shpPublicShareholder.aspx?scripcd=535789&qtrid=119.00&QtrName=September%202023 and NSE at https://www.nseindia.com/get-quotes/equity?symbol=IBULHSGFIN.

OBJECTS OF THE ISSUE

The Company intends to utilize the Net Proceeds from the Issue towards funding of the following objects:

1. Augmenting the capital base of our Company; and

2. General corporate purposes.

The main objects and objects incidental or ancillary to the main objects as stated in the Memorandum of Association enable our Company to undertake (i) its existing activities; and (ii) undertaking the activities for which the funds are being raised by our Company through this Issue, including activities for which funds earmarked towards general corporate purposes shall be used. Further, our objects as stated in the Memorandum of Association do not restrict us from undertaking the activities for which the funds are being raised by our Company through this Issue.

The details of the Net Proceeds are summarized in the table below:

(In ₹ million)

Particulars	Amount#
Gross Proceeds*	36,934.0
<u>*Less:*</u> Estimated Issue related expenses**	1,194.0
Net Proceeds**	**35,740.0**

* *Assuming full subscription in the Issue and receipt of all Call Monies with respect to the Rights Equity Shares, subject to finalization of the Basis of Allotment and to be adjusted per the Rights Entitlement ratio.*
** *Estimated and subject to change for factors. See "- Estimated Issue Related Expenses" on page 88.*

Requirement of funds and utilisation of Net Proceeds

The Net Proceeds are proposed to be used in accordance with the details set forth in the following table:

(in ₹ million)

Particulars	Estimated amount (up to)#
Augmenting the capital base of our Company	27,341.1
General corporate purposes*	8,398.9
Total Net Proceeds**	**35,740.0**

* *Subject to the finalization of the Basis of Allotment and the Allotment. The amount utilised for general corporate purposes shall not exceed 25% of the Gross Proceeds.*
** *Assuming full subscription in the Issue and receipt of all Call Monies with respect to the Rights Equity Shares and subject to finalization of the Basis of Allotment and to be adjusted per the Rights Entitlement ratio. In the event the Issue is not fully subscribed, the Company shall first utilise the Net Proceeds towards augmenting the capital base of the Company up to the estimated amount mentioned above, and use the remaining proceeds, if any, towards general corporate purposes, provided that the total amount utilised towards general corporate purposes shall not exceed 25% of the Gross Proceeds.*

Proposed Deployment of Funds

Our Company is raising 33.3% of the Issue Proceeds on Application with balance monies being raised in subsequent Calls as may be decided by the Board or a committee of the Board from time to time. The following table provides for the proposed deployment of funds to be raised at Application after deducting Issue related expenses.

(in ₹ million)

Particulars	Amount to be funded from the Net Proceeds (up to)^	Estimated deployment of the Net Proceeds at Application in Fiscal 2024	Estimated deployment of the Net Proceeds through Subsequent Calls in subsequent years
Augmenting the capital base of our Company	27,341.1	8,504.8	18,836.3
General corporate purposes*	8,398.9	2,612.6	5,786.3
Total Net Proceeds**	**35,740.0**	**11,117.3**	**24,622.7**

* *Subject to the finalization of the Basis of Allotment and the Allotment. The amount utilised for general corporate purposes shall not exceed 25% of the Gross Proceeds.*
** *Assuming full subscription in the Issue and receipt of all Call Monies with respect to the Rights Equity Shares and subject to finalization of the Basis of Allotment and to be adjusted per the Rights Entitlement ratio. In the event the Issue is not fully subscribed, the Company shall first utilise the Net Proceeds towards augmenting the capital base of the Company up to the estimated amount mentioned above, and use the*

remaining proceeds, if any, towards general corporate purposes, provided that the total amount utilised towards general corporate purposes shall not exceed 25% of the Gross Proceeds.

The outstanding subscription money will be called within 12 months from the date of allotment in the Issue or within such extended time period in accordance with Regulation 89 of the SEBI ICDR Regulations and as may be determined by the Board or Securities Issuance and Investment Committee in its sole discretion from time to time.

In the event that the funds are not completely utilized for the purposes stated above as per the estimated schedule of utilisation specified above, the same would be utilized in subsequent Financial Years for achieving the objects of the Issue.

Objects for utilisation of funds from call money on partly paid shares

Our Company may utilise the entire proceeds raised at Application towards augmenting the capital base of our Company. The Call Monies will also be used for general corporate purposes as set out above. Further, the utilisation of Net Proceeds towards general corporate purposes will be from the Call Monies in the proportion decided by our Board or a duly authorised committee of our Board, at its discretion.

Means of Finance

The funding requirements, deployment of funds and the intended use of the Net Proceeds as described in the section titled "*Objects of the Issue*" mentioned above are based on the current business plan, management estimates, prevailing market conditions and other commercial and technical factors and have not been appraised by any bank, financial institution or any other external agency. They are based on current circumstances of our business and our arrangements with the lenders. The Company may have to revise its estimates from time to time on account of various factors beyond its control, such as market conditions, competitive environment, receipt of all Call Monies with respect to the Rights Equity Shares and interest or exchange rate fluctuations. Consequently, the funding requirements of our Company and deployment schedules are subject to revision in the future at the discretion of the management. If additional funds are required for the purposes as mentioned above, such requirement may be met through internal accruals, additional capital infusion, debt arrangements or any combination of them, subject to compliance with applicable laws.

The Company proposes to meet the entire funding requirements for the proposed Object of the Issue from the Net Proceeds and identifiable internal accruals, if required. Therefore, the Company is not required to make firm arrangements of finance through verifiable means towards at least 75% of the stated means of finance, excluding the amount to be raised from the Issue.

Details of the activities to be financed from the Net Proceeds

The details in relation to objects of the Issue are set forth herein below.

I. Augmenting the capital base of our Company

We are a non-deposit taking housing finance company registered with the NHB. We are also a notified financial institution under the SARFAESI. We pre-dominantly offer housing loans and loans against property to our varied client base which comprises (i) salaried employees; (ii) self-employed individuals; (iii) MSMEs; and (iv) corporates. We also offer mortgage loans to real estate developers in India in the form of lease rental discounting for commercial premises and construction finance for the construction of residential premises. For further details, see "*Our Business*" on page 122.

As per the RBI Master Directions, we are required to maintain a minimum capital to risk ratio, consisting of Tier I and Tier II capital, of not less than 15% of our aggregate risk weighted assets and risk adjusted value of off-balance sheet items, with Tier I capital not being below 10% at any point of time. Further, we are required to ensure that the total of Tier II capital at any point of time, should not exceed 100% of Tier I capital. As of September 30, 2023, our Company's CRAR – Tier I capital was 21.92% as compared to 18.39% as of March 31, 2023.

The following table sets forth certain details regarding our Capital Adequacy as of the dates indicated:

Particulars	Standalone		
	For the Fiscal Year ended March 31,		For the six months ended September 30,
	2022	2023	2023
Tier I capital	88,356.8	102,733.4	121,745.9
Tier II capital	31,435.6	25,797.4	22,847.1
Total capital	119,792.3	128,530.8	144,593.0
Total risk weighted assets	532,323.5	558,658.4	557,381.4
Capital adequacy ratios			
Tier I capital ratio (%)[(2)]	16.59	18.39	21.92
Tier II capital ratio (%)[(2)]	5.90	4.62	4.10
CRAR (%)	22.49	23.01	26.02

We intend to utilise ₹27,341.1 million from the Net Proceeds towards augmenting our capital base to meet our future funding requirements for our business activities, including towards onward lending, strengthening our balance sheet and to ensure compliance with the requirements prescribed under the RBI Master Directions. In the coming period, our Company plans to significantly grow its Loan Book which would require Tier 1 capital to comply with the applicable capital adequacy regulations. With the primary capital raise planned through the Issue, the management of our Bank believes that our Company would have adequate capital without any further need of fresh capital in the short to medium term.

II. General corporate purposes

Our Company intends to deploy the balance Net Proceeds aggregating to ₹8,398.9 million towards general corporate purposes, provided that the amount to be utilized for general corporate purposes shall not exceed 25% of the Gross Proceeds. Such utilisation towards general corporate purposes shall be to drive our business growth, including, amongst other things, brand building and other marketing expenses, acquiring assets, such as furniture and fixtures, and vehicles, meeting any expenses incurred in the ordinary course of business by the Company, including salaries and wages, rent, administration expenses, insurance related expenses, and the payment of taxes and duties, repair, maintenance, renovation and upgradation of our existing facilities, strategic initiatives, leasehold improvements, meeting of exigencies which our Company may face in the course of any business and any other purpose as permitted by applicable laws, subject to meeting regulatory requirements and obtaining necessary approvals/ consents, as applicable and other purpose as permitted by applicable laws and as approved by our Board or a duly appointed committee thereof for funding growth opportunities.

Our management will have flexibility in utilizing the proceeds earmarked for general corporate purposes. In the event that we are unable to utilize the entire amount that we have currently estimated for use out of Net Proceeds in a Financial Year, we will utilize such unutilized amount in the subsequent Financial Years.

Estimated Issue Related Expenses

The estimated Issue related expenses is as follows:

(unless otherwise specified, in ₹ million)

S. No.	Particulars	Estimated Amount[(1)]	Percentage of total estimated Issue expenditure (%)[(1)]	Percentage of Issue Size (%)[(1)]
1.	Fees payable to the Lead Managers (including underwriting commission, brokerage and selling commission)	1000.0	83.8%	2.7%
2.	Fee payable to the Registrar to the Issue	4.0	0.3%	0.0%
3.	Advertising, marketing and shareholder outreach expenses	60.0	5.0%	0.2%
4.	Fees payable to regulators, including Stock Exchanges, SEBI, depositories and other statutory fee	37.0	3.1%	0.1%
5.	Fees payable to others[(2)]	25.0	2.1%	0.1%
6.	**Other expenses**			
	Printing and stationery distribution, postage, etc.	3.0	0.3%	0.0%
	Fees payable to the legal counsel and other professional service providers	45.0	3.8%	0.1%
	Miscellaneous expenses	20.0	1.7%	0.1%
Total estimated Issue related expenses[(1)]		1194.0	100.0	100.0%

[(1)] *Issue expenses include applicable taxes, where applicable. Subject to finalisation of Basis of Allotment. In case of any difference between the estimated Issue related expenses and actual expenses incurred, the shortfall or excess shall be adjusted with the amount allocated towards general corporate purposes.*

[(2)] *Includes fees payable to our Statutory Auditors, Tax Auditor and CRISIL for preparing the industry report commissioned by our Company in connection with the Issue.*

Bridge Financing Facilities

The Company has not availed any bridge loans from any banks or financial institutions as on the date of this Letter of Offer, which are proposed to be repaid from the Net Proceeds.

Interim Use of Net Proceeds

Pending utilisation for the purposes described above, we undertake to deposit the funds from the Net Proceeds with one or more scheduled commercial banks included in the Second Schedule of Reserve Bank of India Act, 1934, for the necessary duration.

Monitoring Utilization of Funds from the Issue

Our Company has appointed CRISIL Ratings Limited as the Monitoring Agency in relation to the Issue. Our Board and Monitoring Agency shall monitor the utilization of the Net Proceeds and the Monitoring Agency shall submit a report to our Board as required under Regulation 82 of the SEBI ICDR Regulations. Our Company will disclose the utilization of the Net Proceeds under a separate head in our balance sheet along with the relevant details, for all such amounts that have not been utilized. Our Company will indicate instances, if any, of unutilized Net Proceeds in the balance sheet of our Company for the relevant Financial Years subsequent to receipt of listing and trading approvals from the Stock Exchanges.

Pursuant to the SEBI LODR Regulations, our Company shall, on a quarterly basis, disclose to the Audit Committee, the uses and applications of the Net Proceeds. The report submitted by the Monitoring Agency will be placed before the Audit Committee of the Company, so as to enable the Audit Committee to make appropriate recommendations to our Board for further action, if appropriate.

Further, in terms of the SEBI LODR Regulations, our Company shall furnish to the Stock Exchanges, on a quarterly basis, a statement on material deviations, if any, in the utilization of the proceeds of the Issue from the objects of the Issue as stated above and details of category wise variations in the utilisation of the Net Proceeds from the objects of the Issue as stated above. This information will also be published in newspapers simultaneously with the interim or annual financial results after review by the Audit Committee and its explanation in the directors' report in the annual report.

The Company shall, on an annual basis, prepare a statement of funds utilised for purposes other than those stated in this Letter of Offer and place it before the Audit Committee. Such disclosure shall be made only until such time that all the Net Proceeds have been utilised in full. The statement shall be certified by the Statutory Auditors.

Appraising entity

None of the objects of the Issue for which the Net Proceeds will be utilised has been appraised.

Strategic or Financial Partners

There are no strategic or financial partners to the Objects of the Issue.

Other confirmations

No part of the proceeds of the Issue will be paid by our Company to our Directors or Key Managerial Personnel or Senior Management.

Our Company has not entered into nor is planning to enter into any arrangement/ agreements with the Directors or Key Managerial Personnel or Senior Management in relation to the utilisation of the Net Proceeds. Further, except in the ordinary course of business, there is no existing or anticipated interest of such individuals and entities in the Objects, as set out above.

STATEMENT OF SPECIAL TAX BENEFITS

Date: January 18, 2024

To,

The Board of Directors
Indiabulls Housing Finance Limited
5th Floor, Building No. 27,
KG Marg Connaught Place,
New Delhi - 110001

Ladies and Gentlemen,

Re: Statement of possible special tax benefits (the "Statement") available to Indiabulls Housing Finance Limited (the "Company"), its material subsidiary and its shareholders, prepared in accordance with the requirement under the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended ("SEBI ICDR Regulations"), for the proposed rights issue of equity shares of ₹ 2 each (the "Equity Shares") of the Company (the "Issue")

We, S.N. Dhawan & CO LLP and Arora & Choudhary Associates, the joint statutory auditors of the Company, have been requested by the Company to issue a report on the attached statement of special tax benefits (referred to as "**Statement**") available to the Company, its material subsidiary and its shareholders for inclusion in the Letter of Offer ('LOF') in connection with the proposed Issue. The Statement has been prepared by the management of the Company and initialed by us for identification purposes only. The Statement showing the current position of tax benefits available to the Company, its material subsidiary and the shareholders of the Company as per the provisions of Indian direct tax and indirect tax laws including the Income Tax Act, 1961 ("IT Act"), the Central Goods and Services Tax Act, 2017 / the Integrated Goods and Services Tax Act, 2017, the Union Territory Goods and Services Tax Act, 2017, respective State Goods and Services Tax Act, 2017, each as amended (collectively, the "**Tax Laws**") including the rules, regulations, circulars and notifications issued in connection with the Tax Laws as presently in force in India and applicable to the assessment year 2024-2025 relevant to the financial year 2023 - 2024.

The Company has identified Indiabulls Commercial Credit Limited ("**Material Subsidiary**") as its material subsidiary in accordance with the SEBI ICDR Regulations. The aforesaid Statement also covers possible special tax benefits in the hands of the Material Subsidiary, under Tax Laws presently in force in India, as applicable for the assessment year 2024-2025 relevant to the financial year 2023-2024.

These benefits are dependent on the Company, its Material Subsidiary or its shareholders fulfilling the conditions prescribed under the relevant provisions of the Tax Laws. Hence, the ability of the Company, its Material Subsidiary and/or its shareholders to derive the stated tax benefit is dependent upon fulfilling such conditions which are based on the business imperatives the Company, its Material Subsidiary and/or its shareholders may face and accordingly the Company, its Material Subsidiary and/or its shareholders may or may not choose to fulfill. Further, certain tax benefits may be optional and it would be at the discretion of the Company, its Material Subsidiary and/or the shareholders of the Company to exercise the option by fulfilling the conditions prescribed under the Tax Laws.

The benefits discussed in the enclosed Statement are not exhaustive. We are informed that the Statement is only intended to provide general information to the investors on the applicable provisions of the Tax Laws and hence, it is neither designed nor intended to be a substitute for professional tax advice. In view of the individual nature of the tax consequences, the changing tax laws, each investor is advised to consult his / her / their own tax consultant with respect to the specific tax implications arising out of their participation in the Issue, particularly in view of the fact that certain recently enacted legislation may not have a direct legal precedent or may have a different interpretation on the benefits, which an investor can avail. We are neither suggesting nor advising the investor to invest money based on this Statement.

We conducted our examination of the statement in accordance with the Guidance Note on Reports or

Certificates for Special Purposes (Revised 2016) issued by the Institute of Chartered Accountants of India (the "Guidance Note"). The Guidance Note requires that we comply with the ethical requirements of the Code of Ethics issued by the Institute of Chartered Accountants of India.

We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Performs Audits and Reviews of Historical Financial information and Other Assurance and Related Services Engagements.

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

i) the Company, its material subsidiary and/or its shareholders will continue to obtain these benefits in future; or
ii) the conditions prescribed for availing the benefits have been/would be met with.
iii) The revenue authorities / courts will concur with the views expressed therewith.

The contents of the Statement are based on the information, explanations and representations obtained from the Company and on the basis of our understanding of the business activities and operations of the Company.

In respect of Indiabulls Commercial Credit Limited, the material subsidiary, we have relied on the report dated January 18, 2024 issued by joint statutory auditors of the Material Subsidiary on the special tax benefits available to the Material Subsidiary, without independently verifying the correctness of the certificate/statement or content therein.

Limitation/ Restriction on distribution or use

Our views expressed in the Statement enclosed are based on the facts and assumptions indicated above. Our views are based on the existing provisions of the Tax laws presently in force in India and its interpretation, which are subject to change from time to time. We do not assume responsibility to update the views consequent to such changes.

This report is addressed to the Board of Directors of the Company for inclusion of this report along with the accompanying Statement in the Letter of Offer to be submitted by the Company with the Securities and Exchange Board of India, National Stock Exchange of India Limited and BSE Limited or any other regulatory or statutory authority and/or in any other material used in connection with the Issue ("**Issue Documents**"), prepared in connection with the Issue and should not be used by any other person or for any other purpose.

We hereby give our consent to include this report and the enclosed Statement regarding the tax benefits available to the Company, its Material Subsidiary and its shareholders in the Issue Documents, provided that the above statement of limitation/ restriction on distribution or use is included in the Issue Documents.

For and on behalf of
S.N. Dhawan & CO LLP
Chartered Accountants
Firm Registration Number: 003870N
Peer Review Number: 014000

Rahul Singhal
Partner
Membership Number: 096570
Date: January 18, 2024
Place: Gurugram
UDIN: 24096570BKCTED5152

For and on behalf of
Arora & Choudhary Associates
Chartered Accountants
Firm Registration Number: 003870N
Peer Review Number: 015874

Vijay Kumar Choudhary
Partner
Membership Number: 081843
Date: January 18, 2024
Place: New Delhi
UDIN: 24081843BKBFQC4433

STATEMENT OF POSSIBLE SPECIAL TAX BENEFITS AVAILABLE TO INDIABULLS HOUSING FINANCE LIMITED (“THE COMPANY”) AND ITS SHAREHOLDERS AND ITS MATERIAL SUBSIDIARY UNDER THE APPLICABLE DIRECT AND INDIRECT TAXES (“TAX LAWS”)

Outlined below are the Possible Special Tax Benefits available to the Company, its shareholders and its material subsidiary under the Tax Laws. These Possible Special Tax Benefits are dependent on the Company, its shareholders and its material subsidiary fulfilling the conditions prescribed under the Tax Laws. Hence, the ability of the Company, its shareholders and its material subsidiary to derive the Possible Special Tax Benefits is dependent upon fulfilling such conditions, which are based on business imperatives it faces in the future, it may or may not choose to fulfil.

I.UNDER THE DIRECT TAX LAWS

The Annexure pertaining to direct tax laws is based on the provisions of the Income Tax Act, 1961 (“IT Act”), as on date, taking into account the amendments made by the Finance Act, 2023 (FA 2023).

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

You should consult your own tax advisors concerning the Indian tax implications and consequences of purchasing, owning and disposing of the equity shares in your particular situation.

A. Special tax benefits available to the Company

1. Lower corporate tax rate under Section 115BAA of the Income Tax Act, 1961 (`the Act')

Section 115BAA has been inserted in the Act w.e.f. 1 April 2020 (A.Y. 2020 - 21). Section 115BAA of the Act grants an option to a domestic company to be governed by the section from a particular assessment year. If a company opts for section 115BAA of the Act, it can pay corporate tax at a reduced rate of 25.168% (22% plus surcharge of 10% and education cess of 4%). Section 115BAA of the Act further provides that domestic companies availing the said option will not be required to pay Minimum Alternate Tax (`MAT') on their 'book profits' under Section 115JB of the Act.

However, such a company will no longer be eligible to avail specified exemptions / incentives/deductions under the Act and will also need to comply with the other conditions specified in section 115BAA of the Act. Further, it shall not be allowed to claim set-off of any brought forward loss arising to it on account of additional depreciation and other specified incentives.

The Company has opted to apply section 115BAA of the Act.

2. Section 36(1)(viia)(d) - Special deduction from income

Section 36(1)(viia)(d) of the Act provides that a deduction equivalent to of 5 percent of the total income shall be allowed in respect of any provision for bad and doubtful debts in case of non-banking financial company (computed before making any deduction under this clause and Chapter VI-A).

However, it is pertinent to note that the subsequent claim of deduction of actual debts incurred in the subsequent assessment years under section 36(1)(vii) of the Act shall be reduced to the extent of the provision of bad debts already claimed as deduction under section 36(1)(viia) of the Act. Further, it is to be noted that where the deduction is already allowed under section 36(1)(vii)/36(1)(viia) of the Act and subsequently the amount is recovered, then, the amount recovered shall be deemed to be the profits and gains of business or profession subject to the provisions of section 41(4) of the Act

3. Section 43D - Special provisions for taxability of Interest income from certain prescribed bad debts

Section 43D of the Act provides, inter-alia, for special provision in case of interest income of deposit-taking Non-Banking Financial Companies and Systemically Important Non-Deposit taking Non-Banking Financial Companies. Interest income in relation to certain categories of bad or doubtful debts as specified in Rule 6EA of the Income-tax Rules, 1961 ('Rules') received by such NBFCs is chargeable to tax in the previous year in which it is credited to its profit and loss account for that year or in which it is actually received, whichever is earlier.

4. Section 80M - Deduction in respect of inter-corporate dividends

Section 80M provides for deduction from gross total income of a domestic company, of an amount equal to dividends received by such company from another domestic company or a foreign company or a business trust as does not exceed the amount of dividend distributed by it on or before one month prior to the due date of filing its tax return as prescribed under Section 139(1) of the Act.

Where the Company receives any such dividend during a Financial Year and also, distributes dividend to its shareholders before the aforesaid date, as may be relevant to the said Financial Year, it shall be entitled to the deduction under Section 80M of the Act.

5. Section 80JJAA - Deduction in respect of employment of new employees

As per the section 80JJAA of the Act, the Company is entitled to claim deduction of an amount equal to thirty per cent of additional employee cost (relating to specified category of employees) incurred in the course of business in the previous year, for three assessment years including the assessment year relevant to the previous year in which such employment is provided. The eligibility to claim the deduction is subject to fulfillment of prescribed conditions specified in sub-section (2) of section 80JJAA of the Act.

B. Special tax benefits available to Shareholders of the Company

1. As per section 112A of the Act, long-term capital gains arising from transfer of an equity share, or a unit of an equity-oriented fund or a unit of a business trust shall be taxed at 10% (without indexation) of such capital gains subject to fulfillment of prescribed conditions under the Act as well as per Notification No. 60/2018/F. No.370142/9/2017-TPL dated 1 October 2018. It is worthwhile to note that tax shall be levied where such capital gains exceed INR 100,000.

2. As per section 111A of the Act, short term capital gains arising from transfer of an equity share, or a unit of an equity-oriented fund or a unit of a business trust shall be taxed at 15% subject to fulfillment of prescribed conditions under the Act.

3. With respect to resident corporate shareholders, deduction under section 80M of the Act as mentioned above could be available subject to fulfilment of certain conditions.

4. In case of non-resident investor who is a resident of a country with which India has signed a Double Taxation Avoidance Agreement ("DTAA" or "tax treaty") (which is in force) income-tax is payable at

the rates provided in the IT Act, or the rates provided in such tax treaty, if any, whichever is more beneficial to such non-resident investor.

For non-residents claiming such tax treaty benefits, the IT Act mandates the obtaining of a Tax Residency Certificate (“TRC”) from the home country tax authority.

Section 90(5) of the IT Act provides that an assessee to whom a DTAA applies shall provide such other documents and information, as may be prescribed. Further, a notification substituting Rule 21AB of the Income-tax Rules, 1962 (“Rules”) has been issued prescribing the format of information to be provided under section 90(5) of the IT Act, i.e., in Form No 10F. Where the required information is not explicitly mentioned in the TRC, the assessee shall be required to furnish a self-declaration in Form No 10F and keep and maintain such documents as are necessary to substantiate the information mentioned in Form 10F.

C. Special tax benefits available to material subsidiary of the Company

I. Indiabulls Commercial Credit Limited (ICCL)

1. Lower corporate tax rate under Section 115BAA of the Income Tax Act, 1961 (`the Act')

Section 115BAA has been inserted in the Act w.e.f. 1 April 2020 (A.Y. 2020 - 21). Section 115BAA of the Act grants an option to a domestic company to be governed by the section from a particular assessment year. If a company opts for section 115BAA of the Act, it can pay corporate tax at a reduced rate of 25.168% (22% plus surcharge of 10% and education cess of 4%). Section 115BAA of the Act further provides that domestic companies availing the said option will not be required to pay Minimum Alternate Tax (`MAT') on their 'book profits' under Section 115JB of the Act.

However, such a company will no longer be eligible to avail specified exemptions / incentives/deductions under the Act and will also need to comply with the other conditions specified in section 115BAA of the Act. Further, it shall not be allowed to claim set-off of any brought forward loss arising to it on account of additional depreciation and other specified incentives.

ICCL has opted to apply section 115BAA of the Act.

2. Section 36(1)(viia)(d) - Special deduction from income

Section 36(1)(viia)(d) of the Act provides that a deduction equivalent to of 5 percent of the total income shall be allowed in respect of any provision for bad and doubtful debts in case of non-banking financial company (computed before making any deduction under this clause and Chapter VI-A).

However, it is pertinent to note that the subsequent claim of deduction of actual debts incurred in the subsequent assessment years under section 36(1)(vii) of the Act shall be reduced to the extent of the provision of bad debts already claimed as deduction under section 36(1)(viia) of the Act. Further, it is to be noted that where the deduction is already allowed under section 36(1)(vii)/36(1)(viia) of the Act and subsequently the amount is recovered, then, the amount recovered shall be deemed to be the profits and gains of business or profession subject to the provisions of section 41(4) of the Act

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II. UNDER THE INDIRECT TAX LAWS

The Annexure pertaining to indirect tax laws is based on the provisions of The Central Goods and Services Tax Act, 2017 / the Integrated Goods and Services Tax Act, 2017, the Union Territory Goods and Services Tax Act, 2017, respective State Goods and Services Tax Act, 2017, each as amended (collectively referred to as the "**Indirect Tax Laws**")

A. Special tax benefits available to the Company

There are no special tax benefits available to the Company under the Indirect Tax Laws.

B. Special tax benefits available to Shareholders

There are no special tax benefits available to the Shareholders under the Indirect Tax Laws

C. Special tax benefits available to the Material Subsidiary

There are no special tax benefits available to the Material Subsidiary under Indirect Tax Laws

NOTES:

a) The above Statement sets out the provisions of law in a summary manner only and is not a complete analysis or listing of all potential tax consequences of the purchase, ownership and disposal of equity shares of the Company.

b) The stated benefits will be available only to the sole/ first named holder in case the equity shares are held by joint holders.

c) This Statement does not discuss any tax consequences in the country outside India of an investment in the equity shares of the Company. The shareholders/ investors in any country outside India are advised to consult their own professional advisers regarding possible income tax consequences that apply to them.

d) The possible special tax benefits are subject to several conditions and eligibility criteria which need to be examined for precise tax implications.

e) Our views are based on the existing provisions of law and its interpretation, which are subject to changes from time to time. We do not assume responsibility to update the views consequent to such changes. We shall not be liable to any claims, liabilities or expenses relating to this assignment except to the extent of fees relating to this assignment, as finally judicially determined to have resulted primarily from bad faith or intentional misconduct. We will not be liable to any other person in respect of this Statement.

f) This Statement does not cover analysis of provisions of Chapter X-A of the Act dealing with General Anti- Avoidance Rules and provisions of Multilateral Instruments.

SECTION IV: ABOUT OUR COMPANY

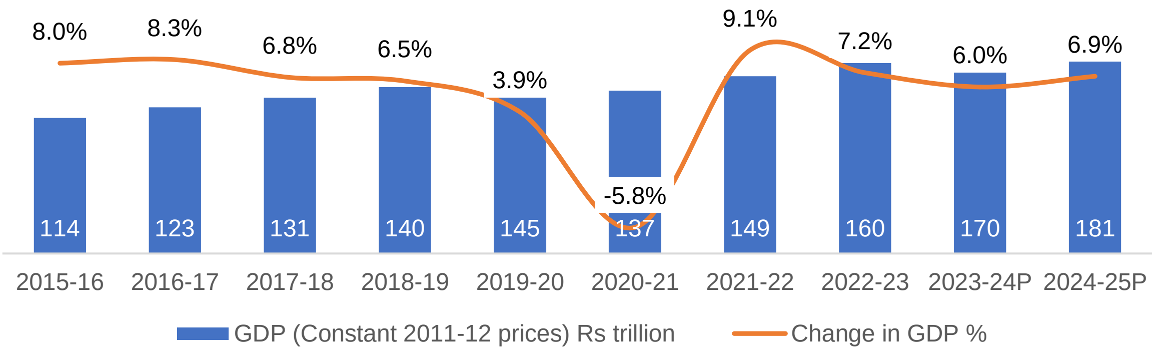
INDUSTRY OVERVIEW

An overview of the Indian economy

Before the pandemic, India was one of the fastest-growing economies in the world with a CAGR of 6.6% between fiscals 2015 and 2020. GDP shot up from Rs 105 trillion in fiscal 2015 to Rs 145 trillion in fiscal 2020 based on 2011-12 prices.

The outbreak of the Covid pandemic and the subsequent imposition of the lockdown on March 25, 2020, onwards sent the Indian economy reeling, leading to a 5.8% decline to Rs 137 trillion in fiscal 2021. While the economy was under pressure in the first half of the fiscal, due to the pandemic-induced, lockdown-led demand shocks and weak global demand, low oil and commodity prices provided some respite. The second half saw an uptick in mobility and in economic activity, as sentiment improved, coupled with people learning to live in the post-pandemic world. The opening up of vaccinations in the fourth quarter, albeit for a smaller section of the population, further boosted the sentiment, containing the contraction to 5.8% in fiscal 2021. The Indian government unleased a slew of measures during the pandemic-impacted fiscal under the Atma Nirbhar Bharat Abhiyan to boost the economy with the Production-Linked Incentive (PLI) scheme the standout tying in with the Make in India programme.

Movement of Indian GDP across years



Source: MOSPI, CRISIL MI&A Research

GDP grew 9.1% in fiscal 2022 to ~ Rs. 149 trillion on a low base, surpassing the pre-Covid-19 level of fiscal 2020. Growth in fiscal 2022 would have been higher but for the brutal second wave in the first quarter, which impacted consumer sentiment and hurt demand in contact-intensive services sectors. The resurgence of Covid-19 infections since March 2021 forced many states to implement localised lockdowns and restrictions to prevent the spread of the infection. In the beginning of May, the country reported the highest number of daily cases. The second round of lockdowns were less restrictive for economic activity than last year. Manufacturing, construction, agriculture, and other essential activities had been permitted to continue in most states while travel too was permitted unlike the first wave where all travel services were shut. The third wave in the fourth quarter of fiscal 2022 had minimal impact on the economy attributable to high rates of vaccination and people having learned to live with the pandemic.

The Indian economy recorded a 7.2% on-year growth in real GDP in fiscal 2023 reaching about Rs ~160 trillion. While the economic recovery continues to gather pace, it faces multiple risks. Global growth is projected to slow, as central banks in major economies withdraw easy monetary policies to tackle high inflation. This would imply lower demand for our exports. Together with high commodity prices, especially oil, this translates into a negative in terms of a trade shock for India. High commodity prices, along with depreciating rupee, indicate higher imported inflation.

Over the medium term, the Indian economy is projected recording a 6-7% on year growth boosted by healthy capital expenditure by the government, domestic consumption led growth, China + 1 strategy boosting manufacturing in India coupled with the PLI scheme. Slowing global economies would drag Indian exports restricting India's GDP growth.

Macroeconomic outlook

Macro variable	FY22	FY23	FY24P	Rationale for outlook
Real GDP (%, y-o-y)	9.1	7.2	6.0	Slowing global growth will weaken India's exports in fiscal 2024. Domestic demand could also come under pressure as the RBI's rate hikes transmit to end consumers
Consumer price index (CPI)-based inflation (%, y-o-y)	5.5	6.7	5.0	Lower commodity prices, expectation of softer food prices, cooling domestic demand, and base effect will help moderate inflation
Current account balance/ GDP (%)	-1.2	-2.0	-1.8	Correction in international commodity prices and support from healthy services exports and remittances will help CAD narrow during fiscal 2024
Rs/$ (March end)	75.8	82.3	83.0	While a lower current account deficit will support the rupee, challenging external financing conditions will continue to exert pressure next fiscal

Note: P – projected

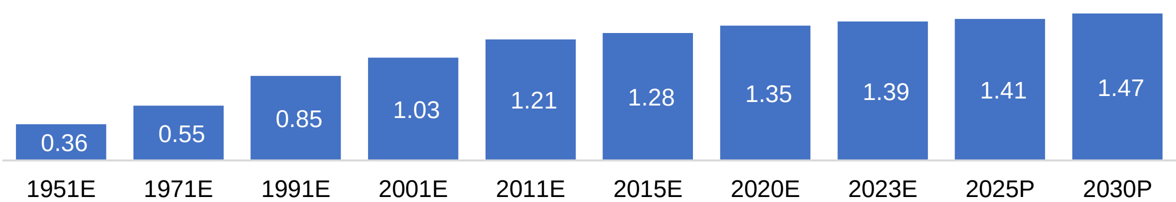
Source: RBI, National Statistical Office (NSO), CRISIL MI&A Research

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

d) **India has the largest population in the world**

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

India's population growth trajectory (billion)



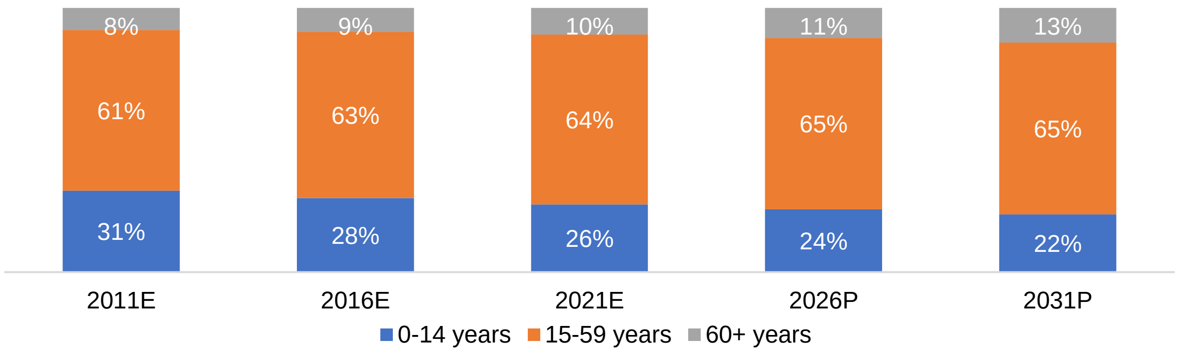
Note: P – Projected, E – Estimates

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

e) **Favourable demographics**

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

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



Note: P – Projected, E – Estimates

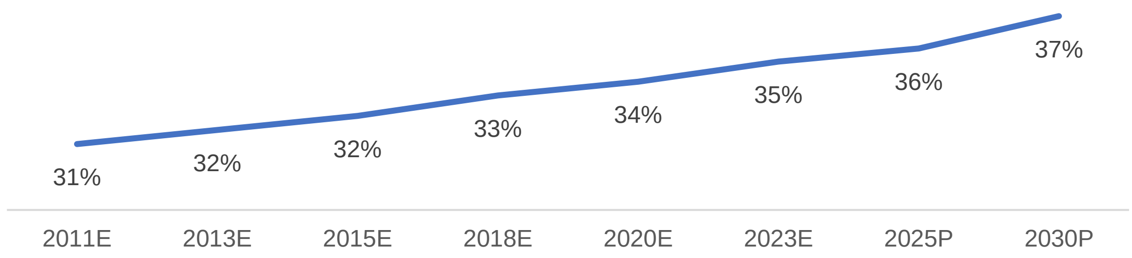
Source: Census of India 2011, Ministry of Health and family welfare, CRISIL MI&A Research

f) **Rise in urbanisation**

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

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

Urbanisation in India

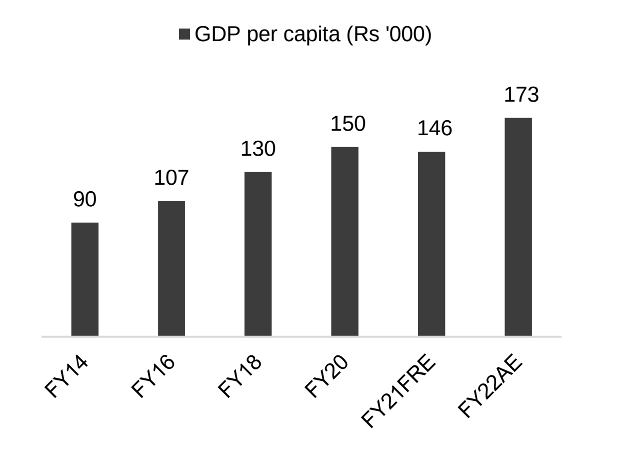


Note: P – Projected, E – Estimates

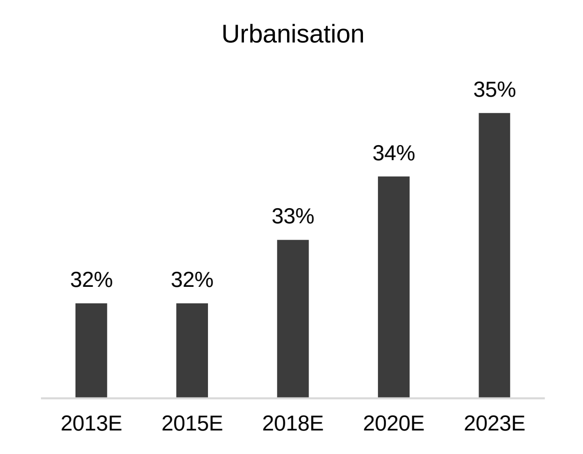
Source: Census of India 2011, Ministry of Health and family welfare, CRISIL MI&A Research

Long-term growth drivers of housing finance sector

Rising per capita income	Rapid urbanisation

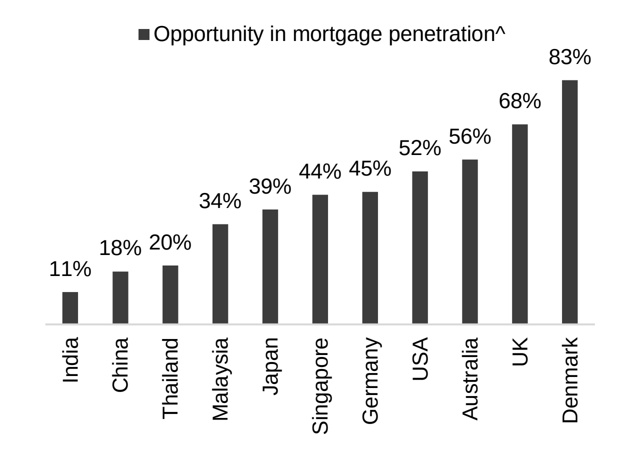


Rising income levels lead to higher disposable incomes, and, therefore, increasing affordability



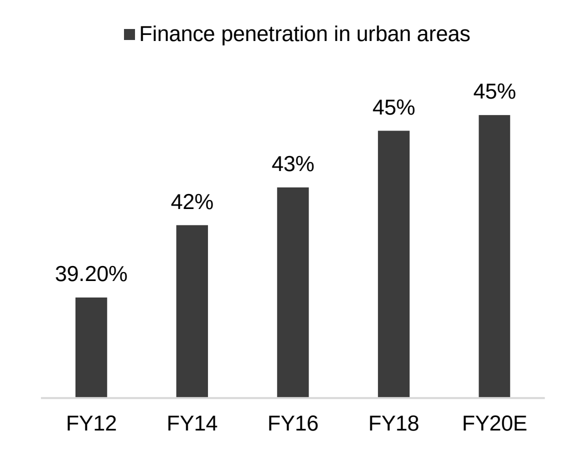
Urbanisation increases number of nuclear families, leading to formation of more urban households

Significant opportunity in mortgage penetration



India's mortgage penetration, though low, is improving owing to ease of financing, tax incentives, and increasing reach of financiers

Increasing finance penetration



Rising demand of housing in Tier II cities has aided financing penetration in such areas

^Company reports, European Mortgage Federation and Hofinet

FRE: First revised estimate; AE: Advance estimate

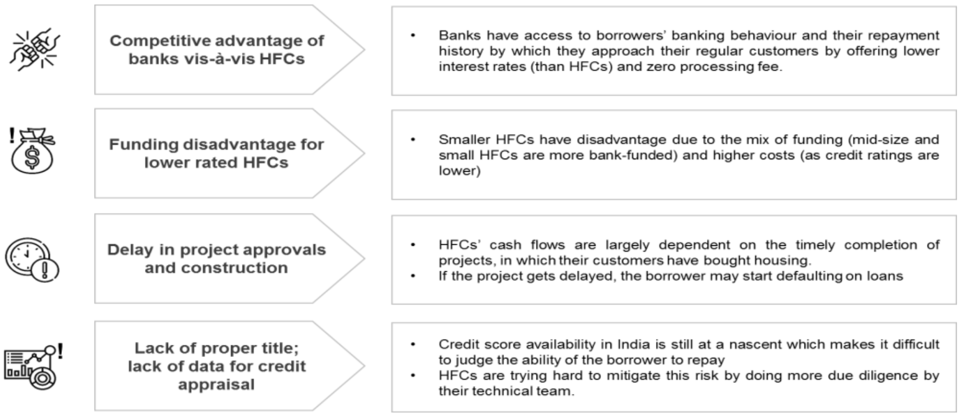
Source: Ministry of Statistics and Programme Implementation, United Nations Department of Economic and Social Affairs, International Monetary Fund, European Mortgage Federation, Housing Finance Information Network, NHB, company reports, CRISIL MI&A Research

Low housing penetration in India offers abundant opportunities for growth in mortgage finance

India has one of the lowest housing penetration levels across developing and developed economy. The housing loan market is estimated at Rs 30 trillion which represents a mortgage to GDP ratio of ~11% as of 2023. When compared to advanced economies such as the UK, USA, and Denmark the ratio is more than 50% leaving the Indian Housing finance market underpenetrated with immense opportunities for Housing finance companies to grow over the long term.

During the same period India became the most populous country with a significant portion of the population in their mid-30s, aspiring to own a home. This has led to a rapid increase in urbanisation and in turn increase in demand for housing. Increasing housing penetration will also be supported by increasing in per capita income, increase in focus on affordable housing via numerous initiatives by government along with focused approach of various HFCs into the affordable segment and increasing the reach beyond tier II cities.

Risks and challenges



Key government schemes for the housing sector

The Housing for All by 2022 scheme, launched in June 2015, aimed to construct over 20 million houses across India by 2022 for the poor, economically weaker sections (EWS), and LIG in urban areas.

PMAY

The Ministry of Housing and Urban Affairs launched PMAY – Urban (PMAY-U) on June 25, 2015. It aims to address the urban housing shortage among the EWS/LIG and MIG categories, including slum dwellers, by ensuring a pucca house to all eligible urban households by 2022.

The erstwhile Indra Gandhi Awas Yojana was re-structured into the PMAY – Gramin (PMAY-G) from April 1, 2016 to address gaps in the rural housing programme and fulfil the government's commitment of providing housing for all by 2022. PMAY-G aims to provide a pucca house with basic amenities by 2022 to all houseless individuals and those households living in kutcha and dilapidated dwellings.

PMAY progress as of October 30, 2023

PMAY-U – Progress	No of houses / value	PMAY-G – Progress	No of houses / value
Houses sanctioned	118.63 lakh	House target	295.00 lakh
Houses grounded	113.38 lakh	Houses sanctioned	294.37 lakh
Houses completed	77.37 lakh	Houses completed	247.84 lakh
Central assistance committed	Rs 2 lakh crore	Fund allocation	Rs 3.67 lakh crore
Central assistance released	Rs 1.53akh crore	Fund released	Rs 2.61 lakh crore
Total investment	Rs 8.11 lakh crore	Fund utilised	Rs 3.19 lakh crore

Source: CRISIL MI&A Research

Atal Mission for Rejuvenation and Urban Transformation

The purpose of Atal Mission for Rejuvenation and Urban Transformation (AMRUT) is to provide basic services (e.g., water supply, sewerage, urban transport) to households, build amenities in cities, and improve the quality of life for all, especially the poor and the disadvantaged.

Key components of the mission

- Access to a tap with assured water supply for every household
- Assured sewerage connection per household
- Better amenities in cities by developing greenery and well-maintained open spaces (e.g., parks)
- Lower pollution by switching to public transport or constructing facilities for non-motorised transport (e.g., walking and cycling)

AMRUT progress as of April 2023

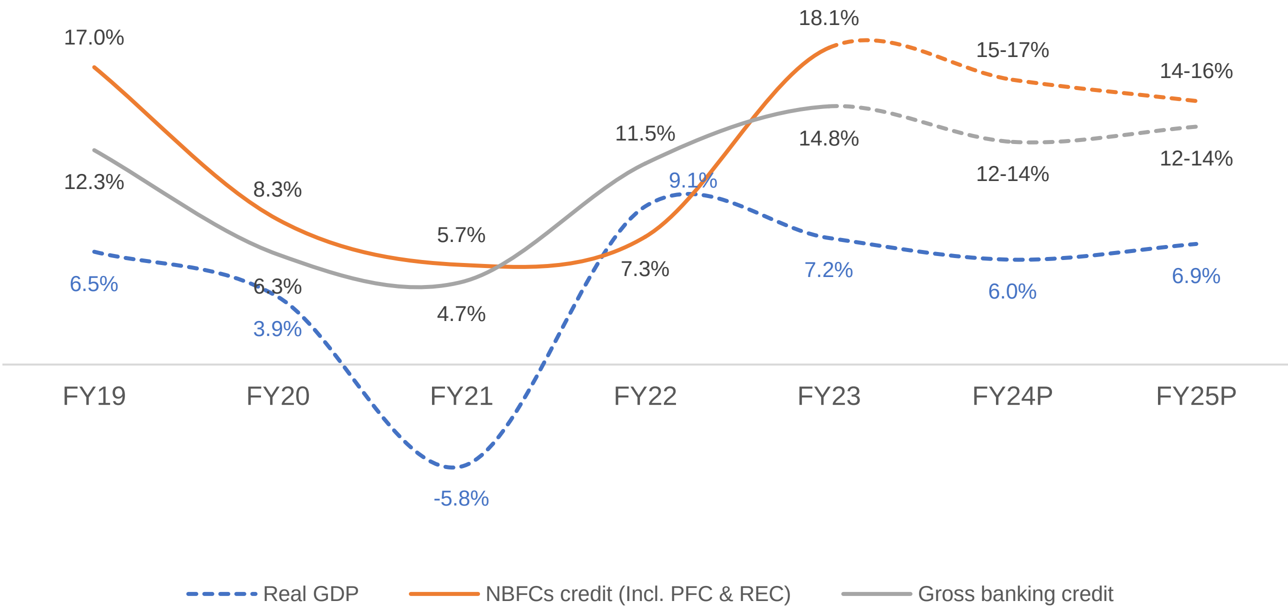
AMRUT status as of April 2023	Projects	Value (Rs billion)
Work completed	4,909	375
Awarded	988	452
Total state annual action plans	5897	827

Source: Ministry of Housing and Urban Affairs, CRISIL MI&A Research

Overall NBFCs – Review and outlook

NBFCs clocked double-digit credit growth during fiscal 2023, healthy momentum to continue

NBFCs to report retail segment-led credit growth of 15-17%, fiscal 2024



Note: 1) P — projected
2) Historical credit growth numbers are adjusted for merger of HDFC Ltd into bank for comparable credit growth
Source: Reserve Bank of India (RBI), National Housing Bank (NHB), Ministry of Finance, company reports, CRISIL MI&A Research

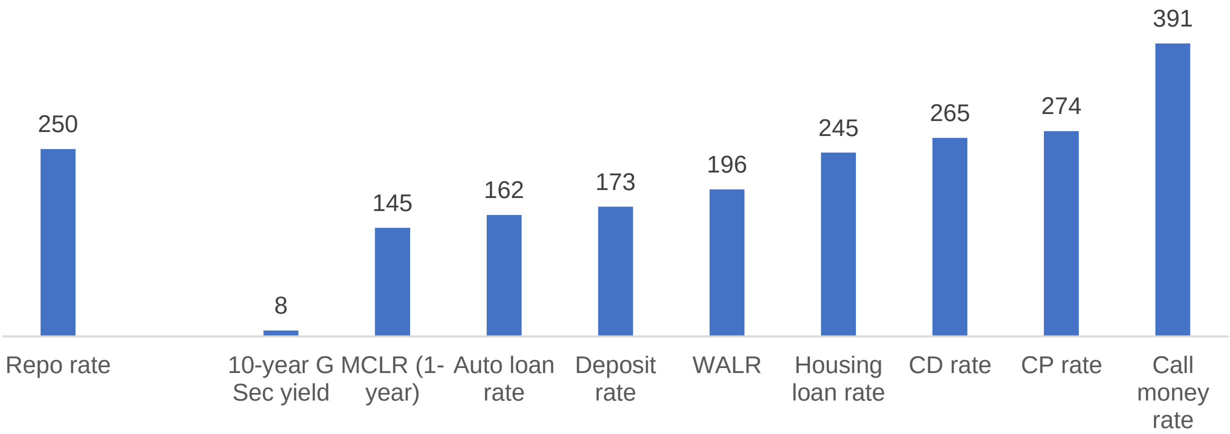
India remains one of the fastest-growing economies globally even amid ongoing geopolitical tensions. This could be attributed to factors such as demographic advantage, robust domestic demand, economic reforms, manufacturing and infrastructure development, technological advancements and digital push.

The International Monetary Fund (IMF), in its July 2023 economic outlook update, revised its real economic growth forecast for India for the current fiscal to 6.3% from 5.9% forecast in April 2023. It cited momentum from stronger-than-expected growth in the first quarter of fiscal 2024 as a result of stronger domestic investment, as an important driver. In contrast, it projected global economic growth to decelerate from an estimated 3.5% in 2022 to 3.0% in 2023, with the growth rate sustaining in 2024. While the forecast for 2023 is higher than the earlier estimate by a wafer-thin 0.2%, it remains weaker than the historical average.

To tackle domestic inflation, the Reserve Bank of India (RBI) started increasing the policy repo rate in fiscal 2023 — by 40 basis points (bps) in May, 50 bps each in June, August and September and 35 bps in December 2022, and a further 25 bps in February 2023 — taking it to 6.50%. The central bank has hit the pause button after the aggregate hike of 250 bps and is evaluating the impact of the hikes on the economy which tend to get transmitted with a lag.

Additionally, banking liquidity has been higher in the few months leading to August 2023, owing to the return of Rs 2,000 denomination notes, the RBI's surplus transfer to the government, pick-up in fiscal spending and foreign capital inflows, and fewer takers for the liquidity adjustment facility (LAF) window by banks. Anticipating that any liquidity overhang could pose a risk to financial stability, the RBI asked banks to maintain an incremental cash reserve ratio (I-CRR) of 10% on incremental deposits between May 19, 2023 and July 28, 2023. This measure absorbed durable liquidity of ~Rs 1 trillion. The CRR, however, continues to be at 4.5% of bank deposits. Subsequently, the RBI discontinued the I-CRR in a phased manner — releasing 25% of banks' impounded funds on September 9, 25% on September 23 and the remaining 50% on October 7. This led to a reduction in liquidity in the second quarter of fiscal 2024 relative to the previous quarter and caused a temporary spike in short-term rates. This also facilitated transmission of rate hikes to the broader banking sector. Coupled with open market operations and forex market intervention to support the rupee, these measures have demonstrated how the RBI manages liquidity in a dynamic manner, ensuring it stays in a neutral zone (+/-0.5% of net demand and time liabilities).

Transmission of rate hikes (in bps; April 2022 - September 2023)



MCLR – marginal cost of funds-based lending rate; WALR - weighted average lending rate, CD rate – certificate of deposit rate; CP rate – commercial paper rate
Source: RBI, CCIL, National Statistics Office, CRISIL MI&A Research

Performance of NBFCs in the past five years

Between fiscals 2016 and 2018, non-banking financial companies (NBFCs) clocked 15% compound annual growth rate (CAGR) in credit, mainly due to aggressive expansion of their footprint and entry of numerous new players across India. However, they faced headwinds after the IL&FS default in September 2018, followed by a liquidity crisis. Later, funding challenges and the Covid-19 pandemic added to the pressures, curbing growth. Banks benefitted in this milieu and used their surplus liquidity to gain market share in terms of credit in a few key segments.

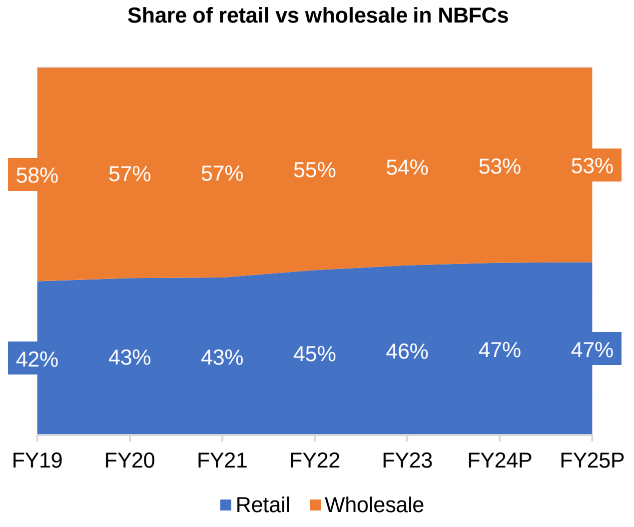
The pandemic brought about a sudden halt in economic activity and slowed down demand for credit in fiscal 2021. In fiscal 2022, the economy began to reopen, and lockdowns were relaxed after the second wave of the pandemic, leading to normalisation of business activities and driving credit growth in most segments. In fiscal 2023, NBFCs were back on track with a growth of 18.1% albeit on a lower base compared to 7.3% in fiscal 2022. CRISIL MI&A Research expects credit to grow 15-17% and 14-16% during fiscal 2024 and fiscal 2025 respectively, with housing loans, personal loans, auto loans and microfinance in the retail segment, and micro, small and medium enterprise (MSME) loans in the wholesale segment continuing to be the primary drivers.

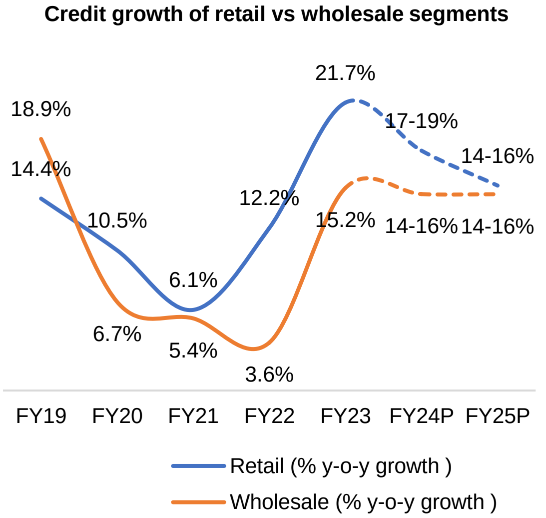
Lending to MSMEs has gained traction over the past three fiscals, with a focus on unsecured business loans amid higher competition from banks in the traditional segments. Heavy competition from banks and impact on asset quality of gold loans led to a slowdown in credit flow for gold finance NBFCs, resulting in low growth of 4% last fiscal. Additionally, the entry of a new player in the retail space is expected to intensify competition, especially in the consumer loan market, in the coming fiscals. Overall, consolidation in certain groups and other corporate activities indicate buoyancy in the NBFC space and expectations of healthy credit growth.

Asset quality too improved last fiscal on account of normalisation of economic activity and improved collection efficiency across segments, with the gold segment being an exception. Collection efficiency is expected to hold up in the near future, resulting in an easing of asset quality.

Retail segment to continue driving NBFC credit growth

Gap between retail and wholesale segment share narrowing





Note: P — projected

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

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

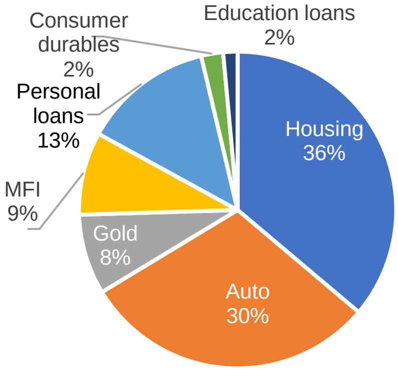
Source: Industry, CRISIL MI&A Research

After the NBFC crisis in fiscal 2018, the retail segment led growth in the NBFC sector, while the wholesale segment saw low single-digit growth between fiscals 2020 and 2022. Last fiscal, the retail segment grew 22% and wholesale by 15%. While credit growth was broad-based in the retail segment, MSME was the primary growth driver for the wholesale segment, supported by decent growth on a high base in infrastructure financing.

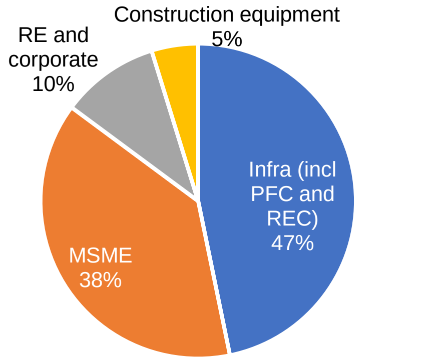
With continued focus on the retail segment and multiple players announcing plans to reduce wholesale exposure, the retail segment's market share is expected to rise further to 47% (vs the wholesale's 53%) by end of fiscal 2024 and remain stable in fiscal 2025.

Break-up of retail vs wholesale segment of NBFCs in fiscal 2023

Retail credit breakup



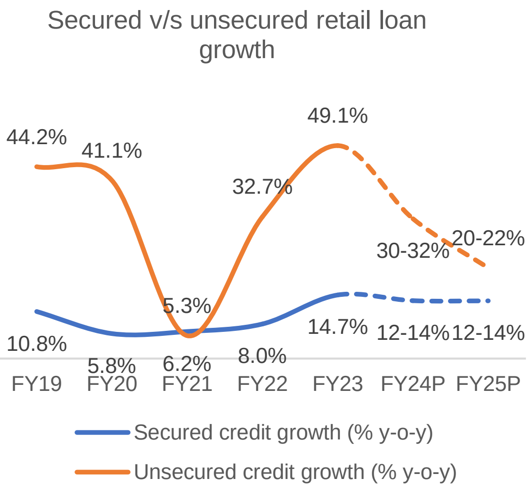
Wholesale credit breakup

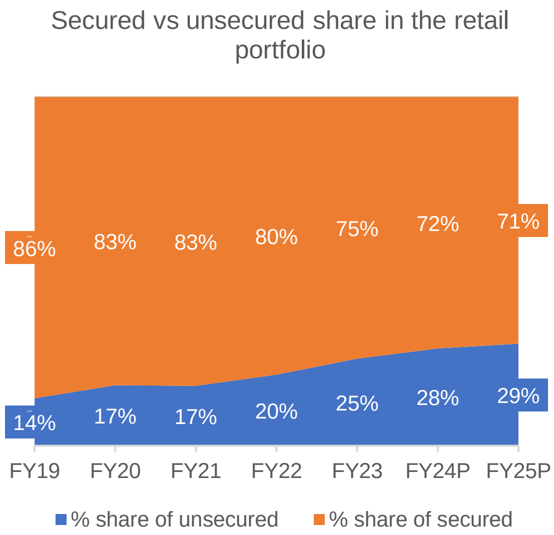


Source: RBI, company reports, CRISIL MI&A Research

Unsecured retail lending book to continue growing, but risks emerge on the horizon

Secured segment's share has shrunk and is likely to contract further in fiscal 2024 and fiscal 2025





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

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

The retail portfolio of NBFCs stood at Rs 16.3 trillion as of March 2023. The share of the unsecured portion in the retail portfolio grew from 14% in fiscal 2019 to 25% last fiscal. Between fiscals 2018 and 2020, i.e., the pre-pandemic period, the unsecured portion logged 43% CAGR. In fiscal 2021, growth dipped with the onset of the pandemic, as NBFCs focussed on the secured segment where the loss given default was low. This outlined the fragility of growth in the unsecured segment during the pandemic period. However, the unsecured portion's growth revived after fiscal 2021, as NBFCs expanded their reach by targeting the new-to-credit (NTC) customer segment, focussing on Tier 2 and lower-tier cities. Between fiscals 2021 and 2023, i.e., the post-pandemic period, the secured segment logged 11% CAGR, surpassing the pre-pandemic rate of 8%. Meanwhile, the unsecured segment clocked a staggering 41% CAGR. The emergence of fintech companies (fintechs) has played a key role in driving growth of the unsecured segment. Fintechs have been at the forefront of innovative lending practices, often catering to segments that traditional financial institutions might not reach.

The RBI recently announced an increase in the risk weights on consumer loans following on its caution earlier regarding the rapid growth of unsecured lending by NBFCs and banks. RBI has increased risk weights on consumer credit exposure of banks and NBFCs to 125% from 100%, credit card receivables of banks to 150% from 125%, credit card receivables of NBFCs to 125% from 100%. Additionally, where the external rating agencies' risk weight is less than 100%, bank lending to NBFCs exposed to consumer credit will increase by 25%. This increase will result in higher capital requirements for the lenders translating into a higher lending cost for borrowers. Further a spike in the borrowing costs of NBFCs and capital raising activities concentrated to large players with better access to capital markets, will provide impetus for securitisation and co-lending.

Retail segment continues to lead NBFC credit growth

	CAGR FY19-23	FY23 YoY	FY24P YoY	FY25P YoY
Housing	7%	13%	12-14%	12-14%
Auto (all segments)	9%	20%	13-15%	12-14%
Personal loan	35%	57%	34-36%	19-21%
Gold	16%	4%	9-11%	12-14%
Microfinance	25%	38%	25-30%	20-22%
Consumer durables	29%	47%	29-31%	22-24%
Education	30%	68%	29-31%	27-29%
MSME	18%	27%	21-23%	21-23%
Corporate and Real estate	(5)%	(10)%	(6-8)%	(1-3)%
Infrastructure	7%	9%	11-13%	11-13%

<5% | 5-10% | >10%

Note: P — projected
Source: Company reports, CRISIL MI&A Research

Housing: Over the past few years, despite the revised regulatory frameworks and challenges such as the Covid-19 pandemic, the housing finance market has posted consistently healthy growth. It logged a compound annual growth rate (CAGR) of 12% between fiscals 2019 and 2023, driven by higher affordability, pent-up demand for housing, and positive government initiatives. Further, credit growth of the overall housing finance sector has returned to its pre-pandemic level at ~15%. Demand for home loans has been fuelled by a growing young population with rising disposable incomes migrating to metro cities with an aspiration to buy homes. High demand in Tier 2 and 3 cities has further contributed to a significant increase in demand for real estate. Last fiscal, the RBI started increasing the repo rate to rein in spiralling inflation However, this did not slow down housing credit demand as the economy remained resilient, income levels of salaried customers remained largely intact, and disbursements remained healthy. CRISIL MI&A Research expects NBFC credit demand to grow further, at 12-14% in fiscal 2024 and fiscal 2025. Further, following the merger of HDFC Ltd and HDFC Bank, the market share of banks increased from 67% pre-merger to 80% in fiscal 2023, with housing finance companies (HFCs) having a 20% market share.

Auto finance: This segment grew marginally during the pandemic fiscals on account of pandemic-led disruptions, as well as supply-side issues in fiscal 2022. Last fiscal, growth was healthy due to easing of the semiconductor shortages, pent-up demand for car and utility vehicles, improving profitability of transporters, and pre-buying in anticipation of the second phase of Bharat Stage (BS) VI norms. This trend is expected to continue in the short term. With this, the auto finance NBFC segment is expected to grow 13-15% during fiscal 2024, marginally outpacing banks, and followed by 12-14% growth in fiscal 2025.

Gold loan finance: Credit growth for NBFCs is expected to moderate to 9.0-11.0% on-year in fiscal 2024, compared with the 16.2% CAGR between fiscals 2019 and 2023. While the trajectory was high over these years overall, growth decelerated to 3.8% on-year in fiscal 2023. The moderate growth in relation to past 5-year CAGR would be on account of intense competition from banks and mixed credit demand from the rural economy — a major market segment. Further, NBFC credit in the gold loan finance segment is expected to grow at 12-14% in fiscal 2025.

Microfinance: This segment clocked 40% CAGR between fiscals 2015 and 2020 on account of players undergoing an expansionary phase and NBFCs increasingly catering to the credit needs of micro players. Growth picked up from the second quarter of fiscal 2022 due to revived pent-up demand amid ebbing impact of the pandemic. Disbursements in the sector picked up and monthly collections also normalised. The new regulatory framework contributed to improved financial inclusion due to higher household income. Hence, last fiscal, growth of 38% was fuelled by an increase in the average ticket size and higher customer acquisitions. With improved collection efficiency, increasing ticket size, and implementation of the new regulatory framework, disbursements are expected to gain momentum. This would result in the outstanding book growing 25-30% in fiscal 2024, followed by some moderation in growth at 21-25% during fiscal 2025.

MSME: The first and second waves of the pandemic were particularly hard on MSMEs. The segment has a fundamental link to economic activity. During fiscal 2023 the Indian economy normalised, with industrialisation and urbanisation picking up pace. As a result, revenue increased 13-15% for corporate India and 11-13% for SMEs. In line with overall growth, aggregate MSME credit grew 17% last fiscal. CRISIL MI&A Research projects NBFC MSME credit growth to be healthy at 21-23% in fiscal 2024 and fiscal 2025.

Real estate and corporate: The wholesale portfolios of NBFCs/HFCs are systematically being trimmed. NBFCs/HFCs are collectively shifting their focus towards the retail business. This led to degrowth in credit of 6% in fiscal 2022 and 9% last fiscal. CRISIL MI&A Research expects wholesale credit to further degrow 6-8% fiscal 2024 and further by 1-3% during fiscal 2025, with real estate disbursement expected to pick up for a few NBFCs/HFCs.

Infrastructure (including PFC and REC): The infrastructure book of NBFCs saw muted growth in fiscal 2022 because of weak demand for power amid the pandemic. However, last fiscal, growth gained momentum owing to investments in renewable power and a pick-up in transmission and distribution (T&D) amid increased demand for power due to a revival in industrial activity and the early onset of summer. Accordingly, the book grew 9% to an outstanding of Rs 8,890 crore as of March 2023, albeit on a low base of the previous fiscal. Growth is expected to be stronger in fiscals 2024 and 2025 at 11-13%, for each year owing to firm demand from the power sector.

Gradual improvement in asset quality

Segment		GNPA FY23	GNPA FY24P	GNPA FY25P
Retail	Housing	1.6%	1.4-1.6%	1.2-1.3%
Retail	Auto (all segments)	5.0%	4.5-5.0%	4.5-5.0%
Retail	Gold	3.0%	2.5-2.8%	2.3-2.6%
Retail	Microfinance	2.9%	2.0-2.2%	1.8-2.0%
Wholesale	MSME	3.6%	3.5-4%	3.5-4%
Wholesale	Real estate & corporate	NM	NM	NM
Wholesale	Infrastructure (Incl. PFC REC)	3.6%	3.0-4.0%	3.0-4.0%
		<2.5%	2.5-7.5%	>7.5%

Note: P: Projected

1) Green: <2.5%; Amber: 2.5-7.5%; Red: >7.5%

2) Asset quality in real estate and corporate loans is not meaningful due to the addition of contractual moratorium, date for commencement for commercial operations extension, one-time restructuring, and player strategy to reduce the wholesale portfolio

Source: Company reports, CRISIL MI&A Research

Pandemic-induced stress has affected asset quality over the past few fiscals across all retail and wholesale segments. The intensity of the stress has varied across segments, based on the asset class. Further, the relief measures initiated by the government and central bank, such as moratorium and one-time restructuring schemes, have helped arrest, to an extent, the significant deterioration in asset quality.

In fiscal 2023, normalisation of economic activities and resumption in credit flow helped improve collection efficiency leading to a reduction in overall GNPA levels.

Housing: The housing segment is expected to perform relatively better. Cashflows of the salaried class, who are
Housing: The housing segment is expected to perform relatively better. Cashflows of the salaried class, who are
the primary customers of housing loans, remain resilient, supported by robust economic growth prospects. At the same time, timely relief and schemes such as the emergency credit line guarantee scheme launched by the Government of India to support MSMEs led to their growth, further stabilising incomes of the target groups for the housing finance market. As pent-up credit demand picked up after the pandemic, HFCs were able to take advantage of schemes such as Liquidity Infusion Facility Scheme, the Affordable Housing Fund and other schemes announced under the government's Atmanirbhar Bharat package.

With the cumulative effects of these schemes and the Indian financial system remaining resilient through global and domestic disturbances, asset quality improved to 1.64% in fiscal 2023. It was buoyed by collections and credit growth inching towards pre-Covid levels. CRISIL MI&A Research estimates the asset quality in the retail home loan to improve to 1.4–1.6% in fiscal 2024 and further to 1.2–1.3% in fiscal 2025.

Auto: The industry's stress levels, which peaked in fiscal 2021, have now returned to pre-pandemic levels. There is a moderate downturn in GNPAs. However, stress in certain segments such as two-wheelers and tractors persist and is expected to be range-bound. Overall asset quality of the auto finance segment declined to ~5% in fiscal 2023. It is expected to remain at 4.5-5.0% fiscal 2024 and fiscal 2025.

Gold finance: This is considered to be a safer segment from an asset quality perspective. Moreover, players can improve GNPAs by auctioning gold collateral. Additionally, given the liquid nature of collateral and recent increase in gold prices, the ultimate loss given default is be modest. Gold loan NBFCs have loan to value (LTV) ratios of 60-70%, a sufficient buffer for any price fluctuation. However, GNPAs increased to 3.0% in fiscal 2023, due to a combination of migration of teaser loans to higher interest loans and broadening of credit filters. Traditionally, GNPAs have been controlled via recoveries through gold auctions. However, since gold financing is an extremely customer-centric business, gold auctions tend to be the last resort. Typically, NPAs are resolved through customer repayments. Additionally, in case of GNPAs driven by migration of teaser loans to higher rates, further slippages could be limited since much of the teaser loan book has already been migrated. Overall, CRISIL MI&A Research expects GNPAs of gold loan NBFCs to improve to 2.5-2.8% as of March 2024 and further moderate to 2.3-2.6%.

Microfinance: GNPAs of the NBFC-MFI book stood at 2.90% as of March 2023 after declining from a peak of 6% as of March 2022. With this, it appears that asset quality concerns plaguing the segment are largely over. GNPAs are expected to further moderate to 2.0-2.2% and 1.8-2.0% fiscal 2024 and fiscal 2025, respectively, as normal collections and disbursements continue.

MSME: In fiscal 2021, GNPAs for the NBFC MSME segment reached 6-7% due to increased stress among MSME borrowers, hit the hardest by the pandemic. The second wave further impacted economic activities, leading to greater stress. However, the impact on asset quality was cushioned by the one-time restructuring announced by the RBI in May 2021. NBFC GNPA declined from 5.0% in March 2022 to 3.6% in March 2023, with continued improvement in economic activity, better collection efficiency, and faster credit growth. CRISIL MI&A Research estimates the asset quality to be rangebound fiscal 2024, at 3-4%.

Real estate and corporate: Overall stress in the real estate and corporate segment is among the highest across the NBFC segments. CRISIL MI&A Research estimates overall stress in the wholesale book to be high. This includes contractual moratorium, book under DCCO extension and book estimated to be under one-time restructuring.

Housing finance – Review and Outlook

Housing loans at HFCs are estimated to grow at 12-14% over next two fiscals

The housing finance sector in India comprises financial institutions (FIs), scheduled commercial banks, scheduled cooperative banks, regional rural banks, agriculture and rural development banks, housing finance companies (HFCs), state-level apex cooperative housing finance societies, and non-banking financial companies (NBFCs).
The Indian retail housing finance market was worth an estimated Rs 30,256 billion as of March 2023. Of this, Rs 5,909 billion were housing loans provided by NBFCs, including HFCs, which is up ~12% on-year.

Key HFCs include LIC housing finance limited, Indiabulls housing finance limited, PNB housing finance limited, Bajaj housing finance limited and Can Fin Home Loans Ltd and Aditya Birla Housing finance limited.

Housing finance disbursements of NBFCs/HFCs and banks

Type	Share in book FY23	Book (Rs billion) FY23	CAGR (FY19-23)	Growth in FY23	Growth outlook for FY24P	Growth outlook for FY25P
HFCs / NBFCs	20%	5,909	7%	12%	12-14%	12-14%
Banks	80%	24,347	14%	15%	14-16%	15-16%
Overall	100%	30,256	12%	15%	14-16%	14-16%

P: Projected

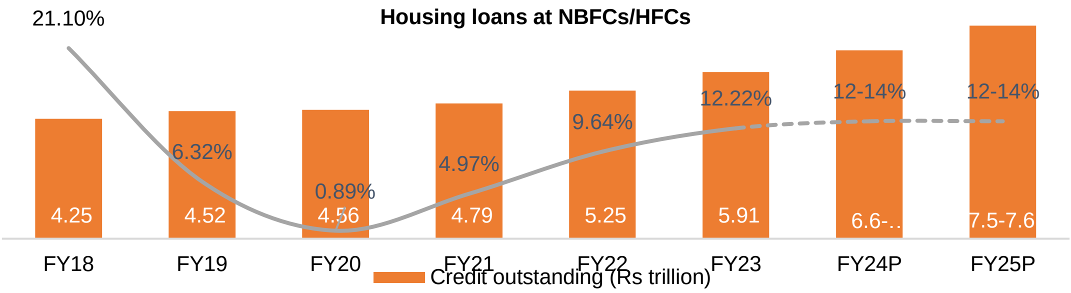
Note: HDFC Ltd and HDFC Bank are a merged entity effective July 1, 2023.Past numbers are adjusted for estimated loans book of HDFC Limited for retail housing and commercial real estate segment for normalised credit growth

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

Over the past few years, despite the revised regulatory frameworks and business challenges such as the Covid 19 pandemic, the housing finance market has been able to grow consistently. Demand for home loans has been fuelled by a growing young population, with rising disposable incomes, migrating to metro cities with an aspiration to buy homes. High demand in tier 2 and 3 cities has further contributed to a significant increase in demand for real estate. The housing finance market saw a historically low repo rate of 4% and then the fastest cumulative rise of 250 basis points (bps) during the last decade. Despite this sudden rise in repo rates, there has not been a huge impact on demand for home loans. Moreover, the income of the salaried class remained largely intact during the economic slowdown caused by the Covid-19 pandemic and the rise in inflation, allaying lenders' concerns about any deterioration in asset quality.

Overall housing loan credit in India grew 15% on-year in fiscal 2023, and CRISIL MI&A Research expects it to grow a further 14-16% during fiscal 2024 and 2025. Banks continue to gain market share over HFCs/NBFCs because of their competitive advantage in terms of higher liquidity and ability to offer lower interest rates. Further, following the merger of HDFC Ltd and HDFC Bank, the market share of banks increased from 67% pre-merger to 80% in fiscal 2023, with HFCs having a 20% market share.

HFCs' housing credit to keep growing at 12-14% during fiscals 2024 and 2025



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

The housing finance market logged a compound annual growth rate (CAGR) of 12% between fiscals 2019-2023, driven by higher affordability, pent-up demand for housing, and positive government initiatives. Further, the credit growth of the overall housing finance sector has returned to its pre-pandemic level at ~15%. The slowdown caused by the Covid-19 pandemic affected low- and middle-income groups for a brief period in fiscal 2021; however, the segment turned the corner quicker than expected. This revival was led by initiatives from Reserve Bank of India (RBI) initiatives, central and state government, real estate developers offering discounts, historically low interest rates and freebies, and states such as Maharashtra and Karnataka reducing stamp duty on property transactions. Lockdowns imposed during the second pandemic wave in fiscal 2022 impacted credit growth. The RBI maintained the repo rate at a historically low 4%, keeping home loans more affordable and boosting credit growth during the fiscal. The third wave had a mild impact on the segment. Positive steps taken by the RBI and discounts and stamp duty cuts offered by some states led overall retail housing to grow ~10% in fiscal 2022.

In fiscal 2023, the RBI started to increase its repo rate with a 40-bps hike in May 2022. By February 2023, the cumulative interest rate hike had been 250 bps. The Monetary Policy Committee of the RBI raised the repo rate to curb inflation and set/manage inflation expectations. During this period, India became the most populous country with a significant portion of the population aspiring to own a home. The government's policies and initiatives to support this growing population, including the launch of Pradhan Mantri Awas Yojana (PMAY), interest subsidies, tax benefits and relaxed regulations, made housing more accessible. Additionally, the regulatory introduction of real estate investment trusts (REITs) provided the much-needed alternative funding to real estate projects.

The top six cities of the country account for ~35% of outstanding retail housing finance loans. CRISIL MI&A Research estimates housing asset demand from these cities to be ~18% in fiscal 2023 and 4-6% in fiscal 2024 and 2025. This, along with expected 3-5% growth in capital values and incremental construction under PMAY, will support the estimated 12-14% growth in NBFC/HFC housing loan in fiscal 2024 and 2025.

Housing shortage in India

Estimated shortage and requirement of ~100 million houses in 2022

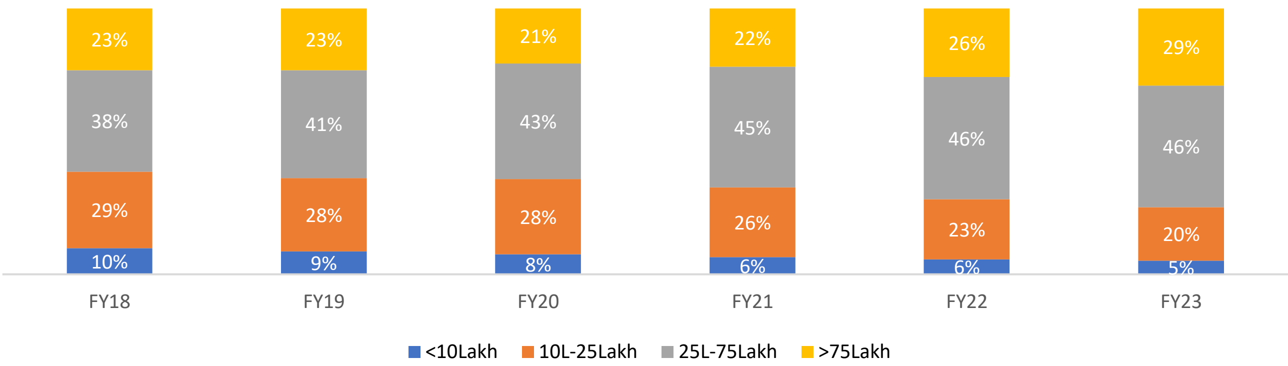
India faces a housing shortage as per report of the committee on the development of housing finance securitisation market (September 2019). The government of India has been focused on filling the gap of this shortage despite that due to increasing population India will require additional 80 to 100 million additional housing units by 2022.

As per the report of India's Ministry of Housing and Urban Affairs based on the 2011 census (census of 2021 was suspended due to the Covid19 Pandemic) housing for the low-income group (LIG) and economically weaker section (EWS) account for the 95% of the total shortage. As the government is keen on the "housing for all" via the Pradhan Mantri Awas Yojna (PMAY) this can lead to an opportunity for financers to fund into the segment. Total incremental housing loan demand, if this entire shortage is to be addressed, is estimated at Rs 50-60 trillion, as per the committee report. In comparison, overall housing loans outstanding as of March 2022 was ~Rs 26.3 trillion. Adequate steps taken to fill this gap will create opportunity for housing financers to the EWS, LIG and MIG.

Mid-ticket gaining share within NBFCs/HFCs

Share of the Rs 25-75 lakh segment increased from 38% in fiscal 2018 to 46% in fiscal 2023

Ticket size-wise disbursement trends

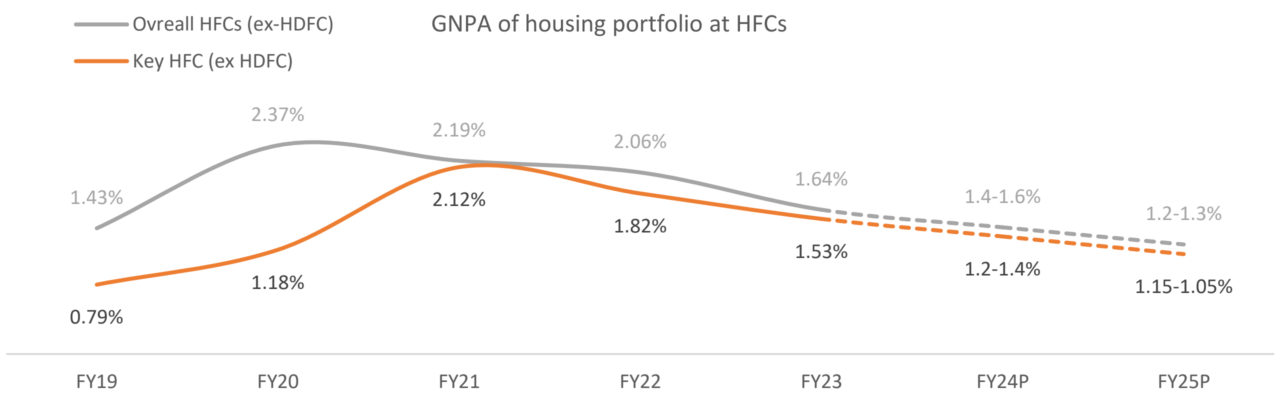


Note: The ticket size-wise share is calculated based on the value of loans disbursed during the coverage period.
Source: Credit bureau, CRISIL MI&A Research

In the NBFC/HFC housing loan segment, the share of the mid-ticket segment (in value terms), i.e., Rs 25-75 lakh, increased from 38% in fiscal 2018 to 46% in fiscal 2023, due to increased income levels of customers and better affordability. Further, the share of loans with ticket size greater than Rs 75 lakh increased 300 bps in fiscal 2023 on account of higher demand in tier 1 cities as customers hastened their decision to buy homes due to record-low interest rates and better affordability. However, due to the increase in the repo rate by 250 bps, the demand for more affordable housing projects fell, resulting in a 300-bps slump in the share of the Rs 10-25 lakh segment to 20%.

GNPAs of housing portfolio back to pre-pandemic levels

Fiscal 2024 and 2025 to see further improvement in GNPAs

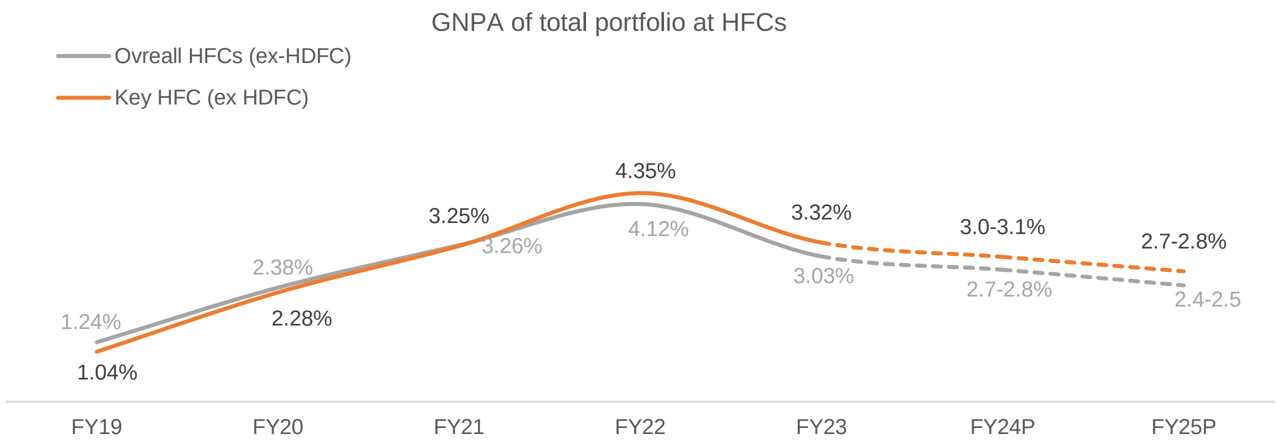


P: Projected
Note HDFC Ltd and HDFC Bank are a merged entity effective July 1, 2023.Past numbers are adjusted for estimated loans book of HDFC Limited for retail housing and commercial real estate segment for normalised credit growth
Source: Company reports, CRISIL MI&A Research

In March 2020, GNPAs of the housing loan portfolio increased a sharp ~90 bps to 2.37% due to slippages as consumer perception of the general economic situation, employment scenario, and household income had plunged. Continuing consumer pessimism and lockdowns in fiscal 2021 further impacted self-employed customers and micro, small, and medium enterprises. Key HFCs also faced asset-quality challenges, leading to a peak rise of ~90 bps in GNPAs to 2.12% in fiscal 2021. Subsequently, the overall asset quality improved to 2.06% in fiscal 2022, led by economic recovery, pent-up credit demand, and government schemes such as the liquidity Infusion facility scheme, the affordable housing fund and other measures announced under the ambit of the Atmanirbhar Bharat Package.

Asset quality improved to 1.64% in fiscal 2023 from 2.06% in fiscal 2022 as a result of the government of India's various initiatives coming together, the financial system's resilience, the economy's rebound, strong collections, and the return of credit growth to pre-pandemic levels. CRISIL MI&A Research estimates the asset quality in the retail home loan to improve to 1.4–1.6% in fiscal 2024 and further to 1.2–1.3% in fiscal 2025.

Stress to remain high in non-housing loan portfolio of NBFC/HFCs



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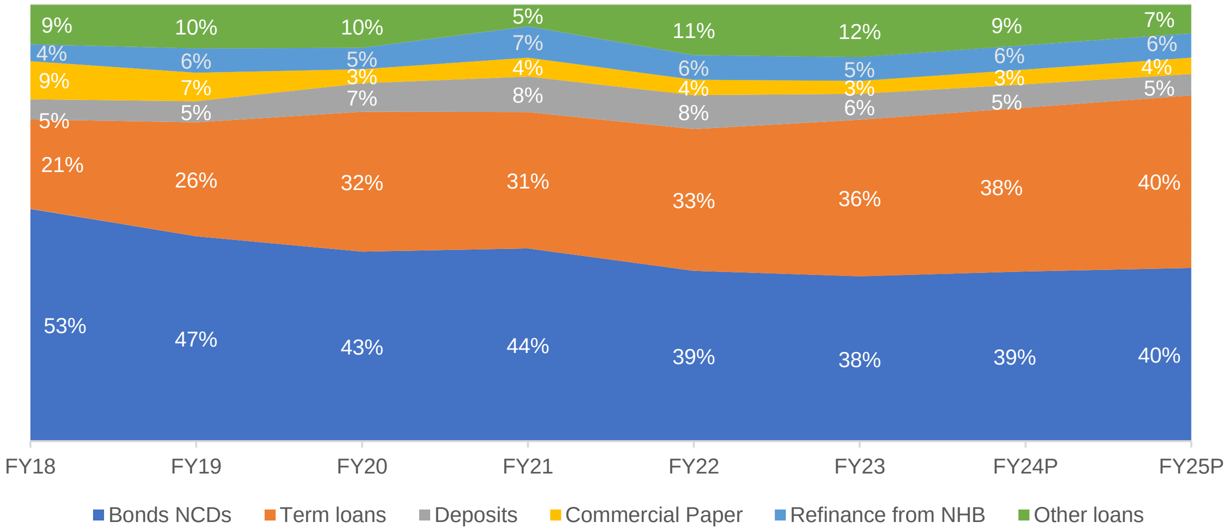
Source: Company reports, CRISIL MI&A Research

In fiscal 2021, the overall GNPA of HFCs increased ~97 bps due to stress in the non-housing portfolio, which mainly includes retail – loan against property (LAP) and real estate and corporate loans. In fiscal 2022, it rose 110 bps to 4.35% on account of continuing stress in LAP and real estate and corporate loans; and economic slowdown caused by the second pandemic wave in the first quarter of fiscal 2022. With improvement in economic activities and increased focus of lenders on loan growth, the stress came down to 3.32% in fiscal 2023; however, it remained high on account of stress in the wholesale portfolio. According to CRISIL MI&A Research, the overall GNPA would fall by about 30 basis points between 2.7-2.8% in fiscal 2025, while it will remain range-bound at 3.0–3.1% in fiscal 2024.

Term loans to gain share in borrowing mix of HFCs/ NBFCs

Share of bank borrowings up 100 bps in past five fiscals



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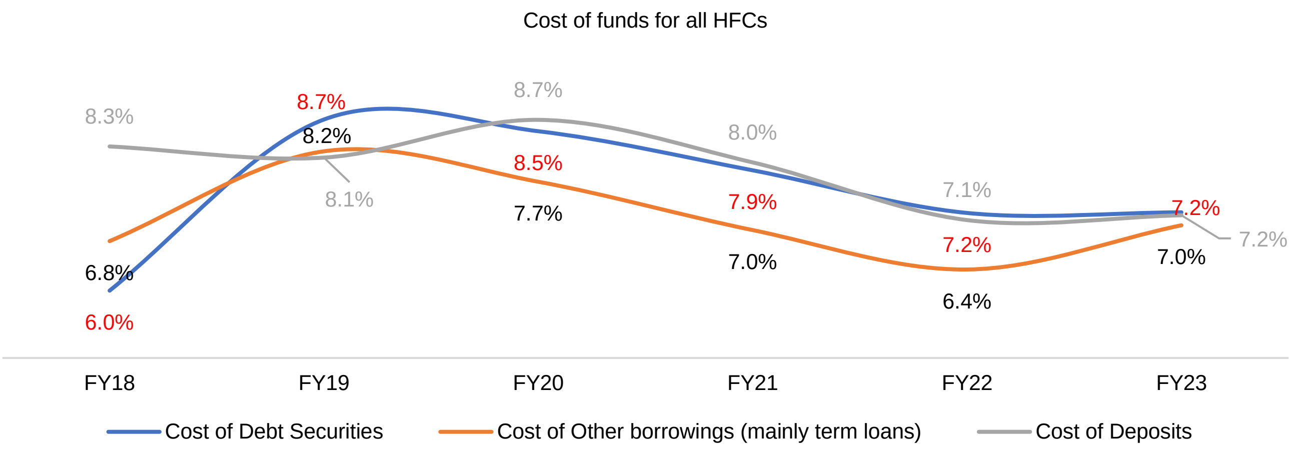
Source: Company reports, CRISIL MI&A Research

Non-convertible debentures (NCDs) continue to be the primary source of HFC borrowings, but their percentage decreased from 53% in the fiscal year 2018 to 38% in the fiscal year 2023. This resulted from the increased pressure that NBFCs encountered following the IL&FS crisis, which curtailed their capacity to obtain loans. Furthermore, because bank term loans became less expensive to borrow as RBI started to aggressively cut the repo rate starting fiscal 2021, the benchmark commercial paper and NCD rates softened as well. HFCs have been using term loans comparatively more frequently for finance as of the fiscal 2018. As a result, from 21% in the fiscal year 2018 to 36% in the fiscal year 2023, bank term loans increased in share. However, despite the reversal in the interest rate cycle, risk perception stayed elevated for players with a larger non-retail portfolio and those without strong parent company support.

According to CRISIL MI&A Research, term loan share of borrowings will climb by approximately 200 basis points to 38% in fiscal 2024, while NCD share will rise by approximately 100 basis points to 39%. In fiscal 2025, term loan and bond shares will be equal at 40% each.

Cost of borrowings rise in fiscal 2023

Sharp decline in FY22 followed by uptick in FY23



Note: Cost of funds is considered for LIC Housing Finance, Indiabulls Housing Finance, PNB Housing Finance, Bajaj housing finance, Can Fin Homes, Aadhar Housing Finance, Aptus Value Housing Finance and ICICI Home Finance
Source: Company reports, CRISIL MI&A Research

With inflation increasing in fiscal 2023 and given the impact of macroeconomic factors, the RBI increased the repo rate by an aggregate 250 bps until February 2023, taking it to 6.50%.
After hiking the repo rate in the past year RBI has been on a continued pause in current fiscal, the central bank will watch the effects of these hikes on the domestic economy. The monetary policy typically impacts the real economy with a lag of 3-4 quarters. Hence, the rate hikes so far are expected to slow growth and moderate inflation fiscal 2024. The RBI is likely to respond by cutting rates towards the start of next fiscal.

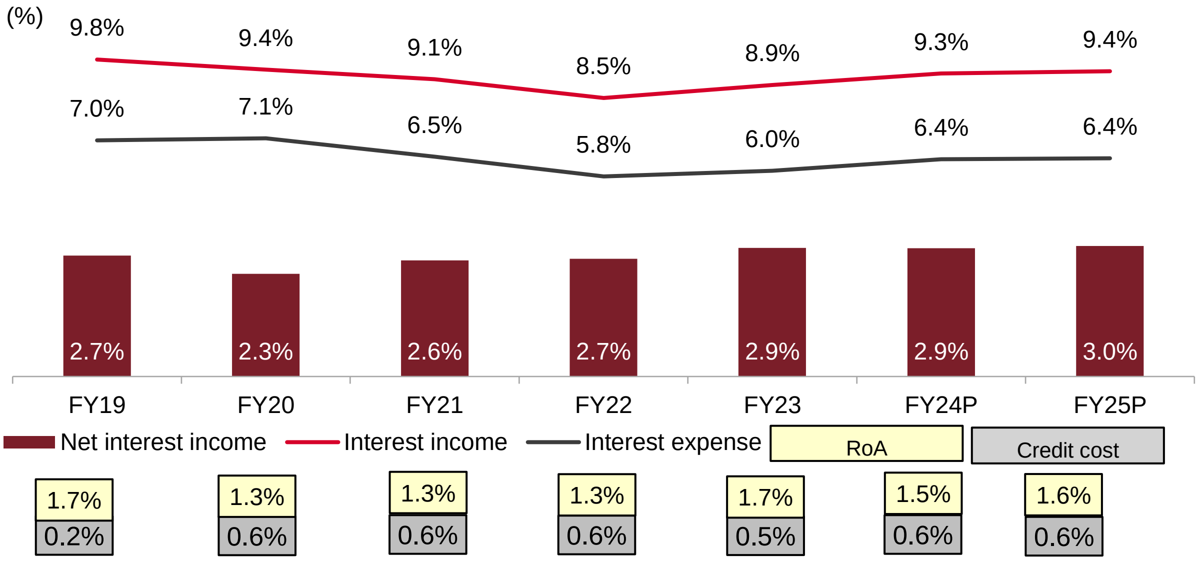
Spreads to remain range-bound during current and next fiscal for key HFCs

The growth in housing market took a hit during the first half of fiscal 2021 due to pandemic related disruptions. However, since the second half of fiscal 2021, the housing market began to show green shoots owing to steps taken by the centre and state governments to boost economic activity. For the key HFCs in India, the yield on assets decreased ~60 bps in fiscal 2022 due to home loan rates at a historical low. Additionally, the Reserve bank kept its accommodative stance with raise repo being at a low of 4% throughout fiscal 2022.

This helped in better cost of funds with a decline of ~70 bps in borrowing costs. The interest rate trend reversed with an aggressive rate hike of 250 bps during fiscal 2023, leading to increase in yield on average assets by ~40 bps and the weighted average cost of funds ~20 bps. The lag in rate transmission supported the margins and return on assets improving to 2.9% and 1.7%, respectively.

According to CRISIL MI&A Research, the yield on assets will improve by ~40 basis points with the weighted cost of funding rising by ~40 bps, leading to margins remaining range bound and a marginal decline of RoA to 2.9% and 1.5%, respectively in fiscal 2024. It is anticipated that the weighted cost of capital will be constant in fiscal 2025 and that the yield on assets will climb to 9.4%. This will result in a margin that is equal to 3.0% and a slight improvement in ROA at 1.6%. For fiscal 2024 and 2025 a higher credit cost is expected due to global uncertainties and rise of repo rate that is passed on to the final consumer.

Net interest margin to marginally rise next fiscal



P:Projected

Note: HDFC Ltd and HDFC Bank are a merged entity effective July 1, 2023.Past numbers are adjusted for estimated loans book of HDFC Limited for retail housing and commercial real estate segment for normalised credit growth

Source: Company reports, CRISIL MI&A Research

MSME finance – Review and outlook

Credit to micro, small and medium enterprises (MSMEs) is estimated to have totalled Rs 27,288 billion last fiscals. Banks held a dominant market share of 74%, while non-banking financial companies (NBFCs) accounted for the remaining 26%.

Banks dominate MSME lending, trend to persist

Type	Share in book FY23	Book (Rs billion) FY23	CAGR (FY19-23)	Growth in FY23	Growth outlook for FY24P	Growth outlook for FY25P
NBFCs	26%	7,231	18.1%	28.5%	21-23%	21-23%
Banks	74%	20,057	14.1%	13.8%	14-16%	15-17%
Overall	**100%**	**27,288**	**15.1%**	**17.1%**	**16-18%**	**17-19%**

Notes:

1. P: Projected

2. Credit deployment data published by the Reserve Bank of India (RBI) was revised. Hence, comparable numbers for the previous fiscals have been revised accordingly.

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

Source: CRISIL MI&A Research

The first and second waves of the Covid-19 pandemic in fiscals 2021 and 2022, respectively, were particularly hard on MSMEs. The segment has a fundamental link to economic activity. Therefore, the frequent lockdowns and restrictions implemented to contain the pandemic, which interrupted supply, demand and subsequently profitability in most industries, had a significant impact on the segment. In this context, the Government of India launched the Emergency Credit Line Guarantee Scheme (ECLGS) in May 2020 to help MSMEs.

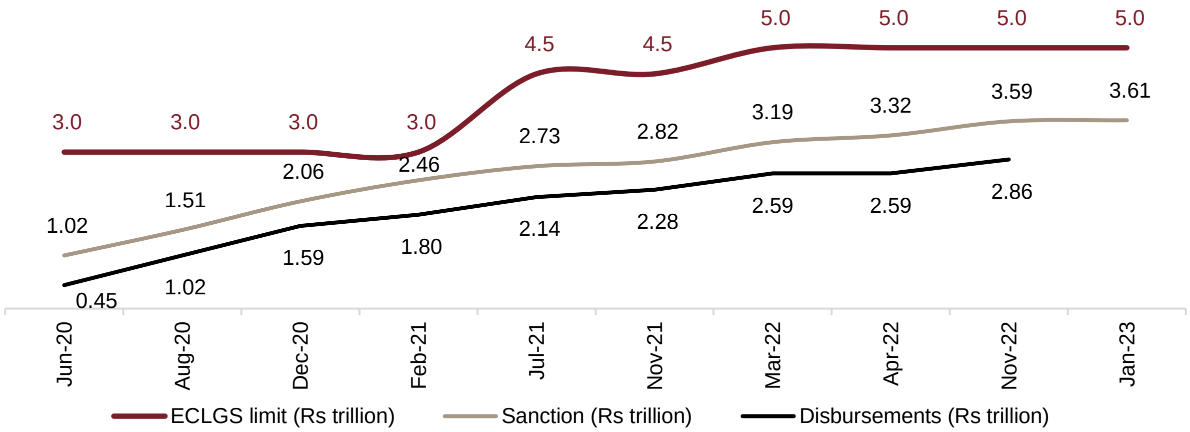
Last fiscal, the Indian economy normalised, with industrialisation and urbanisation picking up pace. As a result, revenue increased 13-15% for corporate India and 11-13% for SMEs. In line with overall growth, aggregate MSME credit grew 17% last fiscal.

CRISIL MI&A Research projects MSME credit growth to be healthy at 16-18% and 17-19% in fiscals 2024 and 2025, respectively — bank lending to grow 14-16% and 15-16% in fiscals 2024 and 2025, respectively; NBFC lending to grow 21-23% in both fiscals.

Credit flow to MSMEs surged

As a component of the Atmanirbhar Bharat package, the objective of ECLGS was to help MSMEs fulfil operational liabilities and resume operations. Loans approved under the scheme reached Rs 3.61 trillion (out of Rs 5 trillion) in January 2023, aiding 1.19 crore borrowers. The amount under the scheme was raised from Rs 4.5 trillion to Rs 5 trillion in the Union Budget 2022-23, and the deadline for sanctions was extended to March 2023. The Rs 500 billion increase was reserved just for businesses in the hospitality industry and associated industries. ECLGS supported the liquidity needs of businesses and promoted loan activity. In the early stages of the pandemic, it aided MSMEs in reviving their operations and expanding as the economy stabilised.

ECLGS progress



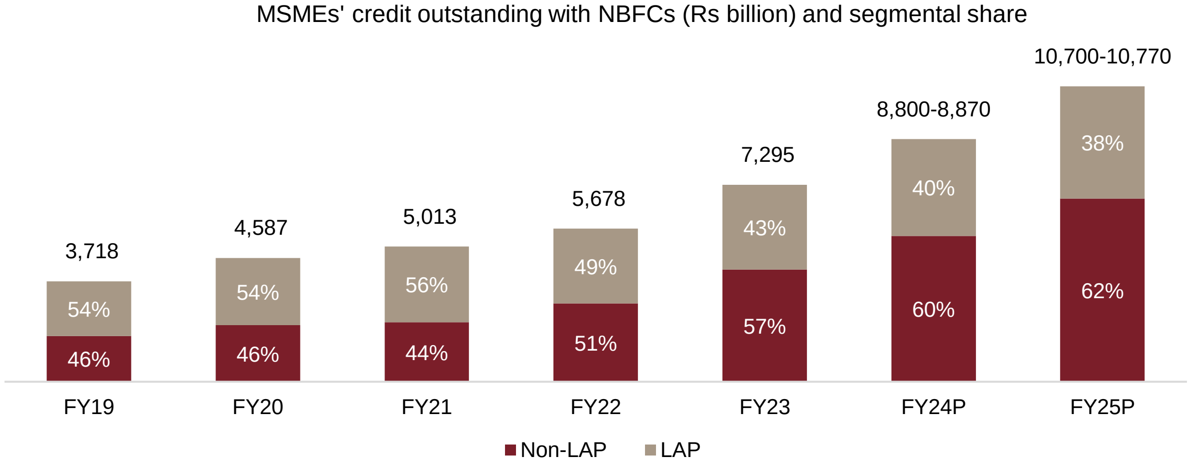
Note. Disbursement data for January 2023 not published by National Credit Guarantee Trustee Company Ltd (NCGTC)

Source: CRISIL MI&A Research, Press Information Bureau, RBI

Banks, both public and private, accounted for the majority of the payments under ECLGS. Non-banks lagged behind due to concerns about asset quality. Additionally, private sector banks utilised the programme more frequently than their public sector counterparts. Due to the cap on interest rates for extra lending and the consequent tight margins, non-banks conserved liquidity and made lower payments under the scheme. For banks and other financial institutions (FIs), the scheme's maximum interest rate was 9.25%, while for NBFCs, it was 14%.

ECLGS was not granted an additional extension after March 31, 2023. According to data from the RBI, the percentage of total non-performing assets (NPAs) for loans obtained under the programme was 4.5% in value terms and 16.9% in volume terms, with the majority coming from micro enterprises. More than 85% of the loan accounts disbursed under the scheme went to micro firms with smaller ticket sizes, which resulted in higher NPAs in volume terms.

Loan against property (LAP) segment constituted over 43% of NBFCs' MSME portfolio last fiscal, but will likely decline marginally over fiscals 2024 and 2025



Note:

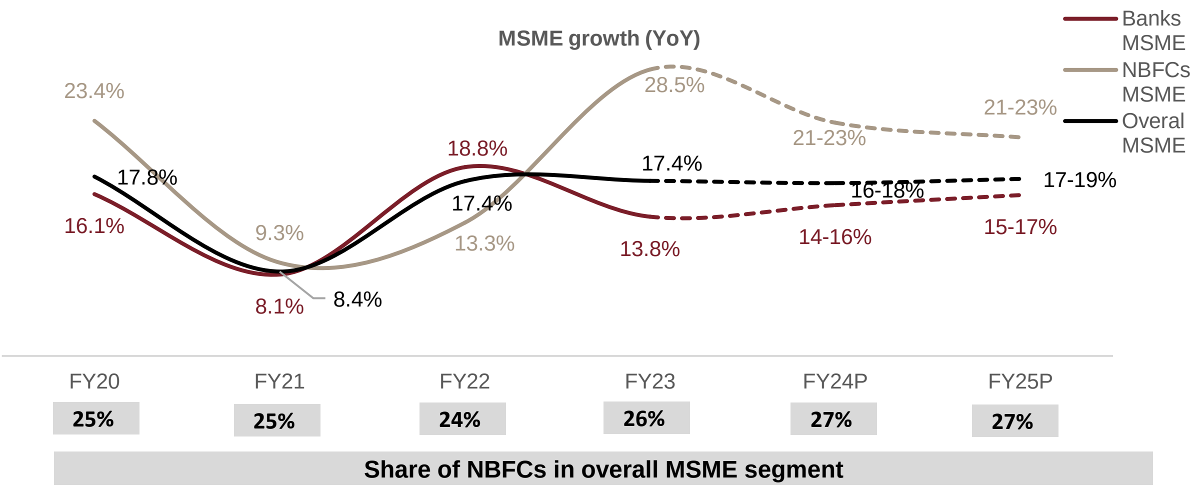
1. P: Projected

2. Non-LAP segment includes secured and unsecured loans

Source: Company reports, CRISIL MI&A Research

NBFCs focused on their secured asset portfolios during the pandemic in fiscal 2021, leading to an increase in the LAP book's share to 56%. With economic activity normalising and businesses availing credit to kick-start operations in fiscal 2022, growth in the non-LAP portfolio gained pace, increasing its share to 51% in March 2022. In fiscal 2023, the share of the non-LAP portfolio increased further to 57% due to economic activity picking up on the back of initiatives by the central government and the RBI. The central bank raised concerns about unsecured lending, as loans are riskier due to the absence of collateral. CRISIL MI&A Research expects the trend to continue, with the share of the non-LAP portfolio projected to rise to 60% fiscal 2024 and 62% in fiscal 2025.

Rapid industrialisation, strong micro sector demand, and steady economic expansion to propel MSME credit



Note:

1. P: Projected

2. Credit deployment data published by the RBI was revised. Hence, comparable numbers for the previous fiscals have been revised accordingly.

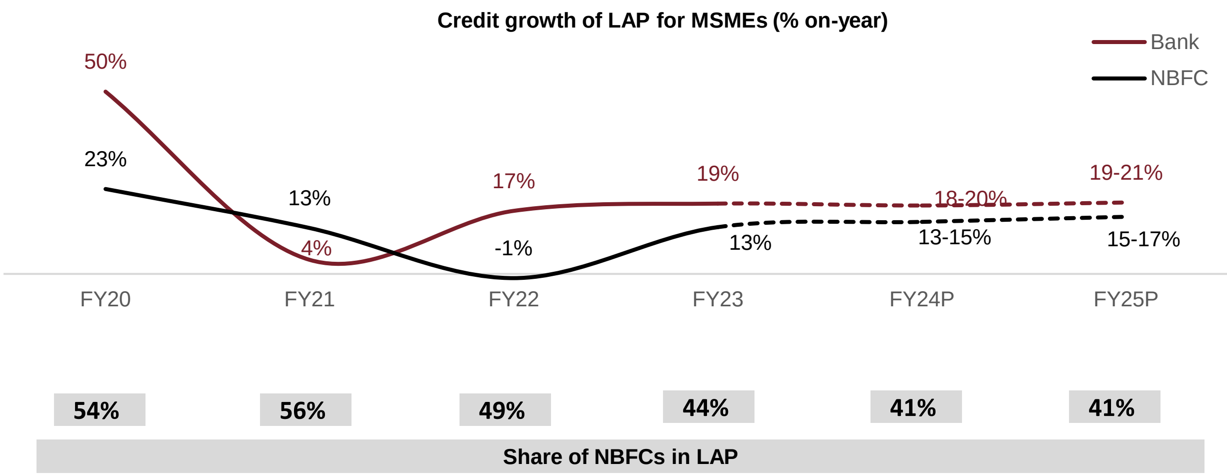
Source: Company reports, CRISIL MI&A Research

Faster-than-expected revival in economic activity and pent-up demand led to a growth spurt in MSME lending since the plummet in fiscal 2021, led by the LAP segment. Due to the second wave of the pandemic, growth in the segment lagged in both banks and non-banks during the first quarter of fiscal 2022. The segment recovered in the last three quarters of fiscal 2022, as the impact of the second wave was contained, leading to growth of 17.4% in the MSME segment. Improvement in demand from MSMEs was supported by the central government's decision to extend ECLGS to March 31, 2022 (extended further to March 31, 2023) and an increase in the guarantee to Rs 4.5 trillion from Rs 3 trillion (subsequently increased to Rs 5 trillion).
The outstanding MSME book of NBFCs grew a robust 28.5% last fiscal, supported by an increase in disbursements in the non-LAP (unsecured and secured) segment due to rapid industrialisation, driven by loans to the micro segment. With economic activity reviving and cash flows improving, NBFCs increased their funding in the unsecured segment, while restricting lending in the LAP segment owing to the asset quality stress of the previous years. The growth was further supported by improved underwriting, increasing funding to the unsecured portfolio. The non-LAP portfolio saw competition from banks. Last fiscal, banks funded an estimated 76% of the total unsecured non-LAP portfolio of MSMEs. CRISIL MI&A Research projects growth of NBFCs at 21-23% in fiscals 2024 and 2025; banks at 14-16% and 15-17% in fiscals 2024 and 2025, respectively; and the overall MSME segment at 16-18% and 17-19% in fiscals 2024 and 2025, respectively.

LAP segment growth to level out fiscal 2024 and increase slightly in fiscal 2025

Last fiscal, NBFCs' LAP portfolio is estimated to have totalled Rs 3 trillion. In fiscal 2022, the segment witnessed slower growth than the non-LAP segment (secured and unsecured) as non-banks were able to lend based on their cash flows thanks to improved underwriting and resilient economic growth. This led to funding not being based solely on short-term requirements. On the other hand, banks were more comfortable with LAP as it is safer due to the existence of collateral. Resultantly, LAP segment credit grew 13% for NBFCs and 19% for banks last fiscal.

NBFCs' LAP portfolio projected to grow 13-15% in fiscal 2024



Note:
1. P: Projected
2. Credit deployment data published by the RBI was revised with effect from January 2021. Hence, comparable numbers for the previous fiscals have been revised accordingly.
Source: Company reports, CRISIL MI&A Research

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

NBFCs' LAP grew 13% in fiscal 2021. However, growth was muted in fiscal 2022. The segment grew 13% on-year in fiscal 2023, due to lower interest rates a stable economy and increased penetration. NBFCs did not focus much on LAP, as in the past the segment was susceptible to risk due to sudden changes in macroeconomic factors and the strategy was to contain asset quality deterioration. Fiscal 2024, it is expected to grow slightly faster at 13-15%. Banks registered strong growth in the segment with aggressive strategies, higher market penetration, lower cost of funds, and adequate liquidity support. CRISIL MI&A Research expects the MSME LAP segment to grow 13-15% for NBFCs and 18-20% for banks in fiscal 2024 on a high base. Similarly, strong growth is anticipated in fiscal 2025, with banks likely to grow at a rate of 19-21% and NBFCs at 15-17%.

Asset quality

MSME asset quality improving, could get much better in fiscals 2024 and 2025

Asset quality of NBFCs improved to 3.6% in March 2023 from 5% in March 2022, with continued pickup in economic activity, better collection efficiency, and faster credit growth. CRISIL MI&A Research projects asset quality to improve 3-4% fiscal 2024.

OUR BUSINESS

Some of the information in the following discussion, including information with respect to our plans and strategies, contains forward-looking statements that involve risks and uncertainties. You should read "Forward Looking Statements" on page 17 of this Letter of Offer for a discussion of the risks and uncertainties related to those statements. Our actual results may differ materially from those expressed in or implied by these forward-looking statements. Also read "Risk Factors" on page 21 and "Management's Discussion and Analysis of Financial Condition and Results of Operations" on page 613 of this Letter of Offer for a discussion of certain factors that may affect our business, cash flows, financial condition or results of operations.

*Unless otherwise indicated, industry and market data used in this section has been extracted from the CRISIL Report. We commissioned and paid for the report titled "NBFC Report" dated December 2023 prepared by CRISIL Limited ("**CRISIL Report**") for the purposes of confirming our understanding of the industry exclusively in connection with the Issue. The CRISIL Report forms part of the material documents for inspection. The data included in this section includes excerpts from the CRISIL Report and may have been re-ordered by us for the purposes of presentation.*

Overview

We are a non-deposit taking housing finance company ("**HFC**") registered with the NHB. We are also a notified financial institution under the SARFAESI Act. We pre-dominantly offer housing loans and loans against property to our varied client base which comprises (i) salaried employees; (ii) self-employed individuals; (iii) micro, small and medium-sized enterprises ("**MSMEs**") and (iv) corporates. We also offer mortgage loans to real estate developers in India in the form of lease rental discounting for commercial premises and construction finance for the construction of residential premises. As of September 30, 2023, we were among the top 5 housing finance companies in India in terms of asset under management ("**AUM**"), and our housing loans and non-housing loans constituted 52% and 48%, respectively of our Loan Book on a standalone basis. As on September 30, 2023, our Loan Book was Rs.543,407.4 million on a consolidated basis. We are in the process of shifting to an asset-light business model, focusing on co-lending of loans along with banks and an increased sell down of our loan portfolio (for details, see "*Our Business – History and group structure – Our Strategy – Scale-up the retail asset-light business model* on page 127 of this Letter of Offer).

Our collateral primarily consists of residential and commercial properties. In addition, as of September 30, 2023, the average ticket size ("**ATS**") for home loans is Rs.2.5 million and Rs.6.9 million for loans against property.

As of September 30, 2023, we had a network of 218 branches which gives us a pan-India presence. Our presence across India allows us to undertake loan processing, appraisal and management of customer relationships in an efficient and cost-effective manner. As of September 30, 2023, we had a direct sales team of 1,745 employees, on a consolidated basis, who were located across our network. Besides in-house sourcing via the direct sales team, we also rely on external channels, such as direct sales agents for referring potential customers to us. In addition, we have an online home loans fulfilment platform called e-Home Loans which allows our customers to apply for a home loan and upload the requisite documents online.

As at September 30, 2023, our consolidated borrowings (other than debt securities) were Rs.281,361.1 million, consolidated debt securities were Rs.160,775.1 million and consolidated subordinated liabilities were Rs.42,068.9 million. We rely on long-term and medium-term borrowings from banks and other financial institutions, including external commercial borrowings and issuances of non-convertible debentures. We have a diversified lender base, comprising public sector undertakings ("**PSUs**"), private banks and other financial institutions. We also sell down parts of our portfolio through the securitization and/or direct assignment of loan receivables to various banks and other financial institutions, which is a major source of liquidity for us.

Our income and profit for the six months ended September 30, 2023 and for the Fiscal Years 2023 and 2022 are as follows:

	Consolidated		
	Fiscal year ended March 31, 2022	Fiscal year ended March 31, 2023	Six months ended September 30, 2023
		Rs. in millions	
Total Income..........................	89,939.0	87,257.9	41,579.2
Profit for the year[(1)]................	11,777.4	11,296.9	5,923.7

Note:

1. Profit for the year in case of Consolidated number = Profit for the year attributable to the shareholders of the company.

We have a long-term credit rating of "CRISIL AA/Stable" from CRISIL, "[ICRA]AA (Stable)" from ICRA and "CARE AA-; Stable" from CARE Ratings for non-convertible debentures and subordinated debt programme. Additionally, we have a long-term credit rating of "CRISIL AA/Stable" from CRISIL and "CARE AA-; Stable" from CARE Ratings for our long-term bank facilities. We also have the highest short-term credit rating of "CRISIL A1+" from CRISIL for our commercial paper programme and have short term ratings of "CRISIL A1+" from CRISIL and "CARE A1+" from CARE ratings for short term bank facilities.

As at September 30, 2023 and March 31, 2023 and 2022, our consolidated gross NPAs as a percentage of our consolidated Loan Book were 3.4%, 3.4% and 3.8%, respectively, and our consolidated net NPAs (which reflect our gross NPAs less provisions for ECL on NPAs (Stage 3) for the six months ended September 30, 2023 and the years ended March 31, 2023 and 2022, as a percentage of our consolidated Loan Book were 1.9%, 2.2% and 2.2%, respectively. As of September 30, 2023, we have ECL allowance on financial assets and loan commitments amounting to Rs.7,744.7 million on a consolidated basis which is equivalent to 1.4% of our Loan Book and 42.3% of our gross NPAs.

As of September 30, 2023 and March 31, 2023 and 2022, our standalone CRAR was 26.0%, 23.0% and 22.5%, respectively. Our standalone CRAR is computed in accordance with the RBI Master Directions.The regulatory minimum requirement for CRAR was 15% for September 30, 2023, 15% for March 31, 2023 and 15% for March 31, 2022.

For the six months ended September 30, 2023 and the Fiscal Years 2023 and 2022, our consolidated total revenue from operations was Rs.41,275.9 million, Rs.87,192.8 million and Rs.89,833.1 million, respectively. For the six months ended September 30, 2023 and the Fiscal Years 2023 and 2022, our consolidated profit for the year attributable to the shareholders of the Company was Rs.5,923.7 million, Rs.11,296.9 million and Rs.11,777.4 million, respectively.

In addition to business growth, the key areas of focus for us and our Board are asset liability management ("**ALM**") and risk management. We have formed an asset liability management committee (the "**Asset Liability Management Committee**") and a risk management committee (the "**Risk Management Committee**").

Our Asset Liability Management Committee reviews our asset and liability positions and gives directions to our finance and treasury teams in managing the same. From time to time, we employ prudent ALM techniques to manage large repayments to smoothen out our ALM.

Our Risk Management Committee periodically approves, reviews, monitors and modifies various policies including our credit policy, operation policy and other functional policies pertaining to our Company, and the Risk Management Committee also reviews regulatory requirements and implements appropriate mechanisms and guidelines related to risk management.

Our key operating and financial metrics (on a consolidated basis) as at and for the six months ended September 30, 2023 and as at and for the years ended March 31, 2023 and March 31, 2022 are as follows:

	As at and for the year ended March 31		As at and for the six months ended September 30
	2022	2023	2023
	Rs. in millions, unless otherwise stated		
Parameters			
Balance Sheet			
Property, plant and equipment and other intangible assets	952.8	1,059.2	1,165.6
Investments	55,456.2	53,702.3	57,800.0
Cash and cash equivalents	79,860.4	36,976.4	50,241.4
Financial assets (excluding Cash and cash equivalents and investments)(1)	628,096.5	606,621.8	585,356.8
Non-financial assets (excluding property, plant and equipment and other intangible assets)(2)	55,367.3	51,092.7	34,516.0
Total Assets	**819,733.2**	**749,452.4**	**729,079.8**
Debt securities	236,653.4	188,370.7	160,775.1
Borrowings (other than debt securities)	330,679.9	291,694.6	281,361.1
Subordinated liabilities	46,260.3	43,969.4	42,068.9
Financial liabilities (excluding debt securities, borrowings (other than debt securities) and subordinated liabilities)(3)	30,035.9	47,241.7	55,532.3
Current tax liabilities (net)	1,517.6	138.1	137.3
Provisions	1,350.9	777.5	779.8
Deferred tax liabilities (net)	3.2	0.4	0.3
Other non-financial liabilities(4)	6,491.4	3,647.5	4,142.1
Equity (equity share capital and other equity)	166,740.6	173,612.5	184,282.9
Total liabilities and equity	**819,733.2**	**749,452.4**	**729,079.8**
Statement of Profit and Loss			
Total revenue from operations	89,833.1	87,192.8	41,275.9
Other income	105.9	65.1	303.3
Total expenses	74,381.3	71,219.4	33,401.3
Profit for the year attributable to the shareholders of the Company	11,777.4	11,296.9	5,923.7
Other comprehensive income/(loss)	1,203.8	105.6	1,917.3
Total comprehensive income for the year/period	12,981.2	11,402.5	7,841.0
Earnings per equity share			

	As at and for the year ended March 31		As at and for the six months ended September 30
	2022	2023	2023
	Rs. in millions, unless otherwise stated		
Basic (Rs.)	26.4	25.2	13.1
Diluted (Rs.)	26.3	25.1	13.0
Statement of Cash Flows			
Net cash from operating activities (A)	6,571.8	40,009.6	37,761.8
Net cash from investing activities (B)	16,489.4	8,842.5	12,892.2
Net cash (used in) financing activities (C)	(74,442.4)	(91,418.4)	(37,706.7)
Net increase / (decrease) in cash and cash equivalents (D=A+B+C)	(51,381.2)	(42,566.3)	12,947.3
Cash and cash equivalents at the beginning of the year (E)	131,241.6	79,860.4	37,294.1
Cash and cash equivalents at the end of the year (D + E)	79,860.4	37,294.1	50,241.4
Additional Information			
Net Worth(5)	166,162.3	173,034.2	183,704.6
Loan Book(6)	615,892.6	570,112.2	543,407.4
Interest income (including treasury income)(7)	89,024.0	85,613.9	40,683.5
Finance costs	62,416.2	56,364.9	27,036.7
Net interest income	26,607.8	29,249.0	13,646.8
Impairment on financial instruments	4,637.2	6,660.0	1,968.4
Net interest margin (%)(8)	3.0%	3.7%	3.7%(15)
Return on average asset (after tax)(9) (%)	1.3%	1.4%	1.6%(15)
Return on Net Worth (%)(10)	7.2%	6.7%	6.6%(15)
Gross NPA (%)(11)	3.8%	3.4%	3.4%
Net NPA (%)(12)	2.2%	2.2%	1.9%
CRAR - Tier I Capital (%)-Standalone(13)	16.6%	18.4%	21.9%
CRAR - Tier II Capital (%)-Standalone(13)	5.9%	4.6%	4.1%
Off balance sheet assets-loans assigned.	128,784.7	127,436.3	124,950.2
Total debts to total assets(14)	74.9%	69.9%	66.4%
Interest coverage ratio	148.4%	156.1%	162.4%
Bad debts to loan assets	1.0%	0.8%	0.7%

Notes:

1. Financial assets (excluding cash and cash equivalents and investments) = bank balance other than cash and cash equivalents + derivative financial instruments + receivables + loans + other financial assets + financial assets held for sale.
2. Non-financial assets (excluding property, plant and equipment and other intangible assets) = current tax assets (net) + deferred tax assets (net) + right-of-use assets + other non-financial assets + assets held for sale + goodwill on consolidation + non-financial assets held for sale.
3. Financial liabilities (excluding debt securities, borrowings (other than debt securities) and subordinated liabilities) = derivative financial instruments + trade payables + other financial liabilities + financial liabilities in respect of assets held for sale.
4. Other non-financial liabilities = other non- financial liabilities+ non-financial liabilities in respect of assets held for sale.
5. Net Worth = equity share capital + other equity – goodwill on consolidation.
6. Loan Book = term loans (net of assignment).
7. Interest income (including treasury income) = interest income + dividend income + net gain on fair value changes + net gain on derecognition of financial instruments under amortised cost category.
8. Net interest margin = (interest income + net gain on fair value changes + net gain on derecognition of financial instruments under amortized cost category – finance cost)/average total assets for the year/period.
9. Return on average asset (after tax) = profit for the year/period attributable to shareholders of the Company/the average total assets for the year/period.
10. Return on Net Worth is calculated by dividing the profit for the year/period attributable to shareholders of the Company by average Net Worth.
11. Gross NPA% = Gross NPA/(Loan Book).
12. Net NPA% = (Gross NPAs less provisions for ECL on NPAs)/(Loan Book).
13. Computed in accordance with the RBI Master Directions.

Net Worth, Non-financial assets (excluding property, plant and equipment and other intangible assets), financial assets (excluding cash and cash equivalents and investments, financial liabilities (excluding debt securities, borrowings (other than debt securities) and subordinate liabilities are Non-GAAP Financial Measures which are supplemental measures of our performance and liquidity that is not required by, or presented in accordance with, Ind-AS. We compute and disclose such Non-GAAP Financial Measures as we consider such information to be useful measures of our business and financial performance, and because such measures are frequently used by securities analysts, investors and others to evaluate the operational performance of financial services businesses, many of which provide such Non -GAAP Financial Measures and other statistical and operational information when reporting their financial results. Such non-GAAP measures are not measures of operating performance or liquidity defined by generally accepted accounting principles and should not be considered in isolation or constructed as an alternative to cash flows, profit/(loss) for the years/period or any other measures of financial performance or as an indicator of our operating performance, liquidity, profitability or cash flows generated by operating, investing or financing activities derived in accordance with Ind-AS, Indian GAAP, IFRS and US GAAP. These non-GAAP financial measures and other statistical information relating to our operations and financial performance are not standardised terms and may not be computed on the basis of any standard methodology that is applicable across the industry and therefore may not be comparable to financial measures and statistical information of similar nomenclature that may be computed and presented by other banks or financial institutions in India or elsewhere

14. Total debts to total assets = (debt securities + borrowings (other than debt securities) +subordinated liabilities)/total assets.
15. Annualized.

Quality

The table below shows our Loan Book, on a standalone basis, as of September 30, 2023:

Particulars	As at September 30, 2023 *(Amount in Rs. Million)*	% of Loan Book
Housing loans	236,031.4	51.7%
Non-housing loans	220,568.1	48.3%
Total	456,599.5	100.0%

As of September 30, 2023, our gross NPAs and net NPAs on consolidated basis totaled Rs.18,299.8 million and Rs.10,555.1 million, respectively.

Operational Data

Set forth below is certain operational information as of September 30, 2023:

Parameters	As at September 30, 2023
Branches	218
Employees	4,956
Direct sales agents	8,793

Recent Developments

The RBI through its circular dated December 19, 2023 ("**RBI Circular on AIFs**"), barred entities regulated by it, including HFCs and NBFCs ("**Regulated Entity**"), from investing in alternate investment funds ("**AIFs**") that have either direct or indirect investments in a "debtor company" of the Regulated Entity. A "debtor company" includes any company to which the Regulated Entity currently has or previously had a loan or investment exposure anytime during the preceding 12 months. In accordance with the RBI circular on AIFs,

i. If an AIF scheme, in which the Regulated Entity is already an investor, makes a downstream investment in any such "debtor company", then the Regulated Entity is required to liquidate its investment in the scheme within 30 days from the date of such downstream investment by the AIF; or

ii. If the Regulated Entity has, as on date of the RBI Circular on AIFs, already invested in an AIF scheme having downstream investment in a "debtor company", the Regulated Entity shall liquidate its investment within 30 days of the date of the RBI Circular on AIFs.

In the event the Regulated Entity is unable to liquidate its investments within the prescribed timelines, the Regulated Entity shall make 100% provision on such investments and we estimate that we will have to create provision of up to approximately Rs.14,000 million.

Additionally, any investment by the Regulated Entity in the subordinated units of any AIF scheme with a "priority distribution model" shall be subject to full deduction from the Regulated Entity's capital funds. This shall adversely impact our regulatory capital ratios.

Except as disclosed above and in "*Material Developments*" on page 664 of this Letter of Offer, no circumstances have arisen since September 30, 2023 that would materially and adversely affect or is likely to affect within the next 12 months: (a) our trading or profitability; (b) the value of our assets; or (c) our ability to pay our liabilities. See "*Management's Discussion and Analysis of Financial Condition and Results of Operations*" on page 613 of this Letter of Offer.

History and group structure

We were incorporated in 2005 pursuant to the certificate of incorporation issued by the Registrar of Companies, NCT of Delhi and Haryana ("**RoC**") on May 10, 2005 as a wholly owned subsidiary of Indiabulls Financial Services Limited ("**IBFSL**") and commenced business pursuant to certificate of commencement dated January 10, 2006. In 2013, pursuant to the IBFSL-IHFL Scheme, IBFSL merged with us. We are a non-deposit taking housing finance institution registered with the NHB and, by notification on September 19, 2007, the Central Government specified us as a 'financial institution' for the purposes of the SARFAESI Act.

We operate under the "Indiabulls" brand name, which is a reference to the Indiabulls group of companies, a diversified set of businesses in the financial services, real estate and securities sectors. In October 2023, we announced that the Company had applied to change its name from Indiabulls Housing Finance Limited to Samman Capital with the regulator along with an application for conversion from a "Housing Finance Company" to a "Non-banking Financial Company – Investment and Credit Company". Post conversion, we expect to continue to focus on asset light business model. Additionally, our Material Subsidiary has received the no objection letter from the RBI for the proposed change in its name to Sammaan Finance Limited in January 2024, and is in the process of getting the necessary approvals from the relevant authorities. Developing and maintaining awareness and integrity of our Company and our new brand are important to achieving widespread acceptance of our existing and future offerings and are important elements in attracting new customers.

The global depository receipts ("**GDRs**") of our Company were listed on the Luxembourg Stock Exchange ("**LuxSE**"). Subsequently, the Board of Directors at its meeting held on March 21, 2023, approved the voluntary delisting of the GDRs from the LuxSE subject to compliance of all applicable requirements. LuxSE *vide* its email dated September 13, 2023, informed our Company that 567,505 GDRs (0.12% of the paid-up capital) of our Company representing equal number of Equity Shares of face value ₹2 each, have been de-listed from LuxSE, with effect from September 13, 2023.

Our Strengths

Our primary strengths are as follows:

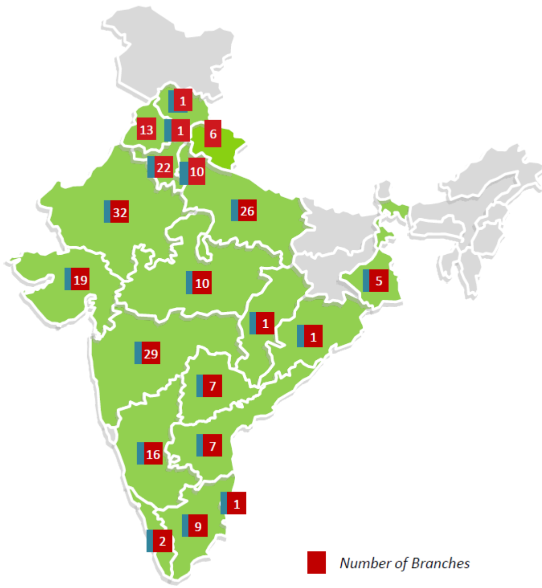
One of the largest pan-India HFCs with wide geographic reach

Our geographical reach within India across Tier I, Tier II and Tier III cities enables us to target and grow our customer base. We offer loans to our target client base of salaried and self-employed individuals and MSMEs. Our presence across India allows us to undertake loan processing, appraisal and management of customer relationships in an efficient and cost-effective manner. As of September 30, 2023 and March 31, 2023 and 2022, our number of branches stood at 218, 217 and 174, respectively, which gives us a pan-India presence.

Set forth below are certain key details on geographic presence as of September 30, 2023:

	Number
Type of Branches	
Head Office	2
Smart City Branches	69
Service Centers	85
Branches	39
Master Service Centers	23
Total	**218**

State-wise branch count (as of September 30, 2023)



We believe that we have been able to build and strengthen our brand and increase our brand awareness through quality customer service, particularly in the retail mortgage segment, and various marketing and advertising campaigns in print and electronic media. In addition, we also benefit from the strong recognition of the "Indiabulls" brand. We believe that our customer-oriented approach and efficiencies have aided us in achieving customer loyalty. The housing sector is seeing strong secular growth across price segments and we believe we are well-positioned to capture opportunities in light of our scale, wide geographic reach, focus on the housing loan market and strong customer loyalty.

Strong financial performance and consistent profitability

We are a well-capitalized HFC with a strong financial track-record and consistent profitability across cycles. In the six months ended September 30, 2023 and the fiscal years ended March 31, 2023 and March 31, 2022, our consolidated profit for the year/period attributable to the Shareholders of the Company was Rs.5,923.7 million, Rs.11,296.9 million and Rs.11,777.4 million, respectively. As of September 30, 2023, our standalone CRAR, computed in accordance with applicable laws, was 26.0%, as against the regulatory minimum requirement of 15%. We believe that our strong financial performance makes us well-positioned to take advantage of the growth in the HFC industry by providing us with competitive advantages, contributing to the growth of our business and providing comfort to our stakeholders, including shareholders, lenders and rating agencies.

Access to diversified funding sources

Over the years, we have developed a diversified funding base and have established strong relationships with our lenders. Our lenders include PSUs and private banks, and other financial institutions.

As at September 30, 2023, our consolidated borrowings (other than debt securities) were Rs.281,361.1 million, consolidated debt securities were Rs.160,775.1 million and consolidated subordinated liabilities were Rs.42,068.9 million. As at September 30, 2023, March 31, 2023 and 2022, our total debt (including debt securities, borrowings (other than debt securities) and subordinated liabilities) stood at Rs.484,205.1 million, Rs.524,034.7 million and Rs.613,593.6 million, respectively. We fund our capital requirements through multiple sources. Our primary sources of funding are long-term loans and issuances of non-convertible debentures. In addition, we sell down parts of our portfolio through the securitization or direct assignment of loan receivables to various banks and other financial institutions, which is another source of liquidity for us. As at September 30, 2023, our consolidated borrowings (i.e. the sum of debt securities, borrowings (other than debt securities) and subordinated liabilities) were through banks and financial institutions (57.5%), issuances of non-convertible debentures and other debt instruments, including perpetual and subordinated debt (41.9%) and lease liability (0.6%).

We have a long-term credit rating of "CRISIL AA/Stable" from CRISIL, "[ICRA]AA (Stable)" from ICRA and "CARE AA-; Stable" from CARE Ratings for non-convertible debentures and subordinated debt programme. Additionally, we have a long-term credit rating of "CRISIL AA/Stable" from CRISIL and "CARE AA-; Stable" from CARE Ratings for our long-term bank facilities. We also have the highest short-term credit rating of "CRISIL A1+" from CRISIL for our commercial paper programme and have short term ratings of "CRISIL A1+" from CRISIL and "CARE A1+" from CARE ratings for short term bank facilities. We also have an international credit rating of “B 3; Outlook Stable” from Moody’s.

We believe that our strong financial performance, capitalization levels and credit ratings give considerable comfort to our lenders and enable us to borrow funds at competitive rates, thereby lowering our overall cost of borrowings.

Domain expertise built over time resulting in a resilient business model

We primarily provide loans against property to self-employed individuals, proprietorships, MSMEs and corporates. These loans are secured against the cash-flow of businesses and through mortgages of, among others, business premises and self-occupied residential properties of customers. We have over 16 years of experience with loans against property, with demonstrated portfolio performance across business cycles including the global financial crisis, demonetization, GST transition as well as the liquidity squeeze of the last three years.

We believe that the speed of underwriting secured loans to MSMEs by HFCs/NBFCs will be a catalyst for growth of the MSME market. Specifically, since the implementation of goods and services tax (“**GST**”) in India, the filing of GST returns has been made mandatory for MSMEs with turnover of over Rs.4 million and involved in the intra-state supply of goods. We believe that the ready availability of historical GST returns for verification from a reliable source will make underwriting a loan for a product as complex as secured loans to MSMEs a quicker and safer affair. We ultimately believe that our experienced team and robust processes are well-positioned to take advantage of the new opportunities in the secured MSME market.

Our resilient business model is supported by prudent credit and collection policies. Our credit policies specify the types of loans to be offered, the documentary requirements and limits placed on loan amounts. We have several policies for the varied products offered by us, each specifically tailored to benefit the diverse customer base. These policies are aimed at supporting the growth of our business by minimizing the risks associated with growth in our Loan Book. We have also established protocols and procedures to be followed when engaging with customers, as well as to determine the authority and levels to which credit decisions can be taken at various offices. Over the years, we have gained significant experience in mortgage loan underwriting and this is now a key contributor to our business.

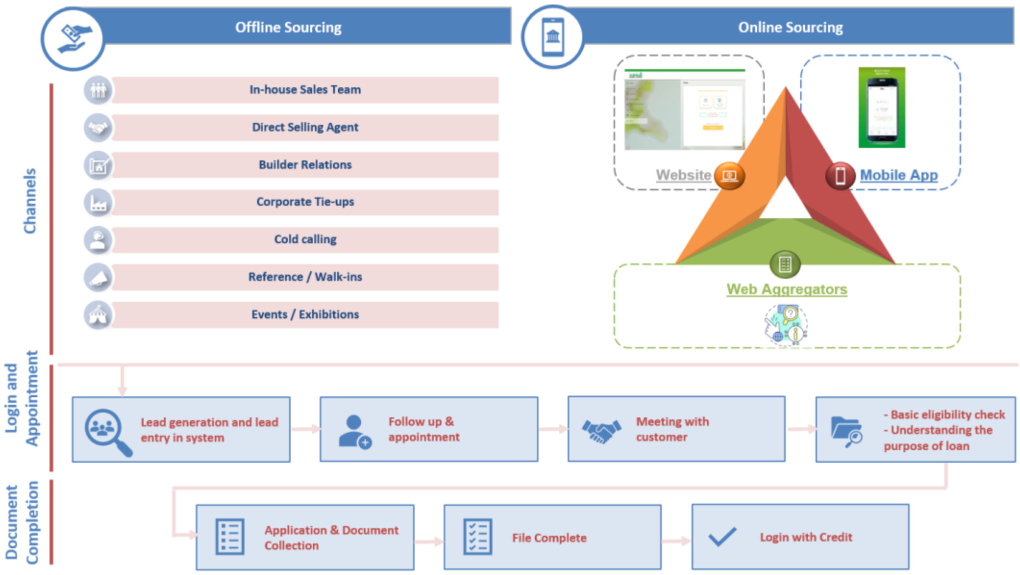
We also have an experienced collections team which, with our legal team, have enabled us to maintain high collection efficiencies through economic cycles. Our centralized credit analysis processes combined with our dedicated collections team help maintain the quality of our total Loan Book.

As at September 30, 2023, our consolidated gross NPAs as a percentage of our consolidated Loan Book were 3.4%. Historically, we have maintained a higher provisioning for NPAs than the norms prescribed under the regulatory guidelines. As of September 30, 2023, we have ECL allowance on financial assets and loan commitments amounting to Rs.7,744.7 million on a consolidated basis which is equivalent to 1.4% of our consolidated Loan Book and 42.3% of our consolidated gross NPAs.

Effective use of technology

Our e-Home Loans facility is a technological platform that gives our home loan customers access to paperless loans through their computers or mobile devices. With this technology, the entire process of loan origination (from loan application to approval) is managed through computers and mobile devices so there is no need for a branch visit. We believe that this results in significant customer convenience by providing a seamless loans approval process that is operable remotely and is accessible to customers at any time as well as greater efficiency in the loan origination process by reducing turnaround time. Our e-Home Loans facility has also enhanced our access to customers in regions where we do not have full-service branches. We believe that this has reduced our operational costs and overheads and that this use of technology is key to realizing our strategy of transitioning to an asset light model (see “*– History and group structure – Our Strategy*” on page 131 of this Letter of Offer).

Multi-pronged distribution strategy and automated processes



Additionally, we use various information security measures to help maintain our competitiveness, customer confidence and brand value. For further details on our information security measures, see "*History and group structure – Liability Management – Operational risk management*" on page 141 of this Letter of Offer.

Experienced Board of Directors and Senior Management Team

Our Board of Directors comprises a diversified mix of professionals, who have experience and expertise in the fields of banking and regulatory affairs, business, legal affairs and taxation, among others. A number of our senior management team members have been with us since the commencement of our operations. For example, Gagan Banga, our Vice Chairman, Managing Director and CEO, has been a director of our Company since inception. We believe that as a result, we have been able to demonstrate strong growth while minimizing our risk profile. In addition, the chairman of our board of directors is an independent non-executive chairman which contributes to the independence of our board and quality of our corporate governance. For further details, please see "*Our Management*" on page 148 of this Letter of Offer.

In order to strengthen our credit appraisal and risk management systems, we have over the years recruited a number of senior managers with experience working in lending finance firms providing loans to retail customers, to develop and implement our credit policies. In addition, Subhash Sheoratan Mundra, our Non-executive Chairman, has been a director of our Company since August 2018. Prior to joining us, he was a seasoned banker and had also served as the Deputy Governor of the RBI, with an illustrious career has held several positions across functions with various banks. We have also formed an Asset Liability Management Committee and a Risk Management Committee. The Asset Liability Management Committee reviews our asset and liability positions and gives directions to our finance and treasury teams in managing such positions. Our Risk Management Committee periodically approves, reviews, monitors and modifies various policies including our credit policy, operation policy and other functioning policies pertaining to our Company, and also reviews regulatory requirements and implements appropriate mechanisms and guidelines related to risk management.

Our Strategy

Set forth below are the elements of our medium- to long-term business strategy. We will continue to explore acquisition and expansion opportunities from time to time as part of our strategy.

Scale-up the retail asset-light business model

ALM is a key risk for non-deposit taking mortgage lending non-banks which rely on wholesale borrowings. This is because borrowings from banks and most debt market lenders/investors have a term of three to five years, while the loans extended are for longer tenures. On the other hand, banks in India, especially public sector banks, are strong deposit gathering franchises. We believe that a successful housing finance business will have to go through a cyclical shift wherein asset-heavy balance sheets and high leverage levels will have to transform into leaner balance sheets by following an asset-light model of business, reducing the reliance on large-scale asset and liability management mismatched borrowings and de-risking the balance sheet from wholesale loans to builders that are vulnerable to challenges of a weak housing market and the shutdown of credit flow from non-banks. Non-banks source loans with their reach and expertise around cost-effective underwriting of loans, which are then sold down to and warehoused on the balance sheet of banks, creating a win-win situation for both banks and non-banks. Accordingly, we have transitioned to an asset-light growth model, comprising two elements: co-lending with banks, other financial institutions and credit funds; and increased portfolio sell-downs.

In retail loans, we originate home loans and secured MSME loans which we are co-lending with our partners or some of which we are securitizing or assigning to banks and other financial institutions (except for such portions of loans which we are required to keep on our balance sheet as per regulatory requirements). We further intend to expand our lending operations in Fiscal Year 2024 to smart cities to cater to the housing loan and MSME loan requirements of customers from these locations.

Co-lending model

Pursuant to the RBI's policy on co-lending by banks and NBFCs (including HFCs) for priority sector lending, we have fully operational co-lending arrangements with eight banks and financial institutions for sourcing home loans and secured MSME loans. We believe these lenders are looking to grow their retail loan book and we can offer them cost-efficient distribution and quality underwriting of loans. We intend to leverage on the deposit-led liability franchise of our co-lending partners and complement that with our technology-led distribution to provide efficient solutions around home loans and secured MSME loans to a wide gamut of customers across geographies, ticket-size and yield spectrum, to give us balance-sheet light growth and profitability. We have completed tech-integration with four co-lending partners and aim to complete tech-integration with the remaining partners.

The co-lending model involves the sharing of risks and rewards between both the co-lending partners, through 80:20 participation, whereby 80% of the loan is provided by our co-lending partner and the remaining 20% is provided by us. Accordingly, for our co-originated loans, we recognize 20% of the total loan amount on our balance sheet. As the customer gets a rate that is a blend of 80% co-lending partner rate and 20% ours, we believe we can realize a healthy yield while the yield for the end-customer still remains very reasonable and competitive. The credit costs are shared on a *pari passu* basis.

Under this model, we earn a spread on our portion of the loan (i.e. 20% of the total loan amount). In addition, we also receive a processing fee from the customer, an origination fee from the partner (on their 80% of the loan amount), annual servicing fees from the partner (on their 80% of the loan amount) and insurance income in relation to insurance provided to the customer. Type of fee income as well as the percentage of fee income to be received by us will differ across partner arrangements based on our mutually agreed terms.

We also intend to follow a co-lending model for wholesale loans in partnership with three real estate focused credit and investment funds who are looking to invest in the Indian real estate sector. Under the arrangement, we will retain 5%-20% on our balance sheet while 80%-95% will be on the investors' balance sheet. In such arrangements, we will receive the entire processing fee and insurance commission. Additionally, we will also earn a spread on our portion of the loan.

Sell-down

We have sell down relationships with 24 financial institutions, primarily banks, that are well acquainted with our portfolio and underwriting quality. We sell down loans at a spread from the yield received from end customers. This spread is earned on 100% of the sold loans, while only 10% to 20% of such loans remain on our balance sheet. While we have consistently been selling down loans in the past, going forward, our strategy is to further increase the sell down portion of our portfolio.

Continue to focus on maintaining a robust balance sheet through strong capital adequacy, high provisions and adequate liquidity

We have been in business for over 16 years and have gone through various economic cycles including the 2008-09 global financial crisis and 2012-13 'taper tantrum'. Based on our experience from handling such trying circumstances, we believe that maintaining healthy capital, provisions and liquidity are the best defense towards such times. Our efforts over the past three years of the NBFC/HFC crisis as well as during the current economic disruption caused by the COVID-19 pandemic have been focused towards this end.

As of September 30, 2023, our standalone CRAR, computed in accordance with the regulations was 26.0%, as against the regulatory minimum requirement of 15%.

As at September 30, 2023, our consolidated gross NPAs as a percentage of our consolidated Loan Book were

3.4%. Historically, we have maintained a higher provisioning for NPAs than the norms prescribed under the regulatory guidelines. As of September 30, 2023, we have ECL allowance on financial assets and loan commitments amounting to Rs.7,744.7 million on a consolidated basis which is equivalent to 1.4% of our consolidated Loan Book and 42.3% of our consolidated gross NPAs.

As at September 30, 2023, our consolidated cash and cash equivalents were Rs.50,241.4 million against our consolidated Loan Book of Rs.543,407.4 million.

Professionally-run Board-governed Company

We began the institutionalization process of the Company nearly two years ago and took concrete steps towards achieving improved corporate governance standards. In August 2020, Sameer Gehlaut, the founder/ erstwhile promoter of our Company, relinquished Chairmanship of the Board and Subhash Sheoratan Mundra, ex-Deputy Governor of the RBI, assumed the position as the Non-Executive Chairman of the Company. Sameer Gehlaut (founder and erstwhile promoter), Inuus Infrastructure Private Limited and Sameer Gehlaut IBH Trust (erstwhile promoter group members), vide a letter dated March 14, 2022 addressed to the Board of Directors of our Company, had requested to be re-classified from the "promoter and promoter group" category to "public" category of Shareholders of our Company, in accordance with Regulation 31A of the SEBI Listing Regulations, subject to receipt of requisite approvals. Thereafter, the Board considered and approved the request at its meeting held on March 15, 2022. Further, the Shareholders of the Company approved said re-classification at their extraordinary general meeting held on April 18, 2022, subject to Stock Exchanges and other approvals. On April 19, 2022, the Company filed the relevant applications with National Stock Exchange of India Limited and BSE Limited for approval of this re-classification and received the approvals from both Stock Exchanges vide their letters dated February 22, 2023. In April 2022, the Company inducted B.C. Patnaik, Managing Director, Life Insurance Corporation of India, onto the Board as nominee director of Life Insurance Corporation of India ("**LIC**"), thereby bringing direct institutional oversight on the operations of the Company. B.C. Patnaik has subsequently resigned from the Board of the Company, as a Nominee Director of LIC, effective from April 29, 2023. B.C. Patnaik's resignation from the Company's Board followed the approval of his appointment by the Appointments Committee of the Cabinet to the post of Whole-Time Member (Life), Insurance Regulatory and Development Authority of India. On July 28, 2023, the Board has appointed Rajiv Gupta, Director & Chief Executive Officer of LICHFL Asset Management Company Ltd, as LIC's Nominee Director, on the Board of the Company with effect from July 28, 2023. LIC is our largest institutional shareholder and bondholder. We also appointed Achuthan Siddharth, who was a partner with Deloitte Haskins & Sells for over 30 years, to the Board; he now chairs the Audit Committee. Other independent directors like Dinabandhu Mohapatra (ex-MD & CEO, Bank of India) and Satish Chand Mathur, IPS (ex-Director General of Police, Maharashtra), were also inducted into the Board to serve as independent directors. 50% of the Company's Board is now independent. Our Board of Directors comprises a diversified mix of professionals, who have experience and expertise in the fields of banking and regulatory affairs, business, legal affairs and taxation, among others. A number of our senior management team members have been with us since the commencement of our operations. See "*Our Management*" on page 148 of this Letter of Offer.

To strengthen corporate governance practices, most of our key committees are now chaired by independent directors with relevant experience. The Board now has regular and direct oversight on all key areas of executive operations.

Sameer Gehlaut (through certain erstwhile promoter group companies), sold approximately 11.9% of their holding in our Company in December 2021, reducing the stake of the erstwhile promoter group to less than 10%. Subsequently, Sameer Gehlaut has resigned from his post of Non-Executive, Non-Independent Director on the Board of our Company with effect from March 14, 2022, and along with the members of the erstwhile promoter group, has requested to be re-classified from 'promoter and promoter group' category to 'public' category of shareholders of our Company, in accordance with Regulation 31A of the SEBI Listing Regulations, subject to receipt of requisite approvals. Thereafter, the Board, at its meeting held on March 15, 2022, considered and approved the request. Further, the Shareholders of the Company, at their extraordinary general meeting held on April 18, 2022, approved said re-classification, subject to Stock Exchanges and other approvals. On April 19, 2022, the Company filed the relevant applications with National Stock Exchange of India Limited and BSE Limited for approval of this re-classification and received the approvals from both Stock Exchanges vide their letters dated February 22, 2023. As on September 30, 2023, neither Gehlaut nor the Erstwhile Promoter Group companies held any shares in our Company. As on the date of this Letter of Offer, our Company has no identifiable promoters and is a professionally managed company.

Focus on penetrating Tier-III and Tier-IV cities

We intend to further expand our operations in India. Our primary focus will be on broadening our geographic reach and establishing a stronger foothold in Tier III and Tier IV cities. By targeting these markets, we aim to tap into the potential of the growing low-mid income segment. During Fiscal year 2023, we hired over 700 employees and strategically opened 42 new branches, with a particular emphasis on Tier II and Tier III cities, where we see considerable growth opportunities.

By expanding our footprint and increasing our presence in these untapped markets, we are confident that we will be able to effectively cater to the needs of a wider customer base.

Our Lending and other Financial Products

Our lending products include housing loans and non-housing loans. Housing loans consists of retail loans extended to individuals for construction, purchase, home renovation and wholesale loans to corporates for construction of residential projects. Non-Housing loans includes loans extended to individuals, MSMEs and corporates for business purposes, loans to corporates for construction of commercial projects and lease rental discounting loans. As of September 30, 2023, our housing loans and non-housing loans constituted 52% and 48%, respectively of our standalone Loan Book.

Housing Loans

We offer secured and mortgage-backed housing loans to salaried, self-employed and corporates for the following purposes:

- the construction or purchase of new dwelling units by individuals or groups of individuals;
- the purchase or renovation/reconstruction of old/existing dwelling units by individuals;
- the purchase of plots for construction of residential dwelling units, provided that a declaration is obtained from the borrower demonstrating their intent to construct a house on the plot within a period of three years from the date of availability of the loan; and
- the construction of residential dwelling units by builders.

We offer customized solutions, in terms of security and repayment tenor, to accommodate our customers' needs. We also offer comprehensive home buying solutions, which include the selection of a suitable property, checking the requisite approvals on the project, filing of requisite documents, registration of the property and opting for the appropriate equated monthly instalment ("**EMI**") and tenure of the loan for the customer. We engage with our customers on an ongoing basis to ensure a high degree of customer satisfaction.

For housing loans to individuals of up to Rs.3.0 million, the NHB allows a loan-to-value ("**LTV**") ratio of up to 90%; however, our loan to value ratio typically does not exceed 80% of the value of the property. The average term of the loan is typically around 15 years. As of September 30, 2023, a majority of our housing loans to individuals, aggregating to 99.9%, bore floating rates of interest.

We also offer construction finance loans for the construction of residential projects to corporates and developers. The land, the housing units and/or project being constructed, the sales and other receivables from such units and/or projects are mortgaged or charged, in our favor, to provide security for the loan availed and other dues.

Non-Housing Loans

Retail Non-Housing Loans

We provide loans against property primarily to self-employed individuals, proprietorships and MSMEs for working capital or business expansion needs. The loans are secured against business cash flow and through mortgages of, among others, business premises and self-occupied residential properties of our customers. The average term of the loan is typically seven years.

Corporate Non-Housing Loans

We provide finance to real estate developers through corporate mortgage loans. Corporate mortgage loans are made available through two main types of structures: (i) construction finance and (ii) lease rental discounting loans for commercial properties.

Construction finance loans are loans provided for the purpose of construction of commercial premises. For such construction finance loans, the land and the commercial units and/or projects being constructed, as well as all the sales and other receivables from such units and/or projects are mortgaged or charged in favor of our Company to provide security for such loans availed and other dues.

Lease rental discounting loans are loans provided against hypothecation of the rental receivables (which are routed through an escrow account) of an operational commercial property, which is the primary source of repayment of such lease rental discounting loan and the other dues. The commercial property may also be mortgaged to secure the loan and the other dues. Additionally, the promoter's guarantee and mortgagor's shares may be pledged to further secure the loan and other dues. A key consideration in the credit appraisal process is the enforceability of the mortgaged property and the other security.

Lending Policies and Procedures

Overview

We are an HFC registered with the NHB, which was the regulator for HFCs in India until August 2019. However, since then, the NHB now supervises HFCs while the RBI regulates HFCs by stipulating prudential guidelines, directions and circulars in relation to HFCs.

Within the regulatory guidelines, directions and circulars, HFCs can establish their own credit approval processes. As such, once a company has obtained an HFC license, the terms, credit levels, and interest rates of loans and any credit approvals are based upon the HFC's established internal credit approval processes framed in accordance with applicable regulations. Each HFC undergoes an annual regulatory inspection. These inspections are exhaustive and can last for a period of three to four weeks, during which regulators review the HFC's adherence to regulatory guidelines, scrutinize the loan book and individual loan files, including security documents, review the functioning of the Board of Directors and its committees and their adherence to minutes of various internal meetings, review the NPA and delinquent cases, review and evaluate the credit approval policies and credit assessment standards, review implementation of decisions and policies of the Board of Directors and review adherence to prescribed formats in the filing of regulatory reports.

We have a team of experienced officers in our credit appraisal and risk management teams to develop and implement our credit approval policies. Our credit approval policies focus on credit structure, credit approval authority, customer selection and documentation provided by the customer. Our risk management and appraisal systems are regularly reviewed and upgraded to address changes in the external environment.

Customer Appraisal and Approval Process

We have dedicated units that appraise and approve loan applications operating at the branch office, master service center and head office levels. Each office must independently approve a prospective customer's loan application before any loan offer is made. Additionally, our master service centers are staffed by senior personnel, who are involved in complex credit decision making. We follow an exhaustive internal appraisal process that includes:

- identity verification, residence and office address verification and fraud check and compliance with the KYC guidelines as per the regulatory guidelines;
- applicant's credit-worthiness, such as applicant's past history from credit bureaus, ROC and other database checks for litigation, credit, defaults;
- assessment of applicant's ability to repay and sources for such repayment, through various documents such at salary slips, income tax return statements, banking statement, balance sheet;
- assessing the quality, value and enforceability of the collateral which includes a legal and technical assessment of the proposed collateral, site visit and project level feedback through an external team as well as an internal team;
- for project loans, calculating the expected cash flows of project being undertaken, promoter experience, business sustainability and strength of the underlying collateral; and
- verifying the purpose and end-use of the loan.

We believe that our thorough credit approval process has, in part, allowed us to grow our Loan Book with low delinquency rates.

The customer appraisal process begins at the branch office level. All applications for retail mortgage loans by prospective customers must be submitted on our standardized forms. In addition to submitting a duly signed application form and processing fee cheque, prospective customers are required to submit certain KYC documents, including proof of name, date of birth, address and signature, as well as documents relating to the property to be purchased.

To be eligible for a retail mortgage loan, each prospective customer must either be presently employed and receiving a salary from a corporation or be self-employed with an established business track record and sufficient earnings. Each such prospective customer is also required to provide requisite documentation for income verification purposes. If salaried, prospective customers are required to submit salary slips, bank statements and Form 16, a certificate issued to salaried personnel in India by their respective employers certifying the tax deducted at source from salary disbursements for such employee, among others. The prospective self-employed customers are required to submit income tax returns along with financial statements and bank statements. Borrowers which are proprietorships or companies are also required to submit certain approvals maintained by them in relation to their business and operations.

Once a prospective customer has submitted a completed application, credit officers in the branch office verify various details and empaneled third-party agencies conduct various on-site checks to verify the prospective customer's work and home addresses, as well as telephone numbers. We check the credit history and credit-worthiness of the customer on various credit bureaus to ascertain the financial obligations of the customer and to ensure that the customer has a clean repayment track record, such as consumer credit reports from CIBIL for delays/defaults by the borrower. We also carry out various reference checks with the customer's bankers and debtors, creditors, as well as with the customer's neighbours. Internally, we check several databases for any information and/or feedback regarding the customer. We carry out title and legal checks, including interest checks through filings made to Central Registry of Securitization Asset Reconstruction and Security Interest of India, on the collateral to ensure that it has the first and sole charge on it. We conduct property valuations internally and also engage external property valuers to assess the properties. The lower of the two valuations is considered by the credit officer. Additionally, checks are also undertaken by our fraud control unit to make sure that the customer is genuine and the details provided are authentic.

For retail housing and non-housing loans, we have implemented various approval levels on a delegated basis, depending on the size of the financing and other metrics. Critical policy revisions (e.g. new products, income programmes, etc.) are jointly approved by the Board and the authorized committee. All commercial credit loans are approved by the organization level Credit Committee. The composition and authority of the committee is approved and notified by the Board from time to time.

Once the application review process is completed, the loan is sanctioned by the mandated approval authority. A credit decision is then communicated to the customer.

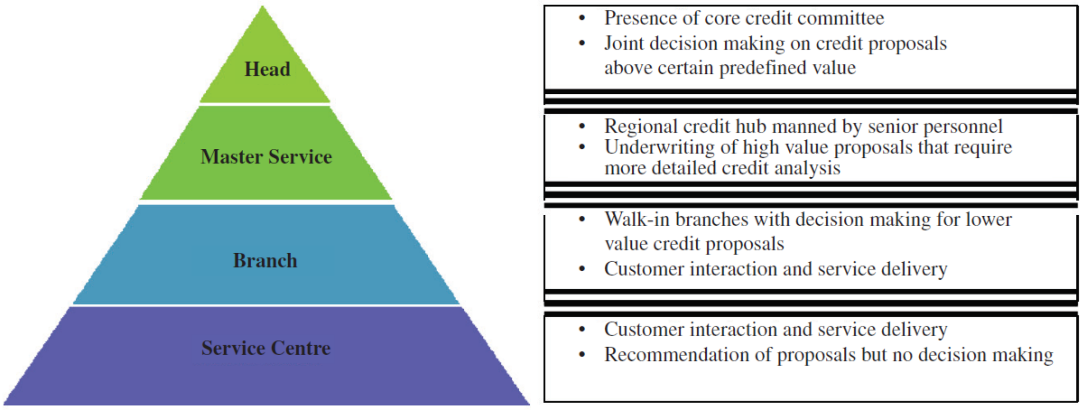
Before disbursing the loan, we must receive either electronic clearance instructions or post-dated cheques from the customer for the EMI payments. We also receive an additional cheque for the principal amount of the loan, which we can present if the loan becomes pre-payable for any reason. Once the direct debit authorizations and/or cheques have been received, the funds are disbursed to the customer.

Loan Origination and Sourcing Process

In addition to sourcing online through our website, mobile app and other web services, our customers are also sourced by in-house direct sales team ("**DST**"), external direct sales agents ("**DSAs**"), builder relations, corporate tie-ups, cold calling, exhibitions and through branch walk-ins. Our "feet-on-street" DST covers and penetrates the urban and semi-urban customer segments. As of September 30, 2023, we had a DST of 1,745 employees, on a consolidated basis, and 8,793 DSAs, on a consolidated basis, located across our network. Our DST employees operate out of our branch offices, service centers and project sites.

The DST employees supervise approved and under-construction residential projects across India. They engage with customers at the time that the customers are selecting housing units for purchase. Often the DST employees show various developments to the customers and help the customers with the purchase decision. Once the sale is ready to close, the DST employees also assist the customers in obtaining a housing loan.

We also rely on DSAs for referring potential customers. Our DSAs are typically proprietorships and self-employed professionals who primarily work with multiple small businesses providing consulting services. They pass on leads of any loan requirements of these small businesses to us. These DSAs do not work exclusively with us and may also work with other lenders, including our competitors. DSAs pass on leads to us and document collection, credit appraisal and eventual loan fulfilment are done by us in-house.



Portfolio Monitoring

Retail Housing and Non-Housing Loans

Our risk audit and collection departments review and monitor our loan portfolio. These departments monitor debt repayment levels of particular loan exposures on a continuous basis. This allows us to identify potentially problematic loans at an early stage and prepares us for immediate action if any principal or accrued interest repayment problems arise.

The portfolio is monitored by way of various analyses consisting of:

- bucket-wise ageing analysis (i.e., number of days past due) of the outstanding portfolio;
- concentration risk monitoring in segments of the portfolio;
- early warning delinquency analysis; and
- historical case review on a periodical basis, including review of credit risks and operational risks.

Corporate Mortgage (Housing/Non-Housing) Loans

A constant monitoring through local teams based in each city and our dedicated asset monitoring team, which includes:

- monthly/ quarterly site visits to ascertain the progress of the project, the quality of the project and to estimate any potential cost overruns and delays;
- preparation of site visit reports, which include details illustrating the number of laborers on the site, slab costs and approval status, among others. Moreover, the reports contain the progress made in respect of each work stream over the course of each site visit;
- monthly performance reviews with regard to actual against budget covering parameters such as sales units, value and price, collections and various costs;
- computation of monthly cash cover to ensure adherence to stipulated cash cover, status of no-objection certificate issuances;
- monthly "early warning signal" meetings to highlight project performance, market trends, regulatory developments and action points for cases which require management's attention; and
- analysis of operating and financial parameters to understand business performance.

Regular collection of the loans happens through NACH/ECS mode. Instrument is presented on the respective due date of the loans. Account level bounce reports are published to stakeholders at regular intervals. Bounce cases are first handled by call center team and unresolved cases are allocated to field collection team.

We have a dedicated inhouse recovery team that manages the loan administration and collection of overdue cases. Once the account is allocated to collection staff, they visit and collect the overdue amount through online transfer via a payment gateway or cheque payment. Cases which remain uncollected for a longer period are closely monitored by managers and necessary legal action is initiated against the customer to recover the monies.

Asset Recovery and Non-Performing Loans

Once an account is classified as an NPA, in accordance with the RBI Master Directions, proceedings under the SARFAESI Act commence. The proceedings commence with the issuance of a notice to the borrower and/or the guarantor calling upon them to pay the demanded amount within 60 days. In the case of non-compliance, another notice is issued for taking over symbolic possession of the mortgaged property. Thereafter, applications seeking police assistance for taking physical possession of the mortgaged property are filed before the magistrates and collectors concerned.

We then obtain a valuation of the mortgaged property and fix the reserve price and put it up for auction. At times, the property is also sold through private arrangements after obtaining the consent of the borrower. Portions of the portfolio where the likelihood of repayment is remote are written off. Subsequent recoveries on these portions are recognized directly in our income statement but the asset itself is not regularized and remains written off.

In addition to initiating proceedings under the SARFAESI Act, in the event that EMI or principal repayment cheques issued by our customers are dishonored on account of insufficiency in funds, we initiate proceedings under the Negotiable Instruments Act, 1881 (the "**Negotiable Instruments Act**") or the Payment and Settlement Systems Act, 2007 ("**PSS Act**") for asset recovery and NPAs. Upon the receipt of the relevant information and documents such as the physical cheque and bouncing memo or dishonor of electronic funds transfer, proceedings under the Negotiable Instruments Act or PSS Act, as applicable, may be initiated by serving a notice demanding payment. If no payment is received within the stipulated period, a criminal complaint is filed before the competent court having jurisdiction to try the case. After the trial, if the accused person(s) are convicted, they are liable for imprisonment or fine or both.

We also initiate arbitration proceedings based on arbitration clauses in our loan agreements. Once the arbitrator accepts the request for appointment, he/she sends acceptance in writing to all the parties to the dispute and calls upon the claimant to file the statement of claim. We file our statement of claim before the arbitrator and if required, an application under the Arbitration and Conciliation Act, 1996 seeking appropriate interim reliefs. If the respondent(s) do not appear in the arbitration proceedings even after due service, they proceed on an ex parte basis. The proceedings are conducted in accordance with the procedure stipulated by law and by the arbitrator. After adjudication, ex parte or otherwise, an award is passed by the arbitrator.

As at September 30, 2023, our gross NPAs as a percentage of our consolidated Loan Book was 3.4% and our net NPAs as a percentage of our consolidated Loan Book was 1.9%. As at September 30, 2023, we have total ECL allowance on financial assets and loan commitments amounting to Rs.12,379.9 million, representing 2.3% of our consolidated Loan Book and 67.7% of our consolidated gross NPAs, which comprised Rs.7,744.7 million as provision for our consolidated NPAs and Rs.4,635.2 million as provision for our standard assets.

The following table is a summary of the risk classification of the Company's consolidated gross NPAs as per the NHB guidelines/RBI directions in relation to the Company and as per the RBI guidelines in relation to the Company's Subsidiaries (in absolute terms and as a percentage of its consolidated gross NPAs):

Non-Performing Assets

	As at March 31			
	2022		**2023**	
	Amount (in Rs. millions)	*% of total NPAs*	*Amount (in Rs. millions)*	*% of total NPAs*
Housing loans				
Substandard assets	7,343.6	31.7	5,792.3	30.2
Doubtful assets......................................	725.3	3.1	3,988.2	20.8
Total housing loans (A).......................	**8,068.9**	**34.8**	**9,780.5**	**51.0**
Non-housing loans				

	As at March 31			
	2022		2023	
	Amount (in Rs. millions)	*% of total NPAs*	*Amount (in Rs. millions)*	*% of total NPAs*
Substandard assets	14,800.0	63.8	4,818.4	25.1
Doubtful assets......................................	315.7	1.4	4,585.3	23.9
Total non-housing loans (B)	**15,115.7**	**65.2**	**9,403.9**	**49.0**
Total loan (A + B)................................	**23,184.6**	**100.0**	**19,184.4**	**100.0**

The following table sets forth details of the Company's consolidated non-performing loans and defaulting loans as at March 31, 2022 and 2023 and September 30, 2023:

Particulars	**Consolidated**		
	As at March 31		**As at September 30**
	2022	**2023**	**2023**
	(in Rs. millions, unless otherwise stated)		
Gross NPAs..	23,184.6	19,184.4	18,299.8
Loan Book[(1)]...	615,892.6	570,112.2	543,407.4
Gross NPAs as a percentage of Loan Book...	3.8%	3.4%	3.4%
Provision for NPAs	9,543.1	6,417.6	7,744.7
Provision for NPAs as a percentage of gross NPAs...	41.2%	33.5%	42.3%
Net NPAs	13,641.5	12,766.8	10,555.1
Net NPAs as a percentage of Loan Book	2.2%	2.2%	1.9%

Note:

1. Loan Book = Term Loans (Net of Assignment).

The following table sets forth details of the Company's standalone non-performing loans as at September 30, 2023:

Particulars	**Standalone**
	As at September 30, 2023
	(in Rs. millions)
Gross NPAs	15,868.1
Net NPAs[(1)]..	9,498.2

Note:

1. Net NPAs reflect the Company's gross NPAs less ECL provisions for NPAs.

Other Products and Businesses

In addition to our housing finance business, we undertake certain other limited business activities. These include management of alternate investment fund schemes through Indiabulls AIF, by our subsidiary, Indiabulls Investment Management Limited. See "*Our Business — Recent Developments*" on page 127 of this Letter of Offer. On May 10, 2021, we executed a Share Purchase Agreement (SPA) along with Indiabulls Asset Management Company Limited ("**IAMCL**") and Indiabulls Trustee Company Limited, Trustee of IAMCL ("**ITCL**") with Next Billion Technology Private Limited, part of Groww Group ("**Groww**"), to divest our entire stake in the mutual fund business being carried out by IAMCL & ITCL at an aggregate purchase consideration of Rs.1.8 billion (including cash and cash equivalents of Rs.1 billion, as on closing date). In September 2021, the Competition Commission of India gave its approval for this transaction. On December 9, 2022, SEBI has given its approval and no objection to Next Billion Technology Private Limited to act as sponsor of the Mutual Funds under SEBI (Mutual Funds) Regulations, 1996, as amended, and change in the controlling interest of IAMCL and ITCL. Further, the NCLT, Chandigarh bench has passed its formal order on September 13, 2022 approving the scheme of arrangement in respect of demerger of alternative investment fund and portfolio manager business from IAMCL to Indiabulls Investment Management Limited ("**IIML**"). Presently, the Company has received all necessary approvals and the transaction was concluded on May 3, 2023. Subsequent to the closing of the transaction on May 3, 2023, the Company does not have any control or shareholding in IAMCL and ITCL.

We actively seek to diversify our income sources and explore other business opportunities in the financial services sector in India or abroad.

Sales and Marketing

Our customer-oriented approach forms the basis of all our marketing activities and communications.

Our marketing strategy revolves around the following:

- position ourselves as one of the leading players in the affordable housing segment, offering housing loans at competitive rates;
- make our brand relevant to the right target audience (especially in the sub Rs.5.0 million home loan segment);
- ensure sustained visibility through print and digital media for both our customers and opinion makers; and
- strengthen relationships with builders through optimum presence in and around our pre-approved residential projects.

We have an in-house marketing and branding team which carries out various marketing and branding activities, implements our marketing strategy and ensures that our brand objectives are met with. Our core brand objectives include creating awareness, generating leads and increasing sales. We also engage third party agencies to support our marketing and branding team in achieving our objectives.

We adopt a comprehensive marketing approach across various media platforms to achieve sustained and strategic visibility and effective and efficient communication with our potential customers. Our communication channels include the following:

- above the line communication: We regularly advertise through national and vernacular dailies.
- below the line communication: We regularly conduct and/or participate in sponsored events.
- digital communication: Digital communication has been our key focus in recent times. The presence on search engine marketing, social media and select publisher sites has helped us leverage the branding and business opportunity on the internet and mobile platforms.

Our sales efforts primarily involve loans provided to customers purchasing homes in under-construction projects. We enter into tie-ups with real estate developers, pursuant to which we pre-approve their projects. Customers intending to purchase homes from pre-approved projects are catered to by our DST employees operating at these project sites. We also rely on DSAs, referrals and walk-ins across our network; events and exhibitions to increase sales and generate leads.

We also have a dedicated call-center to address enquiries generated from various mediums and also resolve customer queries.

Sources of Funding

For details of our sources of funding, please see "*Management's Discussion and Analysis of Financial Condition and Results of Operations – Significant Factors affecting our Results of Operations – Availability of cost-effective funding sources*" on page 618 of this Letter of Offer.

After disbursing loans, we often sell down parts of our portfolio through the securitization and/or direct sell-down or assignment of loan receivables to various banks and other financial institutions. Our assignment and securitization transactions are conducted on the basis of our internal estimates of funding requirements and may vary from time to time. The balance outstanding in the pool of loan assigned amounted to Rs.127,436.3 million on a consolidated basis as at March 31, 2023.

Liability Management

We believe we have a robust liability management programme that leads to stable borrowings at reasonable costs. We have lending relationships with Indian public-sector banks, private banks and others financial institutions.

Our borrowing is mainly in the form of term loans from banks, non-convertible debentures issued on a private placement basis, external commercial borrowings and portfolio sell-downs. We do not currently rely on short-term borrowings through commercial paper.

Risk and Asset-Liability Management

Our Board of Directors has formed a risk management committee and asset liability management committee to help prudently manage major risks within our Company.

The risk management committee is comprised of four members who are responsible for, among other things:

- approving the credit/ operation policy and its review/ modification from time to time;
- reviewing the applicable regulatory requirements;
- approving all the functional policies;
- placing an appropriate mechanism to cater to fraud while dealing with customers/approval of loans;
- periodically reviewing the profile of the high loan customers;
- reviewing branch audit reports;
- reviewing compliances of lapses;
- reviewing the implementation of Fair Practice Codes ("**FPCs**"), KYC and Prevention of Money Laundering Act, 2002 guidelines;
- defining loan sanctioning authorities, including process of vetting by credit committee, for various types/values of loans as specified in the credit policy approved by the Board of Directors;
- reviewing SARFAESI cases;
- recommending bad debt write off in terms of the policy, for approval to audit committee
- ensuring appropriate mechanisms to detect customer fraud and cyber security during the loan approval process; and

- any other matter involving risk to the asset/business of the Company.

The asset liability management committee is comprised of five members who are responsible for, among other things:

- reviewing our assets and liabilities position and managing liquidity risk;
- instructing the finance and treasury teams in the event of asset liability management mismatches beyond permissible limit as set out by the committee;
- managing interest risk, product pricing and launches of new products;
- periodically reviewing prime lending rates and recommending for changes for the Company's benchmark rates;
- approving of inter-corporate loans to subsidiaries/associate companies;
- measuring future cash flows as per the maturity profile in accordance with the matrix in the NHB guidelines as fix up tolerance level in different time buckets as prescribed in the guidelines;
- analyzing various risks, including liquidity risk, interest rate risk, investment risk and business risk;
- assessing opportunity costs and maintenance of liquidity;
- evaluating market risk involved in launching new products;
- deciding our transfer pricing policy; and
- approving and regularly reviewing our business plan and targets.

Our Board of Directors has constituted various other committees, namely the audit committee, the nomination and remuneration committee, the stakeholders relationship committee, the credit committee, the IT strategy committee, the securities issuance and investment committee, the identification committee, the internal complaint committee, the review committee, the customer services committee, the corporate social responsibility committee, the management committee, the committee for restructuring, reschedulement, and monitoring of asset quality, NPA and write-off, the regulatory measures oversight committee, the independent director committee, the ESG committee and the selection committee, which act in accordance with the terms of reference determined by the Board of Directors, as well as applicable corporate governance requirements under the SEBI Listing Regulations and the listing agreements executed with the Stock Exchanges. These committees comprise independent directors on our Board of Directors along with experienced members of our senior management team who have put in place preventive measures to mitigate various risks. We have a robust mechanism to ensure the ongoing review of systems, policies, processes and procedures to contain and mitigate risks that arise from time to time. The key principles we apply to address and mitigate interest rate risk, liquidity risk, credit risk and operational risk are summarized below.

Interest Rate Risk

We are in the business of lending. We borrow funds at floating and/or fixed rates of interest and currently extend credit at floating rates of interest, though we have in the past extended credit at fixed rates of interest. Our profitability is linked to interest rates. This exposes us to an interest rate risk. Consequently, exposure to interest rate fluctuations and increases needs to be managed in order to mitigate the risk.

As at September 30, 2023, a significant majority of our loan assets and borrowings were floating rate. Our business is impacted by a change in interest rates although the floating rate loans only gets re-priced on a periodic basis. Our balance sheet consists of Indian Rupee denominated assets and liabilities and U.S. dollar denominated liabilities. Consequently, movements in domestic as well as U.S. dollar interest rates constitute the primary source of interest rate risk.

This risk on the balance sheet is managed by the management team with the guidance of our asset liability management committee. The committee actively reviews our assets and liabilities position and gives directions to the finance and treasury teams in managing the same.

While we have entered into various swap arrangements to reduce our exposure to interest rate fluctuations, such arrangements may not sufficiently reduce our exposure to fluctuation in interest rates or adequately protect us against any unfavorable fluctuation in the interest rates.

For more information on our liquidity risk, see "*Risk Factors – Risks relating to Our Business – We are vulnerable to the volatility in interest rates and we may face interest rate and maturity mismatches between our assets and liabilities in the future which may cause liquidity issues*" on page 25 of this Letter of Offer.

Foreign exchange risk

Substantially all of our revenue and our expenditures are denominated in Indian Rupees. However, we undertake external commercial borrowings in U.S. dollars. As a result, fluctuations in the exchange rate between the U.S. dollar and Indian Rupees will affect our interest expenses, financial condition, cash flows and profitability. The Indian Rupees' exchange rate with the U.S. dollar and other currencies is affected by, among other things, changes in India's political and economic conditions. See also "*Risk Factors – Risks relating to Our Business – We are subject to risks arising from exchange rate fluctuations, which could materially and adversely affect our business and financial conditions*". Any significant revaluation of the Indian Rupees may materially and adversely affect our cash flows, revenue, earnings and financial position, and the value of any dividends payable in U.S. dollars.

While we have entered into various hedging arrangements to hedge our entire balance sheet risk on our foreign exchange exposure, such arrangements may not sufficiently reduce our exposure to fluctuation in interest rates or adequately protect us against any unfavorable fluctuations in exchange rates.

Liquidity Risk

We minimize liquidity risk arising due to non-availability of adequate funds at an appropriate cost by using a mix of strategies including asset securitization, assignment and a temporary asset liability gap. We seek to maintain adequate liquidity at all times. We strictly adhere to this liquidity principle and seek to always maintain between 15% and 20% of our on-balance sheet assets in the form of cash, investments and undrawn but committed cash credit limits.

We constantly monitor our liquidity under the guidance of the asset liability management committee and the investment committee. We classify our assets and liabilities as current and non-current based on their contracted maturities. However, our classification of assets and liabilities into various maturity profiles reflects various adjustments for prepayments and renewals in accordance with the guidelines issued by the NHB. We manage our balance sheet while drawing new debt and extending credit so as to minimize potential asset-liability mismatches. We do not deploy funds raised from short-term borrowing for long-term lending.

The following table sets out an analysis of the maturity profile of certain of our interest-bearing assets and interest-bearing liabilities across time buckets as at September 30, 2023, in accordance with the prudential norms of National Housing Bank:

Asset Liability Management Maturity pattern of certain items of Assets and Liabilities (As of September 30, 2023)(1) – Standalone

Particulars	1 day to 30/31 days (1 month)	Over one month to two months	Over 2 months to 3 months	Over 3 months to 6 months	Over 6 months to 1 year
			(in Rs. millions)		
Liabilities					
Borrowing from banks(2)	2,255.3	1,335.5	4,061.7	8,193.4	15,493.4
Market borrowings	1,239.1	6,485.0	1,474.7	22,782.9	25,267.0
Foreign Currency Liabilities	—	—	37.1	12.5	—
Assets					
Advances	14,584.6	8,598.9	5,846.0	20,653.9	39,650.5
Investments(3)	6,983.0	1,097.7	1,702.4	8,882.4	7,064.1
Foreign Currency Assets	—	—	—	—	—

Particulars	Over 1 to 3 years	Over 3 to 5 years	Over 5 years	Grand Total
		(in Rs. millions)		
Liabilities				
Borrowing from banks[2]	78,546.2	43,124.2	8,472.1	161,481.8
Market borrowings	85,137.2	102,493.8	31,099.2	275,978.8
Foreign Currency Liabilities	404.5	—	—	454.1
Assets				
Advances	188,153.3	136,251.8	87,238.5	500,977.5
Investments[3]	53,021.1	6,136.3	38,658.2	123,545.2
Foreign Currency Assets	3,212.4	—	—	3,212.4

Note:

1. In addition to the investments shown in the table above, the company also had cash, cash equivalents and bank balances of Rs.34,763.6 million as at September 30, 2023.
2. Net of lease liability recognized under Ind AS 116 in respect of leases (other than short-term leases) aggregating to Rs.2,848.2 million as at September 30, 2023.
3. Investments includes assets held for sale amounting to Rs.3,524.0 million and fixed deposit with bank amounting to Rs.6,056.1 million as at September 30, 2023.

Capital Adequacy

HFCs were required to maintain a minimum CRAR, computed in accordance with the RBI Master Directions, norm of 14% of the aggregate risk weighted assets and risk adjusted value of off-balance sheet items on or before March 31, 2021 and 15% of the aggregate risk weighted assets and risk adjusted value of off-balance sheet items on or before March 31, 2022, before declaring any dividends. In addition, the NHB also require HFCs to transfer a minimum of 20% of their annual profits to a reserve fund. The table below sets forth our standalone CRAR, computed in accordance with the applicable law as at September 30, 2023, March 31, 2023 and March 31, 2022:

	Standalone		
	For the Fiscal Year ended March 31,		**For the six months ended September 30,**
Particulars	**2022**	**2023**	**2023**
		(%)	
CRAR (%)[1]	22.5	23.0	26.0
CRAR – Tier I Capital (%)[2]	16.6	18.4	21.9
CRAR – Tier II Capital (%)[2]	5.9	4.6	4.1

Notes:

1. Computed in accordance with RBI Master Directions.

2. CRAR is defined as a capital ratio consisting of Tier I and Tier II Capital to its aggregated risk weighted assets (as per the the RBI Master Directions) and of risk adjusted value of off-balance sheet items.

Credit Risk

Credit risk is the risk of loss that may result from a borrower's or counterparty's failure to meet the contractual obligation of repaying debt as per the agreed terms. Credit risk is actively monitored and controlled by our Risk Management Committee. The committee reviews and updates the credit policy, which is strictly adhered to by our underwriting teams. We also employ advanced credit assessment procedures, which include verifying the identity and checking references of the prospective customer thoroughly at the lead generation stage. Our extensive local presence also enables us to maintain regular direct contact with our customers. The underwriting team works closely with our fraud control unit, which uses internal and external sources to identify all possible fraudulent loan applications.

The Risk Management Committee is comprised of four members, including members of our senior management team with significant experience in the industry. The Risk Management Committee meets multiple times during the year and actively monitors emergent risks to which we may be exposed. The Risk Management Committee has put in place enhanced control measures in an attempt to minimize these risks. We have also appointed a chief risk officer whose scope of domain includes assessment and mitigation of various types of risks including strategic risk, operational risk, compliance, market risk and legal risk.

Operational risk management

Operational risk is the risk of loss resulting from (i) inadequate or failed internal processes, (ii) people and systems, or (iii) external events. Operational risk is associated with human errors, system failures, and inadequate procedures and controls. Operational risk exists in any kind of products and business activities.

We have identified certain types of the operational risk events which are more likely to result in substantial losses to our business. These include (i) credit risk, (ii) technology risk, (iii) employee risk, (iv) regulatory risk, and (v) the risks arising from fraud and anti-money laundering transactions.

We have implemented strategies and methods to safeguard against these risks:

Technology risk

We have an in-house IT team, which ensures that the software and hardware systems are not only adequate but also continuously upgraded and safeguarded against any kind of technology related threats. The IT team is responsible for ensuring that the occurrence and frequency of IT downtimes is kept to a minimum. The team is also responsible for the accessibility of our IT system to authorized users and password management.

Employee risk

We have implemented a screening programme to conduct pre-employment background checks. Adequate and proper reference checks and screening of the prospective employee's credentials are conducted prior to recruitment.

Regulatory risk

We require our employees to follow a clear procedure to ensure that all the regulatory clearances are obtained for the underlying projects before providing any types of financial support to such projects. Any communication received by us, including legal notices, customer letters, banks communications, regulatory notices or orders are promptly recorded and forwarded to the relevant departments who are required to process such communication in a timely manner. This process is managed by our in-house regulatory compliance team.

Fraud and anti-money laundering transactions

At the time of appraisal of a loan or a business proposal, we review the underlying documents from KYC as well as money laundering and fraud prevention perspectives. Our fraud control unit also conducts spot checks on a random basis. We also ensure the preservation of records in compliance with the Prevention of Money Laundering Act of 2002.

Competition

We face competition in the lending business from domestic banks as well as other HFCs and NBFCs. For further details please refer to "*Industry Overview*".

Technology

Our Company has put in place processes that have revamped end-to-end customer journeys and has enabled our Company to deliver our products and services in the industry. Digital processes have been introduced for enabling customer profile identification, credit evaluation, collection efficiency and analysis, and customer retention, deploying digital and data analytics has helped us to respond to market expectations and gain a market-leading position across businesses.

Our Company has been focused on digital innovation and technology enhancement, in order to achieve our Company's vision of creating sustainable value for all the stakeholders. Our Company has been able to move-up the maturity stages, in terms of lifecycle, data and talent by trying to strike a healthy balance between digital innovation and stable availability of service to our customers.

Our Company has undertaken many initiatives including building of robust digital assisted applications, to enable our field force to source and disburse loans seamlessly and achieve significantly lower TAT. All our branches are connected through a virtual private network to central servers located at our Mumbai and Noida data centers. Data is processed and analyzed using various tools, enabling us to efficiently and cost-effectively manage our nationwide network of branches and appropriately monitor various risks.

Our Company is striving to achieve 100% automated and analytics-driven underwriting and bias-free credit decision making. We also have a built-in mechanism to detect and identify frauds, further assisted by digital onboarding solutions and online verification processes.

We have also introduced digital touch-free collection mechanism for our field force. Touch-free collections aim to provide minimal to no-contact interaction with the customers for the collection of dues. With this facility, customers can seamlessly make digital payments or visit nearest payment bank for the same. Additionally, the launch of UPI payments has amplified the customer experience alongside our collection efforts.

We continue to work towards protecting our customer information and ensuring data security for the sustainability of the business. Thus, safety protocols are updated on a regular basis and considerable efforts are made to adhere to top-notch customer privacy protection practices as well. The procedures adopted to protect software and databases, amongst other things, are as follows:

- Using world class storage appliances to store data in encrypted format.
- Real time back up and syncing of database to DR Site.
- All our applications and database, OS are regularly patched.
- Vulnerability Assessment testing conducted for each category of application prior to going live.
- We have also adopted several digitization tools and also implemented the integration of the customer lifecycle with several third-party applications such as CKYC, PAN, CIBIL, GSTN, payment gateway, eNACH, Hunter, Document management, ADF (Auto Data flow to NHB), Dedupe, Host to Host bank integration, CERSAI, etc. amongst other things.

Customer Service and Grievance Redressal Processes

We have implemented a grievance redressal policy and a well-defined structured system to resolve any issues faced by our customers in a just, fair and timely manner.

Customers can register their grievances through email, telephone or complaint books available at all our offices. Customer complaints are promptly recorded in a master database through our customer relationship management system. The relevant office where the complaint was lodged is primarily responsible for ensuring that the complaint is resolved to the customer's satisfaction. All escalations are further sent to the Head Office for guidance/resolution. All complaints are acknowledged within three working days from receipt and are endeavored to be resolved within 30 days of receipt.

We have also formed a customer services committee, comprising three members including Dinabandhu Mohapatra, Independent Director as its Chairman, which periodically reviews major areas of customer grievances and suggests appropriate measures to be taken to improve customer service. The committee also examines issues that have a bearing on the quality of customer service. We have obtained ISO 14001:2015 certification from TUV

NORD CERT GmbH and ISO 9001:2015 from TUV India Pvt. Ltd. in relation to our management system for lending operation processes and grievance redressal mechanism.

Insurance

We currently maintain insurance coverage against fire and special perils, burglary, cash in safe, cash in transit, electronic equipment machinery breakdown and damage to portable equipment at our branch offices located across the country. We also maintain a director's and officers' liability policy covering, among others, the directors, officers and employees of the Company and all its Subsidiaries ("**Directors and Officers**") against loss incurred by such Directors and Officers or on their behalf in respect of any claim against the Directors and Officers. The policy also covers costs incurred in availing the services of public relations firms in regard to any claim against our directors in their capacity as directors of another company, provided that such directorship was held at the request of the Company.

See "*Risk Factors – Risks relating to Our Business – Our insurance coverage may not be sufficient or may not adequately protect us against losses, and successful claims that exceed our insurance coverage could harm our results of operations and diminish our financial position*" on page 52 of this Letter of Offer.

Intellectual Property

Our Company conducts its operations under the "Indiabulls Housing Finance" brand name. "Indiabulls Housing Finance" (word) is a registered trademark valid until June 2027. Further, we have obtained registration for two more trademarks under class 36, namely "Indiabulls Home Loans" and "Indiabulls". Additionally, we have obtained a trademark registration of the logo "e-Home Loan" under class 36.

See "*Risk Factors – Risks relating to Our Business – We may be unable to protect our brand names and other intellectual property rights which are critical to our business*" on page 53 of this Letter of Offer.

Legal Proceedings

Other than as disclosed in the sections titled "*Outstanding Litigation and Defaults*" on page 637 and "*Risk Factors*" on page 21 of this Letter of Offer, we are party to various legal proceedings which arise primarily in the ordinary course of our operations.

Property

The majority of our operations are conducted on premises that we lease from third parties, including our Registered Office, Corporate Office, branch offices and service centers. Our Registered Office, which is located at 5th Floor, Building No. 27, KG Marg, Connaught Place, New Delhi – 110 001, has been leased to us pursuant to a leave and license agreement dated March 17, 2022. Our lease for the premises expires on March 31, 2031. Additionally, our leases for our branch offices and service centers are typically valid for a period of between 11 months and nine years, are renewable after the expiry of their terms and may be terminated by us with prior notice.

For further details, please refer to "*Risk Factors – Risks relating to Our Business - We may be unable to protect our brand names and other intellectual property rights which are critical to our business*"

Employees

As of September 30, 2023, we had a dedicated workforce of 4,956 employees. On a consolidated basis, as on September 30, 2023, our profits per employee were Rs.2.4 million (annualized) and our total assets per employee were Rs.147.1 million.

We focus on training our employees on an ongoing basis. We conduct regular training programs and workshops for our employees, and management and executive trainees generally undergo extensive training on the finance sector. The training programs are categorized into four groups, namely orientation, functional, behavioral and regulatory. In addition to on-the-job training, we provide employees courses in specific areas or specialized operations on an as-needed basis including in credit risk, credit underwriting behavioral workshops, know your customer and anti-money laundering.

For further discussion, please refer to "*Risk Factors – Risks relating to Our Business*".

Corporate Social Responsibility

We are firmly committed towards corporate social responsibility initiatives towards which we had provided for Rs.379.7 million on a consolidated basis for Fiscal Year 2023.

OUR MANAGEMENT

Board of Directors

The composition of the Board is in conformity with Section 149 of the Companies Act, 2013 and is governed by the Articles of Association of our Company, the Master Direction – Non-Banking Financial Company – Housing Finance Company (Reserve bank) Directions, 2021 and the Housing Finance Companies – Corporate Governance (NHB) Directions, 2016 ("**Corporate Governance Directions**") and the SEBI LODR Regulations. The Articles of Association of our Company provide that the number of directors shall not be less than three and not more than 15. At present, our Company has eight Directors on its Board, two of whom are Executive Directors, one is a Nominee Director, and five are Independent Directors.

Pursuant to the provisions of the Companies Act, at least two-third of the total number of Directors, excluding Independent Directors, are liable to retire by rotation, with one-third of such number retiring at each AGM. Additionally, in accordance with the Articles of Association of our Company, if the number of Directors retiring is not three or a multiple of three, then the nearest number to one-third are liable to retire by rotation. A retiring Director is eligible for reappointment. Further, as per the provisions of Companies Act, an Independent Director may be appointed for a maximum of two consecutive terms of up to five consecutive years each. However, the reappointment of an Independent Directors for a second consecutive term shall, amongst other things, be on the basis of the performance evaluation report and approved by the Shareholders by way of a special resolution.

The following table provides details regarding the Board of Directors as on the date of filing this Letter of Offer:

Name, address, designation, occupation, term, period of directorship, DIN and date of birth	Age (in years)	Other directorships
Subhash Sheoratan Mundra ***Address***: Flat 1902, 'B' Wing, Indiabulls Blu Ganpatrao Kadam Marg, Lower Parel, Mumbai – 400013, Maharashtra, India ***Designation:*** Non-Executive Chairman, Independent Director ***Occupation***: Retired banker ***Term:*** For a period of five years, with effect from August 18, 2021. Not liable to retire by rotation. ***Period of directorship:*** Director of the Company since August 18, 2018. ***DIN***: 00979731 ***Date of birth:*** July 18, 1954	69	• Airtel Payments Bank Limited • Ayana Renewable Power Private Limited • DSP Asset Managers Private Limited • Havells India Limited • Yashraj Biotechnology Limited
Gagan Banga ***Address***: D-3201, 3202, Floor-29, Plot-131/132, Indiabulls Blu, Tower – D, Ganpatrao Kadam Marg, Opposite to Shree Ram Mills, Worli, Mumbai – 400013, Maharashtra, India ***Designation:*** Vice Chairman, Managing Director and CEO ***Occupation***: Professional ***Term:*** Period of five years with effect from March 19, 2023. Liable to retire by rotation. ***Period of directorship:*** Director of the Company since its incorporation i.e. May 10, 2005.	48	• GSB Advisory Services Private Limited

Name, address, designation, occupation, term, period of directorship, DIN and date of birth	Age (in years)	Other directorships
DIN: 00010894 ***Date of birth:*** August 22, 1975		
Rajiv Gupta ***Address***: A2402, Omkar 1973, Off A. B. Road, Near Durdarshan, Worli, Mumbai – 400030, Maharashtra, India ***Designation:*** Nominee Director ***Occupation****:* Retired Professional ***Term****:* From July 28, 2023, till nomination is withdrawn by Life Insurance Corporation of India. Not liable to retire by rotation. ***Period of directorship:*** Director of the Company since July 28, 2023. ***DIN***: 08532421 ***Date of birth:*** November 14, 1963	60	-
Sachin Chaudhary ***Address***: Flat No. 702, 7th Floor, Tower – Basil, The Verandas, Sector – 54, Gurugram - 122001, Haryana, India ***Designation:*** Executive Director, Chief Operating Officer ***Occupation****:* Professional ***Term****:* Period of five years with effect from October 21, 2021. Liable to retire by rotation. ***Period of directorship:*** Director of the Company since October 21, 2016. ***DIN***: 02016992 ***Date of birth:*** October 16, 1973	50	• Indiabulls Capital Services Limited • Nilgiri Investmart Services Limited *(formerly known as Nilgiri Financial Consultants Limited)*
Satish Chand Mathur ***Address***: Plot No. 212- 213, Yashodhan, Flat No. 10, 2nd Floor, Dinshaw Wachha Road, Opp. Cricket Club of India, Churchgate, Mumbai - 400020, Maharashtra, India ***Designation:*** Independent Director ***Occupation****:* Retired IPS Officer ***Term****:* Period of three years, with effect from March 8, 2022. Not liable to retire by rotation. ***Period of directorship:*** Director of the Company since March 8, 2019. ***DIN***: 03641285 ***Date of birth:*** June 5, 1958	65	• Indiabulls Commercial Credit Limited • JM Financial Asset Reconstruction Company Limited • JM Financial Credit Solutions Limited • Tilaknagar Industries Limited • Ring Plus Aqua Limited • Kesar Petroproducts Limited • Greenline Mobility Solutions Limited

Name, address, designation, occupation, term, period of directorship, DIN and date of birth	Age (in years)	Other directorships
Achuthan Siddharth ***Address***: Flat no. 5203, Island City Centre, Two ICC, G D Ambedkar Marg, Dadar East, Mumbai – 400 014, Maharashtra, India ***Designation:*** Independent Director ***Occupation**:* Professional ***Term**:* Term of five years with effect from July 3, 2023. Not liable to retire by rotation. ***Period of directorship:*** Director of the Company since July 3, 2020. ***DIN***: 00016278 ***Date of birth:*** May 16, 1953	70	• Reliance Industrial Infrastructure Limited • Alok Industries Limited • Reliance Ethane Pipeline Limited • Strand Life Sciences Private Limited • Sintex Industries Limited • Jio Payments Bank Limited • JM Financial Asset Management Limited • JM Financial Products Limited • DEN Networks Limited
Dinabandhu Mohapatra ***Address***: Goudabad Sahi P.O. Puri Town, Puri – 752 001, Odisha, India ***Designation:*** Additional Director (Independent) ***Occupation**:* Former managing director and chief executive officer of Bank of India ***Term**:* For a period of three years, with effect from November 23, 2023. Not liable to retire by rotation. ***Period of directorship:*** Director of the Company since November 23, 2020. ***DIN***: 07488705 ***Date of birth:*** June 12, 1959	64	• Regaal Resources Limited • Indiabulls Commercial Credit Limited
Shefali Shah ***Address***: D-I/33 Rabindra Nagar, Lodi Road, South Delhi, Delhi-110003 ***Designation:*** Additional Director (Independent) ***Occupation**:* Retired Indian Revenue Services (“IRS”) (Income Tax) officer ***Term**:* For a period of three years, with effect from November 14, 2023. Not liable to retire by rotation. ***Period of directorship:*** Director of the Company since November 14, 2023. ***DIN***: 09731801 ***Date of birth:*** August 30, 1960	63	• Go Digit Life Insurance Limited • TP Central Odisha Distribution Limited • TP Northern Odisha Distribution Limited • Raigad Pen Growth Centre Limited • Tata Power Delhi Distribution Limited

Note:

1. Dinabandhu Mohapatra was appointed as an Additional Director (Independent) on the Board of the Company and is yet to be regularised.
2. Shefali Shah was appointed as an Additional Director (Independent) on the Board of the Company and is yet to be regularised.

Brief profiles of Subhash Sheoratan Mundra, Non-executive Chairman, Independent Director and Gagan Banga is the Vice Chairman, Managing Director and Chief Executive Officer ("CEO") is as follows:

Subhash Sheoratan Mundra, our Non-executive Chairman and Independent Director, has been a director of our Company since August 18, 2018. Prior to joining us, he was a banker and had also served as the Deputy Governor of the RBI, and has held several positions across functions with various banks.

Gagan Banga is the Vice Chairman, Managing Director and CEO of our Company. He has been a director of our Company since incorporation i.e. May 10, 2005. He had initially joined as the marketing head of our Company. Prior to joining our Company, he was an executive director and CEO on the board of directors of Indiabulls Financial Services Limited.

Confirmations

None of our Directors is or was a director of any listed company during the five years preceding the date of filing of this Letter of Offer, whose equity shares have been or were suspended from being traded on any stock exchange, during the term of their directorship in such company.

None of our Directors is or was a director of any listed company which has been or was delisted from any stock exchange, during the term of their directorship in such company, in the last ten years immediately preceding the date of filing of this Letter of Offer.

Details of Key Managerial Personnel

The details of our Key Managerial Personnel other than Gagan Banga and Sachin Chaudhary who are Whole-time Directors of our Company, as on the date of this Letter of Offer, are set out below:

S. No.	Name of KMP	Designation	Date of joining our Company
1.	Mukesh Kumar Garg*	Chief Financial Officer	April 2, 2008
2.	Amit Kumar Jain#	Company Secretary and Compliance Officer	April 17, 2004

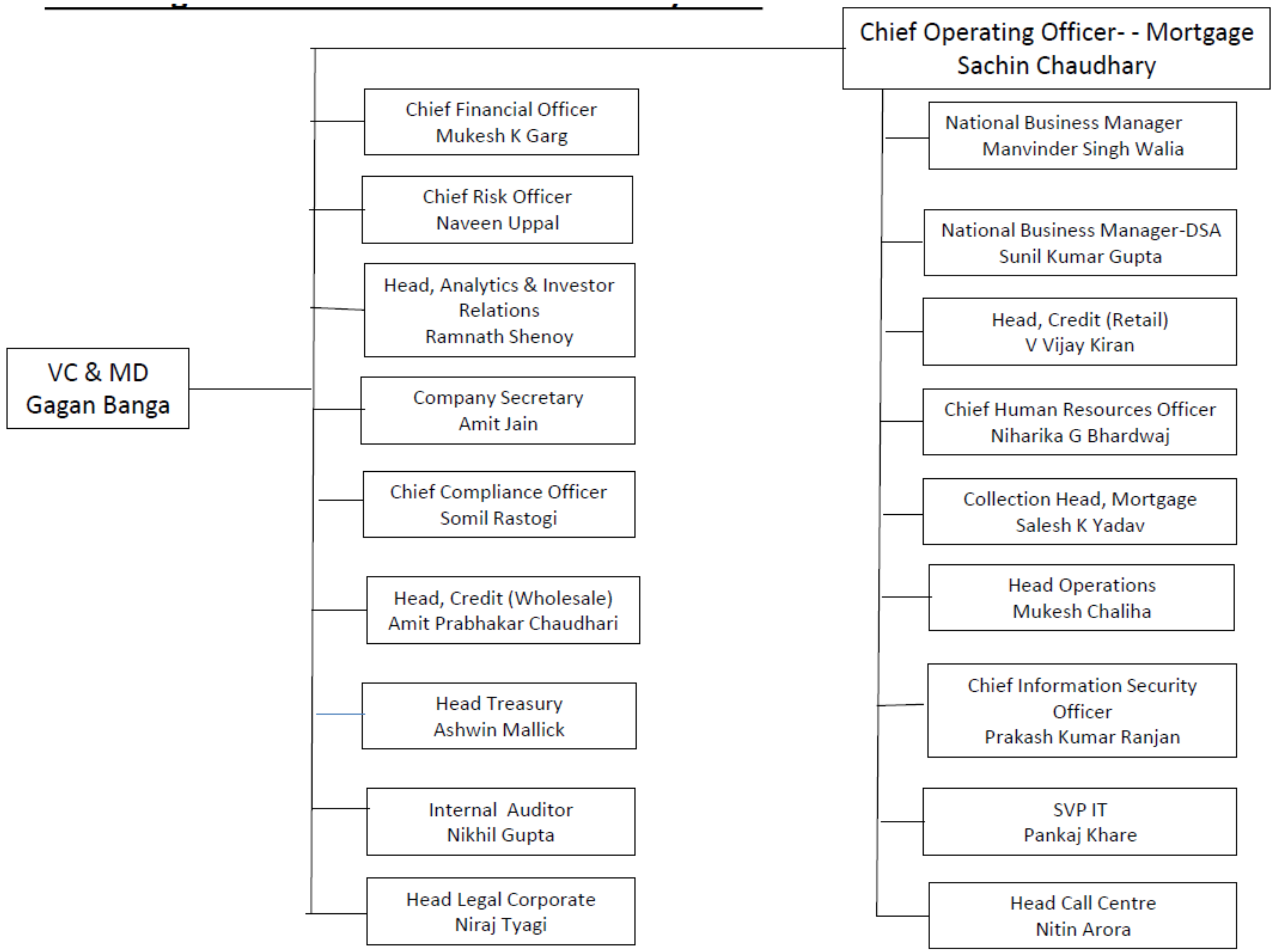
**Mukesh Kumar Garg was appointed as Chief Financial Officer with effect from April 23, 2014.*
#Amit Kumar Jain was appointed as Company Secretary with effect from March 19, 2013.

Details of Senior Management

The details of our Senior Management other than the Company Secretary and Compliance Officer and Chief Financial Officer, as on the date of this Letter of Offer, are set out below:

S. No.	Name of SMP	Designation	Date of joining our Company
1.	Ashwin Mallick	Head - Treasury	July 2, 2012
2.	Amit Prabhakar Chaudhari	Head, Credit (Wholesale)	September 2, 2013
3.	Manvinder Singh Walia	National Business Manager	July 21, 2006
4.	Ramnath Shenoy	Head, Analytics & Investor Relations	May 7, 2007
5.	Somil Rastogi	Chief Compliance Officer	May 22, 2007
6.	Salesh K Yadav	Collection Head, Mortgage	February 1, 2011
7.	Niharika Bhardwaj	Chief Human Resources Officer	October 14, 2016
8.	Naveen Uppal	Chief Risk Officer	June 25, 2007
9.	Mukesh Chaliha	Head Operations	June 14, 2021
10.	Prakash Kumar Ranjan	Chief Information Security Officer	April 3, 2023
11.	Nikhil Gupta	Internal Auditor	October 6, 2016
12.	Sunil Kumar Gupta	National Business Manager-DSA	December 1, 2022
13.	V Vijay Kiran	Head, Credit (Retail)	June 15, 2010
14.	Pankaj Khare	Senior Vice President	April 18, 2022
15.	Nitin Arora	Head-Contact Centre	May 22, 2018

ORGANISATIONAL STRUCTURE



SELECTED STATISTICAL INFORMATION

The following information should be read together with our financial statements included in this Offering Circular and the sections titled "Business" and "Risk Factors" to the extent that our financial information and financial condition are discussed in those sections. Unless the context otherwise requires, (i) all financial information provided as at or for fiscal year 2022 has been derived from the comparatives presented in the audited consolidated financial statements as at and for fiscal year 2023; and (iv) all financial information provided as at or for the six months ended September 30, 2022 has been derived from the comparatives presented in the unaudited interim condensed consolidated financial statements as at and for the six months ended September 30, 2023.

The average balance sheet numbers for the fiscal years ended March 31, 2023 and 2022 are based on the average of the opening and closing balances outstanding during those years. The sub-sections titled "–Average Balance Sheet", "– Yields, Spreads and Margins", "– Return on Equity and Assets", "– Cost of Funds", and "– Borrowings" in this section should be read accordingly.

Average Balance Sheet

The table below presents the average balances for income-earning assets and interest-bearing liabilities together with the related income and expense amounts, resulting in the presentation of the average yields and cost for each year indicated. The average balance is the average of opening and closing balances outstanding for the year. The average yield on average income-earning assets is the ratio of income on income earning assets to average income-earning assets for the year. The average cost on average interest-bearing liabilities is the ratio of finance cost to average interest-bearing liabilities for the year. The average balances of loans include NPAs and are net of provision for credit losses.

Consolidated

	As at and for the Fiscal Years ended March 31,						As at and for the Six Months ended September 30,		
	2022			2023			2023		
	(in Rs. millions, unless otherwise stated)								
	Average balance	**Income/ Expense**	**Average yield/cost**	**Average balance**	**Income/ Expense**	**Average yield/cost**	**Average balance**	**Income/ Expense**	**Average yield/cost**
Income-earning assets:									
Advances	606,429.8	82,283.7	13.6%	553,950.4	79,499.1	14.4%	514,677.8	35,027.6	13.6%
Investments	57,306.0	4,968.8	8.7%	53,054.1	4,618.9	8.7%	51,916.5	4,838.0	18.6%
Others	65,694.5	1,771.5	2.7%	40,594.4	1,495.9	3.7%	24,840.3	817.9	6.6%
Total income-earning assets:	**729,430.2**	**89,024.0**	**12.2%**	**647,598.9**	**85,613.9**	**13.2%**	**591,434.6**	**40,683.5**	**13.8%**
Non-income earning assets:									
Fixed assets	1,071.1			1,006.0			1,112.4		
Other assets	145,554.7			135,987.9			146,719.2		
Total assets:	**876,056.0**			**784,592.8**			**739,266.1**		
Interest-bearing liabilities:									
Borrowings	650,824.0	62,416.2	9.6%	568,814.2	56,364.9	9.9%	504,119.9	27,036.7	10.7%
Total interest-bearing liabilities	**650,824.0**	**62,416.2**	**9.6%**	**568,814.2**	**56,364.9**	**9.9%**	**504,119.9**	**27,036.7**	**10.7%**
Non-interest-bearing liabilities									
Equity	164,039.6			170,176.6			178,947.7		
Other liabilities	61,192.4			45,602.1			56,198.5		
Total non-interest-bearing liabilities	**225,232.0**			**215,778.7**			**235,146.2**		
Total liabilities	**876,056.0**			**784,592.8**			**739,266.1**		

Yields, Spreads and Margins

The following table sets forth the yields, spreads and interest margins on the Group's interest-earning assets for the periods indicated.

Particulars	Consolidated		
	As at and for the Fiscal Years ended March 31,		For the Six Months ended September 30,
	2022	2023	2023
Interest income and net gain on derecognition of financial instruments under amortized cost category	87,291.5	81,488.9	35,953.1
Finance costs	62,416.2	56,364.9	27,036.7
Average income-earning assets	729,430.2	647,598.9	591,434.6
Average interest-bearing liabilities[(1)]	650,824.0	568,814.2	504,119.9
Average total assets[(2)]	876,056.0	784,592.8	739,266.1
Average income-earning assets as a percentage of average total assets	83.3%	82.5%	80.0%
Average interest-bearing liabilities as a percentage of average total assets	74.3%	72.5%	68.2%
Average income-earning assets as a percentage of average interest-bearing liabilities	112.1%	113.9%	117.3%
Yield[(3)]	12.2%	13.2%	13.8%[(8)]
Cost of funds[(4)]	9.6%	9.9%	10.7%[(8)]
Spread[(5)]	2.6%	3.3%	3.0%[(8)]
Dividend payout ratio[(6)]	0.0%	5.2%	0.0%[(8)]
Cost to average assets[(7)]	1.3%	1.8%	1.7%[(8)]

Notes:

1. Average interest-bearing liabilities = (opening balance of total debt + closing balance of total debt)/2.
2. Average total assets = (opening balance of total assets + closing balance of total assets)/2.
3. Yield refers to revenue from income bearing assets for the period divided by average income bearing assets.
4. Cost of funds refers to finance costs for the period divided by average interest-bearing liabilities. Average interest rate during the period provided here is the mathematical ratio of finance costs on borrowings during the period to the average balances of total debt. Apart from pure interest expense, the numerator includes other expenses such as securitization expenses, mark to market losses on derivatives etc., processing fees and other fees paid by the Company and interest on lease liability. As a result, the calculated average interest rate is seen higher. Further, the denominator is a straight line average and is not a true borrowing average for the period. As a result of these factors, the calculated average interest rate is seen higher than the actual average interest rate.
5. Spread refers to difference between yield and cost of funds.
6. Dividend payout ratio refers to ratio of total dividend to profits after tax and before minority interest.
7. Cost to average assets ratio refers to the ratio of total expenses, before finance costs, expenditure on corporate social responsibility and donation to average total assets.

Annualized.

Return on Net Worth and Assets

The following table present certain selected financial ratios for the periods indicated.

Particulars	Consolidated		
	As at and for the Fiscal Years ended March 31,		For the Six Months ended September 30,
	2022	2023	2023
Average total assets[1]	876,056.0	784,592.8	739,266.1
Average Net Worth	163,461.3	169,598.3	178,369.4
Profit before tax	15,557.7	16,038.5	8,177.9
Profit for the year/period attributable to shareholders of the Company	11,777.4	11,296.9	5,923.7
Return on Net Worth[2]	7.2%	6.7%	6.6%[5]
Return on average asset (before tax)[3]	1.8%	2.0%	2.2%[5]
Return on average asset (after tax)[4]	1.3%	1.4%	1.6%[5]
Average shareholders' equity as a percentage of average total assets	18.7%	21.6%	24.1%

Notes:

1. Average total assets = (opening balance of total assets + closing balance of total assets)/2.
2. Return on Net Worth is calculated by dividing the profit for the year/period attributable to shareholders of the Company by average Net Worth.
3. Return on average asset (before tax) is calculated by dividing the profit before tax for the year/period by the average total assets for the year/period.
4. Return on average asset (after tax) is calculated by dividing the profit for the year/period attributable to shareholders of the Company by the average total assets for the year/period.
5. Annualized.

Investment Portfolio

The following table sets forth, as at the dates indicated, certain information related to our investments.

Particulars	Consolidated		
	As at March 31,		As at September 30,
	2022	2023	2023
		(in Rs. millions)	
Investments in Government Securities	5,086.5	—	—
Investment in Equity Instruments	21.4	—	—
Investments in Mutual Funds and Debt Funds	43,517.9	43,274.3	44,648.5

Particulars	Consolidated		
	As at March 31,		As at September 30,
	2022	2023	2023
		(in Rs. millions)	
....			
Investment in Debt Securities and Commercial papers	6,830.4	10,428.0	13,151.6
Total	55,456.2	53,702.3	57,800.1

Borrowings

The following table sets forth, for the periods indicated, information related to our borrowings, which are primarily comprised of loans from banks and non-convertible debentures.

Particulars	Consolidated		
	As at/For the Fiscal Years ended March 31,		As at/For the Six Months ended September 30,
	2022	2023	2023
Total Debt[(1)]	613,593.6	524,034.7	484,205.1
Average outstanding balance of total debt[(2)]	650,824.0	568,814.2	504,119.9
Finance costs..	62,416.2	56,364.9	27,036.7
Average interest rate during the period[(3)]....	9.6%	9.9%	10.7%

Notes:

1. Total Debt = Debt Securities + Borrowings (other than debt securities) + Subordinated Liabilities.
2. Average outstanding balance of total debt = (opening balance of total debt + closing balance of total debt)/2.
3. Average interest rate during the period represents the ratio of finance costs during the period to the average balances of total debt.

Subordinated Debt

We obtain funds from the issuances of non-convertible subordinated debt securities, which qualify as Tier II capital under the NHB guidelines for assessing capital adequacy. As at September 30, 2023, our outstanding subordinated debt on a consolidated basis aggregated to Rs 41,068.9 million (after taking EIR impact of Rs.492.2 million as per IND AS).

The following table sets forth information with respect to subordinated debt issued by us as at the dates set forth below.

ISIN No.	Amount	Start Date	Maturity Date	Terms of Redemption
	(Rs. Million)			
INE894F08087	1,100.3	June 5, 2012	June 5, 2027	At Par
INE894F08103	1,000.0	June 28, 2012	June 28, 2027	At Par
INE894F08111	496.5	June 30, 2012	June 30, 2027	At Par
INE894F08137	326.0	November 15, 2012	November 15, 2027	At Par
INE148I08157	50.0	October 24, 2013	October 24, 2023	At Par
INE148I08165	200.0	December 23, 2013	December 23, 2023	At Par
INE148I08173	100.0	July 17, 2014	July 17, 2024	At Par
INE148I08181	50.0	March 17, 2015	March 17, 2025	At Par
INE148I08199	81.5	July 21, 2015	July 21, 2025	At Par
INE148I08207	1,650.0	August 3, 2015	August 3, 2025	At Par
INE148I08215	6,097.0	June 29, 2016	June 29, 2026	At Par
INE148I08231	24.2	September 26, 2016	September 26, 2026	At Par
INE148I08249	1.5	September 26, 2016	September 26, 2026	At Par
INE148I08256	1,953.5	September 26, 2016	September 26, 2026	At Par
INE148I08272	9.5	September 26, 2016	September 26, 2026	At Premium
INE148I08280	1,000.0	September 8, 2017	September 6, 2024	At Par
INE148I08298	9,000.0	September 8, 2017	September 8, 2027	At Par
INE148I08306	15,000.0	March 27, 2018	March 27, 2028	At Par
INE148I08322	28.8	September 24, 2021	December 24, 2028	At Par
INE148I08330	0.0	September 24, 2021	December 24, 2028	At Par
INE148I08348	42.4	September 24, 2021	December 24, 2028	At Par
INE244L08018	600.0	November 8, 2017	November 8, 2027	At Par
INE244L08026	400.0	November 30, 2017	November 30, 2027	At Par
INE244L08034	300.0	January 5, 2018	January 5, 2028	At Par
INE244L08042	1,000.0	March 28, 2018	March 28, 2028	At Par
INE244L08059	1,000.0	May 2, 2018	May 2, 2028	At Par
INE244L08042	50.0	May 2, 2019	March 28, 2028	At Par
Total	**41,561.1**			

Perpetual Debt

We obtain funds from the issuance of non-convertible perpetual debt securities, which qualify as Tier II capital under the NHB guidelines for assessing capital adequacy. As at September 30, 2023, our outstanding 10.6% non-convertible subordinated perpetual debentures amounted to Rs.1,000.0 million.

ISIN No.	Amount	Start Date	Maturity Date	Terms of Redemption
	(Rs. Million)			
INE894F08095	1,000.0	June 28, 2012	Perpetual	Perpetual(1)

Note:

1. Call option exercisable at the end of 10 years from date of allotment (exercisable with the permission of the regulator).

Loan Portfolio

As at September 30, 2023, March 31, 2023 and 2022, our consolidated Loan Book was Rs.543,407.4 million, Rs.570,112.2 million and Rs.615,892.6 million, respectively. As at September 30, 2023, March 31, 2023 and 2022, substantially all of our loans under our Loan Book were to borrowers in India and were denominated in Indian Rupees.

The following table sets forth, for the periods indicated, our Loan Book classified by loan types.

Classification of Loans and Advances	Consolidated					
	As at March 31,				As at September 30,	
	2022		2023		2023	
	Loans	% of total Loan Book	Loans	% of total Loan Book	Loans	% of total Loan Book
Secured Loans	584,810.2	95.0%	543,050.7	95.3%	522,022.9	96.1%
Unsecured Loans	31,082.4	5.0%	27,061.5	4.7%	21,384.5	3.9
Total	**615,892.6**	**100.0%**	**570,112.2**	**100.0%**	**543,407.4**	**100.0%**

Concentration of Products

The following table sets forth, as at the dates indicated, our fund-based loans outstanding (including accrued interest thereon) categorized by product type in accordance with the prudential norms of National Housing Bank.

Concentration of Products	Standalone		
	As at March 31,		As at September 30.
	2022	2023	2023
Housing loans	316,059.1	269,963.6	236,031.4
Non-housing loans	191,512.7	206,624.0	220,568.1
Total	**507,571.8**	**476,587.6**	**456,599.4**

Non-Performing Assets

As at September 30, 2023, our gross NPAs as a percentage of our consolidated Loan Book was 3.4% and our net NPAs as a percentage of our consolidated Loan Book was 1.9%. As of September 30, 2023, we have ECL allowance amounting on financial assets and loan commitments to Rs.12,379.9 million on a consolidated basis which is equivalent to 2.3% of our Loan Book and 67.7% of our gross NPAs.

The following table sets forth, for the periods indicated, information about our NPA portfolio.

Particulars	Consolidated		
	As at and for the Fiscal Years ended March 31,		As at and for the Six Months ended September 30,
	2022	2023	2023
Opening balance at the beginning of the year	21,467.4	23,184.6	19,184.4
Increase/(decrease) in NPAs during the year/period	1,717.2	(4,000.2)	(884.6)
Gross NPAs at the end of the year/period	23,184.6	19,184.4	18,299.8
Provision for NPAs	9,543.1	6,417.6	7,744.7
Provision for NPAs as a percentage of gross NPAs	41.16%	33.45%	42.32%
Net NPAs[(1)]	13,641.5	12,766.8	10,555.1
Loan Book (including interest accrued)	615,892.6	570,112.2	543,407.4
Net loans	593,326.5	542,764.1	510,736.6
Gross NPAs as a percentage of Loan Book	3.8%	3.4%	3.4%
Net NPAs as a percentage of Loan Book	2.2%	2.2%	1.9%
Net gearing ratio (in times)[(2)]	2.9	2.5	2.1

Notes:

1. Net NPAs reflect the Group's gross NPAs less provisions for ECL on NPAs.
2. Net gearing ratio refers to borrowings, including temporary overdrawn balances less investment valued at fair value through profit or loss account and cash and cash equivalents (as per balance sheet) at the end of the period divided by the net worth (without netting off goodwill) at the end of the period.

Recognition of Non-Performing Assets

The following table is a summary of the risk classification of the Company's consolidated gross NPAs as per the NHB guidelines/RBI directions in relation to the Company and as per the RBI guidelines in relation to the Company's Subsidiaries (in absolute terms and as a percentage of its consolidated gross NPAs):

Non-Performing Assets

	As at March 31			
	2022		2023	
	Amount (in Rs. millions)	*% of total NPAs*	*Amount (in Rs. millions)*	*% of total NPAs*
Housing loans				
Substandard assets	7,343.6	31.7	5,792.3	30.2
Doubtful assets	725.3	3.1	3,988.2	20.8
Total housing loans (A)	**8,068.9**	**34.8**	**9,780.5**	**51.0**

	As at March 31			
	2022		2023	
	Amount (in Rs. millions)	*% of total NPAs*	*Amount (in Rs. millions)*	*% of total NPAs*
Non-housing loans				
Substandard assets	14,800.0	63.8	4,818.4	25.1
Doubtful assets.....................................	315.7	1.4	4,585.3	23.9
Total non-housing loans (B)	**15,115.7**	**65.2**	**9,403.7**	**49.0**
Total loan (A + B)................................	**23,184.6**	**100.0**	**19,184.2**	**100.0**

The following table sets forth details of the Company's standalone non-performing loans as at September 30, 2023:

Particulars	**Standalone**
	As at September 30, 2023
	(in Rs. millions)
Gross NPAs	15,868.1
Net NPAs[1]	9,498.2

Note:

1. Net NPAs reflect the Company's gross NPAs less ECL provisions for NPAs.

Non-Accrual Policy

When an asset is classified as NPA, interest accrual thereon is stopped and the unrealized interest is reversed by a debit to the Company's statement of profit and loss. In accordance with the NHB guidelines, interest realized on NPAs may be credited as income, provided that the interest does not relate to additional credit facilities sanctioned to the borrower. The NHB has also stipulated that in the absence of a clear agreement with the borrower for the purpose of appropriating recoveries in NPAs (i.e. towards principal or interest due), Housing Finance Companies should adopt an accounting principle and exercise the right of appropriation of recoveries in a uniform and consistent manner. In the case of NPAs where recoveries are effected, the Company's policy is to appropriate the same against interest. If any of a borrower's loans are classified as an NPA, all loans to such borrower are classified as NPAs.

NPA Strategy

The Company relies on the SARFAESI Act to enforce security charged to it in the case of defaulting borrowers as well as undertaking appropriate portfolio intervention such as the sale of non-performing loans to specialized asset reconstruction companies. Under the RBI's Resolution Frameworks 1.0 and 2.0, which allows one-time restructuring of assets under stress due to the COVID-19 pandemic, we have restructured loans amounting to Rs.361.7 million as at September 30, 2023. As of September 30, 2023, we have total ECL allowance on financial assets and loan commitments amounting to Rs.12,379.9 million on a consolidated basis which is equivalent to 2.3% of our consolidated Loan Book and 67.7% of our consolidated gross NPAs. The ECL allowance also includes provision for increased risk of deterioration of our loan portfolio on account of macroeconomic factors caused by the COVID-19 pandemic.

Capital Adequacy

The following table summarizes certain key financial data and ratios as at and for fiscal years ended March 31, 2023 and 2022 and as at and for the six months ended September 30, 2023.

Particulars	**Consolidated (unless specified otherwise)**		
	As at and for the Fiscal Years ended March 31,		**As at and for the Six Months ended September 30,**
	2022	**2023**	**2023**
CRAR (%)[1] (on a standalone basis)	22.5%	23.0%	26.0%
CRAR – Tier I capital (%)[1] (on a standalone basis)	16.6%	18.4%	21.9%
CRAR – Tier II Capital (%)[1] (on a standalone basis)	5.9%	4.6%	4.1%
Total Debt[2]	613,593.6	524,034.7	484,205.1
Cash and cash equivalents...........................	79,860.4	36,976.4	50,241.4
Net worth[3]	166,162.3	173,034.2	183,704.6
Investments	55,456.2	53,702.3	57,800.0
Debt to equity ratio (in times)[4]	3.2	2.8	2.4

Notes:

1. Computed in accordance with the Regulations.
2. Total Debt = Debt Securities + Borrowings (other than Debt Securities) + Subordinated liabilities.
3. Net worth = Equity share capital + Other equity – Goodwill.
4. Debt to equity ratio refers to total debt less cash and cash equivalents at the end of the period divided by the net worth at the end of the period.

Funding Sources

We strive to maintain diverse sources of funds in order to reduce our costs of funding, to maintain adequate interest margins and to achieve liquidity goals. The following table sets out our sources of funding as at September 30, 2023, March 31, 2023 and 2022.

Source of Funding	**Consolidated**		
			As at September 30,
	2022	**2023**	**2023**
	(Amount in Rs. Million)		
Debt Securities...	236,653.4	188,370.7	160,775.1
Borrowings (other than Debt Securities).....	330,679.9	291,694.6	281,361.1
Subordinated liabilities	46,260.3	43,969.4	42,068.9
Total Debt...	**613,593.6**	**524,034.7**	**484,205.1**

We also sell down parts of our portfolio through the securitization or direct assignment of loan receivables to various banks and other financial institutions, which is another source of liquidity for us. As at September 30, 2023, our consolidated borrowings (i.e. the sum of debt securities, borrowings (other than debt securities) and subordinated liabilities) were through banks and financial institutions (57.5%), issuances of non-convertible debentures and other debt instruments, including perpetual and subordinated debt (41.9%) and lease liability (0.6%).

Cost of Funds

The table below sets forth the amount and cost of funds.

Funding Source	Consolidated		
	For the Fiscal Years ended March 31,		For the Six Months ended September 30,
	2022	2023	2023
Banks & financial institutions	328,699.9	288,638.7	278,452.2
Capital Markets	282,913.7	232,340.1	202,844.1
Others-Lease liability	1,980.0	3,055.9	2,908.8
Total / Weighted Average Cost	**613,593.6**	**524,034.7**	**484,205.1**
Cost of funds[1]	9.6%	9.9%	10.7%

Note:

1. Cost of funds refers to finance costs for the period divided by average interest-bearing liabilities. Average interest rate during the period provided here is the mathematical ratio of finance costs on borrowings during the period to the average balances of total debt. Apart from pure interest expense, the numerator includes other expenses such as securitization expenses, mark to market losses on derivatives etc., processing fees and other fees paid by the Company and interest on lease liability. As a result, the calculated average interest rate is seen higher. Further, the denominator is a straight line average and is not a true borrowing average for the period. As a result of these factors, the calculated average interest rate is seen higher than the actual average interest rate.

Asset Liability Management Maturity pattern of certain items of Assets and Liabilities (As of September 30, 2023)[1] – Standalone

Particulars	1 day to 30/31 days (1 month)	Over one month to two months	Over 2 months to 3 months	Over 3 months to 6 months	Over 6 months to 1 year
			(in Rs. millions)		
Liabilities					
Borrowing from banks[2]	2,255.3	1,335.5	4,061.7	8,193.4	15,493.4
Market borrowings	1,239.1	6,485.0	1,474.7	22,782.9	25,267.0
Foreign Currency Liabilities	—	—	37.1	12.5	—
Assets					
Advances	14,584.6	8,598.9	5,846.0	20,653.9	39,650.5

Particulars	1 day to 30/31 days (1 month)	Over one month to two months	Over 2 months to 3 months	Over 3 months to 6 months	Over 6 months to 1 year
			(in Rs. millions)		
Investments(3)	6,983.0	1,097.7	1,702.4	8,882.4	7,064.1
Foreign Currency Assets	—	—	—	—	—

Particulars	Over 1 to 3 years	Over 3 to 5 years	Over 5 years	Grand Total
		(in Rs. millions)		
Liabilities				
Borrowing from banks(2)	78,546.2	43,124.2	8,472.1	161,481.8
Market borrowings	85,137.2	102,493.8	31,099.2	275,978.8
Foreign Currency Liabilities	404.5	—	—	454.1
Assets				
Advances	188,153.3	136,251.8	87,238.5	500,977.5
Investments(3)	53,021.1	6,136.3	38,658.2	123,545.2
Foreign Currency Assets	3,212.4	—	—	3,212.4

Note:

1. In addition to the investments shown in the table above, the company also had cash, cash equivalents and bank balances of Rs.34,763.6 million as at September 30, 2023.
2. Net of lease liability recognized under Ind AS 116 in respect of leases (other than short-term leases) aggregating to Rs.2,848.2 million as at September 30, 2023.
3. Investments includes assets held for sale amounting to Rs.3,524.0 million and fixed deposit with bank amounting to Rs.6,056.1 million as at September 30, 2023.

Non-GAAP Reconciliation

Net Worth, Loan Book, Financial Assets (excluding cash and cash equivalents and investment, Non-financial Assets (excluding property, plant and equipment and other intangible assets), Financial Liabilities (excluding debt securities, borrowing (other than debt securities and subordinated liabilities), Interest Cost, Interest Coverage Ratio, Total Debt to Total Assets and Bad Debt to Loan Assets (together, "**Non-GAAP Financial Measures**"), presented in this Letter of Offer are supplemental measures of our performance and liquidity that is not required by, or presented in accordance with, Ind AS, Indian GAAP, IFRS or US GAAP. Further, these Non-GAAP Financial Measures are not a measurement of our financial performance or liquidity under Ind AS, Indian GAAP, IFRS or US GAAP and should not be considered in isolation or construed as an alternative to cash flows, profit/(loss) for the years/period or any other measure of financial performance or as an indicator of our operating performance, liquidity, profitability or cash flows generated by operating, investing or financing activities derived in accordance with Ind AS, Indian GAAP, IFRS or US GAAP. In addition, these Non-GAAP Financial Measures are not standardised terms, hence a direct comparison of these Non-GAAP Financial Measures between companies may not be possible. Other companies in the financial services industry may calculate these Non-GAAP Financial Measures differently from us, limiting its usefulness as a comparative measure. Although such Non-GAAP Financial Measures are not a measure of performance calculated in accordance with applicable accounting standards, our Company's management believes that they are useful to an investor in evaluating us as they are widely used measures to evaluate a company's operating performance.

Below are the reconciliations of certain Non-GAAP Financial Measures on a consolidated basis as at September 30, 2023, March 31, 2023 and March 31, 2022, for the six months ended September 30, 2023 and for the years ended March 31, 2023 and 2022:

Net Worth

	As at March 31, 2022	As at March 31, 2023	As at September 30, 2023
	(Rs. in millions, unless otherwise stated)		
Equity Share capital (I)	891.1	897.2	942.3
Other Equity (II)	165,849.5	172,715.3	183,340.6
Less: Goodwill on consolidation (III)	578.3	578.3	578.3
Net worth (I+II-III)	**166,162.3**	**173,034.2**	**183,704.6**

Loan Book

	As at March 31, 2022	As at March 31, 2023	As at September 30, 2023
	(Rs. in millions, unless otherwise stated)		
Loans			
Total Term Loans (Net Assignment)	615,892.6	570,112.2	543,407.4
Loan Book	**615,892.6**	**570,112.2**	**543,407.4**

Financial Assets (excluding cash and cash equivalents and investments)

	As at March 31, 2022	As at March 31, 2023	As at September 30, 2023
	(Rs. in millions, unless otherwise stated)		
Bank balance other than Cash and cash equivalents	16,668.1	15,345.9	14,840.5
Derivative financial instruments	1,491.2	1,663.2	454.1
Receivables			
(i) Trade Receivables	92.6	284.2	196.2
Loans	599,501.9	558,313.0	531,061.3
Other financial assets	10,342.7	29,982.7	38,804.7
Financial assets held for sale	—	1,032.8	—
Financial Assets (excluding Cash and cash equivalents and Investments)	**628,096.5**	**606,621.8**	**585,356.8**

Non-financial Assets (excluding property, plant and equipment and other intangible assets)

	As at March 31, 2022	2023	As at September 30, 2023
	(Rs. in millions, unless otherwise stated)		
Current tax assets (net)	11,618.3	14,217.2	15,719.2
Deferred tax assets (net)	5,555.5	4,363.3	2,322.4
Investment Property	—	—	331.1
Goodwill on consolidation	578.3	578.3	578.3
Right-of-use assets	1,739.9	2,688.0	2,483.1
Other Non-Financial Assets	6,059.8	5,842.3	5,137.1
Assets Held for Sale	29,815.5	23,401.4	7,944.8
Non-financial assets held for sale	—	2.2	—
Non-financial Assets (excluding property, plant and equipment and other intangible assets)	**55,367.3**	**51,092.7**	**34,516.0**

Financial Liabilities (excluding debt securities, borrowings (other than debt securities) and subordinated liabilities)

	As at March 31, 2022	2023	As at September 30, 2023
	(Rs. in millions, unless otherwise stated)		
Derivative financial instruments	1,227.1	148.2	276.4
Payables			
(i) total outstanding dues of micro enterprises and small enterprises	—	—	—
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises	6.6	35.3	52.0
Other financial liabilities	28,802.2	47,057.5	55,203.9
Financial liabilities in respect of assets held for sale	—	0.7	—
Financial Liabilities (excluding Debt Securities, Borrowings (other than Debt Securities) and Subordinated Liabilities)	**30,035.9**	**47,241.7**	**55,532.3**

Interest Cost

	As at March 31, 2022	2023	As at September 30, 2023
	(Rs. in millions, unless otherwise stated)		
Debt Securities	22,505.7	17,750.8	7,950.1
Borrowings (Other than Debt Securities)*	30,553.1	30,780.1	15,459.1

	As at March 31, 2022	2023	As at September 30, 2023
	(Rs. in millions, unless otherwise stated)		
Subordinated Liabilities	4,189.3	4,037.9	1,880.5
Interest Cost	**57,248.1**	**52,568.8**	**25,289.7**

***Includes premium on principal only swaps on foreign currency loans amounting to Rs.197.8 million for the six months ended September 30, 2023, Rs. 889.1 million for Fiscal Year 2023 and Rs. 630.6 million for Fiscal Year 2022.*

Interest Coverage Ratios

	As at March 31, 2022	2023	As at September 30, 2023
	(Rs. in millions, unless otherwise stated)		
Profit before tax (I)..........................	15,557.7	16,038.5	8,177.9
Non cash expenses			
Depreciation, amortization and impairment......................................	773.7	855.7	414.5
Impairment on financial instruments......................................	4,637.2	6,660.0	1,968.4
Bad debt recovery............................	6,751.3	5,958.5	5,465.5
Non cash expenses (II)....................	12,162.2	13,474.2	7,848.5
Interest cost[(1)] (III)...........................	57,248.1	52,568.8	25,289.7
Total (IV)=(I)+(II)+(III)	84,968.0	82,081.5	41,316.0
Interest Coverage Ratio (IV)/(III)	**148.4%**	**156.1%**	**163.4%**

Note:

1. Interest cost = debt securities + borrowings (other than debt securities) + subordinated liabilities.

Total Debts to Total Assets

	As at March 31, 2022	2023	As at September 30, 2023
	(Rs. in millions, unless otherwise stated)		
Debt Securities (I)	236,653.4	188,370.7	160,775.1
Borrowings (Other than Debt Securities) (II)...................................	330,679.9	291,694.6	281,361.1
Subordinated Liabilities (III)............	46,260.3	43,969.4	42,068.9
Total Debts (IV)=(I)+(II)+(III).........	613,593.6	524,034.7	484,205.1
Total Assets (V).................................	819,733.2	749,452.4	729,079.8
Total Debts to Total Assets (IV)/(V)	**74.9%**	**69.9%**	**66.4%**

Bad Debts to Loan Assets

	As at March 31, 2022	2023	As at September 30, 2023
	(Rs. in millions, unless otherwise stated)		
Bad Debt/advances written off/Bad Debt Recovery (I)............................	(560.0)	(1,544.4)	(1,793.8)
Bad Debt Recovery (II)...................	6,751.3	5,958.5	5,465.5
Bad Debts (III)=(I)+(II)	6,191.3	4,414.1	3,671.7
Loans (IV)..	599,501.9	558,313.0	531,061.3
Bad Debts to Loan Assets (III)/(IV)	**1.0%**	**0.8%**	**0.7%**

SECTION V: FINANCIAL INFORMATION

FINANCIAL STATEMENTS

S. N. Dhawan & CO LLP
Chartered Accountants
51-52, Sector-18, Phase IV
Udyog Vihar, Gurugram
Haryana- 122016

Arora & Choudhary Associates
Chartered Accountants
8/28, Second Floor, WEA,
Abdul Aziz Road, Karol Bagh,
New Delhi - 110005

Independent Auditors' review report on the Unaudited Standalone Financial Results of Indiabulls Housing Finance Limited ("the Company") for the quarter and half year ended 30 September 2023 pursuant to the Regulation 33 and Regulation 52 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended.

To
The Board of Directors
Indiabulls Housing Finance Limited

Introduction

1. We have reviewed the accompanying Statement of Unaudited Standalone Financial Results of Indiabulls Housing Finance Limited ("the Company") for the quarter and half year ended September 30, 2023 ("the Statement") attached herewith, being submitted by the Company pursuant to the requirements of Regulation 33 and Regulation 52 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (the "Listing Regulations").

2. This Statement, which is the responsibility of the Company's Management and approved by the Company's Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34 (Ind AS 34) "Interim Financial Reporting" prescribed under Section 133 of the Companies Act, 2013 as amended, read with relevant rules issued thereunder, the circulars, guidelines and directions issued by the Reserve Bank of India from time to time ("RBI Guidelines") and other accounting principles generally accepted in India and in accordance with Regulation 33 and Regulation 52 of the Listing Regulations. Our responsibility is to express a conclusion on the Statement based on our review.

Scope of review

3. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by the Institute of Chartered Accountants of India. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

4. Based on our review conducted and procedures performed as stated in paragraph 3 above, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with recognition and measurement principles laid down in the aforesaid Indian Accounting Standards ("Ind AS") specified under Section 133 of the Companies Act, 2013, as amended, read with relevant rules issued thereunder and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of the Listing Regulations, including the manner in which it is to be disclosed, or that it contains any material misstatement or that it has not been prepared in accordance with the relevant prudential norms issued by Reserve Bank of India in respect of income recognition, asset classification, provisioning and other related matters.

Emphasis of matter

5. We draw attention to note no. 13 to the accompanying Statement which states that the Company has applied to the RBI for change of its Certification of Registration to Non-Banking Financial Company–Investment and Credit Company (NBFC-ICC) consequent to the Company not meeting the Principal Business Criteria for Housing Finance Companies as laid out in para 5.3 of the Master Direction – Non Banking Financial Company – Housing Finance Company ("NBFC-HFC") (Reserve Bank) Directions, 2021 ("Master Directions") and is awaiting approval from RBI for the conversion.

For S.N. Dhawan & CO LLP
Chartered Accountants
Firm's Registration No.: 000050N/ N500045

Rahul Singhal
Partner
Membership No.: 096570
UDIN:

Place: Gurugram
Date: November 14, 2023

For Arora & Choudhary Associates
Chartered Accountants
Firm's Registration No. 003870N

Vijay Kumar Choudhary
Partner
Membership No.: 081843
UDIN: 23081843BGSOIR4084

Place: New Delhi
Date: November 14, 2023

Indiabulls Housing Finance Limited
(CIN: L65922DL2005PLC136029)
Standalone Financial Results
for the quarter and six months ended September 30, 2023

(Rupees in Crores)

Statement of Standalone Results for the quarter and six months ended September 30, 2023

	Particulars	Quarter ended			Six Months ended		Year ended
		30.09.23	30.06.23	30.09.22	30.09.23	30.09.22	31.03.23
		(Reviewed)	(Reviewed)	(Reviewed)	(Reviewed)	(Reviewed)	(Audited)
1	**Revenue from operations**						
	(i) Interest Income	1,492.62	1,644.62	1,699.21	3,137.24	3,379.86	6,563.09
	(ii) Dividend Income	49.56	54.52	24.78	104.08	24.78	204.43
	(iii) Fees and commission Income	22.29	12.00	16.61	34.29	34.34	81.78
	(iv) Net gain on fair value changes	283.69	39.72	21.18	323.41	37.35	91.74
	(v) Net gain on derecognition of financial instruments under amortised cost category	19.29	15.45	34.99	34.74	65.83	422.72
	Total Revenue from operations	**1,867.45**	**1,766.31**	**1,796.77**	**3,633.76**	**3,542.16**	**7,363.76**
2	Other Income	17.61	17.78	4.07	35.39	9.28	17.02
3	**Total Income (1+2)**	**1,885.06**	**1,784.09**	**1,800.84**	**3,669.15**	**3,551.44**	**7,380.78**
4	**Expenses**						
	Finance Costs	1,223.30	1,236.69	1,265.97	2,459.99	2,640.51	5,131.09
	Impairment on financial instruments (net of recoveries)	133.81	33.80	55.40	167.61	97.41	385.15
	Employee Benefits Expenses	138.91	155.91	128.33	294.82	196.48	477.29
	Depreciation and amortization	21.24	17.89	21.82	39.13	39.08	82.65
	Other expenses	34.95	36.02	36.14	70.97	82.42	198.79
	Total expenses	**1,552.21**	**1,480.31**	**1,507.66**	**3,032.52**	**3,055.90**	**6,274.97**
5	**Profit before tax (3-4)**	**332.85**	**303.78**	**293.18**	**636.63**	**495.54**	**1,105.81**

	Particulars	Quarter ended			Six Months ended		Year ended
		30.09.23	30.06.23	30.09.22	30.09.23	30.09.22	31.03.23
		(Reviewed)	(Reviewed)	(Reviewed)	(Reviewed)	(Reviewed)	(Audited)
6	**Tax expense**						
	Current tax Expense / (Credit)	(1.66)	1.66	-	-	-	-
	Deferred Tax Charge	86.88	61.17	70.92	148.05	122.00	286.64
	Total Tax Expense	**85.22**	**62.83**	**70.92**	**148.05**	**122.00**	**286.64**
7	**Profit for the Period / Year (5-6)**	**247.63**	**240.95**	**222.26**	**488.58**	**373.54**	**819.17**
8	Other comprehensive income						
	A (i) Items that will not be reclassified to statement of profit or loss						
	(a) Remeasurement gain / (loss) on defined benefit plan	1.99	0.03	(5.50)	2.02	(2.01)	(1.08)
	(b) (Loss) / Gain on equity instrument designated at FVOCI	46.20	(1.06)	0.95	45.14	0.95	2.89
	(ii) Income tax impact on A above	(11.07)	0.23	1.16	(10.84)	2.48	1.80
	B (i) Items that will be reclassified to statement of profit or loss						
	(a) Effective portion of cash flow hedges	320.46	(128.90)	(98.12)	191.56	235.79	9.11
	(ii) Income tax impact on B above	(80.66)	32.45	24.70	(48.21)	(59.34)	(2.29)
	Total Other comprehensive (loss) / Income (net of tax)	276.92	(97.25)	(76.81)	179.67	177.87	10.43
9	Total comprehensive income / (loss) (after tax) (7+8)	524.55	143.70	145.45	668.25	551.41	829.60
10	Paid-up Equity Share Capital	95.91	94.32	94.32	95.91	94.32	94.32
11	Other Equity						15,934.61
12	Earnings per Share (EPS)						
	**(EPS for the quarters and six months are not annualised)*						
	-Basic (Amount in Rs.)	5.24	5.11	4.71	10.35	7.93	17.38
	-Diluted (Amount in Rs.)	5.16	5.09	4.68	10.25	7.90	17.28
	-Face Value (Amount in Rs.)	2.00	2.00	2.00	2.00	2.00	2.00

Notes to the Financial Results:

1 The standalone financial results have been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34 – Interim Financial Reporting, notified under Section 133 of the Companies Act, 2013 read with Companies (Indian Accounting Standards) Rules 2015, as amended from time to time, and other accounting principles generally accepted in India and in compliance with Regulation 33 and Regulation 52 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended from time to time.

2 The standalone financial results of Indiabulls Housing Finance Limited ('IBHFL', 'the Company') for the quarter and six months ended September 30, 2023 have been reviewed by the Audit Committee on November 14, 2023 and subsequently approved at the meeting of the Board of Directors held on November 14, 2023. The standalone financial results have been subjected to a limited review by the Joint Statutory Auditors of the Company.

3 Net gain on derecognition of financial instruments under amortised cost category comprises net gain on direct assignment of loans and net gain on derecognition of non-convertible debentures issued by the Company.

4 **Standalone Statement of Assets and Liabilities:**

Particulars	(Rupees in Crores)	
	As at 30.09.23 (Reviewed)	As at 31.03.23 (Audited)
ASSETS		
(1) Financial Assets		
(a) Cash and cash equivalents	3,476.36	2,837.83
(b) Bank Balances other than (a) above	1,344.78	1,401.70
(c) Derivative financial instruments	45.41	166.32
(d) Receivables		
(I) Trade Receivables	5.49	1.19
(e) Loans	44,622.99	47,658.76
(f) Investments	10,051.72	9,913.00
(g) Other Financial assets	3,503.60	2,875.89
Sub-total - Financial Assets	**63,050.35**	**64,854.69**

Standalone Statement of Assets and Liabilities (Continued):	(Rupees in Crores)	
Particulars	As at 30.09.23 (Reviewed)	As at 31.03.23 (Audited)
(2) Non-financial Assets		
(a) Current tax assets (Net)	1,374.34	1,234.99
(b) Deferred tax Assets (Net)	218.70	425.80
(c) Property, Plant and Equipment	88.00	75.80
(d) Right-of-use assets	242.73	261.56
(e) Other Intangible assets	24.98	27.87
(f) Other non-financial assets	477.76	560.27
(g) Assets Held for Sale	352.40	700.08
Sub-total - Non-financial Assets	**2,778.91**	**3,286.37**
Total Assets	**65,829.26**	**68,141.06**
LIABILITIES AND EQUITY		
LIABILITIES		
(1) Financial Liabilities		
(a) Derivative financial instruments	27.64	14.82
(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	5.04	3.48
(c) Debt Securities	15,193.13	17,833.88
(d) Borrowings (Other than Debt Securities)	24,360.15	25,572.95
(e) Subordinated Liabilities	3,876.01	4,066.28
(f) Other financial liabilities	5,273.74	4,273.64
Sub-total - Financial Liabilities	**48,735.71**	**51,765.05**
(2) Non-Financial Liabilities		
(a) Current tax liabilities (Net)	0.02	0.02
(b) Provisions	71.23	71.67
(c) Other non-financial liabilities	285.38	275.39
Sub-total - Non-Financial Liabilities	**356.63**	**347.08**
(3) EQUITY		
(a) Equity Share capital	95.91	94.32
(b) Other Equity	16,641.01	15,934.61
Sub-total - Equity	**16,736.92**	**16,028.93**
Total Liabilities and Equity	**65,829.26**	**68,141.06**

5	Standalone Cash Flow Statement	(Rupees in Crores)		
		For the Period from April 1, 2023 to September 30, 2023	For the Period from April 1, 2022 to September 30, 2022	Year ended March 31, 2023
		(Reviewed)	(Reviewed)	(Audited)
	Cash flows from operating activities :			
	Profit before tax	636.63	495.54	1,105.81
	Adjustments to reconcile profit before tax to net cash flows:			
	Employee Stock Compensation Adjustment	12.72	(45.71)	(1.53)
	Provision for Gratuity, Compensated Absences and Superannuation Expense	1.93	1.32	(56.59)
	(Profit) / Loss on Lease termination	(0.11)	(0.35)	(0.89)
	Other Provisions	-	-	0.15
	Impairment on financial instruments	475.86	148.72	902.12
	Interest Income	(3,137.24)	(3,379.86)	(6,563.09)
	Dividend Income	(104.08)	-	(204.43)
	Interest Expense	2,338.65	2,525.22	4,898.18
	Depreciation and Amortisation of PPE and ROU assets	39.13	39.08	82.65
	Guarantee Income	(5.45)	(5.44)	(10.87)
	Lease Interest	(0.66)	-	(0.31)
	Profit on sale of Property, plant and equipment	(0.68)	(2.49)	(3.06)
	Unrealised loss on Investments	38.42	3.96	78.92
	Operating Loss before working capital changes	**295.12**	**(220.01)**	**227.06**
	Working Capital Changes			
	Trade Receivables, Other Financial and non Financial Assets	642.73	21.47	(737.03)
	Loans	2,343.56	2,065.84	1,423.37
	Trade Payables, other financial and non Financial Liabilities	918.71	(13.46)	888.09
	Net Cash from operations	**4,200.12**	**1,853.84**	**1,801.49**
	Interest received on loans	2,412.78	3,001.80	5,798.10
	Interest paid on borrowings	(3,077.02)	(2,982.64)	(5,424.11)
	Income taxes paid (Net)	(139.35)	(188.49)	(408.57)
	Net cash from operating activities	**3,396.53**	**1,684.51**	**1,766.91**
	Cash flows from investing activities :			
	Purchase of Property, plant and equipment and other intangible assets	(25.89)	(22.25)	(48.33)
	Sale of Property, plant and equipment	1.23	4.08	5.57
	Decrease / (Increase) in Capital Advances	0.09	1.72	2.72
	Dividend Income	104.08	-	204.43
	Proceeds from deposit accounts	56.91	11.57	243.27
	Interest received on Investments	177.97	261.74	333.09
	Proceeds from / (Investments in) Subsidiary / Associate / Other Investments	215.82	516.89	1,842.12
	Net cash from investing activities	**530.21**	**773.75**	**2,582.87**

Standalone Cash Flow Statement (Continued)	(Rupees in Crores)		
	For the Period from April 1, 2023 to September 30, 2023	For the Period from April 1, 2022 to September 30, 2022	Year ended March 31, 2023
	(Reviewed)	(Reviewed)	(Audited)
Cash flows from financing activities :			
Proceeds from Issue of Equity Share through ESOPs (Including Securities Premium)	86.95	-	-
Distribution of Equity Dividends	(58.96)	(0.28)	(0.63)
Repayment from / (Loan to) Subsidiary Companies (Net)	779.49	106.00	491.00
Repayment of terms loans (Net)	(1,203.72)	(2,718.51)	(3,210.41)
Repayment of Secured Redeemable Non-Convertible Debentures (Net)	(2,676.57)	(4,415.96)	(5,728.26)
Repayment of Subordinated Debt	(195.00)	(15.00)	(241.10)
Payment of Lease liabilities	(29.40)	(28.56)	(57.45)
Repayment of Working capital loans (Net)	9.00	184.00	(371.00)
Net cash used in financing activities	**(3,288.21)**	**(6,888.31)**	**(9,117.85)**
Net Increase / (Decrease) in cash and cash equivalents (A+B+C)	**638.53**	**(4,430.05)**	**(4,768.07)**
Cash and cash equivalents at the beginning of the year	2,837.83	7,605.90	7,605.90
Cash and cash equivalents at the end of the year (D + E)	**3,476.36**	**3,175.85**	**2,837.83**

6 Disclosures pursuant to RBI Notification - RBI/2020-21/16 DOR.No.BP.BC/3/21.04.048/2020-21 dated 6 August 2020 and RBI/2021- 22/31/DOR.STR.REC.11 /21.04.048/2021-22 dated 5 May 2021

Type of borrower	(Rupees in Crores)				
	Exposure to accounts classified as Standard consequent to implementation of resolution plan – Position as at the end of the previous half-year (A)@	Of (A), aggregate debt that slipped into NPA during the half-year	Of (A) amount written off during the half-year	Of (A) amount paid by the borrowers during the half-year	Exposure to accounts classified as Standard consequent to implementation of resolution plan – Position as at the end of this half-year#
Personal Loans	27.76	0.65	-	9.37	17.74
Corporate persons*	**5.30**	**-**	**-**	**5.17**	**0.13**
Of which, MSMEs	4.31	-	-	4.18	0.13
Others	0.99	-	-	0.99	-
Total	**33.06**	**0.65**	**-**	**14.53**	**17.87**

**As defined in Section 3(7) of the Insolvency and Bankruptcy Code, 2016*

 # Includes restructured loans which were "substandard" in previous half-year but upgraded during the half-year ended 30 September 2023

@ Includes restructuring done in respect of resolution invoked till March 31, 2023 and processed subsequently

7 **Disclosures pursuant to RBI Notification - RBI/DOR/2021-22/86 DOR.STR.REC 51/21.04.048/2021-22 dated 24 September 2021**

(a) Details of transfer through assignment in respect of loans not in default during the three months ended 30 September 2023

Entity	Assignment
Count of Loan accounts Assigned	2897
Amount of Loan accounts Assigned (Rs. In Crores)	811.47
Retention of beneficial economic interest (MRR)	154.84
Weighted Average Maturity (Residual Maturity in months)	211.89
Weighted Average Holding Period [in months]	3.83
Coverage of tangible security coverage	1.00
Rating-wise distribution of rated loans	Unrated

(b) Details of stressed loans transferred during the three months ended 30 September 2023*

Number of accounts	42
Aggregate principal outstanding of loans transferred (Rs. in crore)	22.46
Weighted average residual tenor of the loans transferred (in months)	343.40
Net book value of loans transferred (at the time of transfer) (Rs. in crore)	10.95
Aggregate consideration (Rs. in crore)	14.60
Additional consideration realised in respect of accounts transferred in earlier years	-
Excess provisions reversed to the Profit and Loss Account on account of sale	-

*Apart from above, the Company has assigned 250 written off loans to ARCs for a purchase consideration of ₹ 53.90 Crores during the three months ended September 30, 2023.

(c) The Company has not acquired any stressed loan during the three months ended 30 September 2023.

(d) Details on recovery ratings assigned for Security Receipts as on September 30, 2023:

Recovery Rating	**Anticipated recovery as per recovery rating**	**Amount (Rs. In crores)**
RR1+	150% and above	2.25
RR1	100% - 150%	466.69
RR2	75% - 100%	46.48
Unrated	100% - 150%	355.09
Total		**870.51**

8 There are no material deviations, if any, in the use of proceeds of issue of non convertible debt securities from the objects stated in the offer document.

9 The secured non-convertible debentures issued by the Company are fully secured by pari passu charge against Immovable Property / Other Financial Assets and pool of Current and Future Loan Receivables of the Company, Including Investments to the extent as stated in the Information Memorandum/Offering Documents/Prospectus. Further, the Company has maintained security cover as stated in the Information Memorandum/Offering Documents/Prospectus.

10 During the current quarter, upon exercise of Stock options by the eligible employees, the Company had issued an aggregate of 79,34,267 (Seventy Nine Lacs Thirty Four Thousand Two Hundred Sixty Seven) Equity shares of face value Rs. 2/- each. Consequent to the said allotment, the paid-up Equity share capital of the Company further stands increased from Rs. 943,193,260/- divided into 471,596,630 Equity shares of face value Rs. 2/- each to Rs. 959,061,794/- divided into 479,530,897 Equity shares of face value Rs. 2/- each.

11 The Reserve Bank of India, under Scale Based Regulations (SBR) has categorised the Company in Upper Layer (NBFC-UL) vide its circular dated September 30, 2022. The Company's Board approved its policy/ implementation plan for adhering to Scale Based Regulatory framework as per the prescribed timeline, and has communicated the same to both the RBI and the NHB.

12 The Company is mainly engaged in the housing finance and mortgage-backed lending business, and all other activities revolve around this main business of the Company. Further, all activities are conducted within India and as such there is no separate reportable segment, as per the Ind AS 108 - "Operating Segments" specified under Section 133 of the Act.

13 The Company has applied to the RBI for change of its Certification of Registration to Non-Banking Financial Company–Investment and Credit Company [NBFC-ICC] consequent to the Company not meeting the Principal Business Criteria for Housing Finance Companies as laid out in para 5.3 of the Master Direction – Non Banking Financial Company – Housing Finance Company (“NBFC-HFC”) (Reserve Bank) Directions, 2021 (“Master Directions”) and RBI had granted time to the Company till September 30, 2023 for conversion into NBFC - ICC. The Company has applied to RBI for the coversion into NBFC-ICC and is awaiting approval from RBI on the above conversion. The Company has been advised by the National Housing Bank [NHB] to continue compliance with the Master Directions and other circulars issued by RBI as applicable to HFCs, and the Supervisory circulars issued by NHB till the time conversion is approved by RBI

14 During the current quarter, the Securities Issuance and Investment Committee of the Board of Directors of the Company vide resolution dated July 27, 2023 approved and allotted 1,013,259 NCDs of face value of ₹1,000 each, aggregating to ₹1,013,259,000 on public issue basis.

15 During the current quarter, the Securities Issuance and Investment Committee of the Board of Directors of the Company vide resolution dated September 26, 2023 approved and allotted 1,131,783 NCDs of face value of ₹1,000 each, aggregating to ₹1,131,783,000 on public issue basis.

16 During the current quarter, on September 21, 2023, Indiabulls Holdings Limited, a wholly owned subsidiary of the Company, was declared defunct by the Ministry of Corporate Affairs.

17 The Board of Directors of the Company at their meeting held on July 28, 2023 appointed Mr. Rajiv Gupta, Director & Chief Executive Officer of LICHFL Asset Management Company Limited, as Life Insurance Corporation of India (LIC) Nominee Director on the Board of the Company.

18 The final dividend of ₹ 1.25 per equity share (62.5% on face value of ₹ 2 each) for the financial year ended March 31, 2023 was approved at the AGM of the Shareholders of the Company held on September 25, 2023 and the Company had transferred Rs. 59.94 Crores on September 27, 2023 into the designated Dividend Account.

19 Figures for the prior year / period have been regrouped and / or reclassified wherever considered necessary and/or in accordance with the amendment in Schedule III of the Act.

Registered Office: Building No. 27, 5th Floor, KG Marg, New Delhi-110001.

For and on behalf of the Board of Directors

Place : Mumbai
Date : November 14, 2023

Gagan Banga
Vice-Chairman, Managing Director & CEO

Indiabulls Housing Finance Limited (as standalone entity)		
(CIN: L65922DL2005PLC136029)		
Standalone Financial Results for the six months ended September 30, 2023		
Additional Information in Compliance with the provisions of Regulation 52(4) of the SEBI (Listing Obligations And Disclosure Requirements) Regulations, 2015		
	Particulars	**As on September 30, 2023**
1	Debt Equity Ratio ((Debt Securities + Borrowings (Other than Debt Securities) + Subordinated liabilities) / Own Funds)	2.59
2	Debt Service Coverage Ratio	Not Applicable, being an HFC
3	Interest Service Coverage Ratio	Not Applicable, being an HFC
4	Outstanding Redeemable Preference Shares (quantity and value)	N.A.
5	Capital Redemption Reserve (Rs. in Crores)	0.36
6	Debenture Redemption Reserve (Rs. in Crores)	146.39
7	Net worth (Rs. in Crores)	16,736.92
8	Net Profit after Tax (Rs. in Crores)	488.58
9	Earnings per Share (EPS) - Basic (Amount in Rs.) - not annualised	10.35
	- Diluted (Amount in Rs.) - not annualised	10.25
10	Current Ratio	Not Applicable, being an HFC
11	Long term debt to working capital	Not Applicable, being an HFC
12	Bad debts to Account receivable ratio	Not Applicable, being an HFC
13	Current liability ratio	Not Applicable, being an HFC
14	Total debts to total assets (Debt Securities + Borrowings (Other than Debt Securities) + Subordinated liabilities) / Total Assets	0.66
15	Debtors turnover	Not Applicable, being an HFC
16	Inventory turnover	Not Applicable, being an HFC
17	Operating Margin	Not Applicable, being an HFC
18	Net profit Margin (Profit after tax / Total Income)	
	As on Quarter ended 30 September 2023	13.14%
	As on Six months ended 30 September 2023	13.32%

	Other Ratios (not subjected to review)	
1	% of Gross Non Performing Assets (Gross NPA / Loan Book)	3.72%
2	% of Net Non Performing Assets (Net NPA / Loan Book)	2.22%
3	Liquidity Coverage Ratio (%) for Q2 FY 24	62%
4	Capital to risk-weighted assets ratio (Calculated as per RBI guidelines)	26.02%

S. N. Dhawan & CO LLP
Chartered Accountants
51-52, Sector-18, Phase IV
Udyog Vihar, Gurugram
Haryana- 122016

Arora & Choudhary Associates
Chartered Accountants
8/28, Second Floor, WEA,
Abdul Aziz Road, Karol Bagh,
New Delhi - 110005

Independent Auditors' review report on the Unaudited Consolidated Financial Results of for the quarter and half year ended 30 September 2023 pursuant to the Regulation 33 and Regulation 52 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended

To
The Board of Directors
Indiabulls Housing Finance Limited

Introduction

1. We have reviewed the accompanying Statement of Unaudited Consolidated Financial Results of Indiabulls Housing Finance Limited ("the Holding Company")) and its subsidiaries (the Holding Company and its subsidiaries together referred to as " the Group") for the quarter and half year ended September 30, 2023 ("the Statement") attached herewith, being submitted by the Holding Company pursuant to the requirements of Regulation 33 and Regulation 52 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (the "Listing Regulations").

Scope of review

2. This Statement, which is the responsibility of the Holding Company's Management and approved by the Holding Company's Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34 (Ind AS 34) "Interim Financial Reporting" prescribed under Section 133 of the Companies Act, 2013 as amended, read with relevant rules issued thereunder, the circulars, guidelines and directions issued by the Reserve Bank of India from time to time ("RBI Guidelines") and other accounting principles generally accepted in India. Our responsibility is to express a conclusion on the Statement based on our review.

3. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by the Institute of Chartered Accountants of India. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

   We also performed procedures in accordance with the Circular No. CIR/CFD/CMD1/44/2019 dated March 29, 2019 issued by the Securities and Exchange Board of India under Regulation 33(8) of the Listing Regulations, to the extent applicable.

4. The Statement includes the results of the following entities:

   (i) Indiabulls Housing Finance Limited (Holding Company)
   (ii) Indiabulls Collection Agency Limited
   (iii) Ibulls Sales Limited
   (iv) Indiabulls Insurance Advisors Limited
   (v) Nilgiri Investmart Services Limited (Formerly, Nilgiri Financial Consultants Limited) (Subsidiary of Indiabulls Insurance Advisors Services Limited)
   (vi) Indiabulls Capital Services Limited

(vii) Indiabulls Commercial Credit Limited
(viii) Indiabulls Advisory Services Limited
(ix) Indiabulls Asset Holding Company Limited
(x) Indiabulls Asset Management Company Limited (Till May 2, 2023)
(xi) Indiabulls Trustee Company Limited (Till May 2, 2023)
(xii) Indiabulls Holdings Limited (Till September 21, 2023)
(xiii) Indiabulls Investment Management Limited (formerly, Indiabulls Venture Capital Management Company Limited)
(xiv) Pragati Employee Welfare Trust (formerly “Indiabulls Housing Finance Limited - Employee Welfare Trust”)

Conclusion

5. Based on our review conducted and procedures performed as stated in paragraph 3 above and based on the consideration of the review reports of other auditors referred to in paragraph 7 below, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with recognition and measurement principles laid down in the aforesaid Indian Accounting Standards (“Ind AS”) specified under Section 133 of the Companies Act, 2013, as amended, read with relevant rules issued thereunder and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of the Listing Regulations, including the manner in which it is to be disclosed, or that it contains any material misstatement or that it has not been prepared in accordance with the relevant prudential norms issued by Reserve Bank of India in respect of income recognition, asset classification, provisioning and other related matters.

Emphasis of matter

6. We draw attention to note no. 7 to the accompanying Statement which states that the Holding Company has applied to the RBI for change of its Certification of Registration to Non-Banking Financial Company–Investment and Credit Company (NBFC-ICC) consequent to the Holding Company not meeting the Principal Business Criteria for Housing Finance Companies as laid out in para 5.3 of the Master Direction – Non Banking Financial Company – Housing Finance Company (“NBFC-HFC”) (Reserve Bank) Directions, 2021 (“Master Directions”) and is awaiting approval from RBI for the conversion.

Other matters

7. The accompanying Statement includes the unaudited interim financial results and other financial information, in respect of 10 (ten) subsidiaries, whose unaudited interim financial results include total assets of Rs. 13,282.35 crores as on September 30, 2023, total revenues of Rs. 473.79 crores & Rs. 730.73 crores, total net profit after tax of Rs. 30.13 crores & Rs. 139.25 crores and total comprehensive income of Rs. 42.16 crores & Rs. 151.42 crores for the quarter and half year ended September 30, 2023 respectively as considered in the Statement which have been reviewed by their respective independent auditors. The independent auditors review reports on interim financial results of these entities have been furnished to us by the Management and our conclusion on the Statement, in so far as it relates to the amounts and disclosures in respect of these subsidiaries is based solely on the reports of such auditors and procedures performed by us as stated in paragraph 3 above.

8. The accompanying Statement includes unaudited interim financial information in respect of 2 (two) subsidiaries, whose interim financial information reflect total revenues of Rs. (0.81) crores, total net loss after tax of Rs. 1.66 crores and total comprehensive loss of Rs. 1.66 crores for the period April 1, 2023 to May 2, 2023 and in respect of 1 (one) subsidiary, whose interim financial information reflect total revenue of Rs. Nil, total net profit after tax of Rs. Nil and total comprehensive income of Rs. Nil for the period April 1, 2023 to September 21, 2023. The unaudited interim financial information of these subsidiaries has not been reviewed by any auditor and has been approved and furnished to us by the Management and our conclusion on the Statement, in so far as it relates to the affairs of these subsidiaries, is based solely on such unaudited interim financial information. According to the information and explanations given to us

by the Management, the interim financial information in respect of these subsidiaries are not material to the Group.

Our conclusion on the Statement in respect of matters stated in paras 7 and 8 above is not modified with respect to our reliance on the work done and the review reports of the other auditors and the un-audited financial information certified by the Management.

For S.N. Dhawan & CO LLP
Chartered Accountants
Firm's Registration No.: 000050N/ N500045

Rahul Singhal
Partner
Membership No.: 096570
UDIN:

Place: Gurugram
Date: November 14, 2023

For Arora & Choudhary Associates
Chartered Accountants
Firm's Registration No. 003870N

Vijay Kumar Choudhary
Partner
Membership No.: 081843
UDIN: 23081843BGSOIQ5751

Place: New Delhi
Date: November 14, 2023

Indiabulls Housing Finance Limited
(CIN: L65922DL2005PLC136029)
Consolidated Financial Results
for the quarter and six months ended September 30, 2023

(Rupees in Crores)

Statement of Consolidated Results for the quarter and six months ended September 30, 2023

	Particulars	Quarter ended			Six Months ended		Year ended
		30.09.23	30.06.23	30.09.22	30.09.23	30.09.22	31.03.23
		(Reviewed)	(Reviewed)	(Reviewed)	(Reviewed)	(Reviewed)	(Audited)
1	**Revenue from operations**						
	(i) Interest Income	1,731.30	1,818.03	2,125.70	3,549.33	4,105.83	7,676.47
	(ii) Fees and commission Income	36.04	23.20	26.17	59.24	64.77	157.89
	(iii) Net gain on fair value changes	435.68	37.36	32.54	473.04	50.25	412.50
	(iv) Net gain on derecognition of financial instruments under amortised cost category	24.19	21.79	45.37	45.98	84.14	472.42
	Total Revenue from operations	**2,227.21**	**1,900.38**	**2,229.78**	**4,127.59**	**4,304.99**	**8,719.28**
2	Other Income	15.09	15.24	1.55	30.33	4.06	6.51
3	**Total Income (1+2)**	**2,242.30**	**1,915.62**	**2,231.33**	**4,157.92**	**4,309.05**	**8,725.79**
4	**Expenses**						
	Finance Costs	1,349.77	1,353.90	1,410.11	2,703.67	2,905.36	5,636.49
	Impairment on financial instruments (net of recoveries)	257.42	(60.58)	226.00	196.84	281.78	666.00
	Employee Benefits Expenses	150.52	167.13	137.95	317.65	209.84	514.77
	Depreciation and amortization	22.94	18.51	22.56	41.45	40.56	85.57
	Other expenses	40.09	40.43	41.75	80.52	92.76	219.11
	Total expenses	**1,820.74**	**1,519.39**	**1,838.37**	**3,340.13**	**3,530.30**	**7,121.94**
5	**Profit before tax (3-4)**	**421.56**	**396.23**	**392.96**	**817.79**	**778.75**	**1,603.85**
6	**Tax expense**						
	Current tax Expense/ (Credit)	42.37	39.84	36.74	82.21	85.62	180.11
	Deferred Tax Charge	81.21	60.20	66.74	141.41	117.01	296.06
	Total Tax Expense	**123.58**	**100.04**	**103.48**	**223.62**	**202.63**	**476.17**
7	**Profit for the period / year from continuing operations after tax (5-6)**	**297.98**	**296.19**	**289.48**	**594.17**	**576.12**	**1,127.68**
8	(Loss) / Profit for the period / year from discontinued operations	-	(1.80)	-	(1.80)	-	2.34
9	Tax expense for the period / year from discontinued operations	-	-	-	-	-	0.33

	Particulars	Quarter ended			Six Months ended		Year ended
		30.09.23	30.06.23	30.09.22	30.09.23	30.09.22	31.03.23
		(Reviewed)	(Reviewed)	(Reviewed)	(Reviewed)	(Reviewed)	(Audited)
10	**(Loss) / Profit for the period / year from discontinued operations after tax (8-9)**	**-**	**(1.80)**	**-**	**(1.80)**	**-**	**2.01**
11	**Profit for the period / year attributable to the Shareholders of the Company (7+10)**	**297.98**	**294.39**	**289.48**	**592.37**	**576.12**	**1,129.69**
12	Other comprehensive income						
	(1) Other comprehensive income from continuing operations						
	A (i) Items that will not be reclassified to statement of profit or loss						
	(a) Remeasurement gain / (loss) on defined benefit plan	2.18	(0.40)	(5.76)	1.78	(1.96)	(0.81)
	(b) (Loss) / Gain on equity instrument designated at FVOCI	61.60	(0.60)	0.95	61.00	0.95	2.89
	(ii) Income tax impact on A above	(14.64)	0.24	1.23	(14.40)	2.47	1.73
	B (i) Items that will be reclassified to statement of profit or loss						
	(a) Effective portion of cash flow hedges	320.46	(128.90)	(98.12)	191.56	235.79	9.11
	(ii) Income tax impact on B above	(80.65)	32.44	24.70	(48.21)	(59.34)	(2.29)
	Total Other comprehensive (loss) / income from continuing operations	288.95	(97.22)	(77.00)	191.73	177.91	10.63
	(2) Other comprehensive income from discontinued operations						
	A (i) Items that will not be reclassified to statement of profit or loss						
	(a) Remeasurement gain / (loss) on defined benefit plan	-	-	-	-	-	-
	(b) (Loss) / Gain on equity instrument designated at FVOCI	-	-	-	-	-	(0.09)
	(ii) Income tax impact on A above	-	-	-	-	-	0.02
	Total Other comprehensive income / (loss) from discontinued operations	-	-	-	-	-	(0.07)
	Total Other comprehensive (loss) / Income (net of tax) (1)+(2)	288.95	(97.22)	(77.00)	191.73	177.91	10.56
13	Total comprehensive income (after tax) (11+12)	586.93	197.17	212.48	784.10	754.03	1,140.25
14	Paid-up Equity Share Capital	94.23	89.72	89.72	94.23	89.72	89.72
15	Other Equity						17,271.53
16	Earnings per Share (EPS) (for continuing operations)						
	***(EPS for the quarters and six months are not annualised)**						
	-Basic (Amount in Rs.)	6.54	6.60	6.45	13.15	12.85	25.15
	-Diluted (Amount in Rs.)	6.44	6.57	6.41	13.02	12.81	25.01
	-Face Value (Amount in Rs.)	2.00	2.00	2.00	2.00	2.00	2.00
	Earnings per Share (EPS) (for discontinued operations)						
	**(EPS for the quarters and six months are not annualised)*						
	-Basic (Amount in Rs.)	-	(0.04)	-	(0.04)	-	0.04
	-Diluted (Amount in Rs.)	-	(0.04)	-	(0.04)	-	0.04
	-Face Value (Amount in Rs.)	2.00	2.00	2.00	2.00	2.00	2.00
	Earnings per Share (EPS) (for continuing and discontinued operations)						
	**(EPS for the quarters and six months are not annualised)*						
	-Basic (Amount in Rs.)	6.54	6.56	6.45	13.11	12.85	25.19
	-Diluted (Amount in Rs.)	6.44	6.53	6.41	12.98	12.81	25.05
	-Face Value (Amount in Rs.)	2.00	2.00	2.00	2.00	2.00	2.00

Notes to the Financial Results:

1 The consolidated financial results have been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34 – Interim Financial Reporting, notified under Section 133 of the Companies Act, 2013 ("the Act") read with Companies (Indian Accounting Standards) Rules 2015, as amended from time to time, and other accounting principles generally accepted in India and in compliance with Regulation 33 and Regulation 52 of the SEBI (Listing Obligations and Disclosure Requirement) Regulations, 2015 as amended from time to time.

2 The consolidated financial results of Indiabulls Housing Finance Limited ('IBHFL', 'the Company', 'the Holding Company') and its subsidiaries (collectively referred to as 'the Group') for the quarter and six months ended September 30, 2023 have been reviewed by the Audit Committee on November 14, 2023 and subsequently approved at the meeting of the Board of Directors held on November 14, 2023. The consolidated financial results have been subjected to a limited review by the Joint Statutory Auditors of the Company.

3 **Consolidated Statement of Assets and Liabilities:**

Particulars	**(Rupees in Crores)**	
	As at 30.09.23 (Reviewed)	**As at 31.03.23 (Audited)**
ASSETS		
(1) Financial Assets		
(a) Cash and cash equivalents	5,024.14	3,697.64
(b) Bank Balance other than (a) above	1,484.05	1,534.59
(c) Derivative financial instruments	45.41	166.32
(d) Receivables		
(I) Trade Receivables	19.62	28.42
(e) Loans	53,106.13	55,831.30
(f) Investments	5,780.00	5,370.23
(g) Other Financial assets	3,880.47	2,998.27
(h) Financial assets held for sale	-	103.28
Sub-total - Financial Assets	**69,339.82**	**69,730.05**
(2) Non-financial Assets		
(a) Current tax assets (Net)	1,571.92	1,421.72
(b) Deferred tax Assets (Net)	232.24	436.33
(c) Investment Property	33.11	-
(d) Property, Plant and Equipment	91.37	77.80
(e) Right-of-use assets	248.31	268.80
(f) Goodwill on Consolidation	57.83	57.83
(g) Other Intangible assets	25.19	28.12
(h) Other non-financial assets	513.71	584.23
(i) Assets Held for Sale	794.48	2,340.14
(j) Non-financial assets held for sale	-	0.22
Sub-total - Non-financial Assets	**3,568.16**	**5,215.19**
Total Assets	**72,907.98**	**74,945.24**

Consolidated Statement of Assets and Liabilities (Continued):	(Rupees in Crores)	
Particulars	As at 30.09.23 (Reviewed)	As at 31.03.23 (Audited)
LIABILITIES AND EQUITY		
LIABILITIES		
(1) Financial Liabilities		
(a) Derivative financial instruments	27.64	14.82
(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	5.20	3.53
(c) Debt Securities	16,077.51	18,837.07
(d) Borrowings (Other than Debt Securities)	28,136.11	29,169.46
(e) Subordinated Liabilities	4,206.89	4,396.94
(f) Other financial liabilities	5,520.39	4,705.75
(g) Financial liabilities in respect of assets held for sale	-	0.07
Sub-total - Financial Liabilities	**53,973.74**	**57,127.64**
(2) Non-Financial Liabilities		
(a) Current tax liabilities (Net)	13.73	13.81
(b) Provisions	77.98	77.75
(c) Deferred tax Liabilities (Net)	0.03	0.04
(d) Other non-financial liabilities	414.21	359.46
(e) Non-financial liabilities in respect of assets held for sale	-	5.29
Sub-total - Non-Financial Liabilities	**505.95**	**456.35**

Consolidated Statement of Assets and Liabilities (Continued):	(Rupees in Crores)	
Particulars	**As at 30.09.23 (Reviewed)**	**As at 31.03.23 (Audited)**
(3) EQUITY		
(a) Equity Share capital	94.23	89.72
(b) Other Equity	18,334.06	17,271.53
Sub-total - Equity	**18,428.29**	**17,361.25**
Total Liabilities and Equity	**72,907.98**	**74,945.24**

4 **Consolidated Cash Flow Statement**

	(Rupees in Crores)		
	For the Period from April 1, 2023 to September 30, 2023	**For the Period from April 1, 2022 to September 30, 2022**	**Year ended March 31, 2023**
	(Reviewed)	**(Reviewed)**	**(Audited)**
Cash flows from operating activities :			
Profit before tax from continuing operations	817.79	778.75	1,603.85
Profit before tax from discontinued operations	(1.81)	-	2.34
Adjustments to reconcile profit before tax to net cash flows:			
Employee Stock Compensation Adjustment	14.01	(50.14)	(2.62)
Provision for Gratuity, Compensated Absences and Superannuation Expense	2.31	1.66	(56.12)
Impairment on financial instruments	421.51	337.57	1,261.85
Lease Interest	(0.70)	-	(0.33)
Interest Income	(3,549.34)	(4,104.87)	(7,676.47)
(Profit) / Loss on Lease termination	(0.31)	(0.35)	(0.89)
Interest Expense	2,574.41	2,770.59	5,377.76
Depreciation and Amortisation of PPE and ROU assets	41.45	40.56	85.57
(Profit) / Loss on sale of Property, plant and equipment	(0.68)	(2.58)	(3.25)
Unrealised loss on Investments	42.44	2.70	112.63
Operating Loss before working capital changes	**361.08**	**(226.11)**	**704.32**
Working Capital Changes			
Trade Receivables, Other Financial and non Financial Assets	450.90	28.31	(913.52)
Loans	2,849.58	3,927.29	2,644.97
Trade Payables, other financial and non Financial Liabilities	319.93	684.33	1,000.93
Net Cash from / (used in) operations	**3,981.49**	**4,413.82**	**3,436.70**
Interest received on loans	2,913.83	3,835.78	6,982.89
Interest paid on borrowings	(2,885.37)	(3,898.28)	(5,840.61)
Income taxes paid (Net)	(233.77)	(273.07)	(578.02)
Net cash from operating activities	**3,776.18**	**4,078.25**	**4,000.96**

Consolidated Cash Flow Statement (Continued):	(Rupees in Crores)		
	For the Period from April 1, 2023 to September 30, 2023	For the Period from April 1, 2022 to September 30, 2022	Year ended March 31, 2023
	(Reviewed)	(Reviewed)	(Audited)
Cash flows from investing activities :			
Purchase of Property, plant and equipment and other intangible assets	(27.62)	(22.61)	(49.36)
Sale of Property, plant and equipment	1.26	4.20	5.78
Decrease in Capital Advances	0.67	1.72	2.15
Proceeds from deposit accounts	50.54	(94.06)	132.21
Sale / (Purchase) of Investments (Net)	1,189.47	(1,642.11)	643.53
Interest received on Investments	74.90	100.32	149.94
Net cash from / (used in) investing activities	**1,289.22**	**(1,652.54)**	**884.25**
Cash flows from financing activities :			
Proceeds from Issue of Equity Share through ESOPs (Including Securities Premium)*	324.53	1.02	1.02
Distribution of Equity Dividends	(57.54)	(0.28)	(0.63)
Repayment of loans (Net)	(1,020.99)	(3,090.50)	(3,635.70)
Repayment of Secured Redeemable Non-Convertible Debentures (Net)	(2,800.31)	(3,520.46)	(4,835.72)
Repayment of Subordinated Debt (Net)	(195.00)	(15.00)	(241.10)
Payment of Lease liabilities	(30.36)	(29.02)	(58.71)
Repayment of Working capital loans (Net)	9.00	184.00	(371.00)
Net cash used in financing activities	**(3,770.67)**	**(6,470.24)**	**(9,141.84)**
Net Increase / (Decrease) in cash and cash equivalents (A+B+C)	**1,294.73**	**(4,044.53)**	**(4,256.63)**
Cash and cash equivalents at the beginning of the year (includes Rs. 31.77 Crore for discontinued operations for FY 23)	3,729.41	7,986.04	7,986.04
Cash and cash equivalents at the end of the year (D + E) (includes Rs. 31.77 Crore for discontinued operations for FY 23)	**5,024.14**	**3,941.51**	**3,729.41**

**includes Rs. 237.58 Crore on sale of Holding Company's shares held by Pragati EWT*

5 Net gain on derecognition of financial instruments under amortised cost category comprises net gain on direct assignment of loans and net gain on derecognition of non-convertible debentures issued by the Group.

6 The Group is mainly engaged in the housing finance and mortgage-backed lending business, and all other activities revolve around this main business of the Group. Further, all activities are conducted within India and as such there is no separate reportable segment, as per the Ind AS 108 - "Operating Segments" specified under Section 133 of the Act.

7 The Holding Company has applied to the RBI for change of its Certification of Registration to Non-Banking Financial Company–Investment and Credit Company [NBFC-ICC] consequent to the Holding Company not meeting the Principal Business Criteria for Housing Finance Companies as laid out in para 5.3 of the Master Direction – Non Banking Financial Company – Housing Finance Company ("NBFC-HFC") (Reserve Bank) Directions, 2021 ("Master Directions") and RBI had granted time to the Holding Company till September 30, 2023 for conversion into NBFC - ICC. The Holding Company has applied to RBI for conversion to NBFC-ICC and is awaiting approval from the RBI. The Holding Company has been advised by the National Housing Bank [NHB] to continue compliance with the Master Directions and other circulars issued by RBI as applicable to HFCs, and the Supervisory circulars issued by NHB till the time conversion is approved by RBI.

8 Figures for the prior year / period have been regrouped and / or reclassified wherever considered necessary and/or in accordance with the amendment in Schedule III of the Act.

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Chartered Accountants
51-52, Sector-18, Phase IV
Udyog Vihar, Gurugram
Haryana- 122016

Arora & Choudhary Associates
Chartered Accountants
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New Delhi - 110005

INDEPENDENT AUDITOR'S REPORT
To the Members of Indiabulls Housing Finance Limited

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the accompanying standalone financial statements of **Indiabulls Housing Finance Limited** ("the Company"), which comprise the Standalone Balance Sheet as at 31 March 2023, the Standalone Statement of Profit and Loss (including other comprehensive income), Standalone Statement of Changes in Equity and Standalone Statement of Cash Flows for the year then ended, and notes to the standalone financial statements, including a summary of significant accounting policies and other explanatory information ("the Standalone Financial Statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Standalone Financial Statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under Section 133 of the Act 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 31 March 2023, and its profit including other comprehensive income, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under Section 143(10) of the Act. Our responsibilities under those Standards are further described in the *Auditor's Responsibilities for the Audit of the 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

1. We draw attention to note no. 39(3)(xxi) to the accompanying Standalone Financial Statements which states that as at 31 March 2023, the Company is unable to meet its Principal Business Criteria ("PBC") pursuant to the requirements of para 5.3 of the Master Direction – Non Banking Financial Company – Housing Finance Company ("NBFC-HFC") (Reserve Bank) Directions, 2021 ("Master Directions"). The Company has submitted a plan for reorganisation approved by its Board of Directors to the Reserve Bank of India ("RBI") on April 28, 2023 for conversion into an NBFC-ICC and has been granted timeline upto September 30, 2023 by the RBI to implement such plan.

2. We draw attention to Note 52 of the accompanying Standalone Financial Statements which states that the Company has withdrawn an amount of Rs. 525 crores net of related tax impact towards the impairment allowance on financial instruments, from the additional special reserve created under Section 29 C of the National Housing Bank Act, 1987 in accordance with the Master Direction - Non-Banking Financial Company - Housing Finance Company (Reserve Bank) Directions, 2021 ("Master Directions") issued by the Reserve Bank of India [read with erstwhile NHB circular no NHB(ND)/DRS/Pol-o.03/2004-05 dated August 26, 2004].

Our opinion is not modified in respect of these matters.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the Standalone Financial Statements for the financial year ended 31 March 2023. These matters were addressed in the context of our audit of the Standalone Financial Statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

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

Key audit matters	**How our audit addressed the key audit matter**
Impairment of financial instruments (including provision for expected credit losses) (as described in note 8 of the Standalone Financial Statements)	
Ind AS 109 requires the Company to provide for impairment of its financial assets using the expected credit loss ('ECL') approach involving an estimation of probability of loss on the financial assets over their life, considering reasonable and supportable information about past events, current conditions and forecasts of future economic conditions which could impact the credit quality of the Company's loans and advances. In the process, a significant degree of judgement has been applied by the management in respect of following matters: • The Company has various loan products divided into Corporate loan portfolio and Retail loan portfolio. Retail loans are grouped into different categories on the basis of homogeneity and thereby expected to demonstrate similar credit characteristics. Corporate loan portfolio is assessed on a case-to-case basis. • Estimation of losses in respect of loans or groups of loans which had no/ minimal defaults in the past. • Staging of loans and estimation of behavioral life. • Management overlay for macro-economic factors and estimation of their impact on the credit quality. • The Company has developed models that derive key assumption used within the provision calculation such as probability of default (PD). • The company has used the LGD rates based on past experience and industry practice. • The output of these models is then applied to the provision calculation with other information including the exposure at default (EAD).	• Our audit procedures included considering the company's accounting policies for impairment of loan receivables and assessing compliance with the policies in terms of Ind AS 109. • Tested the assumptions used by the Company for grouping and staging of loan portfolio into various categories and default buckets for determining the PD • Tested the operating effectiveness of the controls for staging of loans based on their past-due status. Tested a sample of performing (stage 1) loans to assess whether any loss indicators were present requiring them to be classified under stage 2 or 3. • Performed inquiries with the Company's management and its risk management function. • Tested the arithmetical accuracy of computation of ECL provision performed by the company in spreadsheets. • Compared the disclosures included in the standalone financial statements in respect of expected credit losses with the requirements of Ind AS 107 and 109.

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

The Company’s Board of Directors is responsible for the other information. The other information comprises the information included in the Board’s report, Management Discussion & Analysis Report and Business Responsibility & Sustainability Report but does not include the Standalone Financial Statements and our auditor’s report thereon. The Board’s report, Management Discussion & Analysis Report and Business Responsibility & Sustainability Report are 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 will not express any form of assurance conclusion thereon.

In connection with our audit of the Standalone Financial Statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether 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 above reports, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance.

Management’s Responsibility for the Standalone Financial Statements

The Company’s Board of Directors is responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these Standalone Financial Statements that give a true and fair view of the financial position, financial performance including other comprehensive income, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards specified under Section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding 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, the Management is responsible for assessing the Company’s ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those Board of Directors are also responsible for overseeing the Company’s financial reporting process.

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

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

Auditor's Responsibilities for the Audit of the Standalone Financial Statements (continued)

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

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

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

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

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

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

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

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

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

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act, we give in the Annexure 1 a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

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

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

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

(c) The Balance Sheet, the Statement of Profit and Loss (including Other Comprehensive Income), 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 Indian Accounting Standards specified under Section 133 of the Act.

(e) On the basis of the written representations received from the directors as on 31 March 2023 taken on record by the Board of Directors, none of the directors of the Company is disqualified as on 31 March 2023 from being appointed as a director in terms of Section 164 (2) of the Act.

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

(g) In our opinion, the managerial remuneration paid by the Company to its directors during the year is in accordance with the provisions of Section 197 read with Schedule V of the Act.

(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 33(a)&(b) to the Standalone Financial Statements.

    ii. The Company has made provision, as required under the applicable law or Indian Accounting Standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts – Refer Note 6 and 27 to the Standalone Financial Statements.

    iii. There are no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company – Refer Note 38 to the Standalone Financial Statements.

Report on Other Legal and Regulatory Requirements (continued)

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

(b). The Management has represented that, to the best of its knowledge and belief, no funds have been received by the Company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(c) Based on the audit procedures performed 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) contain any material misstatement.

(v) The Company has not declared or paid any interim or final dividend during the year.

(vi) As proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 as amended is applicable for the Company only w.e.f 1 April 2023, therefore, reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 as amended, is not applicable.

For S.N. Dhawan & CO LLP
Chartered Accountants
Firm's Registration No.: 000050N/ N500045

Rahul Singhal
Partner
Membership No.: 096570
UDIN: 23096570BGZGOZ3887

Place: Gurugram
Date: May 22, 2023

For Arora & Choudhary Associates
Chartered Accountants
Firm's Registration No. 003870N

Vijay Kumar Choudhary
Partner
Membership No.: 081843
UDIN: 23081843BGSNZM9555

Place: New Delhi
Date: May 22, 2023

Annexure 1 to the Independent Auditor's Report of even date of Standalone Financial Statements of Indiabulls Housing Finance Limited as at and for the year ended 31 March 2023

(Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of Indiabulls Housing Finance Limited of even date)

In terms of the information and explanations sought by us and given by the Company and the books of account and records examined by us in the normal course of audit and to the best of our knowledge and belief, we state that:

(i) (a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment and assets held for sale.

(B) The Company has maintained proper records showing full particulars of intangible assets recognized in the Standalone Financial Statements.

(b) The Property, Plant and Equipment and assets held for sale have been physically verified by the management in the year in accordance with a planned phased programme of verifying them over a period of three years and no material discrepancies were noticed on such verification.

(c) According to the information and explanations given to us and based on the test check examination of the registered sale deed / transfer deed / conveyance deed / property tax receipts and such other documents provided to us, we report that, the title deeds of 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) are held in the name of the Company, except for the following:-

Description of property	Gross carrying value	Held in name of	Whether promoter, director or their relative or employee	Period held	Reason for not being held in name of Company
Freehold Land located at Lal Dora village of Bijwasan, New Delhi	Rs 0.11 crores	Indiabulls Financial Services Limited	Erstwhile Holding Company	Since June 30, 2009	Merged with the Company under section 391 and 394 of the Companies Act, 1956 in terms of the approval of the Honorable High Court of judicature
Freehold Land located at District Mehsana, Ahmedabad Dora village of Bijwasan, New Delhi	Rs 0.09 crores	Indiabulls Financial Services Limited	Erstwhile Holding Company	Since June 24, 2011	Merged with the Company under section 391 and 394 of the Companies Act, 1956 in terms of the approval of the Honorable High Court of judicature

Further, based on the information and explanation given to us, immovable property consisting of a freehold land and a flat (building) whose title deeds have been mortgaged as security towards Secured Non-Convertible Debentures issued by the Company and are held in the name of the Company.

Annexure 1 to the Independent Auditor's Report of even date of Standalone Financial Statements of Indiabulls Housing Finance Limited as at and for the year ended 31 March 2023 (continued)

(d) The Company has not revalued its Property, Plant and Equipment including Right of Use assets and intangible assets during the year, being under the cost model. Accordingly, the provisions of clause 3(i)(d) of the Order are not applicable.

(e) There are no proceedings initiated during the year which are pending against the Company as at 31 March 2023 for holding benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) (as amended in 2016) and rules made thereunder. Accordingly, the provisions of clause 3(i)(e) of the Order are not applicable (Refer note 56 of the Standalone Financial Statements).

(ii) (a) The Company is engaged in the business of providing loans and does not hold any physical inventories. Accordingly, the provisions of clause 3(ii)(a) of the Order is not applicable.

(b) The Company has been sanctioned working capital limits in excess of Rupees five crores in aggregate by banks or financial institutions. However, such loans are secured by way of negative lien over assets of the Company. Accordingly, the requirement to report on clause 3(ii)(b) of the Order is not applicable.

(iii) (a) The Company is engaged in the business of providing loans. Accordingly, the provisions of clause 3(iii)(a) of the Order are not applicable.

(b) During the year the investments made, guarantees provided, security given and the terms and conditions of grant of all loans and advances in the nature of loans and guarantees provided are not, *prima facie,* prejudicial to the Company's interest.

(c) In respect of loans and advances in the nature of loans, granted by the Company as part of its business of providing housing finance and loans against property to individual customers as well as providing builder finance, corporate finance, etc. to non-individual customers, the schedule of repayment of principal and payment of interest has been stipulated by the Company. Having regard to the voluminous nature of loan transactions, it is not practicable to furnish entity-wise details of amount, due date for repayment or receipt and the extent of delay in this report (as suggested in the Guidance Note on CARO 2020, issued by the Institute of Chartered Accountants of India for reporting under this clause), in respect of loans and advances which were not repaid / paid when they were due or were repaid / paid with a delay, in the normal course of lending business. Further, except for loans where there are delays or defaults in repayment of principal and / or payment of interest as at the balance sheet date, in respect of which the Company has disclosed asset classification / staging in note 8 to the Standalone Financial Statements in accordance with Indian Accounting Standards (Ind AS) and the relevant, applicable guidelines issued by the Reserve Bank of India, the parties are repaying the principal amounts, as stipulated, and are also regular in payment of interest, as applicable.

(d) The Company, being a Housing Finance Company, is registered with the National Housing Bank and the applicable directives issued by Reserve Bank of India, and in pursuance of its compliance with provisions of the said National Housing Bank Act, 1987, Rules thereunder and applicable RBI Directives, particularly, the Income Recognition, Asset Classification and Provisioning Norms, monitors and reports the total amounts overdue including principal and/or payment of interest by its customers for more than 90 days. In cases where repayment of principal and payment of interest is not received as stipulated, the cognizance thereof is taken by the Company in course of its periodic regulatory reporting. Refer note 8 to the Standalone Financial Statements for summarised details of such loans/advances which are not repaid by borrowers as per stipulations. However, reasonable steps are taken by the Company for recovery thereof.

(e) The Company is in the business of providing loans. Accordingly, the provisions of clause 3(iii)(e) of the Order are not applicable.

(f) The Company has not granted any loans or advances in the nature of loans which are either repayable on demand or without specifying any terms or period of repayment. Accordingly, the provisions of clause 3(iii)(f) of the Order are not applicable.

(iv) In our opinion and according to the information and explanations given to us, the Company has not granted any loans, made investments or provided guarantees in contravention of provisions of Section 185 of the Act. The Company has complied with the provisions of Section 186(1) of the Act; the other provisions of Section 186 of the Act are not applicable to the Company.

(v) The Company has not accepted any deposits or the amounts which are deemed to be deposits during the year. Accordingly, the provisions of clause 3(v) of the Order are not applicable. We are informed by the Management that no order has been passed by the Company Law Board, National Company Law Tribunal or Reserve Bank of India or any Court or any other Tribunal on the Company in respect of the aforesaid deposits.

(vi) The Central Government has not specified maintenance of cost records under sub-section (1) of Section 148 of the Act, in respect of Company's products/ services. Accordingly, the provisions of clause 3(vi) of the Order are not applicable.

(vii)(a) The Company is generally regular in depositing undisputed statutory dues including Goods and Services tax, Provident Fund, Employees' State Insurance, Income Tax, Duty of Customs, Duty of Excise, Value Added Tax, Cess and other material statutory dues, as applicable, to the appropriate authorities.

There were no undisputed amounts payable in respect of Goods and Service tax, Provident Fund, Employees' State Insurance, Income Tax, Duty of Custom, Duty of Excise, Value Added Tax, Cess and other material statutory dues in arrears as at 31 March 2023 for a period of more than six months from the date they became payable.

(b) There are no statutory dues referred to in sub-clause (a) that have not been deposited with the appropriate authorities on account of any dispute except for the following cases:

Name of the statute	Nature of dues	Amount (₹ in crores)	Amount paid under Protest (₹ in crores)	Period to which the amount relates (FY)	Forum where dispute is pending	Remarks, if any
Income Tax Act,1961	Income Tax	1.23	Nil	2008-09	Hon'ble Supreme Court	-
Income Tax Act,1961	Income Tax	1.27	Nil	2010-11	Hon'ble High Court of Delhi	-
Income Tax Act,1961	Income Tax	14.16	Nil	2013-14	ITAT	-
Income Tax Act,1961	Income Tax	13.81	Nil	2014-15	ITAT	-
Income Tax Act,1961	Income Tax	20.54	Nil	2015-16	ITAT	-

Name of the statute	Nature of dues	Amount (₹ in crores)	Amount paid under Protest (₹ in crores)	Period to which the amount relates (FY)	Forum where dispute is pending	Remarks, if any
Income Tax Act,1961	Income Tax	48.66	Nil	2016-17	ITAT	-
Income Tax Act,1961	Income Tax	9.65	Nil	2017-18	ITAT	-
Income Tax Act,1961	Income Tax	1.30	Nil	2017-18	CIT (A)	-
Income Tax Act,1961	Income Tax	64.15	Nil	2018-19	CIT (A)	-
Income Tax Act,1961	Income Tax	28.04	Nil	2019-20	CIT (A)	-
Income Tax Act,1961	Income Tax	0.23	Nil	2020-21	CIT (A)	-
Income Tax Act,1961	Income Tax	0.58	Nil	2020-21	CIT (A)	-
CGST Act, 2017	Central Goods & Services Tax	0.08	0.004	2018-19	Appellate Authority	-
Finance Act, 1994	Service Tax	0.51	0.04	October 2016 to June 2017	Commissioner (Appeals II)	-

(viii) There were no transactions relating to previously unrecorded income that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961). Accordingly, the provisions of clause 3(viii) of the Order are not applicable.

(ix) (a) 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 wilful defaulter by any bank or financial institution or any other lender during the year.

(c) The term loans were applied for the purposes for which the loans were obtained other than temporary deployment pending application of proceeds.

(d) No funds raised on short-term basis have been used for long-term purposes by the Company.

(e) The Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries.

(f) The Company has not raised loans during the year on the pledge of securities held in its subsidiaries, joint ventures or associate companies.

Annexure 1 to the Independent Auditor's Report of even date of Standalone Financial Statements of Indiabulls Housing Finance Limited as at and for the year ended 31 March 2023 (continued)

(x) (a) The moneys raised during the year by way of public issue of non-convertible debentures were applied by the Company for the purpose for which those funds were raised, though idle/surplus funds which were not required for immediate utilization were gainfully invested in liquid investments payable on demand.

(b) During the year, the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully, partially or optionally). Accordingly, provisions of clause 3 (x)(b) of the order are not applicable.

(xi) (a) Considering the principles of materiality outlined in the Standards on Auditing, we report that no material fraud by the Company or on the Company has been noticed or reported during the course of the audit.

(b) During the year and upto the date of this report, no report under sub-section (12) of Section 143 of the Act has been filed in Form ADT-4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014 (as amended) with the Central Government.

(c) Considering the principles of materiality outlined in the Standards on Auditing, we have taken into consideration the whistle blower complaints received by the Company during the year while determining the nature, timing and extent of audit procedures.

(xii) The Company is not a Nidhi Company. Accordingly, the provisions of clause 3(xii)(a)-(c) of the Order are not applicable.

(xiii) The transactions with the related parties are in compliance with Sections 177 and 188 of Act, where applicable, and the requisite details have been disclosed in the Standalone Financial Statements as required by the applicable accounting standards.

(xiv) (a) The Company has an internal audit system commensurate with the size and nature of its business.

(b) The internal audit is performed as per a planned program approved by the Audit Committee of the Board of Directors of the Company. We have considered, the internal audit reports for the year under audit, issued to the Company during the year.

(xv) The Company has not entered into any non-cash transactions with the directors or persons connected with them covered under Section 192 of the Act. Accordingly, provisions of clause 3 (xv) of the order are not applicable.

(xvi) (a) Pending the outcome of the matter as described in Note 39(3)(xxi) to the Standalone Financial Statements, the Company is not required to be registered under Section 45-IA of the RBI Act, 1934.

(b) The Company is a Housing Finance Company registered with the National Housing Bank and is not required to obtain a Certificate of Registration (CoR) from the Reserve Bank of India as per the Reserve Bank of India Act,1934.

(c) The Company is not a Core Investment Company ('CIC ') as defined under the regulations 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.

Annexure 1 to the Independent Auditor's Report of even date of Standalone Financial Statements of Indiabulls Housing Finance Limited as at and for the year ended 31 March 2023 (continued)

(xvii) The Company has not incurred any cash losses in the financial year and in the immediately preceding financial year.

(xviii) There has been no resignation of the statutory auditors 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 along with details provided in Note 39(1) to the Standalone Financial Statements which describe the maturity analysis of assets & liabilities, other information accompanying the Standalone Financial Statements, 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 that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

(xx) There is no unspent amount under sub-section (5) of section 135 of the Act pursuant to any project. Accordingly, clauses 3(xx)(a) and 3(xx)(b) of the Order are not applicable.

For S.N. Dhawan & CO LLP
Chartered Accountants
Firm's Registration No.: 000050N/ N500045

Rahul Singhal
Partner
Membership No.: 096570
UDIN: 23096570BGZGOZ3887

Place: Gurugram
Date: May 22, 2023

For Arora & Choudhary Associates
Chartered Accountants
Firm's Registration No. 003870N

Vijay Kumar Choudhary
Partner
Membership No.: 081843
UDIN: 23081843BGSNZM9555

Place: New Delhi
Date: May 22, 2023

Annexure 2 to the Independent Auditor's Report of even date of Standalone Financial Statements of Indiabulls Housing Finance Limited

(Referred to in paragraph 2(g) under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of Indiabulls Housing Finance Limited of even date)

Report on the Internal Financial Controls Over Financial Reporting 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 the Standalone Financial Statements of Indiabulls Housing Finance Limited ("the Company") as at 31 March 2023 in conjunction with our audit of the Standalone Financial Statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's Management is responsible for establishing and maintaining internal financial controls based on the internal financial 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 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 the Company's business, including adherence to Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditors' 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 on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by the Institute of Chartered Accountants of India ("the ICAI") and deemed to be prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to Standalone Financial Statements were 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 standalone financial statements 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 Company's internal financial controls system with reference to the Standalone Financial Statements.

Meaning of Internal Financial Controls with reference to Financial Statements

A company's internal financial controls with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial controls with reference to financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of Management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls 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 financial controls with reference to Standalone Financial Statements to future periods are subject to the risk that the internal financial controls 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, and to the best of our information and according to the explanations given to us the Company has, in all material respects, adequate internal financial controls system with reference to Standalone Financial Statements and such internal financial controls with reference to Standalone Financial Statements were operating effectively as at 31 March 2023, based on the internal financial 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 issued by the Institute of Chartered Accountants of India.

For S.N. Dhawan & CO LLP
Chartered Accountants
Firm's Registration No.: 000050N/ N500045

Rahul Singhal
Partner
Membership No.: 096570
UDIN: 23096570BGZGOZ3887

Place: Gurugram
Date: May 22, 2023

For Arora & Choudhary Associates
Chartered Accountants
Firm's Registration No. 003870N

Vijay Kumar Choudhary
Partner
Membership No.: 081843
UDIN: 23081843BGSNZM9555

Place: New Delhi
Date: May 22, 2023

Indiabulls Housing Finance Limited
Standalone Balance Sheet as at March 31, 2023
(All amount in Rs. in Crore, except for share data unless stated otherwise)

Particulars	Note No.	As at March 31, 2023	As at March 31, 2022
ASSETS			
Financial Assets			
Cash and cash equivalents	4	2,837.83	7,605.90
Bank balance other than Cash and cash equivalents	5	1,401.70	1,644.96
Derivative financial instruments	6	166.32	149.12
Receivables			
i) Trade Receivables	7	1.19	1.20
ii) Other Receivables		-	-
Loans	8	47,658.76	50,757.18
Investments	9	9,913.00	10,222.64
Other Financial Assets	10	2,875.89	1,078.25
Total Financial assets		**64,854.69**	**71,459.25**
Non- Financial Assets			
Current tax assets (net)		1,234.99	918.59
Deferred tax assets (net)	31	425.80	536.36
Property, plant and equipment	11.1	75.80	64.80
Right-of-use Assets	46	261.56	171.00
Other Intangible assets	11.2	27.87	27.41
Other Non- Financial Assets	12	560.27	592.94
Assets held for sale	32(ix)	700.08	2,308.73
Total Non-Financial assets		**3,286.37**	**4,619.83**
Total Assets		**68,141.06**	**76,079.08**
LIABILITIES AND EQUITY			
LIABILITIES			
Financial Liabilities			
Derivative financial instruments	6	14.82	122.71
Payables			
(I) Trade Payables	13		
(i) total outstanding dues of micro enterprises and small enterprises		-	-
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises		3.48	0.63
Debt Securities	14	17,833.88	23,555.93
Borrowings (Other than Debt Securities)	15	25,572.95	29,045.49
Subordinated liabilities	16	4,066.28	4,296.03
Other Financial Liabilities	17	4,273.64	2,705.02
Total Financial Liabilities		**51,765.05**	**59,725.81**
Non Financial Liabilities			
Current tax liabilities (net)		0.02	92.19
Provisions	18	71.67	129.16
Other Non-Financial Liabilities	19	275.39	479.59
Total Non Financial Liabilities		**347.08**	**700.94**
Equity			
Equity share capital	20	94.32	93.71
Other equity	21	15,934.61	15,558.62
Total Equity		**16,028.93**	**15,652.33**
Total Liabilities and Equity		**68,141.06**	**76,079.08**

The accompanying notes are integral part of the financial statements

In terms of our report of even date attached

For S. N. Dhawan & CO LLP
Chartered Accountants
Firm registration No. 000050N/N500045

For Arora & Choudhary Associates
Chartered Accountants
Firm Registration No. 003870N

For and on behalf of the Board of Directors

Rahul Singhal
Partner
Membership Number: 096570
Gurugram

Vijay Kumar Choudhary
Partner
Membership No. 081843
New Delhi

Gagan Banga
Vice Chairman / Managing Director & CEO
DIN : 00010894
Mumbai

Sachin Chaudhary
Whole Time Director
DIN : 02016992
Gurugram

Mukesh Garg
Chief Financial Officer
New Delhi

Pinank Shah
Deputy Chief Financial Officer
Mumbai

Amit Jain
Company Secretary
Gurugram

May 22, 2023

May 22, 2023

May 22, 2023

Indiabulls Housing Finance Limited
Standalone Statement of Profit and Loss for the year ended March 31, 2023
(All amount in Rs. in Crore, except for share data unless stated otherwise)

Particulars	Note No.	Year ended March 31, 2023	Year ended March 31, 2022
Revenue from operations			
Interest Income	22	6,563.09	7,586.00
Dividend Income	23	204.43	-
Fees and commission Income	24	81.78	51.84
Net gain on fair value changes	25	91.74	-
Net gain on derecognition of financial instruments under amortised cost category		422.72	127.55
Total revenue from operations		**7,363.76**	**7,765.39**
Other Income	26	17.02	12.31
Total Income		**7,380.78**	**7,777.70**
Expenses			
Finance Costs	27	5,131.09	5,864.66
Net loss on fair value changes	25	-	66.02
Impairment on financial instruments	28	385.15	214.64
Employee Benefits Expense	29	477.29	435.15
Depreciation, amortization and impairment	11 & 46(c)	82.65	74.40
Other expenses	30	198.79	166.93
Total Expenses		**6,274.97**	**6,821.80**
Profit before tax		**1,105.81**	**955.90**
Tax Expense:			
(1) Current Tax	31	-	-
(2) Deferred Tax Charge	31	286.64	259.79
Profit for the Year		**819.17**	**696.11**
Other Comprehensive Income			
A (i) Items that will not be reclassified to statement of profit or loss			
(a) Remeasurement (loss)/gain on defined benefit plan		(1.08)	1.61
(b) Gain on equity instrument designated at FVOCI [Refer Note 9(3)&(4)]		2.89	66.25
(ii) Income tax impact on above		1.80	(11.85)
B (i) Items that will be reclassified to statement of profit or loss			
(a) Derivative instruments in Cash flow hedge relationship		9.11	80.99
(ii) Income tax impact on above		(2.29)	(20.38)
Other Comprehensive Income (A+B)		**10.43**	**116.62**
Total Comprehensive Income for the Year		**829.60**	**812.73**
Earnings per equity share			
Basic (Rs.)	37	**17.38**	**15.02**
Diluted (Rs.)	37	**17.28**	**14.98**
Nominal value per share (Rs.)		**2.00**	**2.00**

The accompanying notes are integral part of the financial statements

In terms of our report of even date attached

For S. N. Dhawan & CO LLP
Chartered Accountants
Firm registration No. 000050N/N500045

Rahul Singhal
Partner
Membership Number: 096570
Gurugram

May 22, 2023

For Arora & Choudhary Associates
Chartered Accountants
Firm Registration No. 003870N

Vijay Kumar Choudhary
Partner
Membership No. 081843
New Delhi

May 22, 2023

For and on behalf of the Board of Directors

Gagan Banga
Vice Chairman / Managing Director & CEO
DIN : 00010894
Mumbai

Sachin Chaudhary
Whole Time Director
DIN : 02016992
Gurugram

Mukesh Garg
Chief Financial Officer
New Delhi

Pinank Shah
Deputy Chief Financial Officer
Mumbai

Amit Jain
Company Secretary
Gurugram

May 22, 2023

Indiabulls Housing Finance Limited
Standalone Statement of Cash Flows for the Year ended March 31, 2023
(All amount in Rs. in Crore, except for share data unless stated otherwise)

		Year ended March 31, 2023	Year ended March 31, 2022
A	**Cash flows from operating activities :**		
	Profit before tax	**1,105.81**	**955.90**
	Adjustments to reconcile profit before tax to net cash flows:		
	Employee Stock Compensation Expense	(1.53)	(8.50)
	Change in Provision for Gratuity, Compensated Absences and Superannuation Expense	(56.59)	9.75
	Impairment on Financial Instruments (Inlcuding Bad debt)	902.12	597.70
	Interest Expense	4,898.18	5,602.18
	Interest Income	(6,563.09)	(7,586.00)
	Dividend Received	(204.43)	-
	Profit / (loss) on Lease termination	(0.89)	0.42
	Other Provisions	0.15	-
	Depreciation and Amortisation	82.65	74.39
	Guarantee Income	(10.87)	(10.53)
	Lease Security Deposit Income	(0.31)	-
	Profit on sale of Property, plant and equipment	(3.06)	(0.99)
	Unrealised loss on valuation of Investments	78.92	29.60
	Operating Profit/(Loss) before working capital changes	227.06	(336.08)
	Working Capital Changes		
	Trade Receivable, Other Financial and non Financial Assets	(737.03)	11.38
	Loans	1,423.37	2,563.27
	Trade Payables, other financial and non Financial Liabilities	888.09	(955.00)
	Cash generated from operations	1,801.49	1,283.57
	Interest received on loans	5,798.10	6,573.85
	Interest paid on borrowings	(5,424.11)	(5,882.89)
	Income taxes paid (Net)	(408.57)	(526.82)
	Net cash flow from operating activities	**1,766.91**	**1,447.71**
B	**Cash flows from investing activities**		
	Purchase of Property, plant and equipment and other intangible assets	(48.33)	(19.86)
	Sale of Property, plant and equipment	5.57	2.24
	Movement in Capital Advances (net)	2.72	(9.75)
	Dividend Received	204.43	-
	Redemption proceeds from/(Investment in) deposit accounts(net)	243.27	2,196.59
	Redemption proceeds from/(Investments in) Subsidiary / Associate / Other Investments	1,842.12	(1,476.35)
	Interest received on Investments	333.09	590.77
	Net cash flow from investing activities	**2,582.87**	**1,283.64**
C	**Cash flows from financing activities**		
	Net Proceeds from Issue of Equity Share (Including Securities Premium)	-	0.22
	Distribution of Equity Dividends	(0.63)	(0.14)
	Repayment received from / (Loans given to) Subsidiary Companies (Net)	491.00	(190.00)
	(Repayment of)/Proceeds from Term loans (Net)	(3,210.41)	(197.29)
	(Repayment of)/Proceeds from Secured Debentures (including Conversion) (Net)	(5,728.26)	(5,529.51)
	Repayment of Subordinate Debt(Net)	(241.10)	(64.09)
	Payment of Lease Liability	(57.45)	(46.06)
	(Repayment of)/Proceeds from Working capital loans (Net)	(371.00)	(344.00)
	Net cash (used in) / from financing activities	**(9,117.85)**	**(6,370.87)**
D	**Net Decrease in cash and cash equivalents (A+B+C)**	**(4,768.07)**	**(3,639.52)**
E	**Cash and cash equivalents at the beginning of the year**	**7,605.90**	**11,245.42**
F	**Cash and cash equivalents at the end of the year (D + E)** (Refer Note 4)	**2,837.83**	**7,605.90**

The accompanying notes are integral part of the financial statements

Notes:
1. The above Standalone Statement of Cash Flows has been prepared under the "Indirect Method" as set out in Indian Accounting Standard (IndAS) - 7 on 'Statement of Cash Flows'.
2 For disclosure of investing and financing activity that do not require cash and cash equivalent, refer note 32(iv).

In terms of our report of even date attached

For S. N. Dhawan & CO LLP
Chartered Accountants
Firm registration No. 000050N/N500045

For Arora & Choudhary Associates
Chartered Accountants
Firm Registration No. 003870N

For and on behalf of the Board of Directors

Rahul Singhal
Partner
Membership Number: 096570
Gurugram

Vijay Kumar Choudhary
Partner
Membership No. 081843
New Delhi

Gagan Banga
Vice Chairman / Managing Director & CEO
DIN : 00010894
Mumbai

Sachin Chaudhary
Whole Time Director
DIN : 02016992
Gurugram

Mukesh Garg
Chief Financial Officer
New Delhi

Pinank Shah
Deputy Chief Financial Officer
Mumbai

Amit Jain
Company Secretary
Gurugram

May 22, 2023

May 22, 2023

May 22, 2023

Indiabulls Housing Finance Limited

Standalone statement of changes in equity for the year ended March 31, 2023

(All amount in Rs. in Crore, except for share data unless stated otherwise)

a. Equity Share Capital:	**Numbers**	**Amount**
Equity shares of INR 2 each issued, subscribed and fully paid		
At April 1, 2021	**462,348,902**	**92.47**
Changes in Equity Share Capital due to prior period errors	-	-
Restated balance as at April 1, 2021	**462,348,902**	**92.47**
Add : issued during the FY 2021-22	6,222,602	1.24
At 31 March , 2022	**468,571,504**	**93.71**
Changes in Equity Share Capital due to prior period errors	-	-
Restated balance as at April 1, 2022	**468,571,504**	**93.71**
Add : issued during the FY 2022-23	3,025,126	0.61
At 31 March , 2023	**471,596,630**	**94.32**

b. Other Equity*

	Reserve & Surplus													**Other Comprehensive Income**		**Total**
	Capital reserve	**Capital Redemption Reserve**	**Securities premium Account**	**Stock Compensation Adjustment Reserve**	**General reserve**	**Special Reserve U/s 36(I)(viii) of the Income Tax Act, 1961** Refer 21(6)	**Reserve (I) As per section 29C of the Housing Bank Act, 1987** Refer Note 21(8)	**Reserve (II)** refer Note 21(10)	**Reserve (III)** refer Note 21(8)	**Additional Reserve Fund (U/s 29C of the National Housing Bank Act, 1987**	**Debenture Redemption Reserve**	**Debenture Premium Account**	**Retained earnings**	**Equity instruments through other comprehensive income**	**Cash flow hedge reserve**	
As at April 1, 2021	**13.75**	**0.36**	**8,152.36**	**178.76**	**1,105.99**	**89.00**	**1,991.73**	**505.48**	**2,178.00**	**825.00**	**974.14**	**1.28**	**2.08**	**(167.32)**	**(420.87)**	**15,429.74**
Profit for the year	-	-	-	-	-	-	-	-	-	-	-	-	696.11	-	-	**696.11**
Other Comprehensive Income	-	-	-	-	-	-	-	-	-	-	-	-	5.03	50.98	60.61	**116.62**
Total comprehensive income	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**701.14**	**50.98**	**60.61**	**812.73**
Add: Transferred / Addition during the year	-	-	0.22	(8.50)	827.74	-	139.22	-	-	525.00	-	-	-	-	-	**1,483.68**
Add: during the year on account of conversion of FCCB	-	-	149.43	-	-	-	-	-	-	-	-	-	-	-	-	**149.43**
Add: Transfer from Stock Compensation Adjustment Reserve	-	-	0.13	-	-	-	-	-	-	-	-	-	-	-	-	**0.13**
Less:Transferred to Securities Premium Account	-	-	-	0.13	-	-	-	-	-	-	-	-	-	-	-	**0.13**
Less: Adjusted / Utilised during the year Refer Note 52	-	-	-	-	-	-	-	-	-	825.00	-	-	-	-	-	**825.00**
Appropriations:-																
Transferred to Reserve I (Special Reserve U/s 29C of the NHB Act, 1987)	-	-	-	-	-	-	-	-	-	-	-	-	139.22	-	-	**139.22**
Transferred to Additional Reserve (U/s 29C of the National Housing Bank Act, 1987)	-	-	-	-	-	-	-	-	-	-	-	-	525.00	-	-	**525.00**
Transferred to General Reserve Refer note 21(4)	-	-	-	-	-	-	-	-	-	-	827.74	-	-	-	-	**827.74**
Total Appropriations	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**827.74**	**-**	**664.22**	**-**	**-**	**1,491.96**
At 31 March 2022	**13.75**	**0.36**	**8,302.14**	**170.13**	**1,933.73**	**89.00**	**2,130.95**	**505.48**	**2,178.00**	**525.00**	**146.40**	**1.28**	**39.00**	**(116.34)**	**(360.26)**	**15,558.62**
Profit for the year	-	-	-	-	-	-	-	-	-	-	-	-	819.17	-	-	**819.17**
Other Comprehensive Income	-	-	-	-	-	-	-	-	-	-	-	-	(0.81)	4.42	6.82	**10.43**
Total comprehensive income	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**818.36**	**4.42**	**6.82**	**829.60**
Add: Transferred / Addition during the year	-	-	-	(1.53)	-	-	163.83	-	-	610.00	-	-	-	-	-	**772.30**
Add: during the year on account of conversion of FCCB	-	-	72.92	-	-	-	-	-	-	-	-	-	-	-	-	**72.92**

Indiabulls Housing Finance Limited

Standalone statement of changes in equity for the year ended March 31, 2023

(All amount in Rs. in Crore, except for share data unless stated otherwise)

	Reserve & Surplus													Other Comprehensive Income		
	Capital reserve	**Capital Redemption Reserve**	**Securities premium Account**	**Stock Compensation Adjustment Reserve**	**General reserve**	**Special Reserve U/s 36(I)(viii) of the Income Tax Act, 1961** Refer 21(6)	**Reserve (I) As per section 29C of the Housing Bank Act, 1987** Refer Note 21(8)	**Reserve (II)** refer Note 21(10)	**Reserve (III)** refer Note 21(8)	**Additional Reserve Fund (U/s 29C of the National Housing Bank Act, 1987**	**Debenture Redemption Reserve**	**Debenture Premium Account**	**Retained earnings**	**Equity instruments through other comprehensive income**	**Cash flow hedge reserve**	**Total**
Add: Transfer from Stock Compensation Adjustment Reserve	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	**-**
Less:Transferred to Securities Premium Account	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	**-**
Less: Adjusted / Utilised during the year Refer Note 52	-	-	-	-	-	-	-	-	-	525.00	-	-	-	-	-	**525.00**
Appropriations:-																
Transferred to Reserve III (Reserve U/s 36(1) (viii)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	**-**
Transferred to Reserve I (Special Reserve U/s 29C of the NHB Act, 1987)	-	-	-	-	-	-	-	-	-	-	-	-	163.83	-	-	**163.83**
Transferred to Additional Reserve (U/s 29C of the National Housing Bank Act, 1987)	-	-	-	-	-	-	-	-	-	-	-	-	610.00	-	-	**610.00**
Transferred to General Reserve	-	-	-	-	-	-	-	-	-	-	-	-		-	-	**-**
Transferred to General Reserve Refer note 21(4)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	**-**
Total Appropriations	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**773.83**	**-**	**-**	**773.83**
At 31 March 2023	**13.75**	**0.36**	**8,375.06**	**168.60**	**1,933.73**	**89.00**	**2,294.78**	**505.48**	**2,178.00**	**610.00**	**146.40**	**1.28**	**83.53**	**(111.92)**	**(353.44)**	**15,934.61**

*There are no changes in accounting policy/prior period errors in other equity during the year and previous year

The accompanying notes are integral part of the financial statements

In terms of our report of even date attached

For S. N. Dhawan & CO LLP
Chartered Accountants
Firm registration No. 000050N/N500045

For Arora & Choudhary Associates
Chartered Accountants
Firm Registration No. 003870N

For and on behalf of the Board of Directors

Rahul Singhal
Partner
Membership Number: 096570
Gurugram

May 22, 2023

Vijay Kumar Choudhary
Partner
Membership No. 081843
New Delhi

May 22, 2023

Gagan Banga
Vice Chairman / Managing Director & CEO
DIN : 00010894
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Sachin Chaudhary
Whole Time Director
DIN : 02016992
Gurugram

Mukesh Garg
Chief Financial Officer
New Delhi

Pinank Shah
Deputy Chief Financial Officer
Mumbai

Amit Jain
Company Secretary
Gurugram

1 Corporate information

Indiabulls Housing Finance Limited (“the Company”) ("IBHFL") ("IHFL") is a public limited Company domiciled in India with its registered office at Building No. 27, 5th Floor, KG Marg, New Delhi-110001. The Company is engaged in the business to provide finance and to undertake all lending and finance to any person or persons, co-operative society, association of persons, body of individuals, companies, institutions, firms, builders, developers, contractors, tenants and others either at interest or without and/or with or without any security for construction, erection, building, repair, remodelling, development, improvement, purchase of houses, apartments, flats, bungalows, rooms, huts, townships and/or other buildings and real estate of all descriptions or convenience there on and to equip the same or part thereof with all or any amenities or conveniences, drainage facility, electric, telephonic, television, and other installations, either in total or part thereof and /or to purchase any free hold or lease hold lands, estate or interest in any property and such other activities as may be permitted under the Main Objects of the Memorandum of Association of the Company.

The Board of Directors of Indiabulls Housing Finance Limited (100% subsidiary of "IBFSL") and Indiabulls Financial Services Limited ("IBFSL", "Erstwhile Holding Company") at their meeting held on April 27, 2012 had approved the Scheme of Arrangement involving the reverse merger of IBFSL with the Company in terms of the provisions of Sections 391 to 394 of the Companies Act, 1956 (the “Scheme of Arrangement”). The Appointed Date of the proposed merger fixed under the Scheme of Arrangement was April 1, 2012. The Hon’ble High Court of Delhi, vide its Order dated December 12, 2012, received by the Company on February 8, 2013, approved the Scheme of Arrangement. In terms of the Court approved Scheme of Arrangement, with the filing of the copy of the Order, on March 8, 2013, with the office of ROC, NCT of Delhi & Haryana (the Effective Date), IBFSL, as a going concern, stands amalgamated with IBHFL with effect from the Appointed Date, being April 1, 2012.

Indiabulls Financial Services Limited (“IBFSL”) was incorporated on January 10, 2000 as a Private Limited Company. On March 30, 2001, the Company was registered under Section 45-IA of the Reserve Bank of India (RBI) Act, 1934 to carry on the business of a Non-Banking Financial Company. The Company was converted into a public limited Company pursuant to Section 44 of the Companies Act, 1956 on February 03, 2004.

The Company was incorporated on May 10, 2005. On December 28, 2005 the Company was registered under Section 29A of the National Housing Bank Act, 1987 to commence / carry on the business of a Housing Finance Institution without accepting public deposits. The Company is required to comply with provisions of the National Housing Bank Act, 1987, the Housing Finance Companies (NHB) Directions, 2010 (as amended from time to time), Master Direction – Non Banking Financial Company – Housing Finance Company (“NBFC-HFC”) (Reserve Bank) Directions, 2021 (“Master Directions”) and other guidelines / instructions / circulars issued by the National Housing Bank from time to time.

2 (i) Basis of preparation

The standalone financial statements of the Company have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 (as amended from time to time) along with other relevant provisions of the Act, the Master Direction – Non-Banking Financial Company – Housing Finance Company (Reserve Bank) Directions, 2021, RBI/2020-21/73 DOR.FIN.HFC.CC.No.120/03.10.136/2020-21, 17 February, 2021 (‘the RBI Master Directions’) and notification for Implementation of Indian Accounting Standard vide circular RBI/2019-20/170 DOR(NBFC).CC.PD.No.109/22.10.106/2019-20 dated 13 March 2020 (‘RBI Notification for Implementation of Ind AS’) issued by Reserve Bank of India (RBI). These standalone financial statements have been approved by the Board of Directors and authorized for issue on 22 May 2023.

The standalone financial statements have been prepared on a historical cost basis, except for fair value through other comprehensive income (FVOCI) instruments, derivative financial instruments, other financial assets held for trading and financial assets and liabilities designated at fair value through profit or loss (FVTPL), all of which have been measured at fair value. Further the carrying values of recognised assets and liabilities that are hedged items in fair value hedges, and otherwise carried at amortised cost, are adjusted to record changes in fair value attributable to the risks that are being hedged. The standalone financial statements are presented in Indian Rupees (INR). The figures are rounded off to the nearest crore.

(ii) Presentation of financial statements

The Company presents its balance sheet in order of liquidity. Financial assets and financial liabilities are generally reported gross in the balance sheet. They are only offset and reported net when, in addition to having an unconditional legally enforceable right to offset the recognised amounts without being contingent on a future event, the parties also intend to settle on a net basis in all of the following circumstances:

A. The normal course of business
B. The event of default
C. The event of insolvency or bankruptcy of the Company and/or its counterparties

3 Significant accounting policies

3.1 Significant accounting Judgements, estimates and assumptions

The preparation of financial statements in conformity with Ind AS requires the management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and the disclosure of contingent liabilities, at the end of the reporting period. Although these estimates are based on the management's best knowledge of current events and actions, uncertainty about these assumptions and estimates could result in the outcomes requiring a material adjustment to the carrying amounts of assets or liabilities in future periods.

A. Impairment loss on financial assets

The measurement of impairment losses across all categories of financial assets except assets valued at FVTPL, enquires judgment, in particular, the estimation of the amount and timing of future cash flows and collateral values when determining impairment losses and 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.

The Company’s expected credit loss (ECL) calculations are outputs of complex models with a number of underlying assumptions regarding the choice of variable inputs and their interdependencies. Elements of the ECL models that are considered accounting judgments and estimates include:

• The Company’s model, which assigns Probability of Defaults (PDs)
• The Company’s criteria for assessing if there has been a significant increase in credit risk and so allowances for financial assets should be measured on a Long Term ECL (LTECL) basis
• The segmentation of financial assets when their ECL is assessed on a collective basis
• Development of ECL models, including the various formulas and the choice of inputs
• Determination of associations between macroeconomic scenarios and, economic inputs, and the effect on PDs, Exposure at Default (EADs) and Loss Given Default (LGDs)
• Selection of forward-looking macroeconomic scenarios and their probability weightings, to derive the economic inputs into the ECL models

B. Business Model Assumption

Classification and measurement of financial assets depends on the results of the Solely Payments of Principal and Interest (SPPI) and the business model test. The Company determines the business model at a level that reflects how groups of financial assets are managed together to achieve a particular business objective. This assessment includes judgment reflecting all relevant evidence including how the performance of the assets is evaluated and their performance measured, the risks that affect the performance of the assets and how these are managed and how the managers of the assets are compensated. The Company monitors financial assets measured at amortised cost that are de-recognised 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 assets.

C. Defined employee benefit assets and liabilities

The cost of the defined benefit gratuity plan and other post-employment benefits and the present value of the gratuity obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

D. Share Based Payments

Estimating fair value for share-based payment transactions requires determination of the most appropriate valuation model, which is dependent on the terms and conditions of the grant. This estimate also requires determination of the most appropriate inputs to the valuation model including the expected life of th share option, volatility and dividend yield and making assumptions about them.

E. Fair value measurement

When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the DCF model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgment is required in establishing fair values. Judgments include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments.

F. Effective interest rate method

The Company's EIR methodology, recognises interest income using a rate of return that represents the best estimate of a constant rate of return over the expected behavioural life of loans and recognises the effect of potentially different interest rates charged at various stages and other characteristics of the product life cycle. This estimation, by nature, requires an element of judgement regarding the expected behaviour and life-cycle of the instruments, as well expected changes to the Company's base rate and other fee income/expense that are integral parts of the instrument.

3.2 Cash and cash equivalents

Cash and cash equivalent comprises cash in hand, demand deposits and time deposits held with bank, debit balance in cash credit account.

3.3 Recognition of income and expense

a) Interest income

The Company earns revenue primarily from giving loans. 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. Interest revenue is recognized using the effective interest method (EIR). The effective interest method calculates the amortized cost of a financial instrument and allocates the interest income. The effective interest rate is the rate that discounts estimated future cash payments or receipts through the expected life of the financial instrument or, when appropriate, a shorter period, to the gross carrying amount of the financial asset or liability. The calculation takes into account all contractual terms of the financial instrument (for example, prepayment options) and includes any fees or incremental costs that are directly attributable to the instrument and are an integral part of the EIR, but not future credit losses.

The Company recognises interest income by applying the EIR to the gross carrying amount of financial assets other than credit-impaired assets. When a financial asset becomes credit-impaired and is, therefore, regarded as 'Stage 3', the Company recognises the interest to the extent recoverable. If the financial assets cures and is no longer credit-impaired, the Company reverts to recognising interest income.

b) Interest expense

Interest expense includes issue costs that are initially recognized as part of the carrying value of the financial liability and amortized over the expected life using the effective interest method. These include fees and commissions payable to arrangers and other expenses such as external legal costs, provided these are incremental costs that are directly related to the issue of a financial liability.

c) Other charges and other interest

Additional interest and Overdue interest is recognised on realization basis.

d) Commission on Insurance Policies

Commission on insurance policies sold is recognised when the Company under its agency code sells the insurance policies and when the same is accepted by the principal insurance Company.

e) Dividend income

Dividend income is recognized when the Company's right to receive the payment is established, it is probable that the economic benefits associated with the dividend will flow to the entity and the amount of the dividend can be measured reliably. This is generally when shareholders approve the dividend.

3.4 Foreign currency

The Company's financial statements are presented in Indian Rupees (INR) which is also the Company's functional currency.

Transactions in foreign currencies are initially recorded by the Company at their respective functional currency spot rates at the date the transaction first qualifies for recognition.

Foreign currency denominated monetary assets and liabilities are translated at the functional currency spot rates of exchange at the reporting date and exchange gains and losses arising on settlement and restatement are recognized in the statement of profit and loss.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined. The gain or loss arising on translation of non-monetary items measured at fair value is treated in line with the recognition of the gain or loss on the change in fair value of the item (i.e., translation differences on items whose fair value gain or loss is recognized in OCI or profit or loss are also recognized in OCI or profit or loss, respectively).

3.5 Leases

The Company assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.
Company as a lessee

The Company applies a single recognition and measurement approach for all leases, except for short-term leases. The Company recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

Right-of-use assets
The Company recognises right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets, as follows:

• Office Premises – 1-12 Years
The right-of-use assets are also subject to impairment. Refer to the accounting policies in note 3.8 Impairment of non-financial assets.

Lease Liability
At the commencement date of the lease, the Company recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments less any lease incentives receivable. The lease payments also include payments of penalties for terminating the lease, if the lease term reflects the Company exercising the option to terminate. Variable lease payments that do not depend on an index or a rate are recognised as expenses in the period in which the event or condition that triggers the payment occurs.
In calculating the present value of lease payments, the Company uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments or a change in the assessment of an option to purchase the underlying asset.

Short-term leases and leases of low-value assets
The Company applies the short-term lease recognition exemption to its short-term leases (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option).

Determining the lease term of contracts with renewal and termination options – Company as lessee
The Company determines the lease term as the non-cancellable term of the lease, together with any periods covered by an option to extend the lease if it is reasonably certain to be exercised, or any periods covered by an option to terminate the lease, if it is reasonably certain not to be exercised.
Leases - Estimating the incremental borrowing rate
The Company cannot readily determine the interest rate implicit in the lease, therefore, it uses its incremental borrowing rate (IBR) to measure lease liabilities. The IBR is the rate of interest that the Company would have to pay to borrow over a similar term, and with a similar security, the funds necessary to obtain an asset of a similar value to the right-of-use asset in a similar economic environment. The IBR therefore reflects what the Company 'would have to pay', which requires estimation when no observable rates are available or when they need to be adjusted to reflect the terms and conditions of the lease.

3.6 Property, plant and equipment (PPE) and Intangible assets

PPE

PPE are stated at cost (including incidental expenses directly attributable to bringing the asset to its working condition for its intended use) less accumulated depreciation and impairment losses, if any. Cost comprises the purchase price and any attributable cost of bringing the asset to its working condition for its intended use. Subsequent expenditure related to PPE is capitalized only when it is probable that future economic benefits associated with these will flow to the Company and the cost of item can be measured reliably. Other repairs and maintenance costs are expensed off as and when incurred.

An item of property, plant and equipment and any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on de-recognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the statement of profit and loss when the asset is derecognised.

Intangible assets

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses.

3.7 Depreciation and amortization

Depreciation

Depreciation on PPE is provided on straight-line method as per the useful life prescribed in Schedule II to the Companies Act, 2013, except for Vehicles.

Vehicles are amortised on a straight line basis over a period of five years from the date when the assets are available for use. The life has been assessed based on past usage experience and considering the change in technology.

Depreciation on additions to PPE is provided on a pro-rata basis from the date the asset is put to use. Leasehold improvements are amortised over the period of Lease. Depreciation on sale / deduction from PPE is provided for up to the date of sale / deduction, as the case may be.

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate

Amortization

Intangible assets consisting of Software are amortised on a straight line basis over a period of four years from the date when the assets are available for use. The amortisation period and the amortisation method for these softwares with a finite useful life are reviewed at least at each financial year-end.

3.8 Impairment of non-financial assets

The carrying amount of assets is reviewed at each balance sheet date if there is any indication of impairment based on internal/external factors. An impairment loss is recognised wherever the carrying amount of an asset exceeds its recoverable amount. The recoverable amount is the greater of the assets, net selling price and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and risks specific to the asset. In determining net selling price, recent market transactions are taken into account, if available. If no such transactions can be identified, an appropriate valuation model is used.

After impairment, depreciation is provided on the revised carrying amount of the asset over its remaining useful life.

3.9 Provisions, Contingent Liability and Contingent Assets

A provision is recognised when the Company has a present obligation as a result of past events and it is probable that an outflow of resources will be required to settle the obligation in respect of which a reliable estimate can be made. Provisions are determined based on the best estimate required to settle the obligation at the balance sheet date. Contingent liability is disclosed for (1) Possible obligations which will be confirmed only by future events not wholly within the control of the Company or (2) Present obligations arising from past events where it is not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount of the obligation cannot be made. Contingent Assets are not recognised in the financial statements.

3.10 Retirement and other employee benefits

Retirement benefit in the form of provident fund and Employee State Insurance Scheme is a defined contribution scheme. The Company has no obligation, other than the contribution payable to the provident fund and Employee State Insurance scheme. The Company recognizes contribution payable to the provident fund and Employee State Insurance scheme as an expense, when an employee renders the related service. If the contribution payable to the scheme for service received before the balance sheet date exceeds the contribution already paid, the deficit payable to the scheme is recognized as a liability after deducting the contribution already paid. If the contribution already paid exceeds the contribution due for services received before the balance sheet date, then excess is recognized as an asset to the extent that the pre-payment will lead to, for example, a reduction in future payment or a cash refund.

The Company has unfunded defined benefit plans Gratuity plan and Compensated absences plan for all eligible employees, the liability for which is determined on the basis of actuarial valuation at each year end. Separate actuarial valuation is carried out for each plan using the projected unit credit method. Superannuation (Pension & Medical coverage) payable to a Director on retirement is also actuarially valued at the end of the year using the Projected Unit Credit Method.

Remeasurements, comprising of actuarial gains and losses, the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability), are recognised immediately in the balance sheet with a corresponding debit or credit to retained earnings through OCI in the period in which they occur. Remeasurements are not reclassified to profit or loss in subsequent periods.

3.11 Taxes

Tax expense comprises current and deferred tax.

Current income tax

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities in accordance with Income tax Act, 1961, Income Computation and Disclosure Standards and other applicable tax laws. The tax rates and tax laws used to compute the amount are those that are enacted at the reporting date.

Current income tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Current tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

Deferred tax

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Deferred tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

3.12 Earning per share

Basic earnings per share are calculated by dividing the net profit or loss for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the period. Partly paid equity shares are treated as a fraction of an equity share to the extent that they are entitled to participate in dividends relative to a fully paid equity share during the reporting year.

For the purpose of calculating diluted earnings per share, the net profit or loss for the year attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

3.13 Share based payments

Equity-settled share based payments to employees and others providing similar services are measured at the fair value of the equity instruments at the grant date.

The fair value determined at the grant date of the equity-settled share based payments is expensed on a straight line basis over the vesting period, based on the Company`s estimate of equity instruments that will eventually vest, with a corresponding increase in equity. At the end of each reporting period, the Company revises its estimate of the number of equity instruments expected to vest. The impact of the revision of the original estimates, if any, is recognised in Statement of Profit and Loss such that the cumulative expenses reflects the revised estimate, with a corresponding adjustment to the Stock Compensation Adjustment Reserve.

The dilutive effect of outstanding options is reflected as additional share dilution in the computation of diluted earnings per share.

3.14 Financial instruments

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

3.14.1 Financial Assets

3.14.1.1 Initial recognition and measurement
Financial assets, with the exception of loans and advances to customers, are initially recognised on the trade date, i.e., the date that the Company becomes a party to the contractual provisions of the instrument. Loans and advances to customers are recognised when funds are disbursed to the customers. The classification of financial instruments at initial recognition depends on their purpose and characteristics and the management's intention when acquiring them. All financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset.

3.14.1.2 Classification and Subsequent measurement

For purposes of subsequent measurement, financial assets are classified in four categories:
• Debt instruments at amortised cost
• Debt instruments at fair value through other comprehensive income (FVTOCI)
• Debt instruments and equity instruments at fair value through profit or loss (FVTPL)
• Equity instruments measured at fair value through other comprehensive income (FVTOCI)

3.14.1.3 Debt instruments at amortised costs

A 'debt instrument' is measured at the amortised cost if both the following conditions are met:
• The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
• Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

Business model: The business model reflects how the Company manages the assets in order to generate cash flows. That is, where the Company's objective is solely to collect the contractual cash flows from the assets, the same is measured at amortized cost or where the Company's objective is to collect both the contractual cash flows and cash flows arising from the sale of assets, the same is measured at fair value through other comprehensive income (FVTOCI). If neither of these is applicable (e.g. financial assets are held for trading purposes), then the financial assets are classified as part of 'other' business model and measured at FVPL.

SPPI: Where the business model is to hold assets to collect and earn contractual cash flows (i.e. measured at amortized cost), the Company assesses whether the financial instruments' cash flows represent solely payments of principal and interest (the 'SPPI test'). In making this assessment, the Company considers whether the contractual cash flows are consistent with a basic lending arrangement i.e. interest includes only consideration for the time value of money, credit risk, other basic lending risks and a profit margin that is consistent with a basic lending arrangement. Where the contractual terms introduce exposure to risk or volatility that are inconsistent with a basic lending arrangement, the related financial asset is classified and measured at fair value through profit or loss. The amortized cost, as mentioned above, is computed using the effective interest rate method.

After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method less impairment. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in interest income in the statement of profit or loss. The losses arising from impairment are recognised in the statement of profit and loss.

3.14.1.4 Debt instruments at FVOCI

A 'debt instrument' is classified as at the FVTOCI if both of the following criteria are met:
The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets

Debt instruments included within the FVTOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognized in the other comprehensive income (OCI). However, the Company recognizes interest income, impairment losses & reversals and foreign exchange gain or loss in the Statement of Profit and Loss. On derecognition of the asset, cumulative gain or loss previously recognised in OCI is reclassified from the equity to Statement of Profit and Loss. Interest earned whilst holding FVTOCI debt instrument is reported as interest income using the EIR method.

3.14.1.5 Debt instruments at FVTPL

FVTPL is a residual category for debt instruments. Any debt instrument, which does not meet the criteria for categorization as at amortized cost or as FVTOCI, is classified as at FVTPL.

In addition, the Company may elect to designate a debt instrument, which otherwise meets amortized cost or FVTOCI criteria, as at FVTPL. However, such election is allowed only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as 'accounting mismatch'). Debt instruments included within the FVTPL category are measured at fair value with all changes recognized in the Statement of Profit and Loss.

3.14.1.6 Equity Investments

All equity investments in scope of Ind AS 109 are measured at fair value. Equity instruments which are held for trading classified as at FVTPL. For all other equity instruments, the Company may make an irrevocable election to present in other comprehensive income subsequent changes in the fair value. 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 Other Comprehensive Income to Statement of Profit and Loss, even on sale of investment. However, the Company may transfer the cumulative gain or loss within equity.

Equity instruments included within the FVTPL category are measured at fair value with all changes recognized in the Statement of Profit and Loss.

3.14.2 Financial Liabilities

3.14.2.1 Initial recognition and measurement

Financial liabilities are classified and measured at amortised cost or FVTPL. A financial liability is classified as at FVTPL if it is classified as held-for trading or it is designated as on initial recognition. All financial liabilities are recognised initially at fair value and, in the case of borrowings and payables, net of directly attributable transaction costs.

The Company's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts and derivative financial instruments.

3.14.2.2 Borrowings

After initial recognition, interest-bearing borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in Statement of Profit and Loss when the liabilities are derecognised as well as through the EIR amortisation process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit and loss. This category generally applies to borrowings.

3.14.3 Derivative financial instruments

The Company holds derivatives to mitigate the risk of changes in exchange rates on foreign currency exposures as well as interest fluctuations. The counterparty for these contracts is generally a bank. Derivatives that are not designated a hedge are categorized as financial assets or financial liabilities, at fair value through profit or loss. Such derivatives are recognized initially at fair value and attributable transaction costs are recognized in the Statement of Profit and Loss when incurred. Subsequent to initial recognition, these derivatives are measured at fair value through profit or loss and the resulting gains or losses are included in Statement of Profit and Loss.

3.14.4 Reclassification of financial assets and liabilities

The Company doesn't reclassify its financial assets subsequent to their initial recognition, apart from the exceptional circumstances in which the Company acquires, disposes of, or terminates a business line. Financial liabilities are never reclassified.

3.14.5 De recognition of financial assets and liabilities

3.14.5.1 Financial Assets

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is de-recognised when the rights to receive cash flows from the financial asset have expired. The Company also de-recognised the financial asset if it has transferred the financial asset and the transfer qualifies for de recognition.

The Company has transferred the financial asset if, and only if, either:

• It has transferred its contractual rights to receive cash flows from the financial asset, or
• It retains the rights to the cash flows, but has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement

Pass-through arrangements are transactions whereby the Company retains the contractual rights to receive the cash flows of a financial asset (the 'original asset'), but assumes a contractual obligation to pay those cash flows to one or more entities (the 'eventual recipients'), when all of the following three conditions are met:
• The Company has no obligation to pay amounts to the eventual recipients unless it has collected equivalent amounts from the original asset, excluding short-term advances with the right to full recovery of the amount lent plus accrued interest at market rates.
• The Company cannot sell or pledge the original asset other than as security to the eventual recipients.
• The Company has to remit any cash flows it collects on behalf of the eventual recipients without material delay.

In addition, the Company is not entitled to reinvest such cash flows, except for investments in cash or cash equivalents including interest earned, during the period between the collection date and the date of required remittance to the eventual recipients.

A transfer only qualifies for derecognition if either:
• The Company has transferred substantially all the risks and rewards of the asset, Or
• The Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

The Company considers control to be transferred if and only if, the transferee has the practical ability to sell the asset in its entirety to an unrelated third party and is able to exercise that ability unilaterally and without imposing additional restrictions on the transfer.

When the Company has neither transferred nor retained substantially all the risks and rewards and has retained control of the asset, the asset continues to be recognised only to the extent of the Company's continuing involvement, in which case, the Company also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration the Company could be required to pay.

If continuing involvement takes the form of a written or purchased option (or both) on the transferred asset, the continuing involvement is measured at the value the Company would be required to pay upon repurchase. In the case of a written put option on an asset that is measured at fair value, the extent of the entity's continuing involvement is limited to the lower of the fair value of the transferred asset and the option exercise price. The profit or loss on derecognition is recognized in the Statement of profit and loss.

Derecognition due to modification of terms and conditions

The Company de-recognizes a financial asset, when the terms and conditions have been renegotiated to the extent that, substantially, it becomes a new loan, with the difference recognised as a derecognition gain or loss, to the extent that an impairment loss has not already been recorded. The newly recognised loans are classified as Stage 1 for ECL measurement purposes, unless the new loan is deemed to be Purchase Oriented Credit Impaired ("POCI")

If the modification does not result in cash flows that are substantially different, the modification does not result in derecognition. Based on the change in cash flows discounted at the original EIR, the Group records a modification gain or loss, to the extent that an impairment loss has not already been recorded.

3.14.5.2 Financial Liabilities
A financial liability is derecognised when the obligation under the liability is discharged, cancelled or expires. Where an existing financial liability is replaced by another from the same lender on substantially different terms or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a derecognition of the original liability and the recognition of a new liability. The difference between the carrying value of the original financial liability and the consideration paid is recognised in profit or loss.

3.15 Impairment of financial assets

3.15.1 Overview of the Expected Credit Loss(ECL) principles
The Company is recording the allowance for expected credit losses for all loans and other debt financial assets not held at FVTPL, together with loan commitments and financial guarantee contracts, (in this section all referred to as ‘financial instruments’). Equity instruments are not subject to impairment under IND AS 109.

The ECL allowance is based on:

a) 12 months’ expected credit loss (12mECL) where there is no significant increase in credit risk since origination and

b) on the the credit losses expected to arise over the life of the asset (the lifetime expected credit loss or LTECL)

The 12mECL is the portion of LTECL that represents the ECL that results from default events on a financial instrument that are possible within the 12 months after the reporting date.

Both LTECL and 12mECL are calculated on individual and collective basis, depending on the nature of the underlying portfolio of financial instruments. The Company has established a policy to perform an assessment, at the end of each reporting period, of whether a financial instrument’s credit risk has increased significantly since initial recognition.

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

Stage 1 : When loans are first recognised, the Company recognises an allowance based on 12mECL. Stage 1 loans also include facilities where the credit risk has improved and the loan has been reclassified from Stage 2 or Stage 3.
Stage 2: When a loan has shown a significant increase in credit risk since origination, the Company records an allowance for the LTECL. Stage 2 loans also include facilities, where the credit risk has improved and the loan has been reclassified from Stage 3.
Stage 3: Loans considered credit-impaired. The Company records an allowance for the LTECL.

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

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

• PD - The Probability of Default is an estimate of the likelihood of default over a given time horizon. A default may only happen at a certain time over the assessed period, if the facility has not been previously derecognised and is still in the portfolio.
• EAD - The Exposure at Default is an exposure at a default date.
• LGD - The Loss Given Default is an estimate of the loss arising in the case where a default occurs at a given time. It is based on the difference between the contractual cash flows due and those that the lender would expect to receive, including from the realisation of any collateral. It is usually expressed as a percentage of the EAD.

The maximum period for which the credit losses are determined is the expected life of a financial instrument.

The mechanics of the ECL method are summarised below:

Stage 1: The 12mECL is calculated as the portion of LTECL that represent the ECL that result from default events on a financial instrument that are possible within the 12 months after the reporting date. The Company calculates the 12mECL allowance based on the expectation of a default occurring in the 12 months following the reporting date. These expected 12-month default probabilities are applied to an EAD and multiplied by the expected LGD.

Stage 2: When a loan has shown a significant increase in credit risk since origination, the Company records an allowance for the LTECL. The mechanics are similar to those explained above, but PDs and LGDs are estimated over the lifetime of the instrument.

Stage 3: For loans considered credit-impaired , the Company recognizes the lifetime expected credit losses for these loans. The method is similar to that for Stage 2 assets, with the PD set at 100%.

Loan commitments: When estimating LTECL for undrawn loan commitments, the Company estimates the expected portion of the loan commitment that will be drawn down over its expected life. The ECL is then based on the present value of the expected shortfalls in cash flows if the loan is drawn down. The expected cash shortfalls are discounted at an approximation to the expected EIR on the loan.

For loan commitments, the ECL is recognised within Provisions.

3.15.3 Forward looking information

While estimating the expected credit losses, the Company reviews macro-economic developments occurring in the economy and market it operates in. On a periodic basis, the Company analyses if there is any relationship between key economic trends like GDP, Property Price Index, Unemployment rates, Benchmark rates set by the Reserve Bank of India, inflation etc. with the estimate of PD, LGD determined by the Company based on its internal data. While the internal estimates of PD, LGD rates by the Company may not be always reflective of such relationships, temporary overlays are embedded in the methodology to reflect such macro-economic trends reasonably.

3.15.4 Write-offs

Financial assets are written off partially or in their entirety when the recovery of amounts due is considered unlikely. If the amount to be written off is greater than the accumulated loss allowance, the difference is first treated as an addition to the allowance that is then applied against the gross carrying amount. Any subsequent recoveries are credited to Statement of Profit and Loss.

3.16 Fair value measurement

The Company measures financial instruments, such as, derivatives at fair value at each balance sheet date using valuation techniques.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

• In the principal market for the asset or liability, or
• In the absence of a principal market, in the most advantageous market for the asset or liability

The principal or the most advantageous market must be accessible by the Company. The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest. A fair value measurement of a non-financial asset takes into account a market participant’s ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

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

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

• Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities
• Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
• Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

3.17 Dividend

The Company recognises a liability to make cash distributions to equity holders when the distribution is authorised and the distribution is no longer at the discretion of the Company. Final dividends on shares are recorded as a liability on the date of approval by the shareholders and interim dividends are recorded as a liability on the date of declaration by the Company’s Board of Directors.

3.18 Hedging

The Company makes use of derivative instruments to manage exposures to interest rate and foreign currency. In order to manage particular risks, the Company applies hedge accounting for transactions that meet specified criteria.

At the inception of a hedge relationship, the Company formally designates and documents the hedge relationship to which the Company wishes to apply hedge accounting and the risk management objective and strategy for undertaking the hedge. The documentation includes the Company’s risk management objective and strategy for undertaking hedge, the hedging/ economic relationship, the hedged item or transaction, the nature of the risk being hedged, hedge ratio and how the entity will assess the effectiveness of changes in the hedging instrument’s fair value in offsetting the exposure to changes in the hedged item’s fair value or cash flows attributable to the hedged risk. Such hedges are expected to be highly effective in achieving offsetting changes in fair value or cash flows and are assessed on an ongoing basis to determine that they actually have been highly effective throughout the financial reporting periods for which they were designated.

Hedges that meet the strict criteria for hedge accounting are accounted for, as described below:

3.18.1 Fair value hedges

Fair value hedges hedge the exposure to changes in the fair value of a recognised asset or liability or an unrecognised firm commitment, or an identified portion of such an asset, liability or firm commitment, that is attributable to a particular risk and could affect profit or loss.

For designated and qualifying fair value hedges, the cumulative change in the fair value of a hedging derivative is recognised in the statement of profit and loss in net gain on fair value changes. Meanwhile, the cumulative change in the fair value of the hedged item attributable to the risk hedged is recorded as part of the carrying value of the hedged item in the balance sheet and is also recognised in the statement of profit and loss in net gain on fair value changes.

The Company classifies a fair value hedge relationship when the hedged item (or group of items) is a distinctively identifiable asset or liability hedged by one or a few hedging instruments. The financial instruments hedged for interest rate risk in a fair value hedge relationships fixed rate debt issued and other borrowed funds.

If the hedging instrument expires or is sold, terminated or exercised, or where the hedge no longer meets the criteria for hedge accounting, the hedge relationship is discontinued prospectively. If the relationship does not meet hedge effectiveness criteria, the Company discontinues hedge accounting from the date on which the qualifying criteria are no longer met. For hedged items recorded at amortised cost, the accumulated fair value hedge adjustment to the carrying amount of the hedged item on termination of the hedge accounting relationship is amortised over the remaining term of the original hedge using the recalculated EIR method by recalculating the EIR at the date when the amortisation begins. If the hedged item is derecognised, the unamortised fair value adjustment is recognised immediately in the statement of profit and loss.

3.18.2 Cash flow hedges

A cash flow hedge is a hedge of the exposure to variability in cash flows that is attributable to a particular risk associated with a recognised asset or liability (such as all or some future interest payments on variable rate debt) or a highly probable forecast transaction and could affect profit or loss.

For designated and qualifying cash flow hedges, the effective portion of the cumulative gain or loss on the hedging instrument is initially recognised directly in OCI within equity (cash flow hedge reserve). The ineffective portion of the gain or loss on the hedging instrument is recognised immediately in net gain/loss on fair value changes in the profit and loss statement.

When the hedged cash flow affects the statement of profit and loss, the effective portion of the gain or loss on the hedging instrument is recorded in the corresponding income or expense line of the statement of profit and loss. When the forecast transaction subsequently results in the recognition of a non-financial asset or a non-financial liability, the gains and losses previously recognised in OCI are reversed and included in the initial cost of the asset or liability.

When a hedging instrument expires, is sold, terminated, exercised, or when a hedge no longer meets the criteria for hedge accounting, any cumulative gain or loss that has been recognised in OCI at that time re-mains in OCI and is recognised when the hedged forecast transaction is ultimately recognised in the statement of profit and loss. When a forecast transaction is no longer expected to occur, the cumulative gain or loss that was reported in OCI is immediately transferred to the statement of profit and loss.

3.18.3 Cost of hedging

The Company may separate forward element and the spot element of a forward contract and designate as the hedging instrument only the change in the value of the spot element of a forward contract. Similarly currency basis spread may be separated and excluded from the designation of a financial instrument as the hedging instrument.

When an entity separates the forward element and the spot element of a forward contract and designates as the hedging instrument only the change in the value of the spot element of the forward contract, or when an entity separates the foreign currency basis spread from a financial instrument and excludes it from the designation of that financial instrument as the hedging instrument, such amount is recognised in Other Comprehensive Income and accumulated as a separate component of equity under Cost of hedging reserve. These amounts are reclassified to the statement of profit or loss account as a reclassification adjustment in the same period or periods during which the hedged cash flows affect profit or loss.

3.19. Assets held for Sale

In the course of its business activities, the Company acquires and holds certain assets (residential / commercial) for sale. The Company is committed to sell these assets and such assets and the carrying amounts of such assets will be recovered principally through the sale of these assets.

In accordance with Ind AS 105 , assets held for sale are measured on the reporting date at the lower of carrying value or fair value less costs to sell. The Company does not charge depreciation on such assets. Fair value of such assets is determined based on independent valuations conducted by specialists.

3.20 Recent accounting pronouncements

The Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. On March 31, 2023, MCA amended the Companies (Indian Accounting Standards) Rules, 2015 by issuing the Companies (Indian Accounting Standards) Amendment Rules, 2023, applicable from April 1, 2023, as below:

Ind AS 1 – Presentation of Financial Statements

The amendments require companies to disclose their material accounting policies rather than their significant accounting policies. Accounting policy information, together with other information, is material when it can reasonably be expected to influence decisions of primary users of general purpose financial statements. The Company does not expect this amendment to have any significant impact in its financial statements.

Ind AS 12 – Income Taxes

The amendments clarify how companies account for deferred tax on transactions such as leases and decommissioning obligations. The amendments narrowed the scope of the recognition exemption in paragraphs 15 and 24 of Ind AS 12 (recognition exemption) so that it no longer applies to transactions that, on initial recognition, give rise to equal taxable and deductible temporary differences. The Company is evaluating the impact, if any, in its financial statements.

Ind AS 8 – Accounting Policies, Changes in Accounting Estimates and Errors

The amendments will help entities to distinguish between accounting policies and accounting estimates. The definition of a change in accounting estimates has been replaced with a definition of accounting estimates. Under the new definition, accounting estimates are "monetary amounts in financial statements that are subject to measurement uncertainty". Entities develop accounting estimates if accounting policies require items in financial statements to be measured in a way that involves measurement uncertainty. The Company does not expect this amendment to have any significant impact in its financial statements.

(4)

Cash and cash equivalents	As at March 31 , 2023	As at March 31 , 2022
	Amount	
Cash-on-Hand	4.49	3.65
Balance with banks		
In Current accounts#	1,259.10	4,064.70
Bank Deposits	1,246.86	3,537.55
Cheques on hand	327.38	-
Total	**2,837.83**	**7,605.90**

includes Rs. 3.39 Crore (Previous Year Rs. 4.03 Crore) in designated unclaimed dividend accounts.

(5)

Bank Balance other than cash and cash equivalents	As at March 31 , 2023	As at March 31 , 2022
	Amount	
Balances with banks to the extent held as margin money or security against the borrowings, guarantees, other commitments(1)	1,401.70	1,644.96
Total	**1,401.70**	**1,644.96**

(1) Deposits accounts with bank are held as Margin Money/ are under lien / in the name of respective counterparties with whom the Company has entered into assignment deals. The Company has the complete beneficial interest on the income earned from these deposits.

(6) Derivative financial instruments

Part I	As at March 31, 2023			
	Notional amounts	Fair value assets	Notional amounts	Fair value liabilities
		Amount		Amount
Currency Derivatives:				
- Forward Contracts	1,442.55	2.41	2,003.73	14.82
- Currency swaps	1,343.73	143.60	-	-
- Currency options	-	-	-	-
(i)	**2,786.28**	**146.01**	**2,003.73**	**14.82**
Interest rate derivatives - Interest Rate Swaps	1,859.73	20.31	-	-
(ii)	**1,859.73**	**20.31**	**-**	**-**
Total derivative financial instruments (i)+(ii)	**4,646.01**	**166.32**	**2,003.73**	**14.82**
Part II				
Included in above are derivatives held for hedging and risk management purposes as follows				
Fair value hedging:				
Interest rate derivatives	-	-	-	-
(i)	**-**	**-**	**-**	**-**
Cash flow hedging:				
- Forward Contracts	1,442.55	2.41	2,003.73	14.82
- Currency swaps	1,343.73	143.60	-	-
- Currency options	-	-	-	-
-Interest rate derivatives	1,859.73	20.31	-	-
(ii)	**4,646.01**	**166.32**	**2,003.73**	**14.82**

(All amount in Rs. in Crore, except for share data unless stated otherwise)

	As at March 31, 2023			
	Notional amounts	**Fair value assets**	**Notional amounts**	**Fair value liabilities**
		Amount		**Amount**
Undesignated derivatives **(iii**	**-**	**-**	**-**	**-**
Total derivative financial instruments (i)+(ii)+(iii)	**4,646.01**	**166.32**	**2,003.73**	**14.82**

Part I	As at March 31, 2022			
	Notional amounts	**Fair value assets**	**Notional amounts**	**Fair value liabilities**
		Amount		**Amount**
Currency Derivatives:				
- Forward Contracts	726.24	2.93	4,693.05	101.60
- Currency swaps	1,516.73	146.19	-	-
- Currency options	-	-	-	-
(i)	**2,242.97**	**149.12**	**4,693.05**	**101.60**
Interest rate derivatives - Interest Rate Swaps	-	-	2,182.90	21.11
(ii)	**-**	**-**	**2,182.90**	**21.11**
Total derivative financial instruments (i)+(ii)	**2,242.97**	**149.12**	**6,875.95**	**122.71**
Included in above are derivatives held for hedging and risk management purposes as follows				
Fair value hedging:				
Interest rate derivatives	-	-	-	-
(i)	**-**	**-**	**-**	**-**
Cash flow hedging:				
- Forward Contracts	726.24	2.93	4,693.05	101.60
- Currency swaps	1,516.73	146.19	-	-
- Currency options	-	-	-	-
- Interest rate derivatives	-	-	2,182.90	21.11
(ii)	**2,242.97**	**149.12**	**6,875.95**	**122.71**
Undesignated derivatives **(iii**	**-**	**-**	**-**	**-**
Total derivative financial instruments (i)+(ii)+(iii)	**2,242.97**	**149.12**	**6,875.95**	**122.71**

6.1 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 risk and foreign currency risk.

6.1.1 Derivatives not designated as hedging instruments

The Company uses interest rate swaps to manage its interest rate risk arising from Rs. denominated borrowings . The interest rate swaps are not designated in a hedging relationship and are entered into for periods consistent with exposure of the underlying transactions.

(All amount in Rs. in Crore, except for share data unless stated otherwise)

6.1.2 Derivatives designated as hedging instruments

a. Cash flow hedges

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

The Company is exposed to interest rate risk arising from its foreign currency borrowings amounting to $ 27,00,00,000 (Previous Year $ 320,000,000). Interest on the borrowing is payable at a floating rate linked to USD LIBOR. The Company economically hedged the interest rate risk arising from the debt with a 'receive floating pay fixed' interest rate swap ('swap').

The Company uses Interest Rate Swaps (IRS) Contracts (Floating to Fixed) to hedge its risks associated with interest rate fluctuations relating interest rate risk arising from foreign currency loans / external commercial borrowings. The Company designates such IRS contracts in a cash flow hedging relationship by applying the hedge accounting principles as per IND AS 109. These IRS contracts are stated at fair value at each reporting date. Changes in the fair value of these IRS contracts that are designated and effective as hedges of future cash flows are recognised directly in "Cash Flow Hedge Reserve" under Reserves and surplus and the ineffective portion is recognised immediately in the Statement of Profit and Loss. Hedge accounting is discontinued when the hedging instrument expires or is sold, terminated, or exercised, or no longer qualifies for hedge accounting.

The Company also hedges foreign currency risk arising from its fixed rate foreign currency bond by entering into the Forward Contracts and Principal Only Swaps. There is an economic relationship between the hedged item and the hedging instrument as the terms of the Forward contracts/Principal Only Swaps match that of the foreign currency borrowing (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 swap are identical to the hedged risk components

	As At March 31, 2023			
	Notional amount	**Carrying amount**	**Line item in the statement of financial position**	**Change in fair value**
The impact of hedging instruments(Net)	6,649.74	151.50	Derivative Financial Asset/ (Liability)	9.11

	As At March 31, 2022			
	Notional amount	**Carrying amount**	**Line item in the statement of financial position**	**Change in fair value**
The impact of hedging instruments(Net)	9,118.92	26.41	Derivative Financial Asset/ (Liability)	80.99

	Change in fair value	**Cash flow hedge reserve as at March 31 , 2023**	**Cost of hedging as at March 31 , 2023**	**Cash flow hedge reserve as at March 31, 2022**	**Cost of hedging as at March 31 , 2022**
The impact of hedged item	9.11	(477.45)	-	(486.56)	-

March, 31, 2023	**Total hedging gain / (loss) recognised in OCI**	**Ineffective-ness recognised in profit or (loss)**	**Line item in the statement of profit or loss**
Effect of Cash flow hedge	9.11	0.16	Finance cost

March, 31, 2022	**Total hedging gain / (loss) recognised in OCI**	**Ineffective-ness recognised in profit or (loss)**	**Line item in the statement of profit or loss**
Effect of Cash flow hedge	80.99	0.25	Finance cost

(All amount in Rs. in Crore, except for share data unless stated otherwise)

b. Fair value hedge

The Company uses IRS instruments to convert a proportion of its fixed rate debt to floating rates in order to hedge the interest rate risk arising, principally, from issue of non-convertible debentures. Company designates these as fair value hedges of interest rate risk. Changes in the fair values of derivatives designated as fair value hedges and changes in fair value of the related hedged item are recognised directly in Statement of Profit and Loss thus ineffective portion being recognised in the Statement of Profit and Loss.

(7)

Trade Receivables	As at March 31 , 2023	As at March 31 , 2022
	Amount	
Receivables considered good - Unsecured	1.19	1.20
Receivables which have significant increase in credit risk	-	-
Receivables – credit impaired	-	-
	1.19	**1.20**

Trade Receivables ageing schedule as at March 31, 2023

Particulars	Less than 6 Months	6 months to 1 Year	1-2 Year	2-3 Year
(i) Undisputed Trade receivables considered good	0.11	0.70	0.22	0.10
(ii) Undisputed Trade receivables considered doubtful	-	-	-	-
(iii) Disputed Trade receivables considered good	-	-	-	-
(iv) Disputed Trade receivables considered doubtful	-	-	-	-

Particulars	>3 Year	Total
(i) Undisputed Trade receivables considered good	0.06	**1.19**
(ii) Undisputed Trade receivables considered doubtful	-	-
(iii) Disputed Trade receivables considered good	-	-
(iv) Disputed Trade receivables considered doubtful	-	-

Trade Receivables ageing schedule as at March 31, 2022

Particulars	Less than 6 Months	6 months to 1 Year	1-2 Year	2-3 Year
(i) Undisputed Trade receivables considered good	0.95	0.06	0.13	0.02
(ii) Undisputed Trade receivables considered doubtful	-	-	-	-
(iii) Disputed Trade receivables considered good	-	-	-	-
Particulars	**Less than 6 Months**	**6 months to 1 Year**	**1-2 Year**	**2-3 Year**
(iv) Disputed Trade receivables considered doubtful	-	-	-	-

Particulars	>3 Year	Total
(i) Undisputed Trade receivables considered good	0.04	**1.20**
(ii) Undisputed Trade receivables considered doubtful	-	-
(iii) Disputed Trade receivables considered good	-	-
(iv) Disputed Trade receivables considered doubtful	-	-

(8)

Loans	**As at March 31 , 2023**	**As at March 31 , 2022**
	Amortised Cost	
	Amount	
Term Loans(Net of Assignment)[(1) to (4)*]	48,702.73	52,225.86
Less: Impairment loss allowance	1,043.97	1,468.68
Total (A) Net	**47,658.76**	**50,757.18**
Secured by tangible assets and intangible assets[(2),(3)(a) & (4)]	48,376.73	51,855.54
Unsecured[(3)(b)]	326.00	370.32
Less: Impairment loss allowance	1,043.97	1,468.68
Total (B) Net	**47,658.76**	**50,757.18**
(C) (I) Loans in India		
Others	48,702.73	52,225.86
Less: Impairment loss allowance	1,043.97	1,468.68
Total (C)(I) Net	**47,658.76**	**50,757.18**
(C) (II)Loans outside India	-	-
Less: Impairment loss allowance	-	-
Total (C)(II) Net	-	-
Total C (I) and C (II)	**47,658.76**	**50,757.18**

(1) Term Loans(Net of Assignment):	**As at March 31 , 2023**	**As at March 31 , 2022**
	Amount	
Total Term Loans	57,286.16	62,232.74
Less: Loans Assigned	10,990.09	11,995.31
	46,296.07	**50,237.43**
Add: Interest Accrued on Loans[#@]	2,406.66	1,988.43
Term Loans(Net of Assignment)	**48,702.73**	**52,225.86**

*Includes credit substitutes

includes redemption premium accrued on zero coupon bond for Rs 1,722.31 Crore (Previous year Rs. 1,154.10 crore), which will become due and payable upon maturity only. The accounting of the redemption premium shall in no way whatsoever, be considered as the credit of th premium to the account of the Company nor create an enforceable right in favour of the Company on any date prior to redemption.

@ includes interest accrued on units of AIF amounting to Rs. 147.32 Crore (Previous year Rs. 317.80 crore), which will become due and payable upon maturity only

(2) Secured Loans and Other Credit Facilities given to customers are secured / partly secured by :
(a) Equitable mortgage of property and / or,
(b) Pledge of shares / debentures, units, other securities, assignment of life insurance policies and / or,
(c) Hypothecation of assets and / or,
(d) Company guarantees and / or,
(e) Personal guarantees and / or,
(f) Negative lien and / or Undertaking to create a security.

(3) (a) Includes Loan to Subsidiary for Rs. 995 Crore (March 31, 2022 Rs. 1,486 Crore)
(b) Includes Loan to Subsidiary for Rs. 67.30 Crore (March 31, 2022 Rs. 67.30 Crore)

(All amount in Rs. in Crore, except for share data unless stated otherwise)

(4) Impairment allowance for loans and advances to customers

IHFL's Analytics Department has designed and operates its Internal Rating Model. The model is tested and calibrated periodically. The model grades loans on a four-point grading scale, and incorporates both quantitative as well as qualitative information on the loans and the borrowers. The model uses historical empirical data to arrive at factors that are indicative of future credit risk and segments the portfolio on the basis of combinations of these parameters into smaller homogenous portfolios from the perspective of credit behaviour. Some of the factors that the internal risk based model may consider are:

a) Loan to value
b) Type of collateral
c) Cash-flow and income assessment of the borrower
d) Interest and debt service cover
e) Repayment track record of the borrower
f) Vintage i.e. months on books and number of paid EMIs
g) Project progress in case of project finance

In addition to information specific to the borrower and the performance of the loan, the model may also utilise supplemental external information that could affect the borrower’s behaviour. The model is also calibrated to incorporate external inputs such as GDP growth rate, unemployment rate and factors specific to the sector/industry of the borrower.

The table below shows the credit quality and the maximum exposure to credit risk based on the Company’s internal credit rating system and year-end stage classification. *.

Risk Categorization	**As at March 31, 2023**			
	Stage 1	**Stage 2**	**Stage 3**	**Total**
	Amount			
Very Good	37,844.68	-	-	37,844.68
Good	1,857.08	1,821.47	-	3,678.55
Average	-	3,056.35	-	3,056.35
Non-performing	-	-	1,716.49	1,716.49
Grand Total	**39,701.76**	**4,877.82**	**1,716.49**	**46,296.07**

Risk Categorization	**As at March 31, 2022**			
	Stage 1	**Stage 2**	**Stage 3**	**Total**
	Amount			
Very Good	25,325.55	270.27	-	25,595.82
Good	7,721.54	11,571.47	-	19,293.01
Average	-	3,290.87	-	3,290.87
Non-performing	-	-	2,057.73	2,057.73
Grand Total	**33,047.09**	**15,132.61**	**2,057.73**	**50,237.43**

*The above table does not include the amount of interest accrued but not due in all the year

An analysis of changes in the ECL allowances in relation to Loans & advances is, as follows[Refer note 52]**:**

Particulars	As at March 31, 2023			
	Stage 1	Stage 2	Stage 3	Total
	Amount			
ECL allowance opening balance	**283.72**	**301.55**	**889.11**	**1,474.38**
ECL on assets added/ change in ECL estimates	246.14	946.26	560.49	1,752.89
Assets derecognised or repaid(including write offs/ Write back)	(80.71)	(1,053.13)	(1,045.73)	(2,179.57)
Transfers from Stage 1	(92.10)	36.82	55.28	-
Transfers from Stage 2	20.51	(129.85)	109.34	-
Transfers from Stage 3	0.08	0.04	(0.12)	-
ECL allowance closing balance[#]	**377.64**	**101.69**	**568.37**	**1,047.70**

The decrease in total ECL during the year is due to overall decrease in loan portfolio and certain loans which became non-performing and were written off

#Includes ECL on undrawn loan commitments for Rs. 3.73 Crore

Particulars	As at March 31, 2022			
	Stage 1	Stage 2	Stage 3	Total
	Amount			
ECL allowance opening balance	**474.95**	**999.43**	**644.38**	**2,118.76**
ECL on assets added/ change in ECL estimates	446.72	1,297.04	1,154.35	2,898.11
Assets derecognised or repaid(including write offs/ Write back)	(572.66)	(1,787.96)	(1,181.87)	(3,542.49)
Transfers from Stage 1	(75.45)	65.37	10.08	-
Transfers from Stage 2	10.03	(272.62)	262.59	-
Transfers from Stage 3	0.13	0.29	(0.42)	-
ECL allowance closing balance[#]	**283.72**	**301.55**	**889.11**	**1,474.38**

The decrease in total ECL during the year is due to overall decrease in loan portfolio and certain loans which became non-performing and were written off

#Includes ECL on undrawn loan commitments for Rs. 5.70 Crore

5. Impairment assessment

The Company's impairment assessment and measurement approach is set out in the notes below. It should be read in conjunction with the Summary of significant accounting policies

5. (i) Probability of default

The Company considers a loan as defaulted and classified it as Stage 3 (credit-impaired) for ECL calculations typically when the borrowers become 90 days past due on contract payments.

Classification of loans into Stage 2 is done on a conservative basis and typically accounts where contractual repayments are more than 30 days past due are classified in Stage 2. Accounts typically go over 30 days past due owing to temporary mismatch in timing of borrower's or his/her business' underlying cashflows, and are usually quickly resolved. The Company may also classify a loan in Stage 2 if there is significant deterioration in the loans collateral, deterioration in the financial condition of the borrower or an assessment that adverse market conditions may have a disproportionately detrimental effect on loan repayment. Thus as a part of the qualitative assessment of whether an instrument is in default, the Company also considers a variety of instances that may indicate delay in or non-repayment of the loan. When such event occurs, the Company carefully considers whether the event should result in treating the borrower as defaulted and therefore assessed as Stage 3 for ECL calculations or whether Stage 2 is appropriate.

It is the Company's policy to consider a financial instrument as 'cured' and therefore re-classified out of Stage 3 when none of the default criteria are present. The decision whether to classify an asset as Stage 2 or Stage 1 once cured depends on the updated credit grade once the account is cured, and whether this indicates there has been a significant reduction in credit risk.

5. (ii) Internal rating model and PD Estimation process

IHFL's Analytics Department has designed and operates its Internal Rating Model which factors in both quantitative as well as qualitative information about the loans and the borrowers. Both Lifetime ECL and 12 months ECL are calculated either on individual basis or a collective basis, depending on the nature of the underlying loan portfolio. In addition to information specific to the borrower and the performance of the loan, the model may also utilise supplemental external information that could affect the borrower's behaviour. The model is also calibrated to incorporate external inputs such as GDP growth rate, unemployment rate and factors specific to the sector/industry of the borrower.

5.(iii) Exposure at default

The outstanding balance as at the reporting date is considered as EAD by the Company. Considering that PD determined above factors in amount at default, there is no separate requirement to estimate EAD.

5. (iv) Loss given default

The Company uses historical loss data for identified homogenous pools for the purpose of calculating LGD. The estimated recovery cash flows are discounted such that the LGD calculation factors in the NPV of the recoveries.

5. (v) Significant increase in credit risk

The internal rating model evaluates the loans on an ongoing basis. The rating model also assesses if there has been a significant increase in credit risk since the previously assigned risk grade One key factor that indicates significant increase in credit risk is when contractual payments are more than 30 days past due.

6. Inputs to the ECL model for forward looking economic scenarios

The internal rating model also provides for calibration to reflect changes in macroeconomic parameters and industry specific factors.

7. Collateral

The Company is in the business of extending secured loans mainly backed by mortgage of property (residential or commercial).

In addition to the above mentioned collateral, the Company holds other types of collateral and credit enhancements, such as cross-collateralisation on other assets of the borrower, share pledge, guarantees of parent/holding companies, personal guarantees of promoters/proprietors, hypothecation of receivables via escrow account, hypothecation of receivables in other bank accounts etc.

In its normal course of business, the Company does not physically repossess properties or other assets, but recovery efforts are made on delinquent loans through on-rolls collection executives, along with legal means to recover due loan repayments. Once contractual loan repayments are more than 90 days past due, repossession of property may be initiated under the provisions of the SARFAESI Act 2002. Re-possessed property is disposed of in the manner prescribed in the SARFAESI Act to recover outstanding debt.

The Company did not hold any financial instrument for which no loss allowance is recognised because of collateral at March 31, 2023. There was no change in the Company's collateral policy during the year.

8. As at the year end the Company has undrawn loan commitments (after applying credit conversion factor) of Rs. 984.25 Crore (Previous Year Rs. 729.62 Crore)

(9)

Investments	As at March 31, 2023				
	Amortised Cost	At fair value		Others*	Total
		Through other comprehensive income	Through profit or loss		
	Amount				
Mutual funds and Debt Funds	-	302.89	3,079.81	-	3,382.70
Government Securities		-	-	-	-
Debt Securities	-	-	2,548.88	-	2,548.88

Indiabulls Housing Finance Limited

Notes to Standalone Financial Statements for the year ended March 31, 2023

(All amount in Rs. in Crore, except for share data unless stated otherwise)

Investments	As at March 31, 2023				
	Amortised Cost	At fair value		Others*	Total
		Through other comprehensive income	Through profit or loss		
	Amount				
Equity Instruments	-	-	-	-	-
Subsidiaries	-	-	-	3,863.23	3,863.23
Commercial Papers	-	-	123.39	-	123.39
Total gross (A)	**-**	**302.89**	**5,752.08**	**3,863.23**	**9,918.20**
Investments Outside India	-	-	-	-	-
Investments in India	-	302.89	5,752.08	3,863.23	9,918.20
Total (B)	**-**	**302.89**	**5,752.08**	**3,863.23**	**9,918.20**
Total (A) to tally with (B)	**-**	**-**	**-**	**-**	**-**
Less: Allowance for Impairment loss (C)	-	-	-	5.20	**5.20**
Total Net D = (A) -(C)	**-**	**302.89**	**5,752.08**	**3,858.03**	**9,913.00**

***At Cost (Includes Rs. 59.84 Crore of deemed cost in respect of Corporate guarantees issued on behalf of a Subsidiary Company)**

Investments	As at March 31, 2022				
	Amortised Cost	At fair value		Others*	Total
		Through other comprehensive income	Through profit or loss		
	Amount				
Mutual funds and Debt Funds	-	-	3,300.09	-	3,300.09
Government Securities	-	-	508.65	-	508.65
Debt Securities	-	-	2,455.03	-	2,455.03
Equity Instruments	-	1.85	-	-	1.85
Subsidiaries	-	-	-	3,863.23	3,863.23
Commercial Papers	-	-	98.84	-	98.84
Total gross (A)	**-**	**1.85**	**6,362.61**	**3,863.23**	**10,227.69**
Investments Outside India	-	-	-	-	-
Investments in India	-	1.85	6,362.61	3,863.23	10,227.69
Total (B)	**-**	**1.85**	**6,362.61**	**3,863.23**	**10,227.69**
Total (A) to tally with (B)	**-**	**-**	**-**	**-**	**-**
Less: Allowance for Impairment loss (C)	-	-	-	5.05	5.05
Total Net D = (A) -(C)	**-**	**1.85**	**6,362.61**	**3,858.18**	**10,222.64**

***At Cost (Includes Rs. 59.84 Crore of deemed cost in respect of Corporate guarantees issued on behalf of a Subsidiary Company)**

(1) The Company's investments in the Equity Share capital of Indiabulls Insurance Advisors Limited, Indiabulls Holdings Limited and Indiabulls Capital Services Limited, being its wholly owned subsidiaries, are considered as strategic and long term in nature and are held at a cost of Rs. 0.05 Crore, Rs. 0.15 Crore and Rs. 5.00 Crore respectively. Based on the audited financial statements as at and for the year ended March 31, 2023 of these subsidiary companies, the value of investments held in these companies has been eroded as the operations in these subsidiary companies have not yet commenced / are in the process of being set up. Accordingly, the Company has provided for Rs. 5.20 Crore in respect of diminution in the carrying value of such investments.

(2) On December 13, 2010 the Erstwhile Holding Company (IBFSL) had sold 26% shares held by it in Indian Commodity Exchange Limited (ICEX) to Reliance Exchange Next Limited (R-Next) for a total consideration of Rs. 47.35 Crore against a proportionate cost of Rs. 26.00 Crore. As a result thereof, the stake of IBFSL in ICEX reduced from 40% to 14% and the same was reclassified as a long term investment from the earlier classification of being an Associate. MMTC Limited (MMTC) filed a petition before the National Company Law Tribunal (NCLT) (Earlier known as Company Law Board)) against ICEX, R-Next and IBFSL alleging that the transfer is null and void in terms of the Shareholders Agreement in view of the Forward Markets Commission (FMC) guidelines. IBFSL contends that such view of MMTC is based on the old FMC guidelines and without considering the amended FMC Guidelines dated June 17, 2010 wherein the transfer norms were relaxed. IBFSL had filed its objections on maintainability of the petition which is pending adjudication before the NCLT.

(3) During the financial year ended March 31, 2022, the Company has sold 11,500,000 Equity Shares of Indian Commodity Exchange Limited for a total consideration of Rs. 2.85 Crores at a loss of Rs. 4.05 Crores. During the year ended March 31, 2023, the Company has sold 18,500,000 Equity Shares of Indian Commodity Exchange Limited for a total consideration of Rs. 1.85 Crore. With this, the Company had sold its entire stake in Indian Commodity Exchange Limited.

(4) During the financial year ended March 31, 2022 the Company has sold 4,985,000 nos. of Equity shares held of Oaknorth Holdings Limited for a consideration of Rs. 293.42 crores and realised a gain of Rs. 253.03 crores. With this, the Company has sold its entire stake in Oaknorth Holdings Limited.

(5) During the financial year ended March 31, 2022, the Company has subscribed 6,950,000 Equity Shares of face value Rs. 10/- per share for a total consideration of Rs. 6.95 Crore, issued by wholly owned subsidiary namely Indiabulls Investment Management Limited (Formerly Indiabulls Venture Capital Management Company Limited).

(6) The Company along with its wholly owned subsidiary companies Indiabulls Asset Management Company Limited (IAMCL) and Indiabulls Trustee Company Limited, Trustee of IAMCL, (ITCL) had executed definitive transaction document with Nextbillion Technology Private Limited (hereinafter referred to as “Nextbillion”), to divest its entire stake in the business of managing mutual fund, being carried out by IAMCL & ITCL to Nextbillion. subject to necessary approvals, as may be required in this regard. The Company has received all necessary approvals in relation to the transaction and the Company has received the entire consideration of Rs.175.62 Crore on May 02, 2023 (the “Closing Date”). Consequent to the above, the Company does not have any control or shareholding in IAMCL and ITCL subsequent to the Closing Date..

(7) Investment in mutual funds of Rs. 88.62 crores (March 31, 2022 Rs. 179.01 crores) under lien / provided as credit enhancement in respect of assignment deal for loans.

(8) On January 27, 2023, Indiabulls Holdings Limited, a wholly owned subsidiary of the Company had suo-moto filed application under Section 248(2) of the Companies Act 2013, for striking off the name of the Company from the Register of Companies maintained by the RoC.

(10)

Other financial assets	**As at March 31, 2023**	**As at March 31, 2022**
	Amount	
Security Deposit	36.71	48.08
Interest only Strip receivable	850.53	694.24
Interest Accrued on Deposit accounts / Margin Money	1,261.97	221.03
Margin Money on Derivative Contracts	89.13	86.11
Other Receivable	637.55	28.79
Total	**2,875.89**	**1,078.25**

11. Property, plant and equipment and intangible assets

Note 11.1 Property, plant and equipment

	Leasehold Improvements	Computers and printers	Furniture and fixtures	Motor vehicles	Office equipment	Land*	Building (1)	Total
Cost								
At April 1, 2021	**58.77**	**62.61**	**29.63**	**84.91**	**23.21**	**0.32**	**14.60**	**274.05**
Additions	2.31	0.47	1.45	8.46	0.55	-	-	**13.24**
Disposals	0.70	0.45	0.31	7.30	0.32	-	-	**9.08**
At March 31, 2022	**60.38**	**62.63**	**30.77**	**86.07**	**23.44**	**0.32**	**14.60**	**278.21**
Additions	11.64	6.07	3.42	9.62	2.68	-	-	**33.43**
Disposals	14.58	6.01	4.71	14.97	2.39	-	-	**42.66**
At March 31, 2023	**57.44**	**62.69**	**29.48**	**80.72**	**23.73**	**0.32**	**14.60**	**268.98**
Depreciation								
At April 1, 2021	**30.38**	**58.73**	**17.77**	**68.31**	**18.62**	**-**	**0.91**	**194.72**
Charge for the year	9.22	3.42	2.23	9.31	2.08	-	0.24	26.50
Disposals	0.38	0.45	0.17	6.53	0.28	-	-	7.81
At March 31, 2022	**39.22**	**61.70**	**19.83**	**71.09**	**20.42**	**-**	**1.15**	**213.41**
Charge for the year	6.06	1.54	2.44	7.67	1.97	-	0.24	19.92
Disposals	14.05	5.97	4.46	13.29	2.38	-	-	40.15
At March 31, 2023	**31.23**	**57.27**	**17.81**	**65.47**	**20.01**	**-**	**1.39**	**193.18**
Net Block								
At March 31, 2022	**21.16**	**0.93**	**10.94**	**14.98**	**3.02**	**0.32**	**13.45**	**64.80**
At March 31, 2023	**26.21**	**5.42**	**11.67**	**15.25**	**3.72**	**0.32**	**13.21**	**75.80**

Note 11.2 Other Intangible assets

	Software	Total
Gross block		
At April 1, 2021	**75.79**	**75.79**
Purchase	6.64	6.64
Disposals	-	-
At March 31, 2022	**82.43**	**82.43**
Purchase	14.90	14.90
Disposals	-	-
At March 31, 2023	**97.33**	**97.33**
Amortization		
At April 1, 2021	**41.34**	**41.34**
Charge for the year	13.68	13.68
At April 1, 2022	**55.02**	**55.02**
Charge for the year	14.44	14.44
At March 31, 2023	**69.46**	**69.46**
Net block		
At March 31, 2022	**27.41**	**27.41**
At March 31, 2023	**27.87**	**27.87**

*Mortgaged as Security against Secured Non Convertible Debentures (Refer Note 14)

(1) Flat costing Rs. 0.31 Crore Mortgaged as Security against Secured Non Convertible Debentures (Refer Note 14)

(All amount in Rs. in Crore, except for share data unless stated otherwise)

(12)

Other non financial assets	As at March 31, 2023	As at March 31, 2022
	Amount	
Capital Advance Tangible Assets	5.31	10.65
Capital Advance In-Tangible Assets	5.33	2.72
Others including Prepaid Expenses, GST input Credit and Employee advances	549.63	579.57
Total	**560.27**	**592.94**

(13)

Trade Payables	As at March 31, 2023	As at March 31, 2022
	Amount	
(a) Total outstanding dues of micro enterprises and small enterprises*; and	-	-
(b) Total outstanding dues of creditors other than micro enterprises and small enterprises	3.48	0.63
	3.48	**0.63**

* Disclosures under the Micro, Small and Medium Enterprises Development Act, 2006:
(a) No amount was due and outstanding to suppliers as at the end of the accounting year on account of Principal and Interest respectively.
(b) No interest was paid during the year in terms of section 16 of the Micro, Small and Medium Enterprises Development Act, 2006 and no amount was paid to the supplier beyond the appointed day.
(c) No amount of interest is due and payable for the period of delay in making payment but without adding the interest specified under the Micro, Small and Medium Enterprises Development Act, 2006
(d) No interest was accrued and unpaid at the end of the accounting year.
(e) No further interest remaining due and payable even in the succeeding years for the purpose of disallowance of a deductible expenditure under section 23 of the Micro, Small and Medium Enterprises Development Act, 2006

The above information regarding Micro, Small and Medium Enterprises has been determined to the extent such parties have been identified on the basis of information available with the Company. This has been relied upon by the Auditors.

Trade Payables ageing schedule as at March 31, 2023

Particulars	<1 Year	1-2 Year	2-3 Year	>3 Year	Total
(i) MSME	-	-	-	-	-
(ii) Others	2.92	0.30	0.03	0.23	**3.48**
(iii) Disputed dues – MSME	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-

Trade Payables ageing schedule as at March 31, 2022

Particulars	<1 Year	1-2 Year	2-3 Year	>3 Year	Total
(i) MSME	-	-	-	-	-
(ii) Others	0.37	0.04	-	0.22	**0.63**
(iii) Disputed dues – MSME	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-

(14)

Debt Securities	As at March 31, 2023	As at March 31, 2022
	At Amortised Cost	
	Amount	
Secured		
Liability Component of Compound Financial Instrument*(Refer Note 32(i))	2,324.22	2,205.23
Debentures*(Refer Note 32(i))	15,509.66	21,350.70

Debt Securities	As at March 31, 2023	As at March 31, 2022
	At Amortised Cost	
	Amount	
Total gross (A)	**17,833.88**	**23,555.93**
Debt securities in India	15,509.66	18,698.97
Debt securities outside India	2,324.22	4,856.96
Total (B) to tally with (A)	**17,833.88**	**23,555.93**

*Secured against Immovable Property / Other financial Assets and pool of Current and Future Loan Receivables of the Company, Including Investments.

(15)

Borrowings other than debt securities*[(1)]	As at March 31, 2023	As at March 31, 2022
	At Amortised Cost	
	Amount	
Secured		
Term Loans from bank and others*[(Refer Note 32(ii))]	9,366.82	13,233.44
External Commercial borrowings(ECB)[*(Refer Note 32(ii))]	3,032.20	2,416.33
Repo Borrowing[@]	-	515.79
From banks- Cash Credit Facility*	1,253.22	1,111.17
From banks- Working Capital Loan*	4,458.00	4,829.00
Securitisation Liability*	7,164.91	6,745.10
Unsecured		
Lease Liability[(At Fair Value)(Refer Note 46)]	297.80	194.66
Total gross (A)	**25,572.95**	**29,045.49**
Borrowings in India	22,540.75	26,629.16
Borrowings outside India (ECB)	3,032.20	2,416.33
Total (B) to tally with (A)	**25,572.95**	**29,045.49**

*Secured by hypothecation of Loan Receivables(Current and Future) / Other financial Assets / Cash and Cash Equivalents of the Company(including investments
(1) There is no continuing default in the repayment of the aforesaid loans or interest as at the balance sheet date.
@ Secured against Government Securities

(16)

Subordinated Liabilities	As at March 31, 2023	As at March 31, 2022
	At Amortised Cost	
	Amount	
-10.60% Non convertible Subordinated Perpetual Debentures*	100.00	100.00
-Subordinate Debt[(Refer Note 32(iii))]	3,966.28	4,196.03
Total gross (A)	**4,066.28**	**4,296.03**
Subordinated Liabilities in India	4,066.28	4,296.03
Subordinated Liabilities outside India	-	-
Total (B) to tally with (A)	**4,066.28**	**4,296.03**

*Call Option exercisable at the end of 10 years from the date of allotment only with the prior approval of the concerned regulatory authority

(All amount in Rs. in Crore, except for share data unless stated otherwise)

(17)

Other financial liabilities (at amortised cost)	As at March 31, 2023	As at March 31, 2022
	Amount	
Interest accrued but not due on borrowings	840.08	1,056.41
Foreign Currency Forward premium payable	590.40	538.97
Amount payable on Assigned/Securitised Loans	1,865.22	814.01
Other liabilities	926.53	206.36
Unclaimed Dividends (Refer Note 38)	3.39	4.03
Servicing liability on assigned loans	48.02	85.24
Total	**4,273.64**	**2,705.02**

(18)

Provisions	As at March 31, 2023	As at March 31, 2022
	Amount	
Provision for employee benefits (Refer Note 29)		
Provision for Compensated absences	16.39	15.30
Provision for Gratuity	51.55	47.24
Provision for Superannuation	-	60.92
Provisions for Loan Commitments	3.73	5.70
Total	**71.67**	**129.16**

(19)

Other Non-financial liabilities	As at March 31, 2023	As at March 31, 2022
	Amount	
Statutory Dues Payable and other non financial liabilities	275.39	479.59
Total	**275.39**	**479.59**

(20) **Equity share capital**

Details of authorized, issued, subscribed and paid up share capital

	As at March 31, 2023	As at March 31, 2022
	Amount	
Authorized share Capital		
3,000,000,000(Previous Year 3,000,000,000) Equity Shares of face value Rs. 2 each	600.00	600.00
1,000,000,000(Previous Year 1,000,000,000) Preference Shares of face value Rs.10 each	1,000.00	1,000.00
	1,600.00	**1,600.00**
Issued, Subscribed & Paid up capital		
Issued and Subscribed Capital		
471,596,630 (Previous Year 468,571,504) Equity Shares of Rs. 2/- each	94.32	93.71
Called-Up and Paid Up Capital		
Fully Paid-Up		
471,596,630 (Previous Year 468,571,504) Equity Shares of Rs. 2/- each		

(All amount in Rs. in Crore, except for share data unless stated otherwise)

	As at March 31, 2023	As at March 31, 2022
	Amount	
Terms/Rights attached to Shares		
The Company has only one class of Equity Shares of face value Rs. 2 each (Previous Year Rs. 2 each) fully paid up. Each holder of Equity Shares is entitled to one vote per share. The final dividend proposed by the Board of Directors, if any, is subject to the approval of the Shareholders in the ensuing Annual General Meeting, if applicable.		
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. The distribution will be in proportion to the number of Equity Shares held by the Shareholders.		
Total	**94.32**	**93.71**

(i) (a) As at March 31, 2023 542,505 (Previous Year 567,505) GDR's were outstanding and were eligible for conversion into Equity Shares. The Company does not have information with respect to holders of these GDR's. Holders of Global Depository Receipts (GDRs) will be entitled to receive dividends, subject to the terms of the Deposit Agreement, to the same extent as the holders of Equity Shares, less the fees and expenses payable under such Deposit Agreement and any Indian tax applicable to such dividends. Holders of GDRs will not have voting rights with respect to the Deposited Shares. The GDRs may not be transferred to any person located in India including Indian residents or ineligible investors except as permitted by Indian laws and regulations.

(b) As at March 31, 2023 23,000,000 (Previous Year 23,000,000) shares were held by the Pragati Employee Welfare Trust(PEWT). PEWT will be entitled to receive dividends, as the holders of Equity Shares but will not be having voting rights with respect to the Shares held by it.

The reconciliation of equity shares outstanding at the beginning and at the end of the reporting year.

Name of the shareholder	As at March 31, 2023		As at March 31, 2022	
	No. of shares	Amount	No. of shares	Amount
Equity Share at the beginning of year	468,571,504	93.71	462,348,902	92.47
Add:				
Equity Share Allotted during the year				
ESOP exercised during the year(Refer note (iv))	-	-	14,650	0.00
Issue during the year(Refer note vii)	3,025,126	0.61	6,207,952	1.24
Equity share at the end of year	**471,596,630**	**94.32**	**468,571,504**	**93.71**

Details of shareholders holding more than 5% shares in the Company

Particulars	As at March 31, 2023	
	No. of shares	% of holding
<u>**Non - Promoters**</u>		
Inuus Infrastructure Private Limited*	27,943,325	5.93%
Life Insurance Corporation Of India	39,793,468	8.44%
Total	**67,736,793**	**14.36%**

*Pursuant to and in terms of BSE & NSE approvals dated February 22, 2023, the erstwhile promoters of the Company, namely, Mr. Sameer Gehlaut, Inuus Infrastructure Private Limited and Sameer Gehlaut IBH Trust, have been reclassified as Non-Promoter Shareholders/ Public Shareholders. Therefore, effective from February 22, 2023, the shareholding of Promoters and Promoter Group is appropriately included as part of Non-Promoters shareholding.

(All amount in Rs. in Crore, except for share data unless stated otherwise)

Details of shareholders holding more than 5% shares in the Company

Particulars	As at March 31, 2022	
	No. of shares	% of holding
Promoter		
Inuus Infrastructure Private Limited	27,943,325	5.96%
Non - Promoters		
Life Insurance Corporation Of India	41,451,766	8.85%
Total	**69,395,091**	**14.81%**

As per records of the Company, including its register of shareholders/ members and other declarations received from shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial ownerships of shares.

Shares held by promoters at the end of the financial year 2023:

Pursuant to and in terms of BSE & NSE approvals dated February 22, 2023, the erstwhile promoters of the Company, namely, Mr. Sameer Gehlaut, Inuus Infrastructure Private Limited and Sameer Gehlaut IBH Trust, have been reclassified as Public Shareholders. Therefore, effective from February 22, 2023, the shareholding of Promoters and Promoter Group is shown as NIL and their existing shareholding has been added to the Public shareholder.

Shares held by promoters at the end of the financial year 2022

Promoter Name	No of Shares		% of total shares		% Change during the year
	March 31, 2021	March 31, 2022	March 31, 2021	March 31, 2022	
Sameer Gehlaut	17,251,482	500,000	3.73	0.11	-3.62
Inuus Infrastructure Private Limited	82,943,325	27,943,325	17.94	5.96	-11.98
Sameer Gehlaut IBH Trust	N.A. (Ref Note 1)	16,751,482	N.A. (Ref Note 1)	3.58	3.58
Total	100,194,807	45,194,807	21.67	9.65	-12.03

Note 1: Became part of Promoter Group during the FY 2021-22

*During the financial year 2021-22, Mr. Sameer Gehlaut (the Promoter) resigned from the office of Non-Executive Director of the Company. The Company also received requests from currently belonging to the 'Promoter and Promoter Group' category of the Company ("Outgoing Promoters"), for their reclassification from 'Promoter and Promoter Group' to 'Public' category, which shall be subject to all requisite approvals.

(ii) **Employees Stock Options Schemes:**

Grants During the Year:

1. The Nomination and Remuneration Committee of the Company has, at its meeting held on April 26, 2022, granted under the "Indiabulls Housing Finance Limited Employees Stock Option Scheme - 2013 or IHFL ESOS - 2013", 10,800,000 Stock Options representing an equal number of equity shares of face value of Rs. 2 each at an exercise price of Rs. 152.85 per share, which is the latest available closing market price on the National Stock Exchange of India Limited, as on April 25, 2022. The Stock Options so granted, shall vest within 1 year beginning from April 27, 2023 or thereafter, as may be decided by Nomination and Remuneration Committee of the Company.

2. The Nomination and Remuneration Committee of the Company has, at its meeting held on July 19, 2022, granted under the "Indiabulls Housing Finance Limited Employees Stock Option Scheme - 2013 or IHFL ESOS - 2013", 15,500,000 Stock Options representing an equal number of equity shares of face value of Rs. 2 each at an exercise price of Rs. 96 per share (against Rs. 95.70, which is the latest available closing market price on the National Stock Exchange of India Limited, as on July 18, 2022). These options shall vest on July 20, 2023 or thereafter, as may be decided by Nomination and Remuneration Committee of the Company.

3. The Nomination and Remuneration Committee of the Company has, at its meeting held on October 13, 2022, granted under the "Indiabulls Housing Finance Limited Employees Stock Option Scheme - 2013 or IHFL ESOS - 2013", 6,400,000 Stock Options representing an equal number of equity shares of face value of Rs. 2 each at an exercise price of Rs. 130 per share (against Rs. 129.70, which is the latest available closing market price on the National Stock Exchange of India Limited, as on October 12, 2022). These options shall vest on October 14, 2023 or thereafter, as may be decided by Nomination and Remuneration Committee of the Company.

(All amount in Rs. in Crore, except for share data unless stated otherwise)

(iii) Employee Stock Benefit Scheme 2019 ("Scheme").
The Scheme has been adopted and approved pursuant to: (a) a resolution of the Board of Directors of INDIABULLS HOUSING FINANCE LIMITED at its meeting held on November 6, 2019; and (b) a special resolution of the shareholders' of the Company passed through postal ballot on December 23, 2019, result of which were declared on December 24, 2019.

This Scheme comprises:
a. INDIABULLS HOUSING FINANCE LIMITED Employees Stock Option Plan 2019
("ESOP Plan 2019")
b. INDIABULLS HOUSING FINANCE LIMITED Employees Stock Purchase Plan 2019
("ESP Plan 2019")
c. INDIABULLS HOUSING FINANCE LIMITED Stock Appreciation Rights Plan 2019
("SARs Plan 2019")

In accordance with the ESOP Regulations, the Company had set up Pragati Employee Welfare Trust(formerly known as Indiabulls Housing Finance Limited Employee Welfare Trust) (Trust) for the purpose of implementation of ESOP Scheme. The Scheme is administered through ESOP Trust, whereby shares held by the ESOP Trust are transferred to the employees, upon exercise of stock options as per the terms of the Scheme

(iv) **(a) Relevant disclosures in respect of the ESOS / ESOP Schemes are as under:-**

Particulars	**IHFL-IBFSL Employees Stock Option – 2008**	**IHFL ESOS - 2013**	**IHFL ESOS - 2013**	**IHFL ESOS - 2013**
Total Options under the Scheme	7,500,000	39,000,000	39,000,000	39,000,000
Total Options issued under the Scheme	7,500,000	10,500,000	10,500,000	12,500,000
Vesting Period and Percentage	Ten years,15% First year, 10% for next eight years and 5% in last year	Five years, 20% each year	Five years, 20% each year	Three years, 33.33% each year
First Vesting Date	8th December, 2009	12th October, 2015	12th August, 2018	5th October, 2021
Revised Vesting Period & Percentage	N.A.	N.A.	N.A.	N.A.
Exercise Price (Rs.)	95.95	394.75	1,156.50	200.00
Exercisable Period	5 years from each vesting date	5 years from each vesting date	5 years from each vesting date	5 years from each vesting date
Outstanding at the beginning of the year(Nos.)	14,332	3,324,556	3,418,000	12,087,358
Options vested during the year (Nos.)	-	-	-	-
Exercised during the year (Nos.)	-	-	-	-
Expired during the year (Nos.)	-	-	-	-
Cancelled during the year	-	-	-	-
Lapsed during the year	3,375	3,324,556	3,418,000	12,087,358
Re-granted during the year	N.A	N.A	N.A	N.A
Outstanding at the end of the year (Nos.)	10,957	-	-	-
Exercisable at the end of the year (Nos.)	10,957	-	-	-
Remaining contractual Life (Weighted Months)	7	-	-	-

N.A - Not Applicable

Particulars	**IHFL ESOS - 2013**	**IHFL-IBFSL Employees Stock Option – 2008 -Regrant**	**IHFL-IBFSL Employees Stock Option – 2008-Regrant**	**IHFL-IBFSL Employees Stock Option Plan – 2006 - Regrant**
Total Options under the Scheme	39,000,000	N.A.	N.A.	N.A.
Total Options issued under the Scheme	10,000,000	N.A.	N.A.	N.A.
Vesting Period and Percentage	Five years, 20% each year	N.A.	N.A.	N.A.
First Vesting Date	10th March, 2020	31st December, 2010	16th July, 2011	27th August, 2010

(All amount in Rs. in Crore, except for share data unless stated otherwise)

Particulars	**IHFL ESOS - 2013**	**IHFL-IBFSL Employees Stock Option – 2008 -Regrant**	**IHFL-IBFSL Employees Stock Option – 2008-Regrant**	**IHFL-IBFSL Employees Stock Option Plan – 2006 - Regrant**
Revised Vesting Period & Percentage	N.A.	Ten years, 10% for every year	Ten years, 10% for every year	Ten years, 10% for every year
Exercise Price (Rs.)	702.00	125.90	158.50	95.95
Exercisable Period	5 years from each vesting date	5 years from each vesting date	5 years from each vesting date	5 years from each vesting date
Outstanding at the beginning of the year(Nos.)	3,064,800	7,290	30,880	39,500
Options vested during the year (Nos.)	-	-	-	-
Exercised during the year (Nos.)	-	-	-	-
Expired during the year (Nos.)	-	-	-	-
Cancelled during the year	-	-	-	-
Lapsed during the year	3,064,800	6,750	-	-
Re-granted during the year	N.A	N.A	N.A	N.A
Outstanding at the end of the year (Nos.)	-	540	30,880	39,500
Exercisable at the end of the year (Nos.)	-	540	30,880	39,500
Remaining contractual Life (Weighted Months)	-	9	22	17

N.A - Not Applicable

Particulars	**IHFL-IBFSL Employees Stock Option Plan II – 2006 -Regrant**	**IHFL ESOS - 2013**	**IHFL ESOS - 2013**	**IHFL ESOS - 2013**
Total Options under the Scheme	N.A.	39,000,000	39,000,000	39,000,000
Total Options issued under the Scheme	N.A.	10,800,000	15,500,000	6,400,000
Vesting Period and Percentage	N.A.	One year, 100% in first year	One year, 100% in first year	One year, 100% in first year
First Vesting Date	27th August, 2010	27th April, 2023	20th July, 2023	14th October, 2023
Revised Vesting Period & Percentage	Ten years, 10% for every year	N.A.	N.A.	N.A.
Exercise Price (Rs.)	100.00	152.85	96.00	130.00
Exercisable Period	5 years from each vesting date	5 years from each vesting date	5 years from each vesting date	5 years from each vesting date
Outstanding at the beginning of the year(Nos.)	21,900	10,800,000	15,500,000	6,400,000
Options vested during the year (Nos.)	-	-	-	-
Exercised during the year (Nos.)	-	-	-	-
Expired during the year (Nos.)	-	-	-	-
Cancelled during the year	-	-	-	-
Lapsed during the year	-	700,000	350,000	-
Re-granted during the year	N.A	N.A	N.A	N.A
Outstanding at the end of the year (Nos.)	21,900	10,100,000	15,150,000	6,400,000
Exercisable at the end of the year (Nos.)	21,900	-	-	-
Remaining contractual Life (Weighted Months)	17	61	64	66

N.A - Not Applicable

(All amount in Rs. in Crore, except for share data unless stated otherwise)

The details of the Fair value of the options as determined by an Independent firm of Chartered Accountants, for the respective plans using the Black-Scholes Merton Option Pricing Model

Particulars	IHFL - IBFSL Employees Stock Option – 2008 Regrant	IHFL - IBFSL Employees Stock Option – 2008 Regrant	IHFL - IBFSL Employees Stock Option – 2006- Regrant	IHFL - IBFSL Employees Stock Option Plan II – 2006- Regrant	IHFL - IBFSL Employees Stock Option – 2008 Regrant
Exercise price (Rs.)	125.90	158.50	95.95	100.00	153.65
Expected volatility*	99.61%	99.60%	75.57%	75.57%	99.60%
Option Life (Weighted Average)	9.80 Years	9.80 Years	9.80 Years	9.80 Years	9.80 Years
Expected Dividends yield	3.19%	2.89%	4.69%	4.50%	2.98%
Weighted Average Fair Value (Rs.)	83.48	90.24	106.3	108.06	84.93
Risk Free Interest rate	7.59%	7.63%	7.50%	7.50%	7.63%

Particulars	IHFL - IBFSL Employees Stock Option – 2008	IHFL ESOS - 2013 (Grant 1)	IHFL ESOS - 2013 (Grant 2)	IHFL ESOS - 2013 (Grant 4)	IHFL - IBFSL Employees Stock Option – 2013
Exercise price (Rs.)	95.95	394.75	1,156.50	702.00	200.00
Expected volatility*	97.00%	46.30%	27.50%	33.90%	39.95%
Option Life (Weighted Average)	11 Years	5 Years	3 Years	3 Years	2 Years
Expected Dividends yield	4.62%	10.00%	5.28%	7.65%	0.00%
Weighted Average Fair Value (Rs.)	52.02	89.76	200.42	126.96	27.4
Risk Free Interest rate	6.50%	8.57%	6.51%	7.37%	5.92%

Particulars	IHFL - IBFSL Employees Stock Option – 2013	IHFL - IBFSL Employees Stock Option – 2013	IHFL - IBFSL Employees Stock Option – 2013
Exercise price (Rs.)	152.85	96.00	130.00
Expected volatility*	53.00%	53.00%	53.00%
Expected forfeiture percentage on each vesting date	Nil	Nil	Nil
Option Life (Weighted Average)	1 Year	1 Year	1 Year
Expected Dividends yield	0.00%	0.00%	0.00%
Weighted Average Fair Value (Rs.)	35.3	22.5	30
Risk Free Interest rate	5.47%	6.25%	6.25%

*The expected volatility was determined based on historical volatility data

(b) The Company has established the "Pragati Employee Welfare Trust" ("Pragati – EWT") (earlier known as Indiabulls Housing Finance Limited - Employees Welfare Trust" (IBH – EWT) ("Trust") for the implementation and management of its employees benefit scheme viz. the "Indiabulls Housing Finance Limited - Employee Stock Benefit Scheme – 2019" (Scheme), for the benefit of the employees of the Company and its subsidiaries.
Pursuant to Regulation 3(12) of the SEBI (Share Based Employee Benefits) Regulations, 2014, the shares in Trust have been appropriated towards the Scheme for grant of Share Appreciations Rights (SARs) to the employees of the Company and its subsidiaries as permitted by SEBI. The Company will treat these SARs as equity and accounting has been done accordingly. The other disclosures in respect of the SARs are as under:-

Particulars	IHFL ESOS - 2019
Total Options under the Scheme	17,000,000
Total Options issued under the Scheme	17,000,000
Vesting Period and Percentage	Three years,33.33% each year
First Vesting Date	10th October, 2021
Exercise Price (Rs.)	Rs. 225 First Year, Rs. 275 Second Year, Rs. 300 Third Year
Exercisable Period	5 years from each vesting date
Outstanding at the beginning of the year(Nos.)	17,000,000

Particulars	**IHFL ESOS - 2019**
Options vested during the year (Nos.)	5,666,667
Exercised during the year (Nos.)	-
Expired during the year (Nos.)	-
Cancelled during the year	-
Lapsed during the year	-
Re-granted during the year	-
Outstanding at the end of the year (Nos.)	17,000,000
Exercisable at the end of the year (Nos.)	11,333,333
Remaining contractual Life (Weighted Months)	54

The details of the Fair value of the options as determined by an Independent firm of Chartered Accountants, for the respective plans using the Black-Scholes Merton Option Pricing Model

Particulars	**IHFL ESOS - 2019**
Exercise price (Rs.)	Rs. 225 First Year, Rs. 275 Second Year, Rs. 300 Third Year
Expected volatility*	39.95%
Expected forfeiture percentage on each vesting date	Nil
Option Life (Weighted Average)	1 Year for first Vesting, 2 years for second Vesting and 3 years for third Vesting.
Expected Dividends yield	0.00%
Weighted Average Fair Value (Rs.)	9.25 for First Year, 13.20 for Second Year and 19.40 for third year
Risk Free Interest rate	5.92%

*The expected volatility was determined based on historical volatility data

(v) 31,753,777 Equity Shares of Rs. 2 each (Previous Year : 22,008,616) are reserved for issuance towards Employees Stock options as granted

(vi) The weighted average share price at the date of exercise of these options was Rs. N.A per share(Previous Year Rs. 215.82 per share)

(vii) (a) During the year 2020-21, the Company has issued 4.50% secured foreign currency convertible bonds due 2026 (‘FCCBs’) of USD 150 Million at par, convertible into fully paid-up equity shares of face value of 2/- each of the Company at an initial conversion price of Rs.242 per equity share (“conversion price”), on or after April 21, 2021 and up to the close of business hours on February 20, 2026, at the option of the FCCB holders. FCCBs, which are not converted to equity shares during such specified period, will be redeemable on March 4, 2026. The Conversion price is subject to adjustment w.r.t issuance of bonus share, free issuance of shares, division, consolidation and reclassification of shares, declaration of dividend or any other condition as mentioned in offering circular, but cannot be below the floor price which is Rs.227.09.

Pursuant to the applicable provisions of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, and pursuant to receipt of notice for conversion of FCCBs, for a principle value USD 20,500,000, the Company during the year 2021-22, issued and allotted 6,207,952 (Sixty Two Lakh Seven Thousand Nine Hundred and Fifty Two) Fully Paid Equity shares of face value Rs. 2/- each, (a) at a conversion price of Rs. 230.14 (including a premium of Rs. 228.14) per Equity Share for 157,700 Equity Shares under FCCB1, and (b) at a conversion price of Rs. 243.05 (including a premium of Rs. 241.05) per Equity Share for 60,50,252 Equity Shares under FCCB2, to the holder of such FCCBs. Consequent to the said allotment, the paid-up Equity Share Capital of the Company stands increased to Rs. 937,143,008 divided into 468,571,504 Fully Paid Equity Shares of face value Rs. 2/- each and outstanding principal value of FCCBs, as listed at Singapore Exchange Securities Trading Limited under (a) FCCB1, ISIN XS2301133943, stands reduced from USD 150,000,000 to USD 149,500,000 and (b) FCCB2, ISIN XS2377720839, stands reduced from USD 165,000,000 to USD 145,000,000.

(b) Pursuant to the applicable provisions of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, and on receipt of notice for conversion of FCCBs, for a principal value USD 10,000,000, the Company during the current financial year, issued and allotted 3,025,126 (Thirty Lakh Twenty Five Thousand One Hundred and Twenty Six) Fully Paid Equity shares of face value Rs. 2/- each, at a conversion price of Rs. 243.05 (including a premium of Rs. 241.05) per Equity Share, to the holder of such FCCBs. Consequent to the said allotment, the paid-up Equity Share Capital of the Company stands increased to Rs. 943,193,260 divided into 471,596,630 Fully Paid Equity Shares of face value Rs. 2/- each and outstanding principal value of FCCBs, as listed at Singapore Exchange Securities Trading Limited under ISIN XS2377720839 stands reduced from USD 145,000,000 to USD 135,000,000.

(All amount in Rs. in Crore, except for share data unless stated otherwise)

(21) Other equity

Particulars	As at March 31, 2023	As at March 31, 2022
	Amount	
Capital Reserve[1]		
Balance as per last Balance Sheet	13.75	13.75
Add: Additions during the year	-	-
Closing Balance	**13.75**	**13.75**
Capital Redemption Reserve[2]		
Balance as per last Balance Sheet	0.36	0.36
Add: Additions during the year	-	-
Closing Balance	**0.36**	**0.36**
Securities Premium Account[3]		
Balance as per last Balance Sheet	8,302.14	8,152.36
Add: Additions during the year on account of Esops	-	0.22
Add: Additions during the year on account of FCCB Conversion/QIP Issue	72.92	149.43
Add: Transfer from Stock compensation	-	0.13
Closing Balance	**8,375.06**	**8,302.14**
Debenture Premium Account[14]		
Balance as per last Balance Sheet	1.28	1.28
Add: Additions during the year on account	-	-
Closing Balance	**1.28**	**1.28**
Stock Compensation Adjustment[5]		
Balance as per last Balance Sheet	170.13	178.76
Add: Additions during the year	(1.53)	(8.50)
Less: Transferred to Share Premium account	-	0.13
Closing Balance	**168.60**	**170.13**
Special Reserve u/s 36(1)(viii) of I Tax Act, 1961[6]		
Balance as per last Balance Sheet	89.00	89.00
Add: Additions during the year	-	-
Closing Balance	**89.00**	**89.00**
General Reserve[7]		
Balance as per last Balance Sheet	1,933.73	1,105.99
Add: Amount Transferred during the year[11]	-	827.74
Closing Balance	**1,933.73**	**1,933.73**
Reserve Fund		
Reserve (I)(As per Section 29C of the Housing Bank Act, 1987)[8] & [9]		
Balance As per last Balance Sheet	2,130.95	1,991.73
Add: Amount Transferred during the year	163.83	139.22
Closing Balance	**2,294.78**	**2,130.95**

(All amount in Rs. in Crore, except for share data unless stated otherwise)

Particulars	As at March 31, 2023	As at March 31, 2022
	Amount	
Reserve Fund		
Reserve (II)[(10)]		
Balance As per last Balance Sheet	505.48	505.48
Add: Amount Transferred during the year	-	-
Closing Balance	**505.48**	**505.48**
Reserve Fund		
Reserve (III) [(8) & (9)]		
Balance As per last Balance Sheet	2,178.00	2,178.00
Add: Amount Transferred during the year	-	-
Closing Balance	**2,178.00**	**2,178.00**
Additional Reserve[(8)]		
(U/s 29C of the National Housing Bank Act, 1987)		
Balance As per last Balance Sheet	525.00	825.00
Add: Additions during the year	610.00	525.00
Less: Amount withdrawn during the year[Refer Note 52]	525.00	825.00
Closing Balance	**610.00**	**525.00**
Debenture Redemption Reserve[(4)]		
Balance As per last Balance Sheet	146.40	974.14
Add: Additions during the year	-	-
Less: Transfer to General Reserve[(11)]	-	827.74
Closing Balance	**146.40**	**146.40**
Other Comprehensive Income[(12)]		
Balance As per last Balance Sheet	(476.60)	(588.19)
Less: Amount utilised during the year	11.24	111.59
Closing Balance	**(465.36)**	**(476.60)**
Retained Earnings[(13)]		
Balance at the beginning of the year	39.00	2.08
Add: Additions during the year (including transfer from OCI to be recognised directly in retained earnings	818.36	701.14
Less: Amount utilised during the year	773.83	664.22
Closing Balance	**83.53**	**39.00**
	15,934.61	**15,558.62**

(1) Capital reserve is created on receipt of non refundable debenture warrants exercise price.

(2) Capital redemption reserve is created on redemption of preference shares.

(3) Securities premium reserve is used to record the premium on issue of shares. The reserve can be utilised only for limited purposes such as issuance of bonus shares in accordance with the provisions of the Companies Act, 2013.

(4) The Companies Act, 2013 requires that where a Company issues debentures, it shall create a debenture redemption reserve out of profits of the Company available for payment of dividend. The Company is required to maintain a Debenture Redemption Reserve of 25% of the value of debentures issued by a public issue. The amounts credited to the debenture redemption reserve may not be utilised by the Company except to redeem debentures.

(5) Stock Compensation Adjustment is created as required by Ind AS 102 'Share Based Payments' on the Employee Stock Option Scheme operated by the Company for employees of the Group.

(6) This pertains to reserve created under section 36(1)(viii) of the Income Tax Act, 1961, by the Erstwhile Holding Company Indiabulls Financial Services Limited, which has been transferred to the Company under the Scheme of Arrangement during the year ended March 31, 2013.

(7) Under the erstwhile Companies Act 1956, general reserve was created through an annual transfer of net income at a specified percentage in accordance with applicable regulations. The purpose of these transfers was to ensure that if a dividend distribution in a given year is more than 10% of the paid-up capital of the Company for that year, then the total dividend distribution is less than the total distributable results for that year. Consequent to introduction of Companies Act 2013, the requirement to mandatorily transfer a specified percentage of the net profit to general reserve has been withdrawn. However, the amount previously transferred to the general reserve can be utilised in accordance with the requirements of Companies Act, 2013.

(8) In terms of Section 29C of the National Housing Bank ("NHB") Act, 1987, the Company is required to transfer at least 20% of its Profit after tax to a Reserve Fund before any dividend is declared. Transfer to a Reserve Fund in terms of Section 36(1)(viii) of the Income Tax Act, 1961 is also considered as an eligible transfer as transfer to Special Reserve under Section 29C of the National Housing Bank ("NHB") Act, 1987. The Company has transferred an amount of Rs. Nil Crore (Previous Year Rs. Nil Crore) to reserve created in terms of Section 36(1)(viii) of the Income Tax Act, 1961 termed as "Reserve (III)" and also transferred an amount of Rs. 163.83 Crore (Previous Year Rs. 139.22 Crore) to the Reserve in terms of Section 29C of the National Housing Bank ("NHB") Act, 1987 as at the year end. Further an additional amount of Rs. 610 Crores (Previous Year Rs. 525 Crore) has been set apart by way of transfer to Additional Reserve Fund in excess of the statutory minimum requirement as specified under Section 29C pursuant to Circular no. NHB(ND)/DRS/Pol-No. 03/2004-05 dated August 26, 2004 issued by the National Housing Bank. The additional amount so transferred may be utilised in the future for any business purpose.

(9) Disclosures as required in terms of Master Direction – Non-Banking Financial Company – Housing Finance Company (Reserve Bank) Directions, 2021, RBI/2020-21/73 DOR.FIN.HFC.CC.No.120/03.10.136/2020-21, 17 February, 2021 for clause 3.2 is as follows:-

Particulars	**As at March 31, 2023**	**As at March 31, 2022**
	Amount	
Balance at the beginning of the year		
a) Statutory Reserve U/s 29C of the National Housing Bank Act, 1987	2,130.95	1,991.73
b) Amount of Reserve U/s 36(1)(viii) of Income Tax Act, 1961 taken into account for the purposes of Statutory Reserve under Section 29C of the NHB Act, 1987	2,178.00	2,178.00
c) Total	**4,308.95**	**4,169.73**
Addition / Appropriation / Withdrawal during the year		
Add:		
a) Amount transferred U/s 29C of the NHB Act, 1987	163.83	139.22
b) Amount of Reserve U/s 36(1)(viii) of Income Tax Act, 1961 taken into account for the purposes of Statutory Reserve under Section 29C of the NHB Act, 1987	-	-
Less:		
a) Amount appropriated from the Statutory Reserve U/s 29C of the NHB Act, 1987		
b) Amount withdrawn from the 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		
Balance at the end of the year		
a) Statutory Reserve U/s 29C of the National Housing Bank Act, 1987	2,294.78	2,130.95
b) Amount of Reserve U/s 36(1)(viii) of Income Tax Act, 1961 taken into account for the purposes of Statutory Reserve under Section 29C of the NHB Act, 1987	2,178.00	2,178.00
c) Total	**4,472.78**	**4,308.95**

(10) This pertains to reserve created under section 45-IC of the Reserve Bank of India Act 1934, by the Erstwhile Holding Company Indiabulls Financial Services Limited, which has been transferred to the Company under the Scheme of Arrangement during the year ended March 31, 2013.

(11) The Companies Act 2013 till August, 2019 required companies that issued debentures to create a debenture redemption reserve from annual profits until such debentures are redeemed. The Company was required to transfer a specified percentage (as provided in the Companies Act, 2013) of the outstanding redeemable debentures to debenture redemption reserve. The amounts credited to the debenture redemption reserve may not be utilised except to redeem debentures. On redemption of debentures, the amount may be transferred from debenture redemption reserve to General Reserve. The Ministry of Corporate Affairs (MCA) has amended the Companies (Share Capital and Debenture) Rules, 2014, doing away with creation of debenture redemption reserve by NBFCs/HFCs with respect to issue of non convertible debentures (NCDs). Vide the said amendment, now NBFCs/HFCs are required on or before 30 April of each year to invest or deposit in prescribed securities, a sum not less than 15 per cent of the debentures maturing during the year ending on 31 March of the next year. Accordingly, during the year ended March 31, 2022, the Company has transferred Rs. 827.74 crores to the General Reserve in respect of Debenture Redemption Reserve no longer required.

(12) Other comprehensive income includes fair value gain/(loss) on equity instruments and Derivative instruments in Cash flow hedge relationship.

(13) Retained earnings represents the surplus in Profit and Loss Account and appropriations

(14) Debenture premium account is used to record the premium on issue of debenture.

(22)

Interest Income	**Year ended March 31, 2023**		
	Interest income on securities classified at fair value through profit and loss	**On financial assets measured at Amortised cost**	**Total**
	Amount		
Interest on Loans	-	6,219.72	6,219.72
Interest on Pass Through Certificates / Bonds	200.55	-	200.55
Interest on deposits with Banks	-	142.82	142.82
Total	**200.55**	**6,362.54**	**6,563.09**

Interest Income	**Year ended March 31, 2022**		
	Interest income on securities classified at fair value through profit and loss	**On financial assets measured at Amortised cost**	**Total**
	Amount		
Interest on Loans	-	6,929.60	6,929.60
Interest on Pass Through Certificates / Bonds	483.57	-	483.57
Interest on deposits with Banks	-	172.83	172.83
Total	**483.57**	**7,102.43**	**7,586.00**

(23)

Dividend Income	**Year ended March 31, 2023**	**Year ended March 31, 2022**
	Amount	
Dividend Income from Subsidiaries	204.43	-
	204.43	**-**

(24)

Fee and Commission Income	**Year ended March 31, 2023**	**Year ended March 31, 2022**
	Amount	
Commission on Insurance	10.70	2.50
Other Operating Income	30.32	18.37
Income from Service Fee	40.76	30.97
	81.78	**51.84**

(25)

Net Gain/ (loss) on fair value changes	Year ended March 31, 2023	Year ended March 31, 2022
	Amount	
Net loss on financial instruments at fair value through profit or loss		
(i) On trading portfolio		
- Investments	(114.55)	(61.17)
- Assets Held for Sale	206.29	(4.85)
Total Net gain/(loss) on fair value changes (A)	**91.74**	**(66.02)**
Fair Value changes:		
-Realised	170.66	(36.42)
-Unrealised	(78.92)	(29.60)
Total Net gain/(loss) on fair value changes (B)	**91.74**	**(66.02)**

(26)

Other Income	Year ended March 31, 2023	Year ended March 31, 2022
	Amount	
Miscellaneous Income	15.43	11.14
Sundry Credit balances written back	1.59	1.17
	17.02	**12.31**

(27)

Finance Costs	Year ended March 31, 2023 On financial liabilities measured at Amortised cost	Year ended March 31, 2022 On financial liabilities measured at Amortised cost
	Amount	
Debt Securities	1,709.73	2,229.03
Borrowings (Other than Debt Securities)[(1)]	2,695.20	2,740.28
Subordinated Liabilities	372.37	387.57
Processing and other Fee	214.47	242.92
Bank Charges	18.44	19.56
FCNR Hedge Premium	120.88	245.30
Total	**5,131.09**	**5,864.66**

1) Includes premium on principal only swaps on foreign currency loans amounting to Rs.88.91 Crore (Previous Year Rs.63.06 Crore).

(2) Disclosure of Foreign Currency Exposures:-

Particulars	Foreign Currency	Year Ended March 31, 2023		
		Exchange Rate	Amount in Foreign Currency	Amount
I. Assets				
Receivables (trade & other)	N.A.	-	-	-
Other Monetary assets	N.A.	-	-	-
Total Receivables (A)	N.A.	-	-	-
Hedges by derivative contracts (B)	N.A.	-	-	-
Unhedged receivables (C=A-B)	N.A.	-	-	-

(All amount in Rs. in Crore, except for share data unless stated otherwise)

Particulars	**Foreign Currency**	**Year Ended March 31, 2023**		
		Exchange Rate	**Amount in Foreign Currency**	**Amount**
II. Liabilities				
Payables (trade & other)				
Borrowings (ECB and Others)	USD	82.2169	65.45	5,381.10
Total Payables (D)	USD	82.2169	65.45	5,381.10
Hedges by derivative contracts (E)	USD	82.2169	65.45	5,381.10
Unhedged Payables F=D-E)	USD	82.2169	-	-
III. Contingent Liabilities and Commitments				
Contingent Liabilities	N.A.	-	-	-
Commitments	N.A.	-	-	-
Total (G)	N.A.	-	-	-
Hedges by derivative contracts(H)	N.A.	-	-	-
Unhedged Payables (I=G-H)	N.A.	-	-	-
Total unhedged FC Exposures (J=C+F+I)	N.A.	**-**	**-**	**-**

Note: For the above disclosure, Interest accrued on borrowings at year end has not been considere(

Particulars	**Foreign Currency**	**Year Ended March 31, 2022**		
		Exchange Rate	**Amount in Foreign Currency**	**Amount**
I. Assets				
Receivables (trade & other)	N.A.	-	-	-
Other Monetary assets	N.A.	-	-	-
Total Receivables (A)	N.A.	-	-	-
Hedges by derivative contracts (B)	N.A.	-	-	-
Unhedged receivables (C=A-B)	N.A.	-	-	-
II. Liabilities				
Payables (trade & other)				
Borrowings (ECB and Others)	USD	75.8071	96.45	7,311.59
Total Payables (D)	USD	75.8071	96.45	7,311.59
Hedges by derivative contracts (E)	USD	75.8071	96.45	7,311.59
Unhedged Payables F=D-E)	USD	75.8071	-	-
III. Contingent Liabilities and Commitments				
Contingent Liabilities	N.A.	-	-	-
Commitments	N.A.	-	-	-
Total (G)	N.A.	-	-	-
Hedges by derivative contracts(H)	N.A.	-	-	-
Unhedged Payables (I=G-H)	N.A.	-	-	-
Total unhedged FC Exposures (J=C+F+I)	N.A.	**-**	**-**	**-**

Note: For the above disclosure, Interest accrued on borrowings at year end has not been considere(

(3) Additional Disclosures as required in terms of Master Direction – Non-Banking Financial Company – Housing Finance Company (Reserve Bank) Directions, 2021, RBI/2020-21/73 DOR.FIN.HFC.CC.No.120/03.10.136/2020-21, 17 February, 2021 for Clause 3.4 for Derivatives are as follows:-

(All amount in Rs. in Crore, except for share data unless stated otherwise)

3.4.1. Forward Rate Agreement (FRA) / Interest Rate Swap (IRS):-

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
(i) The notional principal of swap agreements	1,859.73	2,182.90
(ii) Losses which would be incurred if counterparties failed to fulfill their obligations under the agreements	20.31	-
(iii) Collateral required by the FC upon entering into swaps	Nil	Nil
(iv) Concentration of credit risk arising from the swaps	Counterparty for all Swaps entered into by the Company are Scheduled Commercial Banks	
(v) The fair value of the swap book Receivable/(Payable)	20.31	(21.11)

3.4.2 Exchange Traded Interest Rate (IR) Derivative:-

Particulars	Currency Derivatives	Interest Rate Derivatives
(i) Notional principal amount of exchange traded IR derivatives undertaken during the year	N.A.	N.A.
(ii) Notional principal amount of exchange traded IR derivatives outstanding as on 31st March 2023	N.A.	N.A.
(iii) Notional principal amount of exchange traded IR derivatives outstanding and not "highly effective"	N.A.	N.A.
(iv) Mark-to-market value of exchange traded IR derivatives outstanding and not "highly effective"	N.A.	N.A.

3.4.3. (A) Qualitative Disclosure:-

The Company's activities expose it to the financial risks of changes in foreign exchange rates and interest rates. The Company uses derivative contracts such as foreign exchange forward, cross currency contracts, interest rate swaps, foreign currency futures, options and swaps to hedge its exposure to movements in foreign exchange and interest rates. The use of these derivative contracts reduce the risk or cost to the Company and the Company does not use those for trading or speculation purposes.

The Company uses hedging instruments that are governed by the policies of the Company which are approved by the Board of Directors, which provide written principles on the use of such financial derivatives consistent with the risk management strategy of the Company. The Board constituted Risk Management Committee (RMC) of the Company manages risk on the Company's derivative portfolio. The officials authorized by the board to enter into derivative transactions for the Company are kept separate from the authorized signatories to confirm the derivative transactions. All derivative transactions that are entered into by the Company are reported to the board, and the mark-to-market on its portfolio is monitored regularly by the senior management. The Company uses Bloomberg to monitor and value its derivative portfolio to ascertain its hedge effectiveness vis-à-vis the underlying.

To hedge its risks on the principal and/ or interest amount for foreign currency borrowings on its balance sheet, the Company has currently used cross currency derivatives, forwards and principal only swaps. Additionally, the Company has entered into Interest Rate Swaps (IRS) to hedge its basis risk on fixed rate borrowings and LIBOR risk on its foreign currency borrowings.

Derivative financial instruments are initially measured at fair value on the contract date and are subsequently re-measured to fair value at each reporting date. Derivatives are classified as assets when the fair value is positive (positive marked to market value) or as liabilities when the fair value is negative (negative marked to market value). Derivative assets and liabilities are recognized on the balance sheet at fair value. Fair value of derivatives is ascertained from the mark to market and accrual values received from the counterparty banks. These values are cross checked against the valuations done internally on Bloomberg. Changes in the fair value of derivatives other than those designated as hedges are recognized in the Statement of Profit and Loss.

Hedge accounting is discontinued when the hedging instrument expires or is sold, terminated or exercised, no longer qualifies for hedge accounting or the Company chooses to end the hedging relationship.

3.4.3. (B)

Particulars	Currency Derivatives	Interest Rate Derivatives
	Amount	
(i) Derivatives (Notional Principal Amount)	4,790.01	1,859.73
(ii) Marked to Market Positions	131.19	20.31
(a) Assets (+)	146.01	20.31
(b) Liabilities (-)	(14.82)	-
(iii) Credit Exposure	Nil	Nil
(iv) Unhedged Exposures	Nil	Nil

(28)

Impairment on financial instruments	Year ended March 31, 2023	Year ended March 31, 2022
	On financial assets measured at Amortised cost	
	Amount	
ECL on Loans / Bad Debts Written Off(Net of Recoveries)[1]	385.15	214.64
Total	**385.15**	**214.64**

(1) ECL on loans / Bad Debts Written Off(Net of Recoveries) includes

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
	Amount	
ECL on Loan Assets	473.75	285.22
Bad Debt /advances written off*	(88.60)	(70.58)
	385.15	**214.64**

*Net of Bad Debt recovery of Rs. 516.97 Crore (Previous Year Net of Bad Debt recovery Rs. 383.06 Crore). Read with note 8

(29)

Employee Benefits Expenses	Year ended March 31, 2023	Year ended March 31, 2022
	Amount	
Salaries and wages	515.84	421.01
Contribution to provident and other funds	6.25	4.89
Share Based Payments to employees	(1.53)	(8.50)
Staff welfare expenses	6.91	3.78
Provision for Gratuity, Compensated Absences and Superannuation Expense(1)	(50.18)	13.97
Total	**477.29**	**435.15**

(1) Employee Benefits – Provident Fund, ESIC, Gratuity and Compensated Absences disclosures as per Indian Accounting Standard (IndAS) 19 – Employee Benefits:

Contributions are made to Government Provident Fund and Family Pension Fund, ESIC and other statutory funds which cover all eligible employees under applicable Acts. Both the employees and the Company make predetermined contributions to the Provident Fund and ESIC. The contributions are normally based on a certain proportion of the employee’s salary. The Company has recognised an amount of Rs. 6.25 Crore (Previous year Rs. 4.89 Crore) in the Statement of Profit and Loss towards Employers contribution for the above mentioned funds.

Provision for unfunded Gratuity and Compensated Absences for all employees is based upon actuarial valuations carried out at the end of every financial year. Major drivers in actuarial assumptions, typically, are years of service and employee compensation. Pursuant to the issuance of the Indian Accounting Standard (IndAS) 19 on ‘Employee Benefits’, commitments are actuarially determined using the ‘Projected Unit Credit’ Method. Gains and losses on changes in actuarial assumptions are accounted for in Statement of Profit and Loss for Compensated absences and for Gratuity in Other Comprehensive Income.

Disclosure in respect of Gratuity, Compensated Absences and Superannuation:

Particulars	Gratuity (Unfunded)		Compensated Absences (Unfunded)	
	2022-2023	2021-2022	2022-2023	2021-2022
	Amount		Amount	
Reconciliation of liability recognised in the Balance Sheet:				
Present Value of commitments (as per Actuarial valuation)	51.55	47.24	16.39	15.30
Fair value of plan assets	-	-	-	-
Net liability in the Balance sheet (as per Actuarial valuation)	51.55	47.24	16.39	15.30
Movement in net liability recognised in the Balance Sheet:				
Net liability as at the beginning of the year	47.24	41.73	15.30	14.00

(All amount in Rs. in Crore, except for share data unless stated otherwise)

Particulars	Gratuity (Unfunded)		Compensated Absences (Unfunded)	
	2022-2023	2021-2022	2022-2023	2021-2022
	Amount		Amount	
Amount (paid) during the year/Transfer adjustment	(6.41)	(4.22)	-	-
Net expenses recognised / (reversed) in the Statement of Profit and Loss	9.64	8.51	1.09	1.30
Actuarial changes arising from changes in Demographic assumptions	-	-	-	-
Actuarial changes arising from changes in financial assumptions	(0.84)	(2.21)	-	-
Experience adjustments	1.92	3.43	-	-
Net liability as at the end of the year	**51.55**	**47.24**	**16.39**	**15.30**
Expenses recognised in the Statement of Profit and Loss:				
Current service cost	6.07	5.46	3.01	2.46
Past service cost	-	-	-	-
Interest Cost	3.57	3.05	1.16	1.03
Actuarial (gains) / losses	-	-	(3.08)	(2.19)
Expenses charged / (reversal) to the Statement of Profit and Loss	**9.64**	**8.51**	**1.09**	**1.30**
Return on Plan assets:				
Actuarial (gains) / losses	N.A.	N.A.	N.A.	N.A.
Actual return on plan assets	N.A.	N.A.	N.A.	N.A.
Reconciliation of defined-benefit commitments:				
Commitments as at the beginning of the year	47.24	41.73	15.30	14.00
Current service cost	6.07	5.46	3.01	2.46
Past service cost	-	-	-	-
Interest cost	3.57	3.05	1.16	1.03
(Paid benefits)	(6.41)	(4.22)	-	-
Actuarial (gains) / losses	-	-	(3.08)	(2.19)
Actuarial changes arising from changes in Demographic assumptions	-	-	-	-
Actuarial changes arising from changes in financial assumptions	(0.84)	(2.21)	-	-
Experience adjustments	1.92	3.43	-	-
Commitments as at the end of the year	**51.55**	**47.24**	**16.39**	**15.30**
Reconciliation of Plan assets:				
Plan assets as at the beginning of the year	N.A.	N.A.	N.A.	N.A.
Expected return on plan assets	N.A.	N.A.	N.A.	N.A.
Contributions during the year	N.A.	N.A.	N.A.	N.A.
Paid benefits	N.A.	N.A.	N.A.	N.A.
Actuarial (gains) / losses	N.A.	N.A.	N.A.	N.A.
Plan assets as at the end of the year	N.A.	N.A.	N.A.	N.A.

N.A - not applicable

Particulars	Superannuation (Unfunded)	
	2022-2023	2021-2022
	Amount	
Reconciliation of liability recognised in the Balance Sheet:		
Present Value of commitments (as per Actuarial valuation)	-	60.92
Fair value of plan assets	-	-
Net liability in the Balance sheet (as per Actuarial valuation	-	60.92

(All amount in Rs. in Crore, except for share data unless stated otherwise)

Particulars	Superannuation (Unfunded)	
	2022-2023	2021-2022
	Amount	
Movement in net liability recognised in the Balance Sheet:		
Net liability as at the beginning of the year	60.92	59.59
Amount (paid) during the year/Transfer adjustment	-	-
Net expenses recognised / (reversed) in the Statement of Profit and Loss	(60.92)	4.17
Actuarial changes arising from changes in financial assumptions	-	(1.18)
Experience adjustments	-	(1.66)
Net liability as at the end of the year	**-**	**60.92**
Expenses recognised in the Statement of Profit and Loss:		
Current service cost	-	-
Past service cost	(60.92)	-
Interest Cost	-	4.17
Actuarial (gains) / losses	-	-
Expenses charged / (reversal) to the Statement of Profit and Loss	**(60.92)**	**4.17**
Return on Plan assets:		
Actuarial (gains) / losses	N.A.	N.A.
Actual return on plan assets	N.A.	N.A.
Reconciliation of defined-benefit commitments:		
Commitments as at the beginning of the year	60.92	59.59
Current service cost	-	-
Past service cost	(60.92)	-
Interest cost	-	4.17
(Paid benefits)	-	-
Actuarial (gains) / losses	-	-
Actuarial changes arising from changes in financial assumptions	-	(1.18)
Experience adjustments	-	(1.66)
Commitments as at the end of the year	**-**	**60.92**
Reconciliation of Plan assets:		
Plan assets as at the beginning of the year	N.A.	N.A.
Expected return on plan assets	N.A.	N.A.
Contributions during the year	N.A.	N.A.
Paid benefits	N.A.	N.A.
Actuarial (gains) / losses	N.A.	N.A.
Plan assets as at the end of the year	N.A.	N.A.

N.A - not applicable

The actuarial calculations used to estimate commitments and expenses in respect of unfunded Gratuity, Compensated absences and Superannuation (Pension & Medical coverage) are based on the following assumptions which if changed, would affect the commitment's size, funding requirements and expenses:

Particulars	Gratuity (Unfunded)		Compensated Absences (Unfunded)	
	2022-2023	2021-2022	2022-2023	2021-2022
Discount Rate	7.38%	7.18%	7.38%	7.18%
Expected Return on plan assets	N.A.	N.A.	N.A.	N.A.
Expected rate of salary increase	5.00%	5.00%	5.00%	5.00%
Mortality	IALM (2012-14)	IALM (2012-14)	IALM (2012-14)	IALM (2012-14)
Retirement Age (Years)	60	60	60	60

N.A - not applicable

Particulars	Superannuation (Unfunded)	
	2022-2023	2021-2022
Discount Rate	N.A.	7.18%
Expected Return on plan assets	N.A.	N.A.
Expected rate of salary increase	0.00%	0.00%
Mortality	IALM (2012-14)	IALM (2012-14)
Retirement Age (Years)	60	60

N.A - not applicable

The employer's best estimate of contributions expected to be paid during the annual period beginning after the Balance Sheet date, towards Gratuity, Compensated Absences and Superannuation is Rs. 11.82 Crore (Previous Year Rs. 10.39 Crore), Rs. 4.89 Crore (Previous Year Rs. 4.12 Crore) and Rs. Nil Crore (Previous Year Rs.4.37 Crore) respectively.

A quantitative sensitivity analysis for significant assumption is as shown below

Gratuity

	March 31, 2023		March 31, 2022	
Assumptions	**Discount rate**			
Sensitivity Level	0.5% increase	0.5% decrease	0.5% increase	0.5% decrease
Impact on defined benefit obligation	(3.22)	3.08	(3.06)	2.92

Gratuity

	March 31, 2023		March 31, 2022	
Assumptions	**Future salary increases**			
Sensitivity Level	0.5% increase	0.5% decrease	0.5% increase	0.5% decrease
Impact on defined benefit obligation	3.14	(3.30)	2.97	(3.13)

Compensated Absences

	March 31, 2023		March 31, 2022	
Assumptions	**Discount rate**			
Sensitivity Level	0.5% increase	0.5% decrease	0.5% increase	0.5% decrease
Impact on defined benefit obligation	(0.99)	1.05	(0.93)	1.04

Compensated Absences

	March 31, 2023		March 31, 2022	
Assumptions	**Future salary increases**			
Sensitivity Level	0.5% increase	0.5% decrease	0.5% increase	0.5% decrease
Impact on defined benefit obligation	1.08	(1.00)	1.06	(0.94)

Superannuation

	March 31, 2023		March 31, 2022	
Assumptions	**Discount rate**			
Sensitivity Level	0.5% increase	0.5% decrease	0.5% increase	0.5% decrease
Impact on defined benefit obligation	-	-	(4.08)	4.02

Superannuation

	March 31, 2023		March 31, 2022	
Assumptions	**Future salary increases**			
Sensitivity Level	0.5% increase	0.5% decrease	0.5% increase	0.5% decrease
Impact on defined benefit obligation	-	-	-	-

(All amount in Rs. in Crore, except for share data unless stated otherwise)

The following payments are expected contributions to the defined benefit plan in future years

Expected payment for future years	Gratuity March 31, 2023	Gratuity March 31, 2022	Compensated Absences March 31, 2023	Compensated Absences March 31, 2022
	Amount		Amount	
Within the next 12 months (next annual reporting period)	2.56	2.54	0.98	0.89
Between 1 and 2 years	0.91	0.90	0.30	0.30
Between 2 and 5 years	3.61	3.04	1.05	1.03
Between 5 and 6 years	1.16	1.13	0.31	0.36
Beyond 6 years	43.31	39.63	13.75	12.72
Total expected payments	51.55	47.24	16.39	15.30

Expected payment for future years	Superannuation March 31, 2023	Superannuation March 31, 2022
	Amount	
Within the next 12 months (next annual reporting period)	-	-
Between 1 and 2 years	-	-
Between 2 and 5 years	-	-
Between 5 and 6 years	-	-
Beyond 6 years	-	60.92
Total expected payments	-	60.92

(30)

Other expenses	**Year ended March 31, 2023**	**Year ended March 31, 2022**
	Amount	
Rent	13.90	5.39
Rates & Taxes Expenses	1.14	2.05
Repairs and maintenance	24.56	18.24
Communication Costs	6.46	4.97
Printing and stationery	2.76	1.63
Advertisement and publicity	10.42	9.67
Auditor's remuneration		
Audit Fee[(1)]	2.52	3.13
Legal and Professional charges[(1)]	68.16	42.04
CSR expenses[(2)]	34.56	57.88
Travelling and Conveyance	11.10	5.65
Stamp Duty	0.55	0.81
Recruitment Expenses	0.79	0.53
Business Promotion	0.67	0.79
Loss on sale of Fixed Assets	-	-
Electricity and water	6.61	5.05
Brokerage Expenses	1.73	1.66
Director's fees, allowances and expenses	5.09	4.92
Miscellaneous Expenses	7.77	2.52
Total	**198.79**	**166.93**

(1) Fees paid to the auditors include:

	Year ended March 31, 2023	Year ended March 31, 2022
As auditor		
Audit Fee	2.52	3.13
Certification fee*	1.00	0.55
Others**	2.05	1.91
Total	**5.57**	**5.59**

*Included in Legal and Professional Charges

**Fee paid in relation to public issue of Non-convertible Debentures has been amortised as per EIR method for calculation of Interest cost on Non-Convertible Debentures and included under Finance Co

(2) Corporate Social Responsibility:-

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Gross amount required to be spent by the Company during the year	34.56	57.88
Amount spent during the year	34.56	57.88
Shortfall at the end of the year	-	-
Nature of CSR activities:	Promoting education, including special education and employment enhancing vocational skills especially among children, women, elderly (Saakshar Project)	Jan Swasthya Kalyan Vahika (JSK)- Mobile Medical Vans
	Ensuring environmental sustainability, ecological balance, Protection for Flora & Fauna, Animal Welfare etc. (Sankalp Project)	Indiabulls Foundation Charitable Clinics
	Maintaining quality of Soil, Air and Water (Clean Ganga project)	Community Health Check-up Camps
	Planting more than 10 Lakh trees across India with the support of community based organisations, Municipal Corporation and GMDA	IBF Scholarship Programme

(All amount in Rs. in Crore, except for share data unless stated otherwise)

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
	Integrated village development by ensuring inclusive community participation, Developing more than 200 villages PAN India, Development to happen which includes Health, Education, Livelihood, Environment (Sarvoday project)	COVID Care Relief Programme

(31) Tax Expenses

The Company has elected to exercise the option permitted under 115BAA of the Income Tax Act, 1961, as introduced by the Taxation Laws (Amendment) Ordinance, 2019. The effective applicable corporate tax rate for the Company is now 25.168%. Accordingly, the Company has recognized provision for Income Tax for year ended March 31, 2023 and re-measured its Deferred Tax asset/liability basis the rate prescribed in the aforesaid section. The major components of income tax expense for the year ended March 31, 2023 and March 31, 2022 are:

Profit or loss section	**Year ended March 31, 2023**	**Year ended March 31, 2022**
	Amount	
Current income tax:		
Current income tax charge	-	-
Adjustments in respect of current income tax of previous year	-	-
Deferred tax:		
Relating to origination and reversal of temporary differences	286.64	259.79
Income tax expense reported in the statement of profit or loss	**286.64**	**259.79**

Reconciliation of tax expense and the accounting profit multiplied by India's domestic tax rate for March 31, 2023:

Particulars	**Year ended March 31, 2023**	**Year ended March 31, 2022**
	Amount	
Accounting profit before tax from continuing operations	1,105.81	955.90
Profit/(loss) before tax from a discontinued operation	-	-
Accounting profit before income tax	**1,105.81**	**955.90**
Tax at statutory Income Tax rate of 25.168%(Previous Year 25.168%)-(i)	278.31	240.58
Tax on Expenses / deductions Allowed/Disallowed in Income tax Act-(ii)	8.33	19.21
Tax on Expenses allowed/disallowed in income Tax Act	5.70	(5.78)
Net Addition/deduction u/s 36(i)(viia)	-	16.55
Income Exempt for Tax Purpose	-	(0.04)
Long Term Capital Gain on Sale of Investments	2.63	8.47
Others	-	0.01
Tax expenses related to the profit for the year (a)= (i)+(ii)	286.64	259.79
Tax on Other comprehensive income (b)	0.49	32.23
Total tax expenses for the comprehensive income (a+b)	**287.13**	**292.02**

(All amount in Rs. in Crore, except for share data unless stated otherwise)

Deferred Tax

The following table shows deferred tax recorded in the balance sheet and changes recorded in the Statement of Profit and Loss and Other Comprehensive Incom

Particulars	Deferred tax assets	Deferred tax liabilities	Statement of Profit and Loss	OCI	Others
	March 31, 2023	March 31, 2023	Year ended March 31, 2023	Year ended March 31, 2023	Year ended March 31, 2023
	Amount		Amount		
Depreciation/Amortisation on PPE	61.60	-	11.98	-	-
Impairment allowance for financial assets	420.42	-	(283.92)	-	176.57
Fair value of financial instruments held for trading	16.17		15.23	-	
Remeasurement gain / (loss) on defined benefit plan	17.10	-	(14.24)	0.27	-
Impact on Borrowings using effective rate of Interest	-	21.05	6.05	-	-
Gain / loss on equity instrument designated at FVOCI	43.05		-	1.53	-
Derivative instruments in Cash flow hedge relationship	120.16	-	-	(2.29)	-
Share based Payments	28.02	-	-	-	-
Impact on Loans using effective rate of Interest	1.28	-	(0.64)	-	-
Impact on account of EIS and Servicing assets/ liability	-	201.98	(48.70)	-	-
Other temporary differences	-	58.97	27.60	-	-
Total	**707.80**	**282.00**	**(286.64)**	**(0.49)**	**176.57**

Particulars	Deferred tax assets	Deferred tax liabilities	Statement of Profit and Loss	OCI	Others
	March 31, 2022	March 31, 2022	Year ended March 31, 2022	Year ended March 31, 2022	Year ended March 31, 2022
	Amount		Amount		
Depreciation/Amortisation on PPE	49.62	-	12.46	-	-
Impairment allowance for financial assets	527.77	-	(423.10)	-	260.92
Fair value of financial instruments held for trading	1.60		8.14	-	-
Remeasurement gain / (loss) on defined benefit plan	31.07	-	2.46	(0.41)	-
Impact on Borrowings using effective rate of Interest	-	27.10	7.64	-	-
Gain / loss on equity instrument designated at FVOCI	45.17		-	(11.44)	53.25
Derivative instruments in Cash flow hedge relationship	122.46	-	-	(20.38)	-
Share based Payments	28.02	-	-	-	-
Impact on Loans using effective rate of Interest	1.92	-	(1.98)	-	-
Impact on account of EIS and Servicing assets/ liability	-	153.27	25.92	-	-
Other temporary differences	-	90.90	108.67	-	(80.81)
Total	**807.63**	**271.27**	**(259.79)**	**(32.23)**	**233.36**

(32) Explanatory Notes

(i) Debentures(payable at par unless otherwise stated)(Secured unless otherwise stated) includes:*	As at March 31, 2023 Amount
9.10 % Redeemable Non convertible Debentures of Face value Rs. 1,000,000 each Redeemable on January 15, 2029	699.55
9.30 % Redeemable Non convertible Debentures of Face value Rs. 1,000,000 each Redeemable on November 22, 2028	999.06
8.90 % Redeemable Non convertible Debentures of Face value Rs. 1,000,000 each Redeemable on August 4, 2028	1,024.03

(All amount in Rs. in Crore, except for share data unless stated otherwise)

(i) Debentures(payable at par unless otherwise stated)(Secured unless otherwise stated) includes:*	As at March 31, 2023 Amount
9.25 % Redeemable Non convertible Debentures of Face value Rs. 1,000 each Redeemable on March 23, 2028	0.05
9.65 % Redeemable Non convertible Debentures of Face value Rs. 1,000 each Redeemable on March 23, 2028	22.59
9.71 % Redeemable Non convertible Debentures of Face value Rs. 1,000 each Redeemable on March 23, 2028	12.03
10.15 % Redeemable Non convertible Debentures of Face value Rs. 1,000 each Redeemable on March 23, 2028	9.83
8.43 % Redeemable Non convertible Debentures of Face value Rs. 1,000,000 each Redeemable on February 23, 2028	24.98
8.43 % Redeemable Non convertible Debentures of Face value Rs. 1,000,000 each Redeemable on February 22, 2028	3,059.05
8.94 % Redeemable Non convertible Debentures of Face value Rs. 1,000 each Redeemable on December 28, 2027	0.16
9.39 % Redeemable Non convertible Debentures of Face value Rs. 1,000 each Redeemable on December 28, 2027	16.27
9.80 % Redeemable Non convertible Debentures of Face value Rs. 1,000 each Redeemable on December 28, 2027	9.77
8.70 % Redeemable Non convertible Debentures of Face value Rs. 1,000 each Redeemable on November 3, 2027	0.01
9.15 % Redeemable Non convertible Debentures of Face value Rs. 1,000 each Redeemable on November 3, 2027	5.82
9.55 % Redeemable Non convertible Debentures of Face value Rs. 1,000 each Redeemable on November 3, 2027	6.19
8.70 % Redeemable Non convertible Debentures of Face value Rs. 1,000 each Redeemable on September 28, 2027	0.33
9.05 % Redeemable Non convertible Debentures of Face value Rs. 1,000 each Redeemable on September 28, 2027	0.05
9.15 % Redeemable Non convertible Debentures of Face value Rs. 1,000 each Redeemable on September 28, 2027	12.88
9.55 % Redeemable Non convertible Debentures of Face value Rs. 1,000 each Redeemable on September 28, 2027	11.12
8.03 % Redeemable Non convertible Debentures of Face value Rs. 1,000,000 each Redeemable on September 8, 2027	1,448.89
8.43 % Redeemable Non convertible Debentures of Face value Rs. 1,000 each Redeemable on April 28, 2027	0.25
8.75 % Redeemable Non convertible Debentures of Face value Rs. 1,000 each Redeemable on April 28, 2027	0.02
8.89 % Redeemable Non convertible Debentures of Face value Rs. 1,000 each Redeemable on April 28, 2027	10.84
9.25 % Redeemable Non convertible Debentures of Face value Rs. 1,000 each Redeemable on April 28, 2027	10.32
8.43 % Redeemable Non convertible Debentures of Face value Rs. 1,000 each Redeemable on January 6, 2027	0.01
8.75 % Redeemable Non convertible Debentures of Face value Rs. 1,000 each Redeemable on January 6, 2027	0.25
8.89 % Redeemable Non convertible Debentures of Face value Rs. 1,000 each Redeemable on January 6, 2027	9.39
9.25 % Redeemable Non convertible Debentures of Face value Rs. 1,000 each Redeemable on January 6, 2027	9.52
4.50 % Foreign Currency Convertible Debentures of Face value $ 1,000 each Redeemable on September 28, 2026	1,100.10
8.65 % Redeemable Non convertible Debentures of Face value Rs. 1,000 each Redeemable on September 26, 2026	13.56
8.85 % Redeemable Non convertible Debentures of Face value Rs. 1,000 each Redeemable on September 26, 2026	980.37
9.00 % Redeemable Non convertible Debentures of Face value Rs. 1,000 each Redeemable on September 26, 2026	369.26
0.00 % Redeemable Non convertible Debentures of Face value Rs. 1,000 each Redeemable on September 26, 2026(1)	42.35
8.75 % Redeemable Non convertible Debentures of Face value Rs. 1,000 each Redeemable on September 24, 2026	121.08
8.89 % Redeemable Non convertible Debentures of Face value Rs. 1,000 each Redeemable on September 24, 2026	10.35
9.25 % Redeemable Non convertible Debentures of Face value Rs. 1,000 each Redeemable on September 24, 2026	13.85
8.90 % Redeemable Non convertible Debentures of Face value Rs. 1,000,000 each Redeemable on July 22, 2026	24.81
9.30 % Redeemable Non convertible Debentures of Face value Rs. 1,000,000 each Redeemable on June 30, 2026	197.65
9.00 % Redeemable Non convertible Debentures of Face value Rs. 1,000,000 each Redeemable on June 5, 2026	24.85
9.30 % Redeemable Non convertible Debentures of Face value Rs. 1,000,000 each Redeemable on May 29, 2026	24.76
9.30 % Redeemable Non convertible Debentures of Face value Rs. 1,000,000 each Redeemable on May 8, 2026	24.77
9.30 % Redeemable Non convertible Debentures of Face value Rs. 1,000,000 each Redeemable on April 29, 2026	205.39
9.30 % Redeemable Non convertible Debentures of Face value Rs. 1,000,000 each Redeemable on April 11, 2026	34.83
9.48 % Redeemable Non convertible Debentures of Face value Rs. 1,000 each Redeemable on March 23, 2026	5.23
9.90 % Redeemable Non convertible Debentures of Face value Rs. 1,000 each Redeemable on March 23, 2026	6.69
0.00 % Redeemable Non convertible Debentures of Face value Rs. 1,000 each Redeemable on March 23, 2026(1)	6.44
9.00 % Redeemable Non convertible Debentures of Face value Rs. 1,000,000 each Redeemable on March 13, 2026	24.85
4.50 % Redeemable Non convertible Debentures of Face value Rs. 1,000,000 each Redeemable on March 4, 2026	1,224.12

(All amount in Rs. in Crore, except for share data unless stated otherwise)

(i) Debentures(payable at par unless otherwise stated)(Secured unless otherwise stated) includes:*	As at March 31, 2023 Amount
9.30 % Redeemable Non convertible Debentures of Face value Rs. 1,000,000 each Redeemable on February 7, 2026	49.86
9.00 % Redeemable Non convertible Debentures of Face value Rs. 1,000,000 each Redeemable on December 31, 2025	9.95
9.30 % Redeemable Non convertible Debentures of Face value Rs. 1,000,000 each Redeemable on December 30, 2025	94.72
8.70 % Redeemable Non convertible Debentures of Face value Rs. 1,000 each Redeemable on December 28, 2025	0.01
9.05 % Redeemable Non convertible Debentures of Face value Rs. 1,000 each Redeemable on December 28, 2025	0.33
9.16 % Redeemable Non convertible Debentures of Face value Rs. 1,000 each Redeemable on December 28, 2025	7.21
9.55 % Redeemable Non convertible Debentures of Face value Rs. 1,000 each Redeemable on December 28, 2025	11.48
0.00 % Redeemable Non convertible Debentures of Face value Rs. 1,000 each Redeemable on December 28, 2025[1]	8.26
9.30 % Redeemable Non convertible Debentures of Face value Rs. 1,000,000 each Redeemable on November 20, 2025	169.23
8.80 % Redeemable Non convertible Debentures of Face value Rs. 1,000 each Redeemable on November 3, 2025	13.55
8.94 % Redeemable Non convertible Debentures of Face value Rs. 1,000 each Redeemable on November 3, 2025	4.93
9.30 % Redeemable Non convertible Debentures of Face value Rs. 1,000 each Redeemable on November 3, 2025	6.93
0.00 % Redeemable Non convertible Debentures of Face value Rs. 1,000 each Redeemable on November 3, 2025[1]	3.82
8.47 % Redeemable Non convertible Debentures of Face value Rs. 1,000 each Redeemable on September 28, 2025	0.05
8.80 % Redeemable Non convertible Debentures of Face value Rs. 1,000 each Redeemable on September 28, 2025	0.02
8.94 % Redeemable Non convertible Debentures of Face value Rs. 1,000 each Redeemable on September 28, 2025	12.74
9.30 % Redeemable Non convertible Debentures of Face value Rs. 1,000 each Redeemable on September 28, 2025	15.84
0.00 % Redeemable Non convertible Debentures of Face value Rs. 1,000 each Redeemable on September 28, 2025[1]	7.55
10.00 % Redeemable Non convertible Debentures of Face value Rs. 1,000,000 each Redeemable on June 26, 2025	999.21
9.00 % Redeemable Non convertible Debentures of Face value Rs. 1,000,000 each Redeemable on May 19, 2025	24.88
8.20 % Redeemable Non convertible Debentures of Face value Rs. 1,000 each Redeemable on April 28, 2025	0.30
8.50 % Redeemable Non convertible Debentures of Face value Rs. 1,000 each Redeemable on April 28, 2025	0.17
8.66 % Redeemable Non convertible Debentures of Face value Rs. 1,000 each Redeemable on April 28, 2025	10.10
9.00 % Redeemable Non convertible Debentures of Face value Rs. 1,000 each Redeemable on April 28, 2025	21.87
0.00 % Redeemable Non convertible Debentures of Face value Rs. 1,000 each Redeemable on April 28, 2025[1]	6.76
9.25 % Redeemable Non convertible Debentures of Face value Rs. 1,000 each Redeemable on March 23, 2025	7.70
9.65 % Redeemable Non convertible Debentures of Face value Rs. 1,000 each Redeemable on March 23, 2025	8.03
0.00 % Redeemable Non convertible Debentures of Face value Rs. 1,000 each Redeemable on March 23, 2025[1]	6.35
8.12 % Redeemable Non convertible Debentures of Face value Rs. 1,000,000 each Redeemable on January 24, 2025	224.17
8.20 % Redeemable Non convertible Debentures of Face value Rs. 1,000 each Redeemable on January 6, 2025	0.10
8.50 % Redeemable Non convertible Debentures of Face value Rs. 1,000 each Redeemable on January 6, 2025	0.19
8.66 % Redeemable Non convertible Debentures of Face value Rs. 1,000 each Redeemable on January 6, 2025	8.70
9.00 % Redeemable Non convertible Debentures of Face value Rs. 1,000 each Redeemable on January 6, 2025	65.21
0.00 % Redeemable Non convertible Debentures of Face value Rs. 1,000 each Redeemable on January 6, 2025[1]	6.55
9.20 % Redeemable Non convertible Debentures of Face value Rs. 1,000,000 each Redeemable on December 31, 2024	24.89
8.57 % Redeemable Non convertible Debentures of Face value Rs. 1,000 each Redeemable on December 28, 2024	0.05
8.94 % Redeemable Non convertible Debentures of Face value Rs. 1,000 each Redeemable on December 28, 2024	12.24
8.90 % Redeemable Non convertible Debentures of Face value Rs. 1,000 each Redeemable on December 28, 2024	2.99
9.30 % Redeemable Non convertible Debentures of Face value Rs. 1,000 each Redeemable on December 28, 2024	12.35
0.00 % Redeemable Non convertible Debentures of Face value Rs. 1,000 each Redeemable on December 28, 2024[1]	6.55
9.20 % Redeemable Non convertible Debentures of Face value Rs. 1,000,000 each Redeemable on December 16, 2024	24.89
8.33 % Redeemable Non convertible Debentures of Face value Rs. 1,000 each Redeemable on November 3, 2024	0.05
8.70 % Redeemable Non convertible Debentures of Face value Rs. 1,000 each Redeemable on November 3, 2024	4.97
9.05 % Redeemable Non convertible Debentures of Face value Rs. 1,000 each Redeemable on November 3, 2024	6.33

Indiabulls Housing Finance Limited

Notes to Standalone Financial Statements for the year ended March 31, 2023

(All amount in Rs. in Crore, except for share data unless stated otherwise)

(i) Debentures(payable at par unless otherwise stated)(Secured unless otherwise stated) includes:*	**As at March 31, 2023 Amount**
0.00 % Redeemable Non convertible Debentures of Face value Rs. 1,000 each Redeemable on November 3, 2024[1]	5.22
8.33 % Redeemable Non convertible Debentures of Face value Rs. 1,000 each Redeemable on September 28, 2024	0.10
8.65 % Redeemable Non convertible Debentures of Face value Rs. 1,000 each Redeemable on September 28, 2024	3.81
8.70 % Redeemable Non convertible Debentures of Face value Rs. 1,000 each Redeemable on September 28, 2024	11.00
9.05 % Redeemable Non convertible Debentures of Face value Rs. 1,000 each Redeemable on September 28, 2024	13.92
0.00 % Redeemable Non convertible Debentures of Face value Rs. 1,000 each Redeemable on September 28, 2024[1]	10.62
8.20 % Redeemable Non convertible Debentures of Face value Rs. 1,000 each Redeemable on September 24, 2024	0.10
8.50 % Redeemable Non convertible Debentures of Face value Rs. 1,000 each Redeemable on September 24, 2024	138.34
8.66 % Redeemable Non convertible Debentures of Face value Rs. 1,000 each Redeemable on September 24, 2024	10.01
9.00 % Redeemable Non convertible Debentures of Face value Rs. 1,000 each Redeemable on September 24, 2024	20.23
0.00 % Redeemable Non convertible Debentures of Face value Rs. 1,000 each Redeemable on September 24, 2024[1]	10.15
10.15 % Redeemable Non convertible Debentures of Face value Rs. 1,000,000 each Redeemable on June 30, 2024	24.86
10.15 % Redeemable Non convertible Debentures of Face value Rs. 1,000,000 each Redeemable on June 5, 2024	24.88
8.05 % Redeemable Non convertible Debentures of Face value Rs. 1,000 each Redeemable on April 28, 2024	0.00
8.35 % Redeemable Non convertible Debentures of Face value Rs. 1,000 each Redeemable on April 28, 2024	16.30
8.42 % Redeemable Non convertible Debentures of Face value Rs. 1,000 each Redeemable on April 28, 2024	9.08
8.75 % Redeemable Non convertible Debentures of Face value Rs. 1,000 each Redeemable on April 28, 2024	31.80
0.00 % Redeemable Non convertible Debentures of Face value Rs. 1,000 each Redeemable on April 28, 2024[1]	14.18
8.05 % Redeemable Non convertible Debentures of Face value Rs. 1,000 each Redeemable on January 5, 2024	0.00
8.35 % Redeemable Non convertible Debentures of Face value Rs. 1,000 each Redeemable on January 5, 2024	219.86
8.42 % Redeemable Non convertible Debentures of Face value Rs. 1,000 each Redeemable on January 5, 2024	7.51
8.75 % Redeemable Non convertible Debentures of Face value Rs. 1,000 each Redeemable on January 5, 2024	15.38
0.00 % Redeemable Non convertible Debentures of Face value Rs. 1,000 each Redeemable on January 5, 2024[1]	5.62
10.20 % Redeemable Non convertible Debentures of Face value Rs. 1,000,000 each Redeemable on December 24, 2023	24.84
10.80 % Redeemable Non convertible Debentures of Face value Rs. 1,000,000 each Redeemable on November 21, 2023	399.52
10.25 % Redeemable Non convertible Debentures of Face value Rs. 1,000,000 each Redeemable on October 8, 2023	24.91
8.05 % Redeemable Non convertible Debentures of Face value Rs. 1,000 each Redeemable on September 24, 2023	0.10
8.35 % Redeemable Non convertible Debentures of Face value Rs. 1,000 each Redeemable on September 24, 2023	278.64
8.42 % Redeemable Non convertible Debentures of Face value Rs. 1,000 each Redeemable on September 24, 2023	9.29
8.75 % Redeemable Non convertible Debentures of Face value Rs. 1,000 each Redeemable on September 24, 2023	157.10
0.00 % Redeemable Non convertible Debentures of Face value Rs. 1,000 each Redeemable on September 24, 2023[1]	8.35
11.25 % Redeemable Non convertible Debentures of Face value Rs. 1,000,000 each Redeemable on August 29, 2023	997.46
9.30 % Redeemable Non convertible Debentures of Face value Rs. 1,000,000 each Redeemable on July 28, 2023	203.64
8.85 % Redeemable Non convertible Debentures of Face value Rs. 1,000,000 each Redeemable on June 5, 2023	49.96
9.35 % Redeemable Non convertible Debentures of Face value Rs. 1,000,000 each Redeemable on May 30, 2023	99.92
9.10 % Redeemable Non convertible Debentures of Face value Rs. 1,000,000 each Redeemable on May 18, 2023	1,026.59
9.10 % Redeemable Non convertible Debentures of Face value Rs. 1,000,000 each Redeemable on April 28, 2023	199.94
	17,833.88

(1) Redeemable at premium

*Debentures are secured against Immovable Property / Other financial Assets and pool of Current and Future Loan Receivables of the Company(Including Investments

(All amount in Rs. in Crore, except for share data unless stated otherwise)

(i) Debentures(payable at par unless otherwise stated)(Secured unless otherwise stated) includes:*	**As at March 31, 2022 Amount**
9.10 % Redeemable Non convertible Debentures of Face value Rs. 1,000,000 each Redeemable on January 15, 2029	699.55
9.30 % Redeemable Non convertible Debentures of Face value Rs. 1,000,000 each Redeemable on November 22, 2028	999.06
8.90 % Redeemable Non convertible Debentures of Face value Rs. 1,000,000 each Redeemable on August 4, 2028	1,024.02
8.43 % Redeemable Non convertible Debentures of Face value Rs. 1,000,000 each Redeemable on February 23, 2028	24.98
8.43 % Redeemable Non convertible Debentures of Face value Rs. 1,000,000 each Redeemable on February 22, 2028	3,058.25
8.03 % Redeemable Non convertible Debentures of Face value Rs. 1,000,000 each Redeemable on September 8, 2027	1,448.89
8.75 % Redeemable Non convertible Debentures of Face value Rs. 1,000 each Redeemable on January 6, 2027	0.24
9.25 % Redeemable Non convertible Debentures of Face value Rs. 1,000 each Redeemable on January 6, 2027	9.38
8.43 % Redeemable Non convertible Debentures of Face value Rs. 1,000 each Redeemable on January 6, 2027	0.01
8.89 % Redeemable Non convertible Debentures of Face value Rs. 1,000 each Redeemable on January 6, 2027	9.25
4.50 % Foreign Currency Convertible Debentures of Face value $ 1,000 each Redeemable on September 28, 2026	1,082.04
8.65 % Redeemable Non convertible Debentures of Face value Rs. 1,000 each Redeemable on September 26, 2026	13.53
8.85 % Redeemable Non convertible Debentures of Face value Rs. 1,000 each Redeemable on September 26, 2026	978.16
9.00 % Redeemable Non convertible Debentures of Face value Rs. 1,000 each Redeemable on September 26, 2026	399.33
0.00 % Redeemable Non convertible Debentures of Face value Rs. 1,000 each Redeemable on September 26, 2026[(1)]	38.77
8.75 % Redeemable Non convertible Debentures of Face value Rs. 1,000 each Redeemable on September 24, 2026	120.17
9.25 % Redeemable Non convertible Debentures of Face value Rs. 1,000 each Redeemable on September 24, 2026	13.74
8.89 % Redeemable Non convertible Debentures of Face value Rs. 1,000 each Redeemable on September 24, 2026	10.27
8.90 % Redeemable Non convertible Debentures of Face value Rs. 1,000,000 each Redeemable on July 22, 2026	24.77
9.30 % Redeemable Non convertible Debentures of Face value Rs. 1,000,000 each Redeemable on June 30, 2026	197.10
9.00 % Redeemable Non convertible Debentures of Face value Rs. 1,000,000 each Redeemable on June 5, 2026	24.81
9.30 % Redeemable Non convertible Debentures of Face value Rs. 1,000,000 each Redeemable on May 29, 2026	24.71
9.30 % Redeemable Non convertible Debentures of Face value Rs. 1,000,000 each Redeemable on May 8, 2026	24.71
9.30 % Redeemable Non convertible Debentures of Face value Rs. 1,000,000 each Redeemable on April 29, 2026	204.97
9.30 % Redeemable Non convertible Debentures of Face value Rs. 1,000,000 each Redeemable on April 11, 2026	34.78
9.00 % Redeemable Non convertible Debentures of Face value Rs. 1,000,000 each Redeemable on March 13, 2026	24.81
4.50 % Foreign Currency Convertible Debentures of Face value $ 1,000 each Redeemable on March 4, 2026	1,123.19
9.30 % Redeemable Non convertible Debentures of Face value Rs. 1,000,000 each Redeemable on February 7, 2026	49.82
9.00 % Redeemable Non convertible Debentures of Face value Rs. 1,000,000 each Redeemable on December 31, 2025	9.93
9.30 % Redeemable Non convertible Debentures of Face value Rs. 1,000,000 each Redeemable on December 30, 2025	94.65
9.30 % Redeemable Non convertible Debentures of Face value Rs. 1,000,000 each Redeemable on November 20, 2025	169.03
10.00 % Redeemable Non convertible Debentures of Face value Rs. 1,000,000 each Redeemable on June 26, 2025	999.21
9.00 % Redeemable Non convertible Debentures of Face value Rs. 1,000,000 each Redeemable on May 19, 2025	24.83
8.12 % Redeemable Non convertible Debentures of Face value Rs. 1,000,000 each Redeemable on January 24, 2025	223.82
8.50 % Redeemable Non convertible Debentures of Face value Rs. 1,000 each Redeemable on January 6, 2025	0.19
9.00 % Redeemable Non convertible Debentures of Face value Rs. 1,000 each Redeemable on January 6, 2025	64.14
0.00 % Redeemable Non convertible Debentures of Face value Rs. 1,000 each Redeemable on January 6, 2025[(1)]	5.91
8.20 % Redeemable Non convertible Debentures of Face value Rs. 1,000 each Redeemable on January 6, 2025	0.10
8.66 % Redeemable Non convertible Debentures of Face value Rs. 1,000 each Redeemable on January 6, 2025	8.56
9.20 % Redeemable Non convertible Debentures of Face value Rs. 1,000,000 each Redeemable on December 31, 2024	24.84
9.20 % Redeemable Non convertible Debentures of Face value Rs. 1,000,000 each Redeemable on December 16, 2024	24.84
8.50 % Redeemable Non convertible Debentures of Face value Rs. 1,000 each Redeemable on September 24, 2024	137.21
9.00 % Redeemable Non convertible Debentures of Face value Rs. 1,000 each Redeemable on September 24, 2024	20.07
0.00 % Redeemable Non convertible Debentures of Face value Rs. 1,000 each Redeemable on September 24, 2024[(1)]	9.24
8.20 % Redeemable Non convertible Debentures of Face value Rs. 1,000 each Redeemable on September 24, 2024	0.10

(All amount in Rs. in Crore, except for share data unless stated otherwise)

(i) Debentures(payable at par unless otherwise stated)(Secured unless otherwise stated) includes:*	**As at March 31, 2022 Amount**
8.66 % Redeemable Non convertible Debentures of Face value Rs. 1,000 each Redeemable on September 24, 2024	9.93
10.15 % Redeemable Non convertible Debentures of Face value Rs. 1,000,000 each Redeemable on June 30, 2024	24.78
10.15 % Redeemable Non convertible Debentures of Face value Rs. 1,000,000 each Redeemable on June 5, 2024	24.79
8.35 % Redeemable Non convertible Debentures of Face value Rs. 1,000 each Redeemable on January 6, 2024	407.90
8.75 % Redeemable Non convertible Debentures of Face value Rs. 1,000 each Redeemable on January 6, 2024	15.11
0.00 % Redeemable Non convertible Debentures of Face value Rs. 1,000 each Redeemable on January 6, 2024(1)	5.08
8.05 % Redeemable Non convertible Debentures of Face value Rs. 1,000 each Redeemable on January 6, 2024	0.00
8.42 % Redeemable Non convertible Debentures of Face value Rs. 1,000 each Redeemable on January 6, 2024	7.38
10.20 % Redeemable Non convertible Debentures of Face value Rs. 1,000,000 each Redeemable on December 24, 2023	24.67
10.80 % Redeemable Non convertible Debentures of Face value Rs. 1,000,000 each Redeemable on November 21, 2023	399.52
10.25 % Redeemable Non convertible Debentures of Face value Rs. 1,000,000 each Redeemable on October 8, 2023	24.80
8.35 % Redeemable Non convertible Debentures of Face value Rs. 1,000 each Redeemable on September 24, 2023	276.28
8.75 % Redeemable Non convertible Debentures of Face value Rs. 1,000 each Redeemable on September 24, 2023	155.77
0.00 % Redeemable Non convertible Debentures of Face value Rs. 1,000 each Redeemable on September 24, 2023(1)	7.61
8.05 % Redeemable Non convertible Debentures of Face value Rs. 1,000 each Redeemable on September 24, 2023	0.10
8.42 % Redeemable Non convertible Debentures of Face value Rs. 1,000 each Redeemable on September 24, 2023	9.21
11.25 % Redeemable Non convertible Debentures of Face value Rs. 1,000,000 each Redeemable on August 29, 2023	998.60
9.30 % Redeemable Non convertible Debentures of Face value Rs. 1,000,000 each Redeemable on July 28, 2023	203.02
8.85 % Redeemable Non convertible Debentures of Face value Rs. 1,000,000 each Redeemable on June 5, 2023	49.88
9.35 % Redeemable Non convertible Debentures of Face value Rs. 1,000,000 each Redeemable on May 30, 2023	99.79
9.10 % Redeemable Non convertible Debentures of Face value Rs. 1,000,000 each Redeemable on May 18, 2023	1,006.39
9.10 % Redeemable Non convertible Debentures of Face value Rs. 1,000,000 each Redeemable on April 28, 2023	199.94
10.00 % Redeemable Non convertible Debentures of Face value Rs. 1,000,000 each Redeemable on March 25, 2023	4.98
10.00 % Redeemable Non convertible Debentures of Face value Rs. 1,000,000 each Redeemable on March 19, 2023	99.11
10.00 % Redeemable Non convertible Debentures of Face value Rs. 1,000,000 each Redeemable on February 26, 2023	24.89
10.20 % Redeemable Non convertible Debentures of Face value Rs. 1,000,000 each Redeemable on January 16, 2023	34.73
10.00 % Redeemable Non convertible Debentures of Face value Rs. 1,000,000 each Redeemable on December 31, 2022	49.76
8.12 % Redeemable Non convertible Debentures of Face value Rs. 1,000,000 each Redeemable on December 29, 2022	997.10
10.00 % Redeemable Non convertible Debentures of Face value Rs. 1,000,000 each Redeemable on December 18, 2022	14.94
9.30 % Redeemable Non convertible Debentures of Face value Rs. 1,000,000 each Redeemable on November 20, 2022	9.98
10.00 % Redeemable Non convertible Debentures of Face value Rs. 1,000,000 each Redeemable on November 19, 2022	14.94
7.77 % Redeemable Non convertible Debentures of Face value Rs. 1,000,000 each Redeemable on November 7, 2022	289.26
10.00 % Redeemable Non convertible Debentures of Face value Rs. 1,000,000 each Redeemable on November 6, 2022	14.94
7.82 % Redeemable Non convertible Debentures of Face value Rs. 1,000,000 each Redeemable on July 25, 2022	99.88
10.70 % Redeemable Non convertible Debentures of Face value Rs. 1,000,000 each Redeemable on July 6, 2022	19.98
10.95 % Redeemable Non convertible Debentures of Face value Rs. 1,000,000 each Redeemable on June 28, 2022	799.19
6.38 % Redeemable Non convertible Debentures of Face value $ 1,000 each Redeemable on May 28, 2022	2,651.75
9.07 % Redeemable Non convertible Debentures of Face value Rs. 1,000,000 each Redeemable on April 6, 2022	999.97
	23,555.93

(1) Redeemable at premium
*Debentures are secured against Immovable Property / Other financial Assets and pool of Current and Future Loan Receivables of the Company(Including Investments

(All amount in Rs. in Crore, except for share data unless stated otherwise)

(ii) Term Loan from banks includes as at March 31, 2023 include*:	**As at March 31, 2023 Amount**
Term Loan taken from Bank(s). These loans are repayable in monthly installment with moratorium period of 12 month from the date of disbursement. The balance tenure for these loans is 43 months (average) fron the Balance Sheet.[1]	788.21
Term Loan taken from Bank. This loan is repayable in monthly installment from the date of disbursement. The balance tenure for this loan is 12 months from the Balance Sheet.[1]	99.19
Term Loan taken from Bank(s). These loans are repayable in quarterly installment with moratorium period of 3 months from the date of disbursement. The balance tenure for these loans is 48 months (average from the Balance Sheet.[1]	1,338.94
Term Loan taken from Bank(s). These loans are repayable in quarterly installment with moratorium period of 6 month from the date of disbursement. The balance tenure for these loan sis 61 months (average) fron the Balance Sheet.[1]	2,013.09
Term Loan taken from Bank(s). These loans are repayable in yearly installment with the moratorium period of 2 years from the date of disbursement. The balance tenure for these loans is 39 months (average) fron the Balance Sheet.[1]	497.74
Term Loan taken from Bank(s). These loans are repayable in bullet at the end of the tenure from the date of disbursement. The balance tenure for these loans is 16 months (average) from the Balance Sheet.[1]	3,080.36
Term Loan taken from Bank(s). These loans are repayable in quarterly installment from the date of disbursement. The balance tenure for these loans is 38 months (average) from the Balance Sheet.[(1),(2) & (3)]	3,060.19
Term Loan taken from Bank. This loan is repayable in yearly installment with the moratorium period of 4 years from the date of disbursement. The balance tenure for this loan is 30 months from the Balance Sheet.[1]	337.98
Term Loan taken from Bank(s). These loans are repayable in yearly installment with the moratorium period of 3 years from the date of disbursement. The balance tenure for these loans is 4 months (average) from the Balance Sheet.[1]	437.44
Term Loan taken from Bank. This loan is repayable in half yearly installment with the moratorium period of 1 years from the date of disbursement. The balance tenure for this loan is 3 months from the Balance Sheet.[1]	124.99
Term Loan taken from Bank. This loans is repayable in half yearly installment with the moratorium period of 6 months from the date of disbursement. The balance tenure for this loan is 36 months from the Balance Sheet.[1]	112.23
Term Loan taken from Bank. This loan is repayable in 6 monthly installment and thereafter quarterly installment from the date of disbursement. The balance tenure for this loan is 82 months from the Balanc Sheet.[1]	508.66
	12,399.02

(1) Linked to base rate / MCLR of respective lenders
(2) Linked to Libor
(3) Includes External commercial borrowings from banks.
*Secured by hypothecation of Loan Receivables(Current and Future) / Other financial Assets / Cash and Cash Equivalents of the Company(including investments

(ii) Term Loan from banks includes as at March 31, 2022 include*:	**As at March 31, 2022 Amount**
Term Loan taken from Bank(s). These loans are repayable in monthly installment with moratorium period of 12 month from the date of disbursement. The balance tenure for these loan is 50 months (average) fron the Balance Sheet.[1]	624.55
Term Loan taken from Bank. This loan is repayable in half yearly installment after the moratorium of 3 years from the date of disbursement. The balance tenure for this loan is 9 months from the Balance Sheet.[1]	499.97
Term Loan taken from Bank(s). These loans are repayable in quarterly installment with moratorium period of 3 months from the date of disbursement. The balance tenure for these loan is 57 months (average) fron the Balance Sheet.[1]	1,328.23
Term Loan taken from Bank. This loan is repayable in quarterly installment with moratorium period of 1 years from the date of disbursement. The balance tenure for this loan is 9 months from the Balance Sheet.[1]	312.38
Term Loan taken from Bank(s). These loans are repayable in quarterly installment with moratorium period of 6 month from the date of disbursement. The balance tenure for these loan is 66 months (average) fron the Balance Sheet.[1]	2,327.26

(All amount in Rs. in Crore, except for share data unless stated otherwise)

(ii) Term Loan from banks includes as at March 31, 2022 include*:	As at March 31, 2022 Amount
Term Loan taken from Bank(s). These loans are repayable in yearly installment with the moratorium period of 2 years from the date of disbursement. The balance tenure for these loan is 29 months (average) from the Balance Sheet.(1)	930.02
Term Loan taken from Bank(s). These loans are repayable in bullet at the end of the tenure from the date of disbursement. The balance tenure for these loan is 12 months (average) from the Balance Sheet.(2)&(3)	2,563.88
Term Loan taken from Bank. This loan is repayable in yearly installment after the moratorium period of 1 years from the date of disbursement. The balance tenure for this loan is 5 months from the Balance Sheet.(1)	333.33
Term Loan taken from Bank. This loan is repayable in monthly installment from the date of disbursement. The balance tenure for this loan is 3 months from the Balance Sheet.(1)	14.99
Term Loan taken from Bank(s). These loans are repayable in quarterly installment from the date of disbursement. The balance tenure for these loan is 47 months (average) from the Balance Sheet.(1)	3,415.43
Term Loan taken from Bank. This loan is repayable in half yearly installment from the date of disbursement. The balance tenure for this loan is 3 months from the Balance Sheet.(1)	65.62
Term Loan taken from Bank. This loan is repayable in yearly installment with the moratorium period of 4 years from the date of disbursement. The balance tenure for this loan is 42 months from the Balance Sheet.(1)	399.98
Term Loan taken from Bank(s). These loans are repayable in yearly installment with the moratorium period of 3 years from the date of disbursement. The balance tenure for these loan is 12 months (average) from the Balance Sheet.(1)	2,059.67
Term Loan taken from Bank(s). These loans are repayable in half yearly installment with the moratorium period of 1 years from the date of disbursement. The balance tenure for these loan is 13 months (average) from the Balance Sheet.(1)	624.82
Term Loan taken from Bank. This loan is repayable in half yearly installment with the moratorium period of 6 months from the date of disbursement. The balance tenure for this loan is 49 months from the Balance Sheet.(1)	149.64
	15,649.77

(1) Linked to base rate / MCLR of respective lenders
(2) Linked to Libor
(3) Includes External commercial borrowings from banks.
*Secured by hypothecation of Loan Receivables(Current and Future) / Other financial Assets / Cash and Cash Equivalents of the Company(including investments

(iii) Subordinated Debt	As at March 31, 2023 Amount
8.89 % Redeemable Non convertible Debentures of Face value Rs. 1,000 each Redeemable on December 24, 2028	0.00
9.35 % Redeemable Non convertible Debentures of Face value Rs. 1,000,000 each Redeemable on December 24, 2028	4.02
9.75 % Redeemable Non convertible Debentures of Face value Rs. 1,000 each Redeemable on December 24, 2028	2.73
8.80 % Redeemable Non convertible Debentures of Face value Rs. 1,000 each Redeemable on March 27, 2028	1,474.51
10.65 % Redeemable Non convertible Debentures of Face value Rs. 1,000 each Redeemable on November 15, 2027	31.60
8.35 % Redeemable Non convertible Debentures of Face value Rs. 1,000,000 each Redeemable on September 8, 2027	890.43
10.65 % Redeemable Non convertible Debentures of Face value Rs. 1,000 each Redeemable on June 30, 2027	48.23
10.25 % Redeemable Non convertible Debentures of Face value Rs. 1,000,000 each Redeemable on June 28, 2027	99.90
10.65 % Redeemable Non convertible Debentures of Face value Rs. 1,000,000 each Redeemable on June 5, 2027	107.01
8.79 % Redeemable Non convertible Debentures of Face value Rs. 1,000,000 each Redeemable on September 26, 2026	2.39
9.15 % Redeemable Non convertible Debentures of Face value Rs. 1,000,000 each Redeemable on September 26, 2026	193.27
9.00 % Redeemable Non convertible Debentures of Face value Rs. 1,000,000 each Redeemable on September 26, 2026	0.15
0.00 % Redeemable Non convertible Debentures of Face value Rs. 1,000 each Redeemable on September 26, 2026	1.66

(All amount in Rs. in Crore, except for share data unless stated otherwise)

(iii) Subordinated Debt	As at March 31, 2023 Amount
9.30 % Redeemable Non convertible Debentures of Face value Rs. 1,000 each Redeemable on June 29, 2026	603.95
10.00 % Redeemable Non convertible Debentures of Face value Rs. 1,000,000 each Redeemable on August 3, 2025	164.02
10.10 % Redeemable Non convertible Debentures of Face value Rs. 1,000,000 each Redeemable on July 21, 2025	8.14
9.70 % Redeemable Non convertible Debentures of Face value Rs. 1,000,000 each Redeemable on March 17, 2025	4.98
8.35 % Redeemable Non convertible Debentures of Face value Rs. 1,000,000 each Redeemable on September 6, 2024	99.92
10.85 % Redeemable Non convertible Debentures of Face value Rs. 1,000,000 each Redeemable on July 17, 2024	9.95
10.80 % Redeemable Non convertible Debentures of Face value Rs. 1,000,000 each Redeemable on December 23, 2023	19.88
10.85 % Redeemable Non convertible Debentures of Face value Rs. 1,000,000 each Redeemable on October 24, 2023	4.98
10.85 % Redeemable Non convertible Debentures of Face value Rs. 1,000,000 each Redeemable on September 27, 2023	24.89
10.10 % Redeemable Non convertible Debentures of Face value Rs. 1,000,000 each Redeemable on September 23, 2023	24.90
9.90 % Redeemable Non convertible Debentures of Face value Rs. 1,000,000 each Redeemable on June 3, 2023	124.81
9.80 % Redeemable Non convertible Debentures of Face value Rs. 1,000,000 each Redeemable on May 23, 2023	19.96
	3,966.28

(1) Redeemable at premium

(iii) Subordinated Debt	As at March 31, 2022 Amount
8.89 % Redeemable Non convertible Debentures of Face value Rs. 1,000 each Redeemable on December 24, 2028	0.00
9.25 % Redeemable Non convertible Debentures of Face value Rs. 1,000 each Redeemable on December 24, 2028	0.00
9.35 % Redeemable Non convertible Debentures of Face value Rs. 1,000 each Redeemable on December 24, 2028	3.99
9.75 % Redeemable Non convertible Debentures of Face value Rs. 1,000 each Redeemable on December 24, 2028	2.71
8.80 % Redeemable Non convertible Debentures of Face value Rs. 1,000,000 each Redeemable on March 27, 2028	1,470.44
10.65 % Redeemable Non convertible Debentures of Face value Rs. 1,000,000 each Redeemable on November 15, 2027	31.45
8.35 % Redeemable Non convertible Debentures of Face value Rs. 1,000,000 each Redeemable on September 8, 2027	888.86
10.65 % Redeemable Non convertible Debentures of Face value Rs. 1,000,000 each Redeemable on June 30, 2027	47.99
10.25 % Redeemable Non convertible Debentures of Face value Rs. 1,000,000 each Redeemable on June 28, 2027	99.90
10.65 % Redeemable Non convertible Debentures of Face value Rs. 1,000,000 each Redeemable on June 5, 2027	106.48
8.79 % Redeemable Non convertible Debentures of Face value Rs. 1,000 each Redeemable on September 26, 2026	2.39
9.15 % Redeemable Non convertible Debentures of Face value Rs. 1,000 each Redeemable on September 26, 2026	192.84
9.00 % Redeemable Non convertible Debentures of Face value Rs. 1,000 each Redeemable on September 26, 2026	0.15
0.00 % Redeemable Non convertible Debentures of Face value Rs. 1,000 each Redeemable on September 26, 2026(1)	1.52
9.30 % Redeemable Non convertible Debentures of Face value Rs. 1,000,000 each Redeemable on June 29, 2026	602.62
10.00 % Redeemable Non convertible Debentures of Face value Rs. 1,000,000 each Redeemable on August 3, 2025	163.73
10.10 % Redeemable Non convertible Debentures of Face value Rs. 1,000,000 each Redeemable on July 21, 2025	8.14
9.70 % Redeemable Non convertible Debentures of Face value Rs. 1,000,000 each Redeemable on March 17, 2025	4.97
8.35 % Redeemable Non convertible Debentures of Face value Rs. 1,000,000 each Redeemable on September 6, 2024	99.92
10.85 % Redeemable Non convertible Debentures of Face value Rs. 1,000,000 each Redeemable on July 17, 2024	9.92
10.80 % Redeemable Non convertible Debentures of Face value Rs. 1,000,000 each Redeemable on December 23, 2023	19.77
10.85 % Redeemable Non convertible Debentures of Face value Rs. 1,000,000 each Redeemable on October 24, 2023	4.97
10.85 % Redeemable Non convertible Debentures of Face value Rs. 1,000,000 each Redeemable on September 27, 2023	24.76
10.10 % Redeemable Non convertible Debentures of Face value Rs. 1,000,000 each Redeemable on September 23, 2023	24.77
9.90 % Redeemable Non convertible Debentures of Face value Rs. 1,000,000 each Redeemable on June 3, 2023	124.24
9.80 % Redeemable Non convertible Debentures of Face value Rs. 1,000,000 each Redeemable on May 23, 2023	19.79

(All amount in Rs. in Crore, except for share data unless stated otherwise)

	As at March 31, 2022 Amount
(iii) Subordinated Debt	
10.10 % Redeemable Non convertible Debentures of Face value Rs. 1,000,000 each Redeemable on March 28, 2023	24.88
10.10 % Redeemable Non convertible Debentures of Face value Rs. 1,000,000 each Redeemable on March 6, 2023	19.81
10.10 % Redeemable Non convertible Debentures of Face value Rs. 1,000,000 each Redeemable on February 18, 2023	24.79
10.65 % Redeemable Non convertible Debentures of Face value Rs. 1,000,000 each Redeemable on January 30, 2023	9.96
10.10 % Redeemable Non convertible Debentures of Face value Rs. 1,000,000 each Redeemable on January 14, 2023	24.80
10.20 % Redeemable Non convertible Debentures of Face value Rs. 1,000,000 each Redeemable on December 4, 2022	19.94
10.65 % Redeemable Non convertible Debentures of Face value Rs. 1,000,000 each Redeemable on November 15, 2022	1.09
10.30 % Redeemable Non convertible Debentures of Face value Rs. 1,000,000 each Redeemable on October 31, 2022	24.87
10.30 % Redeemable Non convertible Debentures of Face value Rs. 1,000,000 each Redeemable on October 22, 2022	39.80
10.30 % Redeemable Non convertible Debentures of Face value Rs. 1,000,000 each Redeemable on October 9, 2022	34.82
10.65 % Redeemable Non convertible Debentures of Face value Rs. 1,000,000 each Redeemable on June 5, 2022	14.95
	4,196.03

(1) Redeemable at premium

(iv) Disclosure of investing and financing activity that do not require cash and cash equivalent*:

Particulars	Year Ended March 31, 2023	Year Ended March 31, 2022
Property, plant and equipment and intangible assets	(31.30)	(39.18)
Investments in subsidiaries and other long-term Investments	(78.92)	36.64
Right-of-use assets	90.57	56.01
Equity share capital including securities premium	-	-
Borrowings**	183.89	6.32

* Includes non cash movements such as effective interest rate on borrowings and investment, fair value adjustment on investment etc

** Represents debt securities, borrowings (other than debt securities) and subordinated liabilities

(v) Additional disclosures as required in terms of Master Direction – Non-Banking Financial Company – Housing Finance Company (Reserve Bank) Directions, 2021, RBI/2020-21/73 DOR.FIN.HFC.CC.No.120/03.10.136/2020-21, 17 February, 2021 :-

Clause 3.3

Particulars	Year Ended March 31, 2023	Year Ended March 31, 2022
Value of Investments	**Amount**	
(i) Gross value of Investments		
(a) In India	9,918.20	10,227.69
(b) Outside India	-	-
(ii) Provisions for Depreciation*		
(a) In India	5.20	5.05
(b) Outside India	-	-
(iii) Net value of Investments		
(a) In India	9,913.00	10,222.64
(b) Outside India	-	-
Movement of provisions held towards depreciation on investments		
(i) Opening balance	5.05	5.05
(ii) Add: Provisions made during the year	0.15	-
(iii) Less: Write-off / Written-back of excess provisions during the year		
(iv) Closing balance	5.20	5.05

*Does not include Investments which are measured at fair value for the year ended March 31, 2023

Clause 5.5 Overseas Assets

Particulars	Year Ended March 31, 2023	Year Ended March 31, 2022
	Amount	
Bank Balances	0.03	0.09

Clause 5.6 Off-balance Sheet SPVs sponsored (which are required to be consolidated as per accounting Norms) as at March 31, 2023 and March 31, 2022

Name of the SPV sponsored	
Domestic	**Overseas**
None	None

(vi) During the year, the Company has bought back non-convertible debenture having face value of Rs. 1,269.60 Crores(Previous Year Rs.182.70 crores), thereby earning a loss of Rs. 0.001 Crores(Previous Year profit Rs.1.59 crores) which is clubbed under net gain on derecognition of financial instruments under amortized cost category.

(vii) The Citizens Whistle Blower Forum has filed a Public Interest Litigation ("PIL") before the Delhi High Court wherein certain allegations have been made against the Indiabulls group. The Company has vehemently denied the frivolous allegations that have been made without basic research or inquiry. The Company has also filed a perjury application wherein notice has been issued. The Management has concluded that the allegations made in the Writ Petition has no merit and no impact on the financial statements. The matter is sub judice and pending with the Delhi High Court.

(viii) The Company does not have any charges which are yet to be registered with the Registrar of Companies beyond the statutory period. In some cases, the Company has fully redeemed certain secured debentures and External Commercial Borrowing aggregating to Rs 7,671.93 crores in respect of which the Company is in the process of preparation and submission of necessary forms for satisfaction of such charges and expects to complete the process in due course.

(ix) Major classes of assets held for sale as at March 31, 2023 are as below:

Description	As at March 31, 2023	As at March 31, 2022
Residential	421.37	1,474.70
Commercial	278.71	834.03
Total	**700.08**	**2,308.73**

(33) Contingent Liabilities and Commitments:

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

Given below are amounts in respect of claims asserted by revenue authorities and other:

a) Demand pending under the Income Tax Act,1961

(i) For Rs. 1.23 Crore with respect to FY 2008-09 (Previous Year Rs. 1.23 Crore) against disallowances under Income Tax Act,1961,against which appeal is pending before The Supreme Court.

(ii) For Rs.1.27 Crore with respect to FY 2010-11 (Previous Year Rs.1.27 Crore) against disallowances under Income Tax Act,1961, against which the department has filed appeal before The High Court.

(iii) For Rs. NIL Crore with respect to FY 2010-11 (Previous Year Rs. 0.05) against disallowances under Income Tax Act,1961 against which appeal is pending before CIT (Appeal).

(iv) For Rs. NIL Crore with respect to FY 2011-12 (Previous Year Rs. 0.00) against disallowances under Income Tax Act,1961 against which appeal is pending before ITAT.

(v) For Rs. NIL Crore with respect to FY 2012-13 (Previous Year Rs. 0.11 Crore) against disallowances under Income Tax Act,1961 against which departmental appeal is pending before ITAT.

(vi) For Rs. 14.16 Crore with respect to FY 2013-14 (Previous Year Rs. 14.16) against disallowances under Income Tax Act,1961 against which departmental appeal is pending before ITAT.

(vii) For Rs. 13.81 Crore with respect to FY 2014-15 (Previous Year Rs. 13.81) against disallowances under Income Tax Act,1961 against which departmental appeal is pending before ITAT.

(viii) For Rs 20.54 Crore with respect to FY 2015-16 (Previous Year Rs. 20.54) against disallowances under Income Tax Act,1961 against which departmental appeal is pending before ITAT.

(ix) For Rs. 48.66 Crore with respect to FY 2016-17 (Previous Year Rs. 48.66) against disallowances under Income Tax Act,1961 against which departmental appeal is pending before ITAT.
(x) For Rs. NIL Crore with respect to FY 2010-11 (Previous Year Rs. 0.05) against disallowances under Income Tax Act,1961 against which appeal is pending before ITAT.
(xi) For Rs. NIL Crore with respect to FY 2011-12 (Previous Year Rs. 0.00) against disallowances under Income Tax Act,1961 against which departmental appeal is pending before ITAT.
(xii) For Rs. 9.65 Crore with respect to FY 2017-18 (Previous Year Rs. 166.75) against disallowances under Income Tax Act,1961 against which appeal is pending before ITAT.
(xiii) For Rs. 1.30 Crore with respect to FY 2017-18 (Previous Year Rs. 1.30) against disallowances under Income Tax Act,1961 against which appeal is pending before CIT(Appeal).
(xiv) For Rs. 64.15 Crore with respect to FY 2018-19 (Previous Year Rs. 57.24) against disallowances under Income Tax Act,1961 against which appeal is pending before CIT (Appeal).
(xv) For Rs. 28.04 Crore with respect to FY 2019-20 (Previous Year Rs. 28.04) against disallowances under Income Tax Act,1961 against which appeal is pending before CIT (Appeal).
(xvi) For Rs. 0.23 Crore with respect to FY 2020-21 (Previous Year Rs. 0.23) against disallowances under Income Tax Act,1961 against which appeal is pending before CIT (Appeal).
(xvii) For Rs. 0.58 Crore with respect to FY 2020-21 (Previous Year Rs. NIL) against disallowances under Income Tax Act,1961 against which appeal is pending before CIT (Appeal).

(b)(i) Demand pending u/s of 25, 55 , 56 & 61 of The Rajasthan Value Added Tax Act, 2003 (Including interest & Penalty) has been waived in favour of the Company with respect to FY 2007-08 to FY 2012-13 (Previous Year Rs. 1.45 Crore) under the Amnesty Scheme-2022 brought by Commercial Tax Department, Rajasthan opted by the Company with the non-refund of tax, interest and penalty for Rs. (0.62+0.21) Crore (Previous Year Rs. 0.62+0.21 Crore) which were paid under protest by the Company and appeal pending before Rajasthan High Court has been withdrawn by the Company to comply with the conditions of Amnesty Scheme-22
(ii) Demand pending u/s 73 of CGST Act, 2017 for Rs.0.08 Crore (Previous year Rs. Nil) (including Interest & Penalty) with respect to FY 2018-19 against which appeal has been filed before Joint Commissioner (Appeals). The Company has paid tax as a pre-deposit of Rs. 0.00 Crore (Previous Year N.a) required for the purpose of filing an appeal under GST law. The appeal is pending before the Appellate Authority.
(iii) The Company has filed an appeal before the Commissioner (Appeals-II) under section 85 of the Finance Act, 1994(32 of 1994), against the order in original no. 08/VS/JC/CGST/DSC/2022-23 dated 15.11.2022 passed by Joint Commissioner, CGST, Delhi South Commissionerate, Bhikaji Cama Place, New Delhi-110066 for disputed amount w.r.t. penalty u/s 78 for Rs. 0.51 Crore (Previous Year N.a) and penalty u/s 77 for Rs. 0.00 Crore(Previous Year N.a). In compliance of section 35F of Central Excise Act, 1944, the Company has paid an amount of Rs.0.04 Crore (Previous Year N.a) as pre-deposit amount for filing an appeal. The appeal has since been decided in favour of Company with Nil Demand after balance sheet date vide order no 01/2023-24 dated 11th April 2023 .of Commissioner (Appeals-II). However, statutory period for filing the appeal by the Service Tax department against the order of Commissioner (Appeals-II) has not yet expired.
(c) Capital commitments for acquisition of fixed assets at various branches as at the year end (net of capital advances paid) Rs. 23.44 Crore (Previous Year Rs. 32.63 Crore).
(d) Corporate guarantees provided to Unique Identification Authority of India for Aadhaar verification of loan applications for Rs. 0.25 Crore (Previous Year Rs. 0.25 Crore).
(e) Bank guarantees provided against court case for Rs. 0.05 Crore (Previous Year Rs. 0.05 Crore).
(f) Corporate guarantees provided to NABARD for loan taken by Indiabulls Commercial Credit Limited for Rs. 381.07 Crore (Previous Year Rs. 561.50 Crore)

(34) Segment Reporting:

The Company is mainly engaged in the housing finance and mortgage-backed lending business, and all other activities revolve around this main business of the Company. Further, all activities are conducted within India and as such there is no separate reportable segment, as per the Ind AS 108 - "Operating Segments" specified under Section 133 of the Act.

(35) Disclosures in respect of Related Parties-

(a) Detail of related party

Nature of relationship	Related party
Subsidiary Companies	
	Indiabulls Commercial Credit Limited
	Indiabulls Insurance Advisors Limited
	Indiabulls Capital Services Limited
	Indiabulls Collection Agency Limited
	Ibulls Sales Limited
	Indiabulls Advisory Services Limited
	Indiabulls Asset Holding Company Limited
	Indiabulls Asset Management Company Limited till May 2, 2023
	Indiabulls Trustee Company Limited till May 2, 2023
	Indiabulls Holdings Limited
	Indiabulls Investment Management Limited
	(Previously known as Indiabulls Venture Capital Management Company Limited)
	Indiabulls Asset Management (Mauritius) Defunct w.e.f. July 18, 2022
	(Subsidiary of Indiabulls Commercial Credit Limited)

(All amount in Rs. in Crore, except for share data unless stated otherwise)

(a) Detail of related party

Nature of relationship	**Related party**
	Nilgiri Investmart Services Limited (formerly known as Nilgiri Financial Consultants Limited) (Subsidiary of Indiabulls Insurance Advisors Limited)
	Pragati Employee Welfare Trust (Formerly known as Indiabulls Housing Finance Limited- Employee Welfare Trust)
Key Management Personnel	Mr. Subhash Sheoratan Mundra, Non Executive Chairman, Independent Director
	Mr. Sameer Gehlaut, Non - Executive Director [till March 14, 2022]
	Mr. Gagan Banga, Vice Chairman/ Managing Director & CEO
	Mr. Ashwini Omprakash Kumar, Non -Executive Non-independent Director [from December 31, 2022 till March 31, 2023]
	Mr. Ajit Kumar Mittal, Non -Executive Non-independent Director [from April 26, 2022 till May 22, 2023], Executive Director [till April 26 , 2022]
	Mr. Sachin Chaudhary, Executive Director
	Mr. Shamsher Singh Ahlawat, Independent Director [till September 28, 2021]
	Mr. Prem Prakash Mirdha, Independent Director [till September 28, 2021]
	Justice Gyan Sudha Misra, Independent Director
	Mr. Achutan Siddharth, Independent Director
	Mr. Dinabandhu Mohapatra, Independent Director
	Mr. Satish Chand Mathur, Independent Director
	Mr. Bishnu Charan Patnaik, Non - Executive Director [from April 26, 2022]
	Mr. Mukesh Garg, Chief Financial Officer
	Mr. Amit Jain, Company Secretary

(b) Significant transactions with related parties:

Nature of Transactions	**Year ended March 31, 2023**	**Year ended March 31, 2022**
	Amount (Rs.)	**Amount (Rs.)**
Finance		
Secured Loans given (Maximum balance outstanding during the year)*		
-Subsidiary Companies	3,240.00	5,745.56
Total	**3,240.00**	**5,745.56**
Unsecured Loans given (Maximum balance outstanding during the year)*		
-Subsidiary Companies	67.30	67.30
Total	**67.30**	**67.30**
Unsecured Loans Taken (Maximum balance outstanding during the year)*		
-Subsidiary Companies	105.85	-
Total	**105.85**	**-**
Other receipts and payments		
Sale of Investment to:		
-Subsidiary Companies	69.40	-
Total	**69.40**	**-**
Purchase of Investment from:		
-Subsidiary Companies	-	48.40
Total	**-**	**48.40**

Indiabulls Housing Finance Limited

Notes to Standalone Financial Statements for the year ended March 31, 2023

(All amount in Rs. in Crore, except for share data unless stated otherwise)

Nature of Transactions	Year ended March 31, 2023	Year ended March 31, 2022
	Amount (Rs.)	Amount (Rs.)
Payment received for Subscription of Bonds from:		
-Subsidiary Companies	14.00	-
Total	**14.00**	**-**
Payment received on Redemption of Bonds from:		
-Subsidiary Companies	-	1,990.84
Total	**-**	**1,990.84**
Payment made for purchase of Investment in:		
-Subsidiary Companies	-	0.05
Total	**-**	**0.05**
Corporate counter guarantees given to third parties for:[(1)]		
-Subsidiary Companies	-	200.00
Total	**-**	**200.00**
Investment in equity Shares		
-Subsidiary Companies	-	6.95
Total	**-**	**6.95**
Investment in Bonds		
-Subsidiary Companies	-	2,000.00
Total	**-**	**2,000.00**
Assignment of Loans from		
-Subsidiary Companies	2,388.30	1,196.58
Total	**2,388.30**	**1,196.58**
Income from Service Fee		
-Subsidiary Companies	0.02	0.06
Total	**0.02**	**0.06**
Income from Support Services		
-Subsidiary Companies	0.06	-
Total	**0.06**	**-**
Interest expenses on loans taken		
-Subsidiary Companies	0.09	-
Total	**0.09**	**-**
Expenses on Service Fee		
-Subsidiary Companies	0.05	0.10
Total	**0.05**	**0.10**
Interest Income on Loan		
-Subsidiary Companies	229.69	424.66
Total	**229.69**	**424.66**
Interest Income on Bonds		
-Subsidiary Companies	137.86	180.02
Total	**137.86**	**180.02**
Interest Expense on Bonds		
-Subsidiary Companies	9.95	2.65
Total	**9.95**	**2.65**
Dividend Income		
-Subsidiary Companies	204.43	-
Total	**204.43**	**-**

(All amount in Rs. in Crore, except for share data unless stated otherwise)

Nature of Transactions	Year ended March 31, 2023	Year ended March 31, 2022
	Amount (Rs.)	**Amount (Rs.)**
Payment of Dividend		
-Subsidiary Companies	-	15.30
-Key Management Personnel	-	3.81
Total	**-**	**19.11**
Other receipts and payments		
Salary / Remuneration(Consolidated)		
-Key Management Personnel	32.50	31.09
Total	**32.50**	**31.09**
Salary / Remuneration(Short-term employee benefits)		
-Key Management Personnel	27.67	27.43
Total	**27.67**	**27.43**
Salary / Remuneration(Share-based payments)		
-Key Management Personnel	(0.61)	(2.23)
Total	**(0.61)**	**(2.23)**
Salary / Remuneration(Post-employment benefits)		
-Key Management Personnel	0.77	1.38
Total	**0.77**	**1.38**
Salary / Remuneration(Others)		
-Key Management Personnel	4.67	4.51
Total	**4.67**	**4.51**

* Represents Maximum balance of loan outstanding during the yeaı

(c) Outstanding balance:

Nature of Transactions	As at March 31, 2023	As at March 31, 2022
	Amount (Rs.)	**Amount (Rs.)**
Secured Loans given:		
-Subsidiary Companies	995.00	1,486.00
Total	**995.00**	**1,486.00**
Unsecured Loans given:		
-Subsidiary Companies	67.30	67.30
Total	**67.30**	**67.30**
Unsecured Loans Taken:		
-Subsidiary Companies	-	-
Total	**-**	**-**
Investment in Bonds of:		
-Subsidiary Companies	1,629.46	2,020.83
Total	**1,629.46**	**2,020.83**
Investment in Shares of:		
-Subsidiary Companies	3,863.23	3,863.23
Total	**3,863.23**	**3,863.23**
Outstanding Balance of Borrowings in Bonds held by(at fair value):		
-Subsidiary Companies	129.87	49.88
Total	**129.87**	**49.88**
Corporate counter guarantees given to third parties for:		

Nature of Transactions	As at March 31, 2023	As at March 31, 2022
	Amount (Rs.)	Amount (Rs.)
-Subsidiary Companies	381.07	561.50
Total	**381.07**	**561.50**
Assignment (Payable)/ Receivable (Net)		
-Subsidiary Companies	28.12	5.99
Total	**28.12**	**5.99**

(d) Statement of Partywise transactions during the Year:

Particulars	For the Year ended March 31, 2023	For the Year ended March 31, 2022
	Amount (Rs.)	Amount (Rs.)
Secured Loans Given*		
Subsidiaries		
– Indiabulls Commercial Credit Limited	3,240.00	5,745.56
Total	**3,240.00**	**5,745.56**
Unsecured Loans Given*		
Subsidiaries		
– Pragati Employee Welfare Trust	67.30	67.30
Total	**67.30**	**67.30**
Unsecured Loans Taken*		
Subsidiaries		
– Indiabulls Advisory Services Limited	7.90	-
– Indiabulls Asset Management Company Limited	23.00	-
– Indiabulls Collection Agency Limited	42.30	-
– Nilgiri Investmart Services Limited	23.05	-
– Ibulls Sales Limited	9.60	-
Total	**105.85**	-
Sale of Investment to:		
Subsidiaries		
– Indiabulls Asset Management Company Limited	69.40	-
Total	**69.40**	-
Purchase of Investment from:		
Subsidiaries		
– Indiabulls Asset Management Company Limited	-	48.40
Total	-	**48.40**
Payment received for Subscription of Bonds from:		
Subsidiaries		
– Indiabulls Asset Management Company Limited	14.00	-
Total	**14.00**	-
Payment received for Redemption Investment:		
Subsidiaries		
– Indiabulls Commercial Credit Limited	-	1,990.84
Total	-	**1,990.84**
Corporate counter guarantees given to third parties for:		
Subsidiaries		
– Indiabulls Commercial Credit Limited	-	200.00

(All amount in Rs. in Crore, except for share data unless stated otherwise)

Particulars	For the Year ended March 31, 2023	For the Year ended March 31, 2022
	Amount (Rs.)	Amount (Rs.)
Total	-	**200.00**
Investment in equity Shares		
-Subsidiary Companies		
– Indiabulls Investment Management Limited	-	6.95
Total	-	**6.95**
Investment in Bonds		
Subsidiaries		
– Indiabulls Commercial Credit Limited	-	2,000.00
Total	-	**2,000.00**
Assignment of Loans from		
Subsidiaries		
– Indiabulls Commercial Credit Limited	2,388.30	1,196.58
Total	**2,388.30**	**1,196.58**
Income from Service Fee		
Subsidiaries		
– Indiabulls Commercial Credit Limited	0.02	0.06
Total	**0.02**	**0.06**
Income from Support Services		
Subsidiaries		
– Ibulls Sales Ltd.	0.01	-
– Indiabulls Advisory Services Ltd	0.01	-
– Indiabulls Capital Services Ltd.	0.01	-
– Indiabulls Collection Agency Ltd	0.01	-
– Indiabulls Insurance Advisors Ltd.	0.01	-
– Indiabulls Investment Management Limited	0.00	-
– Nilgiri Investmart Services Limited	0.01	-
Total	**0.06**	-
Interest expenses on loans taken		
Subsidiaries		
– Indiabulls Advisory Services Limited	0.01	-
– Indiabulls Asset Management Company Limited	0.02	-
– Indiabulls Collection Agency Limited	0.03	-
– Nilgiri Investmart Services Limited	0.02	-
– Ibulls Sales Limited	0.01	-
Total	**0.09**	-
Expenses on Service Fee		
Subsidiaries		
– Indiabulls Commercial Credit Limited	0.05	0.10
Total	**0.05**	**0.10**
Interest Income on Loan		
Subsidiaries		
– Indiabulls Commercial Credit Limited	222.92	417.97
– Pragati Employee Welfare Trust	6.77	6.69
Total	**229.69**	**424.66**
Interest Income on Bonds		

Particulars	For the Year ended March 31, 2023	For the Year ended March 31, 2022
	Amount (Rs.)	**Amount (Rs.)**
Subsidiaries		
– Indiabulls Commercial Credit Limited	137.86	180.02
Total	**137.86**	**180.02**
Interest Expense on Bonds		
Subsidiaries		
– Indiabulls Commercial Credit Limited	4.44	-
– Indiabulls Asset Management Company Limited	5.51	2.65
Total	**9.95**	**2.65**
Dividend Income		
Subsidiaries		
– Indiabulls Commercial Credit Limited	204.43	-
Total	**204.43**	-
Payment of Dividend		
Subsidiaries		
-Pragati Employee Welfare Trust	-	15.30
-Key Managerial Personnel		
– Sameer Gehlaut	-	0.45
– Gagan Banga	-	3.19
– Ashwini Omprakash Kumar	-	0.02
– Sachin Chaudhary	-	0.11
– Ajit Kumar Mittal	-	0.04
– Prem Prakash Mirdha	-	0.00
Total	-	**19.11**
Salary / Remuneration(Short-term employee benefits)		
Remuneration		
– Gagan Banga	10.51	10.55
– Ajit Kumar Mittal	-	1.34
– Ashwini Omprakash Kumar	3.59	4.87
– Sachin Chaudhary	6.61	4.92
– Mukesh Kumar Garg	6.18	4.86
– Amit Jain	0.78	0.89
Total	**27.67**	**27.43**
Salary / Remuneration(Share-based payments)		
– Gagan Banga	1.15	0.21
– Ajit Kumar Mittal	(0.15)	(0.06)
– Ashwini Omprakash Kumar	(3.66)	(1.13)
– Sachin Chaudhary	1.17	(0.89)
– Mukesh Kumar Garg	0.75	(0.39)
– Amit Jain	0.13	0.03
Total	**(0.61)**	**(2.23)**
Salary / Remuneration(Post-employment benefits)		
– Sameer Gehlaut	-	1.33
– Gagan Banga	0.08	0.01
– Ajit Kumar Mittal	-	(0.07)
– Ashwini Omprakash Kumar	0.08	-

(All amount in Rs. in Crore, except for share data unless stated otherwise)

Particulars	For the Year ended March 31, 2023	For the Year ended March 31, 2022
	Amount (Rs.)	Amount (Rs.)
– Sachin Chaudhary	0.45	0.09
– Mukesh Kumar Garg	0.08	0.00
– Amit Jain	0.08	0.02
Total	**0.77**	**1.38**
Salary / Remuneration(Others)		
– Shamsher Singh Ahlawat	-	0.03
– Prem Prakash Mirdha	-	0.03
– Justice Gyan Sudha Misra	0.60	0.57
– Subhash Sheoratan Mundra	2.10	2.07
– Satish Chand Mathur	0.35	0.32
– Achutan Siddharth	0.85	0.82
– Dinabandhu Mohapatra	0.70	0.67
– Bishnu Charan Patnaik	0.07	-
Total	**4.67**	**4.51**

* Represents Maximum balance of loan outstanding during the yeai

(e) Breakup of outstanding Balances

Particulars	As at March 31, 2023	As at March 31, 2022
	Amount (Rs.)	Amount (Rs.)
Secured Loan given		
Subsidiaries		
– Indiabulls Commercial Credit Limited	995.00	1,486.00
Unsecured Loan given		
Subsidiaries		
– Pragati Employee welfare Trust	67.30	67.30
Unsecured Loan Taken		
Subsidiaries	-	-
– Indiabulls Advisory Services Limited	-	-
– Indiabulls Asset Management Company Limited	-	-
– Indiabulls Collection Agency Limited	-	-
– Nilgiri Investmart Services Limited	-	-
– Ibulls Sales Limited	-	-
Investment in Bonds of:		
Subsidiaries		
– Indiabulls Commercial Credit Limited	1,629.46	2,020.83
Investment in Shares of:		
Subsidiaries		
– Indiabulls Insurance Advisors Limited	0.05	0.05
– Indiabulls Capital Services Limited	5.00	5.00
– Indiabulls Commercial Credit Limited	3,667.83	3,667.83
– Indiabulls Advisory Services Limited	2.55	2.55
– Indiabulls Asset Holding Company Limited	0.05	0.05
– Indiabulls Collection Agency Limited	10.05	10.05
– Ibulls Sales Limited	0.05	0.05

(All amount in Rs. in Crore, except for share data unless stated otherwise)

Particulars	**As at March 31, 2023**	**As at March 31, 2022**
	Amount (Rs.)	**Amount (Rs.)**
– Indiabulls Asset Management Company Limited	100.00	170.00
– Indiabulls Trustee Company Limited	0.50	0.50
– Indiabulls Holdings Limited	0.15	0.15
– Indiabulls Investment Management Limited	77.00	7.00
Outstanding Balance of Borrowings in Bonds held by(at fair value):		
Subsidiaries		
– Indiabulls Commercial Credit Limited	50.00	49.88
– Indiabulls Asset Management Company Limited	79.87	-
Assignment Receivable/ (Payable)		
Subsidiaries		
- Indiabulls Commercial Credit Limited	28.12	5.99
Corporate counter guarantees given to third parties for the Company		
- Indiabulls Commercial Credit Limited	381.07	561.50

Related Party relationships as given above are as identified by the Company

(1) Disclosure related to Fair value of Corporate Guarantee given to Subsidiary as per IND As 109, "Financial Instruments"

Particulars	**March 31, 2023**	**March 31, 2022**
Fair Value Income on Corporate Guarantee	**Amount (Rs.)**	**Amount (Rs.)**
Subsidiaries		
– Indiabulls Commercial Credit Limited	10.87	10.53
Total	**10.87**	**10.53**
Investment in		
Subsidiaries		
– Indiabulls Commercial Credit Limited	-	4.18
Total	-	**4.18**
Outstanding Balance of Unamortised Corporate Guarantee Income		
– Indiabulls Commercial Credit Limited	15.21	26.08
Total	**15.21**	**26.08**

(36) Remittances during the year in foreign currency on account of dividends:
Remittance during the Financial Year 2022-23 : NIL

Remittance during the Financial Year 2021-22 :

Pertains to Financial Year	**Interim/Final**	**No of Shareholders**	**No. of Shares**	**Amount**
2020-21	1st Interim 2020-21	1	567,505	0.51
		Total	**567,505**	**0.51**

(37) Earnings Per Equity Share

Earnings Per Equity Share (EPS) as per Indian Accounting Standard (IndAS)-33 "Earnings Per Share",:

The basic earnings per share is computed by dividing the net profit attributable to Equity Shareholders for the year by the weighted average number of Equity Shares outstanding during the year. Diluted earnings per share are computed using the weighted average number of Equity Shares and also the weighted average number of Equity Shares that could have been issued on the conversion of all dilutive potential Equity Shares. The dilutive potential Equity Shares are adjusted for the proceeds receivable, had the shares been actually issued at fair value.

Dilutive potential Equity Shares are deemed converted as of the beginning of the year, unless they have been issued at a later date. The number of Equity Shares and potential diluted Equity Shares are adjusted for potential dilutive effect of Employe Stock Option Plan as appropriate.

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Profit available for Equity Shareholders (Amount)	819.17	696.11
Weighted average number of Shares used in computing Basic Earnings per Equity Share (Nos.)	471,455,734	463,406,287
Add: Potential number of Equity share that could arise on exercise of Employee Stock Options (Nos.	2,503,078	1,253,208
Weighted average number of shares used in computing Diluted Earnings per Equity Share (Nos.	473,958,811	464,659,495
Face Value of Equity Shares - (Rs.)	2.00	2.00
Basic Earnings Per Equity Share - (Rs.)	17.38	15.02
Diluted Earnings Per Equity Share - (Rs.)	17.28	14.98

(38) In respect of amounts as mentioned under Section 124 of the Companies Act, 2013, there were no dues required to be credited to the Investor Education and Protection Fund as on March 31, 2023. (With respect to year ended March 31, 2022 an amount of Rs. 2,280(Rupees Two thousand two hundred Eighty only) which were issued to certain shareholders against revalidation cases for the payment of unpaid/unclaimed interim dividend could not be encashed by them and were again credited back to Company's unpaid dividend account. The same was deposited subsequent to the year ended March 31, 2022 to Investor Education and Protection fund)

(39) (1) Disclosures as required in terms of Master Direction – Non-Banking Financial Company – Housing Finance Company (Reserve Bank) Directions, 2021, RBI/2020-21/73 DOR.FIN.HFC.CC.No.120/03.10.136/2020-21, 17 February, 2021

(i) Disclosure for Capital to Risk Assets Ratio (CRAR) :-

CRAR	**As at March 31, 2023**	**As at March 31, 2022**
Items		
i) CRAR (%)	23.01%	22.49%
ii) CRAR - Tier I capital (%)	18.39%	16.59%
iii) CRAR - Tier II Capital (%)	4.62%	5.90%
iv) Amount of subordinated debt raised as Tier- II Capita	3,966.28	4,196.03
v) Amount raised by issue of Perpetual Debt Instruments	100.00	100.00

(ii) Exposure to Real Estate Sector:-

Category			**As at March 31, 2023**	**As at March 31, 2022**
	Direct exposure			
	(i)	Residential Mortgages -		
a)		Lending fully secured by mortgages on residential property that is or will be occupied by the borrower or that is rented. Individual housing loans up to Rs.15 lakh Rs. 1,138.44 crore(Previous Year Rs.1,314.34 crore)	20,356.74	21,598.00

(All amount in Rs. in Crore, except for share data unless stated otherwise)

			As at March 31, 2023	As at March 31, 2022
	(ii)	Commercial Real Estate - Lending secured by mortgages on commercial real estates	17,376.57	16,921.77
	(iii)	Investments in Mortgage		
		a. Residential	-	-
		b. Commercial Real Estate.	692.08	299.09
b)	Indirect Exposure Fund based and non-fund based exposures on National Housing Bank (NHB) and Housing Finance Companies (HFCs).		-	-

Note: The above computation is based on management's estimates, assumptions and adjustments / Borrower's confirmation which have been relied upon by the auditors

(iii) Exposure to Capital Market

Particulars	As at March 31, 2023	As at March 31, 2022
(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;	-	1.85
(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) Underwriting commitments taken up by the NBFCs in respect of primary issue of shares or convertible bonds or convertible debentures or units of equity oriented mutual funds	-	-
(ix) Financing to stockbrokers for margin trading		-
(x) All exposures to Alternative Investment Funds:		
(i) Category I	-	-
(ii) Category II	3,294.09	3,099.06
(iii) Category III	-	-
Total Exposure to Capital Market	**3,294.09**	**3,100.91**

Note: In computing the above information certain estimates, assumptions and adjustments have been made by the Management which have been relied upon by the auditors.

(iv) Asset Liability Management

Maturity Pattern of Assets and Liabilities as at March 31, 2023*:-

	1 to 7 Days	8 to 14 Days	15 days to 30/31 days	Over 1 month & up to 2 months
Liabilities				
Borrowing from banks**	1.30	1.65	115.91	135.92
Market borrowings	38.71	0.79	280.53	1,287.80
Foreign Currency Liabilities	-	-	-	-
Assets				
Advances	531.38	217.09	1,041.25	1,300.73
Investments***	219.70	582.50	221.56	210.54
Foreign Currency Assets	-	-	-	-

Maturity Pattern of Assets and Liabilities as at March 31, 2023*:-

	Over 2 month & up to 3 months	Over 3 months & up to 6 months	Over 6 months & up to 1 year	Over 1 year & up to 3 Years
Liabilities				
Borrowing from banks**	835.78	2,850.39	1,410.83	8,101.61
Market borrowings	481.97	2,280.38	2,500.81	6,346.10
Foreign Currency Liabilities	-	269.16	-	155.92
Assets				
Advances	1,138.05	3,526.94	3,491.30	18,118.62
Investments***	114.70	1,307.89	638.82	4,593.02
Foreign Currency Assets	65.70	68.87	0.34	31.41

Maturity Pattern of Assets and Liabilities as at March 31, 2023*:-

	Over 3 Years & up to 5 Years	Over 5 Years	Grand Total
Liabilities			
Borrowing from banks**	4,587.68	1,130.07	19,171.14
Market borrowings	12,239.08	3,388.09	28,844.26
Foreign Currency Liabilities	165.32	-	590.40
Assets			
Advances	14,887.10	8,543.60	52,796.06
Investments***	1,445.20	3,927.71	13,261.64
Foreign Currency Assets	-	-	166.32

*In addition to the investments shown in the table above, the Company also had cash, cash equivalents and bank balances of Rs. 1,590.97 Crores as at March 31, 2023

** Net of lease liability recognized under Ind AS 116 in respect of leases (other than short-term leases) aggregating to Rs. 297.8 crores

*** Investments includes Assets held for sale amounting to Rs. 700.08 crores and Fixed deposit with bank amounting to Rs. 2,648.56 as at March 31, 2023

Note: In computing the above information certain estimates, assumptions and adjustments have been made by the Management for its regulatory submission which have been relied upon by the auditors.

Maturity Pattern of Assets and Liabilities as at March 31, 2022*:-

	1 to 7 Days	8 to 14 Days	15 days to 30/31 days	Over 1 month & up to 2 months
Liabilities				
Borrowing from banks**	0.73	18.50	68.39	43.30
Market borrowings	1,083.84	530.10	188.63	2,870.26
Foreign Currency Liabilities	-	0.49	61.97	313.63
Assets				
Advances	383.00	47.85	1,023.14	1,435.93
Investments***	358.98	88.24	178.06	2,929.86
Foreign Currency Assets	-	-	-	0.33

Maturity Pattern of Assets and Liabilities as at March 31, 2022*:-

	Over 2 month & up to 3 months	Over 3 months & up to 6 months	Over 6 months & up to 1 year	Over 1 year & up to 3 Years
Liabilities				
Borrowing from banks**	1,658.26	1,123.94	3,260.04	9,873.80
Market borrowings	1,292.40	867.31	4,608.13	7,293.46
Foreign Currency Liabilities	80.28	0.52	6.34	47.41
Assets				
Advances	1,033.03	3,429.79	4,366.40	19,312.52
Investments***	480.37	83.75	3,422.36	4,466.05
Foreign Currency Assets	14.28	2.68	-	131.83

Maturity Pattern of Assets and Liabilities as at March 31, 2022*:-

	Over 3 Years & up to 5 Years	Over 5 Years	Grand Total
Liabilities			
Borrowing from banks**	5,566.58	1,433.39	23,046.93
Market borrowings	4,694.08	11,284.06	34,712.27
Foreign Currency Liabilities	151.03	-	661.67
Assets			
Advances	14,117.26	8,765.45	53,914.37
Investments***	1,275.51	4,430.69	17,713.87
Foreign Currency Assets	-	-	149.12

*In addition to the investments shown in the table above, the Company also had cash, cash equivalents and bank balances of Rs. 4,068.35 Crores as at March 31, 2022

** Net of lease liability recognized under Ind AS 116 in respect of leases (other than short-term leases) aggregating to Rs. 194.66 crores

*** Investments includes Assets held for sale amounting to Rs. 2,308.73 crores and Fixed deposit with bank amounting to Rs. 5,182.51 as at March 31, 2022

Note: In computing the above information certain estimates, assumptions and adjustments have been made by the Management for its regulatory submission which have been relied upon by the auditors.

(2) Capital to Risk Assets Ratio (CRAR)(Proforma) as per IndAs (considering Nil risk weightage on Mutual fund investments):-

CRAR	As at March 31, 2023	As at March 31, 2022
Items		
i) Adjusted CRAR-(Total)-	23.04%	22.56%
ii) Adjusted CRAR - Tier I capital (%) -	18.42%	16.64%
iii) Adjusted CRAR - Tier II Capital (%) -	4.62%	5.92%

Note: In computing the above information certain estimates, assumptions and adjustments have been made by the Management for its regulatory submission which have been relied upon by the auditors.

(All amount in Rs. in Crore, except for share data unless stated otherwise)

Additional Disclosures as required in terms of Master Direction – Non-Banking Financial Company – Housing Finance Company (Reserve Bank) Directions, 2021, RBI/2020-21/73 DOR.FIN.HFC.CC.No.120/03.10.136/2020-21, 17 February, 2021 are as follows:-

'(i) Break up of 'Provisions and Contingencies'

Particulars	Year Ended March 2023	Year Ended March 2022
1. Provisions for depreciation on Investment	-	-
2. Provision made towards Income tax	286.64	259.79
3. Provision towards NPA(including Counter Cyclical provisions)	724.98	1,426.60
4. Provision for Standard Assets	177.14	(828.90)
5. Other Provision and Contingencies:-	(50.19)	10.81
i) Gratuity Expense	9.64	8.51
ii) Leave Encashment Expense	1.09	1.29
iii) Superannuation Expense	(60.92)	4.17

(ii) Break up of Loan & Advances and Provisions thereon

Particulars	**Housing Loans**		**Non Housing Loans**	
Standard Assets	**March 31, 2023**	**March 31, 2022**	**March 31, 2023**	**March 31, 2022**
a) Total Outstanding Amount	26,598.16	31,490.08	20,388.08	18,678.05
b) Provisions made as per applicable accounting framework	254.47	341.24	221.13	238.33
c) Provision made NHB Norms	221.88	215.81	198.69	184.29
Sub-Standard Assets				
a) Total Outstanding Amount	579.23	734.36	293.08	1,226.10
b) Provisions made as per applicable accounting framework	189.22	316.81	94.84	527.65
c) Provision made NHB Norms	145.41	110.15	72.67	183.91
Doubtful Assets – Category-I				
a) Total Outstanding Amount	362.51	65.19	428.52	16.96
b) Provisions made as per applicable accounting framework	118.21	28.36	139.42	7.04
c) Provision made NHB Norms	90.79	16.30	107.01	4.26
Doubtful Assets – Category-II				
a) Total Outstanding Amount	35.44	6.53	15.06	7.47
b) Provisions made as per applicable accounting framework	17.08	3.84	6.95	4.29
c) Provision made NHB Norms	14.40	2.61	5.81	2.99
Doubtful Assets – Category-III				
a) Total Outstanding Amount	0.87	0.81	1.78	0.30
b) Provisions made as per applicable accounting framework	0.87	0.81	1.78	0.30
c) Provision made NHB Norms	0.87	0.81	1.78	0.30
Loss Assets				
a) Total Outstanding Amount	-	-	-	-
b) Provisions made as per applicable accounting framework	-	-	-	-
c) Provision made NHB Norms	-	-	-	-
TOTAL				
a) Total Outstanding Amount	27,576.21	32,296.97	21,126.52	19,928.88
b) Provisions made as per applicable accounting framework	579.85	691.06	464.12	777.61
c) Provision made NHB Norms	473.35	345.68	385.96	375.75

(All amount in Rs. in Crore, except for share data unless stated otherwise)

(iii) Concentration of Public Deposits

Particulars	March 31, 2023	March 31, 2022
Total Deposits of twenty largest depositors	NA	NA
Percentage of Deposits of twenty largest depositors to Total Deposits of the HFC	NA	NA

(iv) Concentration of Loans & Advances*

Particulars	March 31, 2023	March 31, 2022
Total exposure to twenty largest borrowers/customers	11,936.07	11,821.39
Percentage of Loans & Advances to twenty largest borrowers to Total Advances of the HFC	25.78%	23.53%

*Does not consider credit substitutes

(v) Concentration of all Exposure (including off-balance sheet exposure)*

Particulars	March 31, 2023	March 31, 2022
Total Exposure to twenty largest borrowers / customers	11,936.07	11,821.39
Percentage of Exposures to twenty largest borrowers / customers to Total Exposure of the HFC on borrowers /	25.78%	23.53%

*Does not consider credit substitutes

(vi) Concentration of NPAs

Particulars	March 31, 2023	March 31, 2022
Total Exposure to top ten NPA accounts	824.87	967.76

(vii) Sector-wise NPAs

Sl. No	Sector	Percentage of NPAs to Total Advances in that sector as on March, 31 2023
A.	**Housing Loans:**	
1	Individuals	5.06%
2	Builders/Project Loans	3.44%
3	Corporates	0.04%
4	Others	
B.	**Non-Housing Loans:**	
1	Individuals	5.97%
2	Builders/Project Loans	13.09%
3	Corporates	1.01%
4	Others	

(viii) Movement of NPAs

Particulars	Year Ended March 2023	Year Ended March 2022
(I) Net NPAs to Net Advances (%)	2.41%	2.30%
(II) Movement of NPAs (Gross)		
a) Opening balance	2,057.73	1,526.54
b) Additions during the year	1,678.74	1,601.70
c) Reductions during the year	2,019.98	1,070.51
d) Closing balance	1,716.49	2,057.73
(III) Movement of Net NPAs		

Particulars	Year Ended March 2023	Year Ended March 2022
a) Opening balance	1,168.62	882.14
b) Additions during the year	953.76	286.48
c) Reductions during the year	974.26	-
d) Closing balance	1,148.12	1,168.62
(IV) Movement of provisions for NPAs(excluding provisions on standard assets		
(excluding provisions on standard assets)		
a) Opening balance	889.11	644.38
b) Provisions made during the year	724.99	1,426.60
c) Write-off/write-back of excess provisions	1,045.73	1,181.87
d) Closing balance	568.37	889.11

(ix) Rating assigned by Credit Rating Agencies and migration of rating during the year :-

Deposits Instrument	Name of rating agency	Date of rating / revalidation	Rating assigned/ Reaffirmed	Borrowing limit or conditions imposed by rating agency, if any (Amt. in Rs. Billion)
Cash Credit	Crisil Rating	6-Feb-23	CRISIL AA	69.55
Proposed Long-Term Bank Facility	Crisil Rating	6-Feb-23	CRISIL AA	175.95
Non-Convertible Debentures	Crisil Rating	6-Feb-23	CRISIL AA	253.80
Subordinate Debt	Crisil Rating	6-Feb-23	CRISIL AA	25.00
Retail Bonds	Crisil Rating	6-Feb-23	CRISIL AA	150.00
Short Term Non-Convertible Debenture	Crisil Rating	6-Feb-23	CRISIL A1+	10.00
Short Term Commercial Paper Program	Crisil Rating	6-Feb-23	CRISIL A1+	250.00
Retail NCD	Brickwork Ratings	2-Jan-23	BWR AA+	28.00
NCD Issue	Brickwork Ratings	2-Jan-23	BWR AA+	270.00
Subordinate Debt Issue program	Brickwork Ratings	2-Jan-23	BWR AA+	30.00
Perpetual Debt Issue	Brickwork Ratings	2-Jan-23	BWR AA	1.50
Secured NCD	Brickwork Ratings	2-Jan-23	BWR AA+	68.01
Unsecured Subordinated NCD	Brickwork Ratings	2-Jan-23	BWR AA+	1.99
Short Term Commercial Paper Program	Brickwork Ratings	2-Jan-23	BWR A1+	30.00
Long Term Debt	CARE Ratings	26-Dec-22	CARE AA	135.97
Subordinate Debt	CARE Ratings	26-Dec-22	CARE AA	31.22
Perpetual Debt	CARE Ratings	26-Dec-22	CARE AA-	2.00
Cash Credit	CARE Ratings	26-Dec-22	CARE AA	80.00
Long-Term Bank Facility	CARE Ratings	26-Dec-22	CARE AA	127.48
Short Term Bank Facility	CARE Ratings	26-Dec-22	CARE A1+	-
Proposed Long-Term/Short-Term Facility	CARE Ratings	26-Dec-22	CARE AA	290.52
Public Issue of Non-Convertible Debentures	CARE Ratings	26-Dec-22	CARE AA	14.33
Public Issue of Subordinate Debt	CARE Ratings	26-Dec-22	CARE AA	1.99
Short Term Commercial Paper Program	CARE Ratings	26-Dec-22	CARE A1+	30.00
NCD Issue	ICRA Limited	10-Feb-23	ICRA AA	86.25
Subordinate Debt	ICRA Limited	10-Feb-23	ICRA AA	15.00
Retail NCD	ICRA Limited	10-Feb-23	ICRA AA	30.00
Long Term Corporate Family Rating	Moody's	17-May-22	B3	-

(All amount in Rs. in Crore, except for share data unless stated otherwise)

(x) Customers Complaints

(i) Complaints received by the NBFC from its customers

Particulars	Year Ended March 2023	Year Ended March 2022
a) No. of complaints pending at the beginning of the year	-	27
b) No. of complaints received during the year	616	856

(i) Complaints received by the NBFC from its customers

Particulars	Year Ended March 2023	Year Ended March 2022
c) No. of complaints redressed during the year	616	883
d) No. of complaints pending at the end of the year	-	-

(ii) Maintainable complaints received by the NBFC from Office of Ombudsman

Particulars	Year Ended March 2023	Year Ended March 2022
Number of maintainable complaints received by the NBFC from Office of Ombudsman	616	856
Of 5, number of complaints resolved in favour of the NBFC by Office of Ombudsman	616	855
Of 5, number of complaints resolved through conciliation/mediation/advisories issued by Office of Ombudsman	-	1
Of 5, number of complaints resolved after passing of Awards by Office of Ombudsman against the NBFC	-	-
Number of Awards unimplemented within the stipulated time (other than those appealed	-	-

(iii) Top five grounds of complaints received by the NBFCs from customers:- FY 2022-23

Description of items	Number of complaints pending at the beginning of the year	Number of complaints received during the year	% increase/decrease in the number of complaints received over the previous year	Number of complaints pending at the end of the year	Of 5, number of complaints pending beyond 30 days
ROI (ROI reset / Change in EMI / Change in Tenure)	-	218	10%	-	-
PMAY_CLSS	-	76	-70%	-	-
Document	-	42	-51%	-	-
CIBIL	-	41	78%	-	-
legal	-	37	76%	-	-
Others	-	202	-12%	-	1
Total	**-**	**616**	**-33.00%**	**-**	**1**

(iii) Top five grounds of complaints received by the NBFCs from customers:- FY 2021-22

Description of items	Number of complaints pending at the beginning of the year	Number of complaints received during the year	% increase/decrease in the number of complaints received over the previous year	Number of complaints pending at the end of the year	Of 5, number of complaints pending beyond 30 days
ROI (ROI reset / Change in EMI / Change in Tenure)	2	258	17%	-	-
PMAY_CLSS	19	198	-45%	-	-
Document	-	86	32%	-	-
CIBIL	1	45	15%	-	-
legal	1	40	43%	-	-
Others	4	229	-58%	-	-
Total	**27**	**856**	**-36.00%**	**-**	**-**

(xi) Details of Single Borrower Limit (SGL) / Group Borrower Limit (GBL) exceeded by the HFC

The Company has not exceeded the limits for SGL / GBL

(xii) Exposure to group companies engaged in real estate business

Description	Amount (in Crore)	% of owned fund
i) Exposure to any single entity in a group engaged in real estate business	-	NA
ii) Exposure to all entities in a group engaged in real estate business	-	NA

(xiii) Disclosure of Penalties imposed by NHB and other regulators

Disclosure of Penalties imposed by NHB and other regulators [FY23]

During the financial year ended March 31, 2023, under Regulation 13(1) of SEBI(LODR)Regulations, 2015, BSE Limited had imposed penalty of Rs.0.004 Crore (including GST), on delay in processing Dividend amount to an investor's accoun

An amount of Rs. 0.001 Crore paid to Reserve Bank of India for delay in submission of certain return

Compounding fees of Rs. 0.01 Crore paid to the Ministry of Corporate Affairs with respect to certain observations in the inspection Conducted for the financial year 2014-15 & 2016-1

Disclosure of Penalties imposed by NHB and other regulators [FY22]

Compounding fees of Rs. 0.19 Crore paid to Ministry of Corporate Affairs with respect to certain observations in the inspection Conducted for the financial year 2014-15 to 2019-20.

(xiv) Gold loan

The Company has not granted any loans against collateral of gold jewellery (Previous Year: Nil)

(xv) Funding Concentration based on significant counterparty

No. of significant counterparties*	Amount as at March 31, 2023**	% of Total Deposits	% of Total Liabilities
12	29,308.54	NA	56.24%

*Does not include holders of Foreign currency convertible bond and Medium Term note listed on Singapore Exchange Limited since the holder-wise details are not available with the Company

** Represents contractual amount

Particulars	Amount as at March 31, 2023**
Top 10 borrowings (Crs)*	27,988.47
Top 10 borrowings [% of Total borrowings]	69.59%

*Does not include holders of Foreign currency convertible bond and Medium Term Note listed on Singapore Exchange Limited since the holder-wise details are not available with the Company.

** Represents contractual amount

(xvi) Funding Concentration based on significant instrument/product

Name of the instrument/product	Amount as at March 31, 2023	% of Total Liabilities
Secured Non Convertible Debentures*	17,833.88	34.2%
Term Loans including Securitisation and lease liability	9,366.82	18.0%
Working Capital Loans	4,458.00	8.6%
Subordinated Debt	4,066.28	7.8%
External Commercial Borrowings	3,032.20	5.8%
Cash Credit	1,253.22	2.4%

*Includes Foreign Currency Convertible Bonds

(All amount in Rs. in Crore, except for share data unless stated otherwise)

(xvii) Stock Ratios:

CP as % of total public funds	0.0%
CP as % of total liabilities	0.0%
CP as % of total assets	0.0%

NCD (original maturity of less than 1 year) as % of total public funds	0.0%
NCD (original maturity of less than 1 year) as % of total liabilities	0.0%
NCD (original maturity of less than 1 year) as % of total assets	0.0%

Other short term liabilities as % of total public funds	12.70%
Other short term liabilities as % of total liabilities	9.75%
Other short term liabilities as % of total assets	7.46%

(xviii) Institutional set-up for liquidity risk management

Liquidity Risk Management framework consists of Asset Liability Management Committee [ALCO] which is a sub-committee of the Board of Directors. The meetings of ALCO are held at periodic intervals. While the ALCO is responsible for oversight of specific risks relating to liquidity and interest rate sensitivity, the Risk Management Committee is responsible for Company-wide risk management.

(xix) Schedule to the Balance Sheet of an HFC:

Particulars	**Amount as at March 31, 2023**	
(1) Loans and advances availed by the HFC inclusive of interest accrued thereon but not paid:	**Amount outstanding**	**Amount overdue**
(a) Debentures : Secured	18,493.70	-
: Unsecured	4,225.74	-
(other than falling within the meaning of public deposits*)		
(b)'Deferred Credits		
(c) Term Loans*	18,131.04	-
(d) Inter-corporate loans and borrowing		-
(e) Commercial Paper		-
(f) Public Deposits	-	-
(g) Other loans (securitization liability and lease liability)	7,462.72	-
(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**
(3) Break-up of Loans and Advances including bills receivables [other than those included in (4) below]:	
(a) Secured	48,376.73
(b) Unsecured	326.00
(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) Finance Lease	-

(All amount in Rs. in Crore, except for share data unless stated otherwise)

Assets side	Amount Outstanding
(a) Operating Lease	-
(ii) Stock on hire including hire charges under sundry debtors	-
(a) Assets on hire	-
(a) Repossessed Assets	-
(iii) Other loans counting towards asset financing activities	-
(a) Loans where assets have been repossessed	-
(a) 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	88.62
(iv) Government Securities	-
(v) Others (please specify)	-
Assets side	**Amount Outstanding**
(2) Unquoted	
(i) Shares	
(a) Equity	-
(b) Preference	-
(ii) Debentures and Bonds	1,856.79
(iii) Units of mutual funds	-
(iv) Government Securities	-
(v) Others (Please specify) - Commercial Paper	123.39
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	3,858.03
(b) Preference	-
(ii) Debentures and Bonds	-
(iii) Units of mutual funds	-

(All amount in Rs. in Crore, except for share data unless stated otherwise)

	Amount Outstanding
(iv) Government Securities	-
(v) Others - Pass through certificate, Units of debt fund and security receipts	3,986.17

(6) Borrower group-wise classification of assets financed as in (3) and (4) above:			
Category	**Amount net of provisions**		
	Secured	**Unsecured**	**Total**
(1) Related Parties			
(a) Subsidiaries	995.00	67.30	**1,062.30**
(b) Companies in the same group	-	-	
(c) Other related parties	-	-	
(2) Other than related parties	47,381.73	258.70	**47,640.43**
Total	**48,376.73**	**326.00**	**48,702.73**

(7) Investor group-wise classification of all investments (current and long term) in shares and securities (both quoted and unquoted) :		
Category	**Amount net of provisions**	
	Market Value / Break up or fair value or NAV	**Book Value (Net of Provisions)**
(1) Related Parties		
(a) Subsidiaries	7,343.25	5,487.50
(b) Companies in the same group	-	-
(c) Other related parties	-	-
(2) Other than related parties	4,425.50	4,425.50
Total	11,768.75	9,913.00

(8) Other information	
Particulars	**Amount**
(i) Gross Non-Performing Assets	
(a) Related parties	-
(b) Other than related parties	1,716.49
(ii) Net Non-Performing Assets	
(a) Related parties	-
(b) Other than related parties	1,148.12
(iii) Assets acquired in satisfaction of debt	-

*comprises of cash credit and working capital demand loan

Indiabulls Housing Finance Limited

Notes to Standalone Financial Statements for the year ended March 31, 2023

(All amount in Rs. in Crore, except for share data unless stated otherwise)

(xx) A comparison between provisions required under Income recognition, asset classification and provisioning (IRACP) and impairment allowances as per Ind AS 109 'Financial instruments'

Asset Classification as per RBI Norms RBI Norms	Asset Classification as per Ind AS 109	Gross Carrying Amount as per Ind AS	Loss Allowances (Provisions) as required under Ind AS 109	Net Carrying Amount
		1	2	3=1-2
Performing Assets				
Standard	Stage1	41,845.08	373.90	41,471.18
	Stage2	5,141.15	101.70	5,039.45
Subtotal		**46,986.23**	**475.60**	**46,510.63**
Non-Performing Assets (NPA)				
Substandard	Stage3	872.32	284.06	588.26
Doubtful - up to 1 year	Stage3	791.02	257.63	533.39
1 to 3 years	Stage3	50.50	24.03	26.47
More than 3 years	Stage3	2.65	2.65	-
Subtotal for doubtful		**1,716.49**	**568.37**	**1,148.12**
Loss	Stage3	-	-	-
Subtotal for NPA				
Other items such as guarantees, loan commitments, etc. which are in the scope of Ind AS 109 but not covered under current Income Recognition, Asset Classification and Provisioning (IRACP) norms	Stage1	984.24	3.73	980.51
	Stage2	-	-	-
	Stage3	-	-	-
Subtotal		**984.24**	**3.73**	**980.51**
Total	Stage1	42,829.32	373.90	42,455.42
	Stage2	5,141.15	101.70	5,039.45
	Stage3	1,716.49	568.37	1,148.12
	Total	**49,686.96**	**1,043.97**	**48,642.99**

Asset Classification as per RBI Norms RBI Norms	Asset Classification as per Ind AS 109	Provisions required as per IRACP norms	Difference between Ind AS 109 provisions and IRACP norms
		4	5=2-4
Performing Assets			
Standard	Stage1	329.77	44.13
	Stage2	90.80	10.90
Subtotal		**420.57**	**55.03**
Non-Performing Assets (NPA)			
Substandard	Stage3	218.08	65.98
Doubtful - up to 1 year	Stage3	197.80	59.83
1 to 3 years	Stage3	20.21	3.82
More than 3 years	Stage3	2.65	-
Subtotal for doubtful		**438.74**	**129.63**

(All amount in Rs. in Crore, except for share data unless stated otherwise)

Asset Classification as per RBI Norms RBI Norms	Asset Classification as per Ind AS 109	Provisions required as per IRACP norms	Difference between Ind AS 109 provisions and IRACP norms
		4	5=2-4
Loss	Stage3	-	-
Subtotal for NPA			
Other items such as guarantees, loan commitments, etc. which are in the scope of Ind AS 109 but not covered under	Stage1	-	3.73
current Income Recognition, Asset Classification	Stage2	-	-
and Provisioning (IRACP) norms	Stage3		
Subtotal		**-**	**3.73**
Total	Stage1	329.77	44.13
	Stage2	90.80	10.90
	Stage3	438.74	129.63
	Total	**859.31**	**184.66**

(xxi) The Company is mainly engaged in the housing finance and mortgage-backed lending business, and all other activities revolve around this main business of the Company. Further, all activities are conducted within India and as such there is no separate reportable segment, as per the Ind AS 108 - "Operating Segments" specified under Section 133 of the Act.

As an outcome of its asset-light business model, which has gained significant traction in the last two years, the Company retains on its balance sheet only a small portion of the housing loans disbursed by it. Consequently, in its present structure, the Company does not meet the Principal Business Criteria for Housing Finance Companies as laid out in para 5.3 of the Master Direction – Non Banking Financial Company – Housing Finance Company ("NBFC-HFC") (Reserve Bank) Directions, 2021 ("Master Directions"). With its long-term commitment to the asset-light business model, the Company has confirmed to the RBI that it is working on a plan for reorganization of the Company structure, and submitted to the RBI a board-approved plan to this effect. Subject to the requisite regulatory and statutory approvals, the reorganisation plan would entail consolidation of the Company's various entities into a larger NBFC-ICC. The RBI has given the Company time till September 30, 2023, to implement the board-approved plan for conversion of the Company into a Non-Banking Financial Company – Investment and Credit Company (NBFC-ICC). The Company has been advised by the National Housing Bank [NHB] to continue compliance with the Master Directions and other circulars issued by RBI as applicable to HFCs, and the Supervisory circulars issued by NHB.

(xxii) Disclosure of Unsecured Portfolio: Please refer note 8

(xxiii) Disclosure of Related party transactions and Group Structure : Please refer note 35

(xxiv) Disclosures on liquidity coverage ratio:

From	**December 1, 2021**	**December 1, 2022**	**December 1, 2023**	**December 1, 2024**	**December 1, 2025**
Minimum LCR	50%	60%	70%	85%	100%

	Q4 FY 2022-23		**Q3 FY 2022-23**	
	Total Unweighted Value(average)	**Total Weighted Value(average)**	**Total Unweighted Value(average)**	**Total Weighted Value(average)**
High Quality Liquid Assets				
1. Total High Quality Liquid Assets (HQLA)	**1,139.60**	**1,139.60**	**1,126.77**	**1,126.77**
Cash in Hand and Bank balance	1,139.60	1,139.60	1,126.77	1,126.77
Cash Outflow				
2. Deposit for deposit taking companies	NA	NA	NA	NA
3. Unsecured wholesale funding	-	-	-	-
4. Secured wholesale funding	2,037.57	2,343.21	1,164.16	1,338.79

(All amount in Rs. in Crore, except for share data unless stated otherwise)

	Q4 FY 2022-23		Q3 FY 2022-23	
	Total Unweighted Value(average)	**Total Weighted Value(average)**	**Total Unweighted Value(average)**	**Total Weighted Value(average)**
5 Additional Requirements, of which	-	-	-	-
(i) Outflow related to derivative exposures and other collateral requirements	-	-	-	-
(ii) Outflow related to loss of funding on debt products	-	-	-	-
(iii) Credit and Liquidity facilities	-	-	-	-
6 Contractual funding Obligations	200.00	230.00	200.00	230.00
7 Other Contingent funding Obligations		-		-
8. Total Cash Outflow	**2,237.57**	**2,573.21**	**1,364.16**	**1,568.79**
Cash Inflows				
9. Secure Lending	374.12	280.59	625.02	468.77
10. Inflow from fully performing exposure	1,126.34	844.75	1,048.84	786.63
11. Other Cash inflows	-	-	-	-
12. Total Cash Inflows	**1,500.46**	**1,125.34**	**1,673.86**	**1,255.40**
		Total Adjusted value		**Total Adjusted value**
13. Total HQLA		**1,139.60**		**1,126.77**
14. Total Net cash outflow over next 30 days		**1,447.87**		**392.20**
15. Liquidity Coverage Ratio		**79%**		**287%**

Note: In computing the above information certain estimates, assumptions and adjustments have been made by the Management for its regulatory submission which have been relied upon by the auditor

	Q2 FY 2022-23		Q1 FY 2022-23	
	Total Unweighted Value(average)	**Total Weighted Value(average)**	**Total Unweighted Value(average)**	**Total Weighted Value(average)**
High Quality Liquid Assets				
1. Total High Quality Liquid Assets (HQLA)	**776.86**	**776.86**	**1,793.99**	**1,793.99**
Cash in Hand and Bank balance	776.86	776.86	1,793.99	1,793.99
Cash Outflow				
2. Deposit for deposit taking companies	NA	NA	NA	NA
3. Unsecured wholesale funding	-	-	-	-
4. Secured wholesale funding	373.04	429.00	2,002.34	2,302.69
5 Additional Requirements, of which	-	-	-	-
(i) Outflow related to derivative exposures and other collateral requirements	-	-	-	-
(ii) Outflow related to loss of funding on debt products	-	-	-	-
(iii) Credit and Liquidity facilities	-	-	-	-
6 Contractual funding Obligations	200.00	230.00	200.00	230.00
7 Other Contingent funding Obligations		-		-
8. Total Cash Outflow	**573.04**	**659.00**	**2,202.34**	**2,532.69**
Cash Inflows				
9. Secure Lending	143.23	107.42	1,343.94	1,007.95
10. Inflow from fully performing exposure	1,322.02	991.51	1,095.35	821.51
11. Other Cash inflows	-	-	-	-
12. Total Cash Inflows	**1,465.25**	**1,098.93**	**2,439.29**	**1,829.46**

	Q2 FY 2022-23		Q1 FY 2022-23	
	Total Unweighted Value(average)	Total Weighted Value(average)	Total Unweighted Value(average)	Total Weighted Value(average)
		Total Adjusted value		Total Adjusted value
13. Total HQLA		**776.86**		**1,793.99**
14. Total Net cash outflow over next 30 days		**164.75**		**703.23**
15. Liquidity Coverage Ratio		**472%**		**255%**

(xxv) Intra group Exposure

Particulars	March 31 2023	March 31 2022
i) Total amount of intra-group exposures	6,554.99	7,437.36
ii) Total amount of top 20 intra-group exposures	6,554.99	7,437.36
iii) Percentage of intra-group exposures to total exposure of the NBFC on borrowers/customers	11.66%	12.30%

(xxvi) Unhedged foreign currency exposure - refer note 27(2)

(xxvii) Corporate Governance

(a) Composition of Board as on March 31, 2023

Name of Director	Director since	DIN	Number of board meetings		No. of other directorship
			Held	Attended	
Mr. Subhash Sheoratan Mundra	August 18, 2018	00979731	9	9	5
Mr. Gagan Banga	May 10,2005	00010894	9	9	1
Mr. Sachin Chaudhary	October 21, 2016	02016992	9	8	2
Mr. Ajit Kumar Mittal*	August 23, 2011	02698115	9	9	3
Mr. Achuthan Siddharth	July 3, 2020	00016278	9	9	9
Mr. Dinabandhu Mohapatra	November 23, 2020	07488705	9	9	1
Justice Gyan Sudha Misra (Retd.)	September 29, 2016	07577265	9	9	2
Mr. Satish Chand Mathur	March 8, 2019	03641285	9	9	7
Mr. Bishnu Charan Patnaik**	April 26, 2022	08384583	9	7	1

Name of Director	Remunerations			No. of shares held in and convertible instruments held in the NBFC
	Salary & other compensation	Sitting Fee	Commission/Incentive	
Mr. Subhash Sheoratan Mundra	-	0.10	2.00	NIL
Mr. Gagan Banga	10.59	-	-	3,541,105 Equity Shares
Mr. Sachin Chaudhary	7.05	-	-	127,500 Equity Shares
Mr. Ajit Kumar Mittal*	-	-	-	NIL
Mr. Achuthan Siddharth	-	0.10	0.75	NIL
Mr. Dinabandhu Mohapatra	-	0.10	0.60	NIL
Justice Gyan Sudha Misra (Retd.)	-	0.10	0.50	NIL
Mr. Satish Chand Mathur	-	0.10	0.25	NIL
Mr. Bishnu Charan Patnaik**	-	0.07	-	NIL

*Resigned from the Company w.e.f. May 22, 2023

(All amount in Rs. in Crore, except for share data unless stated otherwise)

**Resigned from the Company's board w.e.f. April 29, 2023, upon his appointment by the Appointments Committee of the Cabinet to the post of Whole-Time Member (Life), Insurance Regulatory and Development Authority of India (IRDAI)

(b) Details of change in composition of the Board during the current and previous financial year

Name of director	Capacity (i.e., Executive/ Non-Executive/ Chairman/ Promoter nominee/ Independent)	Nature of change (resignation, appointment)	Effective date
Mr. Shamsher Singh Ahlawat	Independent Director	Resigned on completion of 2nd term	28 September 2021
Mr. Prem Prakash Mirdha	Independent Director	Resigned on completion of 2nd term	28 September 2021
Mr. Sameer Gehlaut	Non-Executive Non-Independent Director	Resigned	14 March 2022
Mr. Bishnu Charan Patnaik*	LIC Nominee Director	Appointed	26 April 2022
Mr. Ajit Kumar Mittal**	Executive Director	Relinquished the office of Executive Director, with effect from April 26, 2022 upon attaining superannuation, but continued on the Board as a Non-executive, Non-Independent Director w.e.f. April 27, 2022	26 April 2022
Mr. Ashwini Omprakash Kumar	Deputy Managing Director	Due to his health reasons and personal commitments, has relinquished the office of Deputy Managing Director of the Company, with effect from December 31, 2022, but continued on the Board as a Non-executive, Non-Independent Director w.e.f. January 1, 2023	31 December 2022
Mr. Ashwini Omprakash Kumar	Non-Executive Non-Independent Director	Resignation	31 March 2023

*Resigned from the Company's board w.e.f. April 29, 2023, upon his appointment by the Appointments Committee of the Cabinet to the post of Whole-Time Member (Life), Insurance Regulatory and Development Authority of India (IRDAI).
**Resigned from the Company's board w.e.f. May 22, 2023

(c) Committees of the Board and their composition
(i) Name of the committee of the Board : **Audit Committee**
Summarized terms of reference-
- To oversee the financial reporting process and disclosure of financial information;
- To review with management, quarterly, half yearly and annual financial statements and ensure their accuracy and correctness before submission to the Board;
- To review with management and internal auditors, the adequacy of internal control systems, approving the internal audit plans/ reports and reviewing the efficacy of their function, discussion and review of periodic audit reports including findings of internal investigations;
- To recommend the appointment of the internal and statutory auditors and their remuneration;
- To review and approve required provisions to be maintained as per IRAC norms and write off decisions;
- To hold discussions with the Statutory and Internal Auditors;
- Review and monitoring of the auditor's independence and performance, and effectiveness of audit process;
- Examination of the auditors' report on financial statements of the Company (in addition to the financial statements) before submission to the Board;
- Approval or any subsequent modification of transactions of the Company with related parties;
- Scrutiny of inter-corporate loans and investments;
- Review of Credit Concurrent Audit Report/ Concurrent Audit Report of Treasury;
- Valuation of undertakings or assets of the Company, wherever it is necessary;

- Monitoring the end use of funds raised through public offers and related matters as and when such funds are raised and also reviewing with the management the utilization of the funds so raised, for purposes other than those stated in the relevant offer document, if any and making appropriate recommendations to the Board in this regard;
- Evaluation of the risk management systems (in addition to the internal control systems);
- Review and monitoring of the performance of the statutory auditors and effectiveness of the audit process;
- To hold post audit discussions with the auditors to ascertain any area of concern;
- To review the functioning of the whistle blower mechanism;
- Approval to the appointment of the CFO after assessing the qualifications, experience and background etc. of the candidate;
- Approval of Bad Debt Write Off in terms of the Policy;
- Review of information system audit of the internal systems and processes to assess the operational risks faced by the Company and also ensures that the information system audit of internal systems and processes is conducted periodically; and
- Reviewing the utilization of loans and/or advances and/or investment by the Company to its subsidiary companies, exceeding rupees 100 Crores or 10% of the assets side of the respective subsidiary companies, whichever is lower, including existing loans / advances / investment existing as on April 1, 2019.

Composition and other details

Name of director	Member of committee since	Capacity (i.e., Executive/ Non-Executive/ Chairman/ Promoter nominee/ Independent)		
Mr. Achuthan Siddharth	November 11, 2020	Chairman	Independent Director	Non-Executive
Mr. Dinabandhu Mohapatra	September 30, 2021	Member	Independent Director	Non-Executive
Justice Gyan Sudha Misra (Retd.)	January 31, 2019	Member	Independent Director	Non-Executive

Name of director	Number of board committee meeting		No. of shares held in NBFC
	Held	Attended	
Mr. Achuthan Siddharth	5	5	NIL
Mr. Dinabandhu Mohapatra	5	5	NIL
Justice Gyan Sudha Misra (Retd.)	5	5	NIL

(ii) Name of the committee of the Board : **Nomination & Remuneration Committee**

Summarized terms of reference-

- Formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the board of directors a policy relating to, the remuneration of the directors, key managerial personnel and other employees;
- Formulation of criteria for evaluation of performance of independent directors and the board of directors;
- Devising a policy on diversity of board of directors;
- Identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the board of directors their appointment and removal;
- Whether to extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors;
- To ensure 'fit and proper' status of proposed/ existing directors;
- To recommend to the Board all remuneration, in whatever form, payable to Directors, KMPs and senior management;
- Framing suitable policies and systems to ensure that there is no violation, by an employee of any applicable laws in India or overseas, including:

> The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015; or
>The Securities and Exchange Board of India (Prohibition of Fraudulent and Unfair Trade Practices relating to the Securities Market) Regulations, 1995; and

- Perform such functions as are required to be performed by the Nomination & Remuneration Committee under the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014.

Composition and other details

Name of director	Member of committee since	Capacity (i.e., Executive/ Non-Executive/ Chairman/ Promoter nominee/ Independent)		
Mr. Dinabandhu Mohapatra	September 30, 2021	Chairman	Independent Director	Non-Executive
Justice Gyan Sudha Misra (Retd.)	January 31, 2019	Member	Independent Director	Non-Executive
Mr. Satish Chand Mathur	September 30, 2021	Member	Independent Director	Non-Executive

Name of director	Number of board committee meeting		No. of shares held in NBFC
	Held	Attended	
Mr. Dinabandhu Mohapatra	8	8	NIL

(All amount in Rs. in Crore, except for share data unless stated otherwise)

Name of director	Number of board committee meeting		No. of shares held in NBFC
	Held	Attended	
Justice Gyan Sudha Misra (Retd.)	8	6	NIL
Mr. Satish Chand Mathur	8	8	NIL

(iii) Name of the committee of the Board : **Stakeholders Relationship Committee**

Summarized terms of reference-
- To approve requests for share transfers and transmissions;
- To approve the requests pertaining to remat of shares/sub-division/consolidation/issue of renewed and duplicate share certificates etc.;
- To oversee all matters encompassing the shareholders' / investors' related issues;
- Resolving the grievances of the security holders of the Company, including complaints related to transfer/transmission of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new/duplicate certificates, general meetings etc.
- Review of measures taken for effective exercise of voting rights by shareholders.
- Review of adherence to the service standards adopted by the Company in respect of various services being rendered by the Registrar & Share Transfer Agent.
- Review of the various measures and initiatives taken by the Company for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the Company.

Composition and other details

Name of director	Member of committee since	Capacity (i.e., Executive/ Non-Executive/ Chairman/ Promoter nominee/ Independent)		
Justice Gyan Sudha Misra (Retd.)	September 30, 2021	Chairman	Independent Director	Non-Executive
Mr. Dinabandhu Mohapatra	September 30, 2021	Member	Independent Director	Non-Executive
Mr. Sachin Chaudhary	March 31, 2023	Member	Executive Director	Executive Director
Mr. Ashwini Omprakash Kumar*	September 29, 2014	Member	Non-Executive Non-Independent Director*	Non-Executive

Name of director	Number of board committee meeting		No. of shares held in NBFC
	Held	Attended	
Justice Gyan Sudha Misra (Retd.)	6	6	NIL
Mr. Dinabandhu Mohapatra	6	6	NIL
Mr. Sachin Chaudhary	6	0	127,500 Equity Shares
Mr. Ashwini Omprakash Kumar*	6	6	NIL

*Resigned from the Company w.e.f. March 31, 2023 [Deputy Managing Director till December 31, 2022 & Non -Executive Non-independent Director from January 1, 2023 till March 31, 2023

(iv) Name of the committee of the Board : **Risk Management Committee**
Summarized terms of reference-
- Approve the Credit/Operation Policy and its review/modification from time to time
- Review of applicable regulatory requirements;
- Approve all the functional policies of the Company;
- Place appropriate mechanism in the system to cater Fraud while dealing with customers/approval of loans etc;
- Review of profile of the high loan Customers and periodical review of the same;
- Review of Branch Audit Report;
- Review Compliances of lapses;
- Review of implementation of FPCs, KYC and PMLA guidelines;
- Define loan sanctioning authorities, including process of vetting by credit committee, for various types/values of loans as specified in Credit Policy approved by the BoDs;
- Review the SARFAESI cases;
- Recommend Bad Debt Write Off in terms of the Policy, for approval to Audit Committee;
- Ensure appropriate mechanisms to detect customer fraud and cyber security during the loan approval process etc.; and
- Any other matter involving Risk to the asset/business of the Company.

(All amount in Rs. in Crore, except for share data unless stated otherwise)

Composition and other details

Name of director/member	Member of committee since	Capacity (i.e., Executive/ Non-Executive/ Chairman/ Promoter nominee/ Independent)		
Mr. Dinabandhu Mohapatra	September 30, 2021	Chairman	Independent Director	Non-Executive
Mr. Ajit Kumar Mittal*	March 31, 2023	Member	Non-Executive Non-Independent Director*	Non-Executive
Mr. Achuthan Siddharth	February 9, 2022	Member	Independent Director	Non-Executive
Mr. Satish Chand Mathur	February 9, 2022	Member	Independent Director	Non-Executive
Mr. Naveen Uppal	March 31, 2023	Member	Chief Risk Officer	NA
Mr. Gagan Banga**	March 9, 2016	Member	Vice-Chairman, Managing Director & CEO	Non-Executive

Name of director/member	Number of board committee meeting		No. of shares held in NBFC
	Held	Attended	
Mr. Dinabandhu Mohapatra	7	7	NIL
Mr. Ajit Kumar Mittal*	7	-	NIL
Mr. Achuthan Siddharth	7	6	NIL
Mr. Satish Chand Mathur	7	7	NIL
Mr. Naveen Uppal	7	-	26648 Equity Shares
Mr. Gagan Banga**	7	6	3,541,105 Equity Shares

*Executive Director till April 26 , 2022 and Non -Executive Non-independent Director from April 27, 2022

**Ceased to be Member of the Committee w.e.f. March 31, 2023

(v) Name of the committee of the Board :**Corporate Social Responsibility [CSR] Committee**

Summarized terms of reference-

- To recommend to the Board, the CSR activity to be undertaken by the Company;
- To approve the expenditure to be incurred on the CSR activity;
- To oversee and review the effective implementation of the CSR activity; and
- To ensure compliance of all related applicable regulatory requirements.

Composition and other details

Name of director	Member of committee since	Capacity (i.e., Executive/ Non-Executive/ Chairman/ Promoter nominee/ Independent)		
Justice Gyan Sudha Mishra [Retd.]	September 30, 2021	Chairman	Independent Director	Non-Executive
Mr. Ajit Kumar Mittal*	March 31, 2023	Member	Non-Executive Non-Independent Director	Non-Executive
Mr. Sachin Chaudhary	March 31, 2023	Member	Executive Director	Non-Executive
Mr. Gagan Banga**	March 19, 2014	Member	Vice-Chairman, Managing Director & CEO	Non-Executive
Mr. Ashwini Omprakash Kumar***	March 19, 2014	Member	Non-Executive Non-Independent Director	Non-Executive

Name of director	Number of board committee meeting		No. of shares held in NBFC
	Held	Attended	
Justice Gyan Sudha Mishra [Retd.]	3	2	NIL
Mr. Ajit Kumar Mittal*	3	1	NIL
Mr. Sachin Chaudhary	3	1	1,27,500 Equity Shares
Mr. Gagan Banga**	3	2	3,541,105 Equity Shares
Mr. Ashwini Omprakash Kumar***	3	2	NIL

*Ceased to be Member of the Committee w.e.f. May 22, 2023

**Ceased to be Member of the Committee w.e.f. March 31, 2023
***Resigned from the Company w.e.f. March 31, 2023 [Deputy Managing Director till December 31, 2022 & Non -Executive Non-independent Director from January 1, 2023 till March 31, 2023

(D) General Body Meetings FY 2022-23

Type of meeting (Annual/Extra Ordinary)	**Date and Place**	**Special resolutions passed**
Extraordinary General Meeting	April 18, 2022	1.Issue of Non-Convertible Debentures, not in nature of equity shares, of the Company, on private placement basis, upto the existing authorizations of Rs. 50,000 Crores
17th Annual General Meeting	September 26, 2022	1. Re-appointment of Mr. Gagan Banga (DIN: 00010894) as a Whole-Time Director & Key Managerial Personnel and designated as Vice Chairman, Managing Director & CEO of the Company, for a further period of five years, with effect from March 19, 2023. 2.Re-appointment of Mr. Ashwini Omprakash Kumar (DIN: 03341114) as a Whole-Time Director & Key Managerial Personnel and designated as Deputy Managing Director of the Company, for a further period of five years, with effect from March 19, 2023. 3.Issuance of Non-Convertible Debentures, not in the nature of equity shares, of the Company, on private placement basis, upto the existing authorization of Rs. 50,000 Crores. 4.Payment of remuneration/ commission/ incentives subject to an overall ceiling of 1% (one percent) of the net profits of the Company, to Non-Executive Directors, every year for a period of three years with effect from April 1, 2023.

(E) Details of non-compliance with requirements of Companies Act, 2013 :**None**

(F) Breach of covenant : none

(G) Divergence in Asset Classification and Provisioning: NA for Current Year

(H) As per the SBR framework issued by Reserve Bank, NBFC-UL shall be mandatorily listed within three years of identification as NBFC-UL. Accordingly, upon being identified as NBFC-UL, unlisted NBFC-ULs shall draw up a Board approved roadmap for compliance with the disclosure requirements of a listed Company under the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015. - NA as the Equity Shares and Non-convertible debentures of the Company are already listed at BSE Limited and National Stock Exchange of India Limited.

(xxviii) Sectoral Exposure

Sectors	**March 31, 2023**		
	Total Exposure (includes on balance sheet and off-balance sheet exposure) (Rs. lakhs)	**Gross NPAs (Rs. lakhs)**	**Percentage of Gross NPAs to total exposure in that sector**
1. Agriculture and Allied Activities	-	-	0%
2. Industry			
i)			
ii)			
Others			
Total of Industry			

Sectors	**March 31, 2023**		
	Total Exposure (includes on balance sheet and off-balance sheet exposure) (Rs. lakhs)	**Gross NPAs (Rs. lakhs)**	**Percentage of Gross NPAs to total exposure in that sector**
3. Services			
i) Commercial Real Estate	1,737,657.27	86,314.19	5%
ii)			
Others			
Total of Services			
4. Personal loans			
i) Personal Loan	16,912.23	-	0%
ii)		-	
Others			
Total of Personal loan			
5. Others, if any			
Vehicle loan	-	-	0%
Other retail loan	2,875,038.04	85,335.96	3%

Sectors	**March 31, 2022**		
	Total Exposure (includes on balance sheet and off-balance sheet exposure) (Rs. lakhs)	**Gross NPAs (Rs. lakhs)**	**Percentage of Gross NPAs to total exposure in that sector**
1. Agriculture and Allied Activities	-	-	0%
2. Industry			
i)			
ii)			
Others			
Total of Industry			
3. Services			
i) Commercial Real Estate	1,692,176.58	94,054.54	6%
ii)			
Others			
Total of Services			
4. Personal loans			
i) Personal Loan	22,687.51	-	0%
ii)			
Others			
Total of Personal loan			
5. Others, if any			
Vehicle loan	21.95	0.66	3%
Other retail loan	3,308,858.06	111,717.34	3%

(40) (1) Detail of Loans transferred / acquired during the Year ended March 31 ,2023 under the Master Direction - RBI(Transfer of Loan Exposures) Directions , 2021 Dated September 24 ,2021 as given below:

(All amount in Rs. in Crore, except for share data unless stated otherwise)

(i) Details of Loans not in Default transferred / acquired through assignment :

Particulars	Year Ended March 31 2023		Year Ended March 31 2022	
	Transferred	Acquired	Transferred	Acquired
Count of Loan accounts Assigned	12,914	23	11,588	975
Amount of Loan accounts Assigned	3,533.59	2,388.30	2,512.42	1,196.58
Retention of beneficial economic interest (MRR)	643.83	-	430.71	-
Weighted Average Maturity (Residual Maturity in months)	182.98	12.70	188.27	98.43
Weighted Average Holding Period [in months]	4.58	19.71	9.60	20.92
Coverage of tangible security coverage	1.00	1.00	1.00	1.00
Rating-wise distribution of rated loans	Unrated	Unrated	Unrated	Unrated

(ii) Details of stressed loans transferred during the year

Particulars	To Asset Reconstruction Companies (ARC)		
	Year Ended March 31 2023*		
	NPA	SMA	Total
Number of accounts	44.00	-	44.00
Aggregate principal outstanding of loans transferred (Rs. in crore)	104.98	-	104.98
Weighted average residual tenor of the loans transferred (in months)	171.09		171.09
Net book value of loans transferred (at the time of transfer) (Rs. in crore	78.73		78.73
Aggregate consideration (Rs. in crore)	89.16		89.16
Additional consideration realized in respect of accounts transferred in earlier year	-	-	-
Excess provisions reversed to the Profit and Loss Account on account of sale	-	-	-

*Apart from above Company has assigned 36 written off loans to ARCs for purchase consideration Rs. 0.14 Crore during the financial year 2022-23

Particulars	To Asset Reconstruction Companies (ARC)		
	Year Ended March 31 2022*		
	NPA	SMA	Total
Number of accounts	67,183.00	10.00	67,193.00
Aggregate principal outstanding of loans transferred (Rs. in crore)	1,649.12	1,593.35	3,242.47
Weighted average residual tenor of the loans transferred (in months)	117.73	56.38	174.10
Net book value of loans transferred (at the time of transfer) (Rs. in crore	1,236.84	1,545.06	2,781.90
Aggregate consideration (Rs. in crore)	1,409.36	1,593.35	3,002.71
Additional consideration realized in respect of accounts transferred in earlier year	-	-	-
Excess provisions reversed to the Profit and Loss Account on account of sale	-	-	-

*Apart from above Company has assigned 139 written off loans to ARCs for purchase consideration Rs.63.31 Cr during the financial year 2021-22

(iii) The Company has not acquired any stressed loan during the year ended 31 March 2023

(iv) Details of Security Receipts held and Credit rating during the year ended 31 Mar 2023

Recovery Rating	Anticipated recovery as per recovery rating	Amount (Rs. In crores)
RR1+	150% and above	2.25
RR1	100% - 150%	467.75
RR4	25% - 50%	209.77
Unrated	100% - 150%	133.88
Total		**813.65**

* Rating in process, pursuant to regulatory norms, the ARC shall obtain initial rating of Security Receipts(SR) from an approved credit rating agency within a period of 6 months from the date of acquisition

(All amount in Rs. in Crore, except for share data unless stated otherwise)

(2) Disclosures under Master Direction - Reserve Bank of India (Securitisation of Standard Assets) Directions , 2021 dated September 24 ,202

Particulars	**As at March 31 , 2023**	**As at March 31 , 2022**
(1) No of SPEs holding assets for securitisation transactions originated by the originato	29	29
(2) Total amount of securitised assets as per books of the SPEs	24,264.37	18,911.08
(3) Total amount of exposures retained by the originator to comply with MRR as on the date of balance shee	565.36	887.63
a) Off-balance sheet exposures		
First loss		
Others		
b) On-balance sheet exposures	565.36	887.63
First loss	565.36	887.63
Others	-	-
(4) Amount of exposures to securitisation transactions other than MRR	-	-
a) Off-balance sheet exposures	-	-
i) Exposure to own securitisations	-	-
First loss	-	-
Others	-	-
ii) Exposure to third party securitisations	-	-
First loss	-	-
Others	-	-
b) On-balance sheet exposures	19,161.88	13,392.13
i) Exposure to own securitisations	19,161.88	13,392.13
First loss		-
Others	19,161.88	13,392.13
ii) Exposure to third party securitisations		-
First loss		-
Others		-
(5) Sale consideration received for the securitised assets	29,437.18	23,512.21
(6) Gain/loss on sale on account of securitisation	-	-

(41) (i) Disclosures pursuant to RBI Notification - RBI/2020-21/16 DOR.No.BP.BC/3/21.04.048/2020-21 dated 6 August 2020 and RBI/2021- 22/31/DOR.STR.REC.11 /21.04.048/2021-22 dated 5 May 2021

Type of borrower	Exposure to accounts classified as Standard consequent to implementation of resolution plan – Position as at the end of the previous half-year ended 30 September 2022(A)@	Of (A), aggregate debt that slipped into NPA during the half-year ended 31 March 2023	Of (A) amount written off during the half-year ended 31 March 2023	Of (A) amount paid by the borrowers during the half-year ended 31 March 2023	Exposure to accounts classified as Standard consequent to implementation of resolution plan – Position as at the end of half-year ended 31 March 2023#
Personal Loans	39.32	0.21	-	11.45	27.76
Corporate persons*	6.62	-	-	1.32	5.30
Of which, MSMEs	4.27	-	-	(0.04)	4.31
Others	2.35	-	-	1.36	0.99
Total	**45.94**	**0.21**	**-**	**12.77**	**33.06**

**As defined in Section 3(7) of the Insolvency and Bankruptcy Code, 2016*

 # Includes restructured loans which were "substandard" in previous half-year but upgraded during the half-year ended 31 March 2023

@ Includes restructuring done in respect of resolution invoked till September 30, 2022 and processed subsequently

(All amount in Rs. in Crore, except for share data unless stated otherwise)

(ii) Disclosure on refund of Interest on Interest amount : Pursuant to the Notification Vide: RBI/2021-22/17 DOR.STR.REC.4/21.04.048/2021-22 dated April 7, 2021, during the financial year 2020-21 the Company has refunded/adjusted amount of Rs. 75.02 Crs to its borrowers, which was initially charged as Interest on Interest amount during the moratorium Period of March 1, 2020 to August 31, 2020.

(iii) The Company has setup an Asset Liability Management Committee (ALCO), to handle liquidity risk management. ALCO committee reviews our asset and liability positions and gives directions to our finance and treasury teams in managing the same. Our risk management committee approves, reviews, monitors and modifies our credit and operation policy from time to time, reviews regulatory requirements and implements appropriate mechanisms and guidelines related to risk Management.

(42) Fair value measurement

42.1 Valuation principles

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

In order to show how fair values have been derived, financial instruments are classified based on a hierarchy of valuation techniques.

42.2 Valuation governance

The Company's process to determine fair values is part of its periodic financial close process. The Audit Committee exercises the overall supervision over the methodology and models to determine the fair value as part of its overall monitoring of financial close process and controls. The responsibility of ongoing measurement resides with business units . Once submitted, fair value estimates are also reviewed and challenged by the Risk and Finance functions.

42.3 Assets and liabilities by fair value hierarchy

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

	As at March 31, 2023			
	Level 1	**Level 2**	**Level 3**	**Total**
	Amount			
Assets measured at fair value on a recurring basis				
Derivative financial instruments				
Forward contracts	-	2.41	-	2.41
Interest rate swaps	-	20.31	-	20.31
Currency swaps	-	143.60	-	143.60
Currency options		-		-
Total derivative financial instruments	-	**166.32**	-	**166.32**
Financial investment measured at FVTPL				
Government Debt Securities	-	-	-	-
Debt Securities	-	2,548.88	-	2,548.88
Mutual Funds	88.62	2,991.19	-	3,079.81
Commercial Papers	-	123.39	-	123.39
Total financial assets measured at FVTPL	**88.62**	**5,829.78**	-	**5,918.40**
Financial investments measured at FVOCI				
Equities	-	-		-
Mutual Funds	-	302.89		302.89
Total financial investments measured at FVOCI	**-**	**302.89**	**-**	**302.89**
Total assets measured at fair value on a recurring basis	**88.62**	**6,132.67**	**-**	**6,221.29**
Liabilities measured at fair value on a recurring basis				
Derivative financial instruments				
Forward contracts	-	14.82	-	14.82

(All amount in Rs. in Crore, except for share data unless stated otherwise)

	As at March 31, 2023			
	Level 1	**Level 2**	**Level 3**	**Total**
	Amount			
Interest rate swaps	-	-	-	-
Currency swaps	-	-	-	-
Total derivative financial instruments	**-**	**14.82**	**-**	**14.82**
Total financial liabilities measured at fair value	**-**	**14.82**	**-**	**14.82**

	As at March 31, 2022			
	Level 1	**Level 2**	**Level 3**	**Total**
	Amount			
Assets measured at fair value on a recurring basis				
Derivative financial instruments				
Forward contracts	-	2.93	-	2.93
Interest rate swaps	-	-	-	-
Currency swaps	-	146.19	-	146.19
Currency options		-		-
Total derivative financial instruments	**-**	**149.12**	**-**	**149.12**
Financial investment measured at FVTPL				
Government Debt Securities	-	508.65	-	508.65
Debt Securities	-	2,455.03	-	2,455.03
Mutual Funds	201.03	3,099.06	-	3,300.09
Commercial Papers	-	98.84	-	98.84
Total financial assets measured at FVTPL	**201.03**	**6,310.70**	-	**6,511.73**
Financial investments measured at FVOCI				
Equities	-	1.85		1.85
Total financial investments measured at FVOCI	**-**	**1.85**	**-**	**1.85**
Total assets measured at fair value on a recurring basis	**201.03**	**6,312.55**	-	**6,513.58**
Liabilities measured at fair value on a recurring basis				
Derivative financial instruments				
Forward contracts	-	101.60	-	101.60
Interest rate swaps	-	21.11	-	21.11
Currency swaps	-	-	-	-
Total derivative financial instruments	**-**	**122.71**	**-**	**122.71**
Total financial liabilities measured at fair value	**-**	**122.71**	**-**	**122.71**

42.4 Valuation techniques

Debt securities, Commercial papers and government debt securities

Fair value of these instruments is derived based on the indicative quotes of price and yields prevailing in the market as at reporting date and are classified as Level 2

Equity instruments

Equity instruments in non-listed entities are initially recognised at transaction price and re-measured and valued on a case-by-case and classified as Level 2. Fair value is the price of recent transaction as there has not been a significant lapse of time since the last transaction took place.

(All amount in Rs. in Crore, except for share data unless stated otherwise)

Mutual Funds

Open ended mutual funds are valued at NAV declared by respective fund house and are classified under Level 1.

Interest rate swaps, Currency swaps and Forward rate contracts

The fair value of Interest rate swaps is calculated as the present value of estimated cash flows based on observable yield curves. The fair value of Forward foreign exchange contracts and currency swaps is determined using observable foreign exchange rates and yield curves at the balance sheet date.

42.5 There have been no transfers between Level 1, Level 2 and Level 3 for the year ended March 31, 2023 and March 31, 2022.

42.6 Fair value of financial instruments not measured at fair value

Set out below is a comparison, by class, of the carrying amounts and fair values of the Company's financial instruments that are not carried at fair value in the financial statements. This table does not include the fair values of non–financial assets and non–financial liabilities.

	As at March 31, 2023				
	Carrying Value	Fair Value			
		Level 1	Level 2	Level 3	Total
	Amount				
Financial Assets:					
Cash and cash equivalent	2,837.83	-	-	-	*
Bank balances other than cash and cash equivalent	1,401.70	-	-	-	*
Trade Receivables	1.19	-	-	-	*
Loans and advances:	47,658.76	-	-	-	*
Other Financial assets:	2,875.89	-	-	-	*
Total financial assets	**54,775.37**	**-**	**-**	**-**	**-**
Financial Liabilities:					
Trade payables	3.48	-	-	-	*
Debt securities	17,833.88	-	17,376.30	-	17,376.30
Borrowing other than debt securities	25,572.95	-	-	-	*
Subordinated Liabilities	4,066.28	-	4,140.73	-	4,140.73
Other financial liability	4,273.64	-	-	-	*
Total financial liabilities	**51,750.23**	**-**	**21,517.03**	**-**	**21,517.03**

	As at March 31, 2022				
	Carrying Value	Fair Value			
		Level 1	Level 2	Level 3	Total
	Amount				
Financial Assets:					
Cash and cash equivalent	7,605.90	-	-	-	*
Bank balances other than cash and cash equivalent	1,644.96	-	-	-	*
Trade Receivables	1.20	-	-	-	*
Loans and advances:	50,757.18	-	-	-	*
Other Financial assets:	1,078.25	-	-	-	*
Total financial assets	**61,087.49**	**-**	**-**	**-**	**-**
Financial Liabilities:					
Trade payables	0.63	-	-	-	*
Debt securities	23,555.93	-	24,273.35	-	24,273.35
Borrowing other than debt securities	29,045.49	-	-	-	*
Subordinated Liabilities	4,296.03	-	4,624.18	-	4,624.18

(All amount in Rs. in Crore, except for share data unless stated otherwise)

	As at March 31, 2022				
	Carrying Value	Fair Value			
		Level 1	Level 2	Level 3	Total
	Amount				
Other financial liability	2,705.02	-	-	-	*
Total financial liabilities	**59,603.10**	**-**	**28,897.53**	**-**	**28,897.53**

42.7 Valuation methodologies of financial instruments not measured at fair value

Below are the methodologies and assumptions used to determine fair values for the above financial instruments which are not recorded and measured at fair value in the Company's financial statements. These fair values were calculated for disclosure purposes only. The below methodologies and assumptions relate only to the instruments in the above tables.

Debt Securities & Subordinated liabilities

These includes Subordinated debt, secured debentures, unsecured debentures. The fair values of such liabilities are estimated using a discounted cash flow model based on contractual cash flows using actual or estimated yields and discounting by yields incorporating the credit risk. These instrument are classified in Level 2.

***Assets and Liabilities other than above**

The carrying value of assets and liabilities other than investments at amortised cost, debt securities and subordinated liabilities represents a reasonable approximation of fair value.

(43) Transfers of financial assets

Transfers of financial assets that are not derecognised in their entirety

Securitisations: The Company uses securitisations 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 securitised 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 derecognised in their entirety and associated liabilitie

	As at March 31, 2023	As at March 31, 2022
Securitisations	Amount	Amount
Carrying amount of transferred assets measured at amortised cost	21,952.01	18,680.21
Carrying amount of associated liabilities	(6,265.04)	(5,706.12)
The carrying amount of above assets and liabilities is a reasonable approximation of fair value		

Transfers of financial assets that are derecognised in their entirety

The Company has elected to apply the de-recognition provisions of Ind AS 109 prospectively from the date of transition to Ind AS. Thus, Pre-transition securitisation deals continues to be de-recognised in their entirety

The table below outlines details for each type of continued involvement relating to transferred assets derecognised in their entirety

Particulars	Carrying amount of continuing involvement in statement of financial position		Fair value of continuing involvement		Maximum exposure to loss
	Balance with banks	Liabilities	Balance with banks	Liabilities	
Type of continuing involvement	Amount				
Securitisation					
March 31, 2023	-	-	-	-	-
March 31, 2022	281.64	-	281.64	-	281.64

(All amount in Rs. in Crore, except for share data unless stated otherwise)

Assignment Deals

During the year ended March 31, 2023, the Company has sold some loans and advances measured at amortised cost 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 derecognised.

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.

The table below summarises the carrying amount of the derecognised financial assets measured at amortised cost and the gain/(loss) on derecognition, per type of asset.

Loans and advances measured at amortised cost	Year ended March 2023	Year ended March 2022
	Amount	
Carrying amount of derecognised financial assets	2,889.75	2,081.71
Gain/(loss) from derecognition (for the respective financial year	422.72	129.70

Since the Company transferred the above financial asset in a transfer that qualified for derecognition in its entirety therefore the whole of the interest spread (over the expected life of the asset) is recognised on the date of derecognition itself as interest-only strip receivable ("Receivables on assignment of loan") and correspondingly recognised as profit on derecognition of financial asset.

Transfers of financial assets that are not derecognised in their entirety

During the year ended March 31, 2021, the Company had sold some loans and advances measured at amortised cost 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 not being met, the assets have been re-recognised.

The table below summarises the carrying amount of the re-recognised financial assets measured at amortised cost and the gain/(loss) on re-recognition, per type of asset.

Loans and advances measured at amortised cost	As at March 2023	As at March 2022
Carrying amount of transferred assets measured at amortised cost	720.04	1,003.74
Carrying amount of associated liabilities	(899.88)	(1,038.99)

The carrying amount of above assets and liabilities is a reasonable approximation of fair value

(44) Capital management-

For the purpose of the Company's capital management, capital includes issued equity capital, share premium and all other equity reserves attributable to the equity holders of the Company. The primary objective of the Company's capital management is to maximise the shareholder value. The Company monitors capital using a capital adequacy ratio as prescribed by the NHB/RBI guidelines. Refer note 39(1)(i) for details.

(45) Risk Management

Introduction and risk profile

Indiabulls Housing Finance Ltd. (IBHFL) is a housing finance Company in India and is regulated by the National Housing Bank (NHB) and Reserve Bank of India(RBI). In view of the intrinsic nature of operations, the Company is exposed to a variety of risks, which can be broadly classified as credit risk, market risk, liquidity risk and operational risk. It is also subject to various regulatory risks.

Risk management structure and policies

As a lending institution, Company is exposed to various risks that are related to lending business and operating environment. The Principal Objective in Company 's risk management processes is to measure and monitor the various risks that Company is subject to and to follow policies and procedures to address such risks. Company 's risk management framework is driven by Board and its subcommittees including the Audit Committee, the Asset Liability Management Committee and the Risk Management Committee. Company gives due importance to prudent lending practices and have implemented suitable measures for risk mitigation, which include verification of credit history from credit information bureaus, personal verification of a customer's business and residence, technical and legal verifications, conservative loan to value, and required term cover for insurance. The major types of risk Company face in businesses are liquidity risk, credit risk, interest rate risk and equity price risk.

(A) Liquidity risk

Liquidity risk is the potential for loss to an entity arising from either its inability to meet its obligations or to fund increases in assets as they fall due without incurring unacceptable cost or losses.

The Company manages liquidity risk by maintaining sufficient cash and cash equivalents (including marketable securities) to meet its obligations at all times. It also ensures having access to funding through an adequate amount of committed credit lines. The Company's treasury department is responsible for liquidity and funding as well as settlement management. In addition, processes and policies related to such risks are overseen by senior management and the management regularly monitors the position of cash and cash equivalents vis-à-vis projections. Assessment of maturity profiles of financial assets and financial liabilities including debt financing plans and maintenance of Balance Sheet liquidity ratios are considered while reviewing the liquidity position.

The table below summarises the maturity profile of the undiscounted cash flows of the Company's financial liabilities. In FY2022-23 'Upto one month borrowings from banks and others' includes repo borrowings of Rs. Nil Crore(Previous Year Rs. 522.52) with specific collateral of investments in government securities:

Particulars	As At March 31, 2023				
	Upto One month	**Over one months to 2 years**	**2 years to 5 years**	**more than 5 years**	**Total**
Borrowings from Banks and Others	5,375.26	22,201.31	22,903.95	5,334.53	55,815.05
Lease liability recognised under Ind AS 116	10.97	90.51	139.46	56.86	297.80
Trade Payables	3.48	-	-	-	3.48
Amount payable on Assigned Loans	1,865.22	-	-	-	1,865.22
Other liabilities	506.38	420.15	-	-	926.53
Temporary Overdrawn Balances as per books	-	-	-	-	-
Unclaimed Dividends	3.39	-	-	-	3.39
Derivatives	0.26	(48.21)	(18.63)	-	(66.58)
Foreign Currency Forward payable	-	269.16	321.24	-	590.40
Undrawn Loan Commitments	30.00	954.25	-	-	984.25
Corporate Guarantee for Subsidiary	-	281.07	100.00	-	381.07
Servicing liability on assigned loans	1.24	24.34	18.43	4.00	48.01
	7,796.20	**24,192.58**	**23,464.45**	**5,395.39**	**60,848.62**

Particulars	As At March 31, 2022				
	Upto One month	**Over one months to 2 years**	**2 years to 5 years**	**more than 5 years**	**Total**
Borrowings from Banks and Others	4,686.30	30,827.91	17,989.54	16,932.05	70,435.80
Lease liability recognised under Ind AS 116	2.44	52.93	101.30	37.99	194.66
Trade Payables	0.63	-	-	-	0.63
Amount payable on Assigned Loans	814.01	-	-	-	814.01
Other liabilities	152.29	54.08	-	-	206.37
Temporary Overdrawn Balances as per books	-	-	-	-	-
Unclaimed Dividends	4.03	-	-	-	4.03
Derivatives	(0.49)	97.85	-	-	97.36
Foreign Currency Forward payable	-	410.31	128.66	-	538.97
Undrawn Loan Commitments	90.00	1,369.24	-	-	1,459.24
Corporate Guarantee for Subsidiary	-	360.86	200.64	-	561.50
Servicing liability on assigned loans	2.73	47.84	31.48	3.19	85.24
	5,751.94	**33,221.02**	**18,451.62**	**16,973.23**	**74,397.81**

(B) Maturity analysis of assets and liabilities

The table below shows an analysis of assets and liabilities according to when they are expected to be recovered or settled after factoring in rollover and prepayment assumptions.

Particulars	**Balance as at March 31, 2023**		
	Within 12 Months	**After 12 Months**	**Total**
ASSETS			
Financial Assets			
Cash and cash equivalents	2,837.83	-	2,837.83
Bank balance other than cash and cash equivalents	781.55	620.15	1,401.70
Derivative financial instruments	134.92	31.40	166.32
Receivables			
(i) Trade Receivables	1.19	-	1.19
(ii) Other Receivables	-	-	-
Loans	9,822.72	37,836.04	47,658.76
Investments	567.21	9,345.79	9,913.00

(All amount in Rs. in Crore, except for share data unless stated otherwise)

Particulars	Balance as at March 31, 2023		
	Within 12 Months	After 12 Months	Total
Other Financial Assets	1,038.84	1,837.05	2,875.89
Non-financial Assets			
Current tax assets (net)	-	1,234.99	1,234.99
Deferred tax assets (net)	-	425.80	425.80
Property, Plant and Equipment	-	75.80	75.80
Rou Assets	50.88	210.68	261.56
Other Intangible assets	-	27.87	27.87
Other non-financial assets	383.98	176.29	560.27
Asset held for sale	700.08	-	700.08
Total Assets	**16,319.20**	**51,821.86**	**68,141.06**
LIABILITIES AND EQUITY			
Financial Liabilities			
Derivative financial instruments	2.74	12.08	14.82
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 enterprise	3.48	-	3.48
Debt Securities	4,995.28	12,838.60	17,833.88
Borrowings (Other than Debt Securities)	6,109.55	19,463.40	25,572.95
Subordinated Liabilities	320.00	3,746.28	4,066.28
Other financial liabilities	3,918.33	355.31	4,273.64
Non-Financial Liabilities			
Current tax liabilities (net)	0.02	-	0.02
Provisions	-	71.67	71.67
Other non-financial liabilities	270.03	5.36	275.39
Equity			
Equity Share capital	-	94.32	94.32
Other Equity	-	15,934.61	15,934.61
Total Liabilities and Equity	**15,619.43**	**52,521.63**	**68,141.06**

Particulars	Balance as at March 31, 2022		
	Within 12 Months	After 12 Months	Total
ASSETS			
Financial Assets			
Cash and cash equivalents	7,605.90	-	7,605.90
Bank balance other than cash and cash equivalents	886.76	758.20	1,644.96
Derivative financial instruments	17.29	131.83	149.12
Receivables			
(i) Trade Receivables	1.20	-	1.20
(ii) Other Receivables	-	-	-
Loans	10,858.77	39,898.41	50,757.18
Investments	808.59	9,414.05	10,222.64

(All amount in Rs. in Crore, except for share data unless stated otherwise)

Particulars	Balance as at March 31, 2022		
	Within 12 Months	After 12 Months	Total
Other Financial Assets	465.08	613.17	1,078.25
Non-financial Assets			
Current tax assets (net)	-	918.59	918.59
Deferred tax assets (net)	-	536.36	536.36
Property, Plant and Equipment	-	64.80	64.80
Rou Assets	32.54	138.46	171.00
Other Intangible assets	-	27.41	27.41
Other non-financial assets	394.08	198.86	592.94
Asset held for sale	2,308.73	-	2,308.73
Total Assets	**23,378.94**	**52,700.14**	**76,079.08**
LIABILITIES AND EQUITY			
Financial Liabilities			
Derivative financial instruments	100.34	22.37	122.71
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	0.63	-	0.63
Debt Securities	6,131.74	17,424.19	23,555.93
Borrowings (Other than Debt Securities)	10,111.42	18,934.07	29,045.49
Subordinated Liabilities	341.10	3,954.93	4,296.03
Other financial liabilities	2,480.42	224.60	2,705.02
Non-Financial Liabilities			
Current tax liabilities (net)	92.19	-	92.19
Provisions	15.30	113.86	129.16
Other non-financial liabilities	464.16	15.43	479.59
Equity			
Equity Share capital	-	93.71	93.71
Other Equity	-	15,558.62	15,558.62
Total Liabilities and Equity	**19,737.30**	**56,341.78**	**76,079.08**

(C) Credit Risk

Credit Risk arises from the potential that an obligor is either unwilling to perform on an obligation or its ability to perform such obligation is impaired resulting in economic loss to the Company. IBHFL’s Credit Risk Management framework is categorized into following main components:

- Board and senior management oversight
- Organization structure
- Systems and procedures for identification, acceptance, measurement, monitoring and controlling risks.

It is the overall responsibility of the board appointed Risk Management Committee to approve the Company’s credit risk strategy and lending policies relating to credit risk and its management. The policies are based on the Company’s overall business strategy and the same is reviewed periodically.

(All amount in Rs. in Crore, except for share data unless stated otherwise)

The Board of Directors constituted Risk Management Committee keeps an active watch on emerging risks the Company is exposed to. The Risk Management Committee("RMC") defines loan sanctioning authorities, including process of vetting by credit committees for various types/values of loans. The RMC approves credit policies, reviews regulatory requirements, and also periodically reviews large ticket loans and overdue accounts from this pool.

The Risk Management Committee approves the 'Credit Authority Matrix' that defines the credit approval hierarchy and the approving authority for each group of approving managers/ committees in the hierarchy.

To maintain credit discipline and to enunciate credit risk management and control process there is a separate Risk Management department independent of loan origination function. The Risk Management department performs the function of Credit policy formulation, credit limit setting, monitoring of credit exceptions / exposures and review /monitoring of documentation.

Derivative financial Instruments
Credit risk arising from derivative financial instruments is, at any time, limited to those with positive fair values, as recorded on the balance sheet. With gross–settled derivatives, the Company is also exposed to a settlement risk, being the risk that the Company honours its obligation, but the counterparty fails to deliver the counter value.

Analysis of risk concentration
The Company's concentrations of risk for loans are managed by counterparty and type of loan (i.e. Housing and Non-Housing as defined by NHB). Housing and Non housing loans are given to both individual and corporate borrowers. The table below shows the concentration of risk by type of loan

	March 31, 2023	March 31, 2022
Housing	26,996.36	31,605.91
Non Housing	20,662.40	19,151.27

The Company's concentrations of risk (for financial assets other than loans and advances) are managed by industry sector

The following table shows the risk concentration by industry for the financial assets(other than loans) of the Company:

Particulars	As At March 31, 2023			
	Financial services	Government*	Others	Total
Financial asset				
Cash and cash equivalents	2,837.83	-	-	2,837.83
Bank balance other than Cash and cash equivalents	1,401.70	-	-	1,401.70
Derivative financial instruments	166.32	-	-	166.32
Receivables	1.19	-	-	1.19
Investments	9,903.00	-	10.00	9,913.00
Other financial assets	2,875.89	-	-	2,875.89

* Government sector includes exposure to Central Government, State Governments, Government Corporations and Government Companies

Particulars	As At March 31, 2022			
	Financial services	Government*	Others	Total
Financial asset				
Cash and cash equivalents	7,605.90	-	-	7,605.90
Bank balance other than Cash and cash equivalents	1,644.96	-	-	1,644.96
Derivative financial instruments	149.12	-	-	149.12
Receivables	1.20	-	-	1.20
Investments	9,707.03	508.65	6.96	10,222.64
Other financial assets	1,078.25	-	-	1,078.25

* Government sector includes exposure to Central Government, State Governments, Government Corporations and Government Companies

(All amount in Rs. in Crore, except for share data unless stated otherwise)

(D) 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 and Foreign exchange risk.

(i) Interest Rate Risk:-

Interest rate risk arises when there is a mismatch between positions, which are subject to interest rate adjustment within a specified period. The Company’s lending, funding and investment activities give rise to interest rate risk. The immediate impact of variation in interest rate is on the Company’s net interest income, while a long term impact is on the Company’s net worth since the economic value of the assets, liabilities and off-balance sheet exposures are affected. While assessing interest rate risks, signals given to the market by RBI and government departments from time to time and the financial industry’s reaction to them shall be continuously monitored.

Due to the nature of its business, the Company is exposed to moderate to high Interest Rate Risk. This risk has a major impact on the balance sheet as well as the Statement of profit and loss of the Company. Interest Rate Risk arises due t

i) Changes in Regulatory or Market Conditions affecting the interest rates
ii) Short term volatility
iii) Prepayment risk translating into a reinvestment risk
iv) Real interest rate risk.

In short run, change in interest rate affects Company’s earnings (measured by NII or NIM) and in long run it affects Market Value of Equity (MVE) or net worth. It is essential for the Company to not only quantify the interest rate risk but also to manage it proactively. The Company mitigates its interest rate risk by keeping a balanced portfolio of fixed and variable rate loans and borrowings. Further Company carries out Earnings at risk analysis and maturity gap analysis at quarterly intervals to quantify the risk.

Interest Rate sensitivity

The following table demonstrates the sensitivity to a reasonably possible change in interest rates (all other variables being constant) of the Company’s statement of profit and los

Particulars	Basis Points	Effect on Profit /loss and Equity for the year 2022-23	Effect on Profit /loss and Equity for the year 2021-22
Borrowings*			
Increase in basis points	+25	103.68	80.69
Decrease in basis points	-25	(103.68)	(80.69)
Advances			
Increase in basis points	+25	120.67	131.51
Decrease in basis points	-25	(120.67)	(131.51)
Investments			
Increase in basis points	+25	0.03	0.09
Decrease in basis points	-25	(0.03)	(0.09)

*The impact of borrowings is after considering the impact on derivatives contracts entered to hedge the interest rate fluctuation on borrowing

(ii) Foreign currency risk

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 through the FCNR route and External Commercial Borrowings (ECB).

The Company follows a conservative policy of hedging its foreign currency exposure through Forwards and / or Currency Swaps in such a manner that it has fixed determinate outflows in its function 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.

(iii) Equity Price Risk

Equity price risk is the risk that the fair value of equities decreases as the result of changes in the level of equity indices and individual stocks. The non–trading equity price risk exposure arises from equity securities classified as FVOCI. A 10 per cent increase in the value of the Company's FVOCI equities at March 31, 2023 would have increased equity by Rs. Nil Crore (Previous Year Rs. 0.19 Crore). An equivalent decrease would have resulted in an equivalent but opposite impact.

(E) Operational Risk

Operational risk is the risk of loss resulting from inadequate or failed internal processes, people and system or from external events. Operational risk is associated with human error, system failures and inadequate procedures and controls. It is the risk of loss arising from the potential that inadequate information system; technology failures, breaches in internal controls, fraud, unforeseen catastrophes, or other operational problems may result in unexpected losses or reputation problems. Operational risk exists in all products and business activities.

IBHFL recognizes that operational risk event types that have the potential to result in substantial losses includes Internal fraud, External fraud, employment practices and workplace safety, clients, products and business practices, business disruption and system failures, damage to physical assets, and finally execution, delivery and process management.
The Company cannot expect to eliminate all operational risks, but it endeavours to manage these risks through a control framework and by monitoring and responding to potential risks. Controls include effective segregation of duties, access, authorisation and reconciliation procedures, staff education and assessment processes, such as the use of internal audit.

(46) Leases

Company is a Lessee

(a) The Company has lease contracts for various office premises used in its operations. Leases of office premises generally have lease terms between 1 to 12 years. The Company's obligations under its leases are secured by the lessor's title to the leased assets. Generally, the Company is restricted from assigning and subleasing the leased assets.
The Company also has certain leases of office premises with lease terms of 12 months or less. The Company applies the 'short-term lease' recognition exemptions for these leases.

(b) Leases are shown as follows in the Company's balance sheet and profit & loss account

Set out below are the carrying amounts of right-of-use assets recognised and the movements during the year

Particulars	Building - Office Premises	Total
Opening balance as at 1 April 2021	114.99	114.99
Additions	92.55	92.55
Deletion (Terminated during the period)	(2.32)	(2.32)
Depreciation expense	34.22	34.22
Closing net carrying balance 31 March 2022	**171.00**	**171.00**
Additions	149.04	149.04
Deletion (Termination/Modification during the period)	(10.20)	(10.20)
Depreciation expense	48.28	48.28
Closing net carrying balance 31 March 2023	**261.56**	261.56

Set out below are the carrying amounts of lease liabilities (included under Borrowings (Other than Debt Securities)) and the movements during the year

Particulars	Amount Rs. In Crore
Opening balance as at 1 April 2021	**136.02**
Additions	92.55
Deletion (Terminated during the period)	(1.90)
Accretion of interest	14.05
Payments	(46.06)
Amount recognised in P/L for changes in lease payments on a/c of rent concession	-
As at 31 March 2022	**194.66**

Particulars	**Amount Rs. In Crore**
Additions	149.04
Deletion (Termination/Modification during the period)	(11.08)
Accretion of interest	25.13
Payments	(59.95)
Amount recognised in P/L for changes in lease payments on a/c of rent concession	-
As at 31 March 2023	**297.80**
Current	42.14
Non-current	255.66

(c) Amounts recognized in the Statement of Profit and Loss

Particulars	**For the year ended March 31, 2023 Amount Rs. In Crore**	**For the year ended March 31, 2022 Amount Rs. In Crore**
Depreciation expense of right-of-use assets	48.28	34.22
Interest expense on lease liabilities	25.13	14.05
Gain on termination/modification of leases	(0.88)	0.42
Amount recognised in P/L for changes in lease payments on a/c of rent concession	-	-
Expense relating to short-term leases (included in other expenses)	13.90	5.39
Total amount recognised in profit or loss	**86.43**	**54.08**

The Company had total cash outflows for leases of Rs. 59.95 crores during the year ended March 31, 2023 (Rs. 46.06 crores during the year ended March 31, 2022

(47) The Company has not entered into any transactions with companies struck off under section 248 of the Companies Act, 2013 or section 560 of Companies Act, 1956 during the year ended March 31, 2023.

(48) Quarterly returns or statements of current assets filed by the Company with banks or financial institutions are in agreement with the books of accounts;

(49) The Company has not been declared a wilful defaulter by any bank or financial institution or other lender during the year.

(50) The Company has not traded or invested in crypto currency or virtual currency during the financial year ended March 31, 2023.

(51) From October 1, 2022, the Company is in compliance with RBI Circular No. RBI/2021-2022/125 DOR.STR.REC.68/21.04.048/2021-22 dated November 12 2021, related to classification of NPA and up-gradation of accounts classified as NPA.

(52) During the year ended March 31, 2023, the Company has withdrawn additional special reserve created under section 29C of the National Housing Bank Act 1987 / the Master Direction – Non-Banking Financial Company – Housing Finance Company (Reserve Bank) Directions, 2021 [earlier: NHB circular no. NHB (ND)/DRS/Pol-No.03/2004-05 dated August 26, 2004] for an amount of Rs. 525 Crores(Previous year Rs. 825 Crores) in respect of impairment of financial instruments net off related tax impact.

(53) The Company has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding (whether recorded in writing or otherwise) that the Intermediaries shall;
(a) 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
(b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries

(54) The Company has not received any funds from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall;
(a) 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
(b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries

(All amount in Rs. in Crore, except for share data unless stated otherwise)

(55) The Company did not enter into any transactions which are not recorded in the books of accounts and has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961. (Previous year Rs. Nil).

(56) There are no proceedings initiated or pending against the Company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) during the year ended March 31, 2023 (Previous year Rs. Nil).

(57) The Company has complied with the NHB Directions, 2010 including Prudential Norms and as amended from time to time. Disclosures as required in terms of Master Direction – Non-Banking Financial Company – Housing Finance Company (Reserve Bank) Directions, 2021, RBI/2020-21/73 DOR.FIN.HFC.CC.No.120/03.10.136/2020-21, 17 February, 2021 have been prepared in compliance with Indian Accounting Standards (Ind AS).

(58) Previous Year's figures have been regrouped / reclassified wherever necessary to correspond with the current year's classification / disclosures.

The accompanying notes are integral part of the financial statements

For and on behalf of the Board of Directors

Gagan Banga	Sachin Chaudhary	Mukesh Garg	Pinank Shah	Amit Jain
Vice Chairman / Managing Director & CEO	Whole Time Director	Chief Financial Officer	Deputy Chief Financial Officer	Company Secretary
DIN : 00010894	DIN : 02016992			
Mumbai	Gurugram	Delhi	Mumbai	Gurugram
May 22, 2023				

S. N. Dhawan & Co. LLP
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Arora & Choudhary Associates
Chartered Accountants
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Abdul Aziz Road, Karol Bagh,
New Delhi - 110005

INDEPENDENT AUDITOR'S REPORT

To the Members of Indiabulls Housing Finance Limited

Report on the Audit of the Standalone Ind AS Financial Statements

Opinion

We have audited the accompanying standalone financial statements of **Indiabulls Housing Finance Limited** ("the Company"), which comprise the Standalone Balance Sheet as at March 31, 2022, the Standalone Statement of Profit and Loss (including other comprehensive income), Standalone Statement of Changes in Equity and Standalone Statement of Cash Flows for the year then ended, and notes to the standalone financial statements, including a summary of significant accounting policies and other explanatory information ("the Standalone Ind AS Financial Statements").

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

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under Section 143(10) of the Act. Our responsibilities under those Standards are further described in the *Auditor's Responsibilities for the Audit of the 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

1. We draw attention to Note 47 of the accompanying Standalone Ind AS Financial Statements which describes the uncertainties relating to the impact of COVID-19 pandemic on the Company's operations and financial metrics, including the expected credit losses. Our conclusion is not modified in respect of this matter.

2. We draw attention to Note 53 of the accompanying Standalone Ind AS Financial Statements which states that the Company has debited additional special reserve created under section 29 C as per the Master Direction – Non-Banking Financial Company – Housing Finance Company (Reserve Bank) Directions, 2021 issued by the Reserve Bank of India [read with erstwhile NHB circular no. NHB (ND)/DRS/Pol-No.03/2004-05 dated August 26, 2004] for an amount of Rs. 825 crores in respect of impairment loss on financial instruments net of related tax impact instead of debiting the same to the Statement of Profit and Loss. Our conclusion is not modified in respect of this matter.

Key Audit Matters

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

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

Key audit matters	How our audit addressed the key audit matter
Impairment of financial instruments(including provision for expected credit losses) (as described in note 8 of the Standalone Ind AS Financial Statements)	
Ind AS 109 requires the Company to provide for impairment of its financial assets using the expected credit loss ('ECL') approach involving an estimation of probability of loss on the financial assets over their life, considering reasonable and supportable information about past events, current conditions and forecasts of future economic conditions which could impact the credit quality of the Company's loans and advances. In the process, a significant degree of judgement has been applied by the management in respect of following matters: • The Company has various loan products divided into Corporate loan portfolio and Retail loan portfolio. Retail loans are grouped into different categories on the basis of homogeneity and thereby expected to demonstrate similar credit characteristics. Corporate loan portfolio is assessed on a case-to-case basis. • Estimation of losses in respect of loans or groups of loans which had no/ minimal defaults in the past. • Staging of loans and estimation of behavioral life. • Management overlay for macro-economic factors and	• Our audit procedures included considering the company's accounting policies for impairment of loan receivables and assessing compliance with the policies in terms of Ind AS 109. • Tested the assumptions used by the company for grouping and staging of loan portfolio into various categories and default buckets for determining the PD • Tested the operating effectiveness of the controls for staging of loans based on their past-due status. Tested a sample of performing (stage 1) loans to assess whether any loss indicators were present requiring them to be classified under stage 2 or 3. • Performed inquiries with the company's management and its risk management function to assess the impact of CoVID-19 • Tested the arithmetical accuracy of computation of ECL provision performed by the company in spreadsheets.

estimation of their impact on the credit quality. • The Company has developed models that derive key assumption~~s~~ used within the provision calculation such as probability of default (PD). • The Company has used the LGD rates based on past experience and industry practice. • The output of these models is then applied to the provision calculation with other information including the exposure at default (EAD). **Additional considerations on account of CoVID-19** Reserve Bank of India (RBI) has announced restructuring 2.0 in order to grant relief to the borrowers. The Company has recorded a management overlay as part of its ECL, to reflect among other things the impact of Novel Coronavirus (CoVID-19) pandemic and macro-economic factors. In accordance with the guidance in Ind AS 109, the management overlay estimate takes into account reasonably and supportable information without incurring significant cost. The actual credit losses for the next 12 months could be significantly different than the ECL estimates prepared by the company depending upon the impact and duration of the pandemic and various regulatory and policy measures announced by the Government. Given the high degree of management's judgement involved in estimation of ECL, it is an area of material uncertainty and a key audit matter.	• Compared the disclosures included in the Ind AS financial statements in respect of expected credit losses with the requirements of Ind AS 107 and 109. Reviewed specific disclosures made in the Ind AS financial statements with regards to the impact of CoVID-19 on ECL estimation. •Assessed specific disclosures made in the Standalone Ind AS Financial Statements with regards to the impact of CoVID-19 on ECL estimation.

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

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Board's report and Management Discussion & Analysis (MD&A) report but does not include the Standalone Ind AS Financial Statements and our auditor's report thereon. The Board's report and Management Discussion & Analysis (MD&A) report is expected to be made available to us after the date of this auditor's report.

Our opinion on the Standalone Ind AS Financial Statements does not cover the other information and we will not express any form of assurance conclusion thereon.

In connection with our audit of the Standalone Ind AS Financial Statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the Standalone Ind AS Financial Statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Management's Responsibility for the Ind AS Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these Standalone Ind AS Financial Statements that give a true and fair view of the financial position, financial performance including other comprehensive income, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards specified under Section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding 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, the Management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

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

Auditor's Responsibilities for the Audit of the Ind AS 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 SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these standalone financial statements.

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

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

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

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

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

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

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

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

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

Other Matters

The Company's financial statements for the year ended March 31, 2021 prepared in accordance with Ind AS were audited by the predecessor auditor whose audit report dated May 19, 2021 expressed an unmodified opinion on those financial statements. Our opinion 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 1 a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

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

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

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

(c) The Balance Sheet, the Statement of Profit and Loss (including Other Comprehensive Income), 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 Ind AS Financial Statements comply with the Indian Accounting Standards specified under Section 133 of the Act.

(e) The matters described in the emphasis of matter paragraph above may have adverse effect on the functioning of the company.

(f) On the basis of the written representations received from the directors as on March 31, 2022 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2022 from being appointed as a director in terms of Section 164 (2) of the Act.

(g) With respect to the adequacy of the internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure 2".

(h) In our opinion, managerial remuneration paid by the Company to its directors during the year is in accordance with the provisions of Section 197 read with Schedule V of the Act.

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

i. The Company has disclosed the impact of pending litigations on its financial position in its Standalone Ind AS Financial Statements – Refer Note 32 (vii), 32 (viii) and 33 to the Standalone Ind AS Financial Statements.

ii. The Company has made provision, as required under the applicable law or Indian Accounting Standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts – Refer Note 6 and 27 to the Standalone Ind AS Financial Statements.

iii. There are no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company except an amount of Rs 2,280 which has been deposited subsequent to the year ended March 31, 2022 on 27 April 2022.

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

(b). The Management has represented that, to the best of its knowledge and belief, no funds have been received by the Company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(c) Based on the audit procedures performed 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) contain any material misstatement.

(v) The interim dividend declared and paid for the previous year is in compliance with the Section 123 of the Act.

For S.N. Dhawan & CO LLP	For Arora & Choudhary Associates
Chartered Accountants	Chartered Accountants
Firm's Registration No.: 000050N/ N500045	Firm's registration No. 003870N
Rahul Singhal	Vijay K Choudhary
Partner	Partner
Membership No.: 096570	Membership No. 081843
UDIN: 22096570AJJZKF6974	UDIN: 22081843AJIPPD9636
Place: Gurugram	Place: New Delhi
Date: May 20, 2022	Date: May 20, 2022

Annexure 1 to the Independent Auditor's Report of even date on the Standalone Ind AS Financial Statements of Indiabulls Housing Finance Limited as at and for the year ended March 31, 2022

(Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date to the Members of Indiabulls Housing Finance Limited)

In terms of the information and explanations sought by us and given by the Company and the books of account and records examined by us in the normal course of audit and to the best of our knowledge and belief, we report that:

(i) (a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment and assets held for sale.

(a) (B) The Company has maintained proper records showing full particulars of intangible assets recognized in the Standalone Ind AS Financial Statements.

(b)The Property, Plant and Equipment and assets held for sale have been physically verified by the management in the year in accordance with a planned phased programme of verifying them over a period of three years and no material discrepancies were noticed on such verification.

(c)According to the information and explanations given to us and based on the test check examination of the registered sale deed / transfer deed / conveyance deed / property tax receipts and such other documents provided to us, we report that, the title deeds of 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) are held in the name of the Company, except for the following:-

Description of property	Gross carrying value	Held in name of	Whether promoter, director or their relative or employee	Period held	Reason for not being held in name of Company
Freehold Land located at Lal Dora village of Bijwasan, New Delhi	Rs 0.11 crores	Indiabulls Financial Services Limited	Erstwhile Holding Company	Since June 30, 2009	Merged with the Company under section 391 and 394 of the Companies Act, 1956 in terms of the approval of the Honorable High Court of judicature
Freehold Land located at District Mehsana, Ahmedabad Dora village of Bijwasan, New Delhi	Rs 0.09 crores	Indiabulls Financial Services Limited	Erstwhile Holding Company	Since June 24, 2011	Merged with the Company under section 391 and 394 of the Companies Act, 1956 in terms of the approval of the Honorable High Court of judicature

Further, based on the information and explanation given to us, immovable property consisting of a freehold land and a flat (building) whose title deeds have been mortgaged as security towards Secured Non-Convertible Debentures issued by the Company and are held in the name of the Company.

(d) The Company has not revalued its Property, Plant and Equipment including Right of Use assets and intangible assets during the year, being under the cost model. Accordingly, the provisions of clause 3(i)(d) of the Order are not applicable.

(e) There are no proceedings initiated during the year or pending against the Company as at 31st March 2022 for holding benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) (as amended in 2016) and rules made thereunder. Accordingly, the provisions of clause 3(i)€ of the Order are not applicable.(Refer note 57 of the Standalone Ind AS Financial Statements)

(ii) (a) The Company is in the business of providing loans and does not have any physical inventories. Accordingly, the provision of clause 3(ii)(a) of the Order is not applicable.

(b) The Company has been sanctioned working capital limits in excess of Rupees five crores in aggregate by banks or financial institutions. However, such loans are secured by way of negative lien over assets of the Company. Accordingly, the requirement to report on clause 3(ii)(b) of the Order is not applicable to the Company.

(iii) (a) The Company's principal business is to give loans. Accordingly, the provisions of clause 3(iii)(a) of the Order are not applicable.

(b) During the year the investments made, guarantees provided, security given and the terms and conditions of grant of all loans and advances in the nature of loans and guarantees provided are not, *prima facie,* prejudicial to the Company's interest.

(c) In respect of loans and advances in the nature of loans, granted by the Company as part of its business of providing housing finance and loans against property to individual customers as well as providing builder finance, corporate finance, etc. to non-individual customers, the schedule of repayment of principal and payment of interest has been stipulated by the Company. Having regard to the voluminous nature of loan transactions, it is not practicable to furnish entity-wise details of amount, due date for repayment or receipt and the extent of delay in this report (as suggested in the Guidance Note on CARO 2020, issued by the Institute of Chartered Accountants of India for reporting under this clause), in respect of loans and advances which were not repaid / paid when they were due or were repaid / paid with a delay, in the normal course of lending business. Further, except for loans where there are delays or defaults in repayment of principal and / or payment of interest as at the balance sheet date, in respect of which the company has disclosed asset classification / staging in note 8 to the Standalone Ind AS Financial Statements in accordance with Indian Accounting Standards (Ind AS) and the guidelines issued by the Reserve Bank of India, the parties are repaying the principal amounts, as stipulated, and are also regular in payment of interest, as applicable.

(d) The Company, being a Housing Finance Company, is registered with National Housing Bank, and the directives issued by Reserve Bank of India, in pursuance of its compliance with provisions of the said Act/Rules/directives, particularly, the Income Recognition, Asset Classification and Provisioning Norms, monitors and report total amount overdue including principal and/or payment of interest by its customers for more than 90 days. In cases where repayment of principal and payment of interest is not received as stipulated, the cognizance thereof is taken by the Company in course of its periodic regulatory reporting. Refer notes 8 and 47 to the Standalone Ind AS Financial Statements for summarised details of such loans/advances which are not repaid by borrowers as per stipulations. However, reasonable steps are taken by the Company for recovery thereof.

(e) The Company's principal business is to give loans. Accordingly, the provisions of clause 3(iii)(e) of the Order are not applicable.

(f) The Company has not granted any loans or advances in the nature of loans which are either repayable on demand or without specifying any terms or period of repayment. Accordingly, the provisions of clause 3(iii)(f) of the Order are not applicable.

(iv) In our opinion and according to the information and explanations given to us, the Company has not granted any loans, made investments or provided guarantees in contravention of provisions of Section 185 of the Act. The Company has complied with the provisions of Section 186(1) of the Act; the other provisions of Section 186 of the Act are not applicable to the Company.

(v) The Company has not accepted any deposits or the amounts which are deemed to be deposits during the year. Accordingly, the provisions of clause 3(v) of the Order are not applicable. We are informed by the Management that no order has been passed by the Company Law Board, National Company Law Tribunal or Reserve Bank of India or any Court or any other Tribunal on the Company in respect of the aforesaid deposits.

(vi) The Central Government has not specified maintenance of cost records under sub-section (1) of Section 148 of the Act, in respect of Company's products/ services. Accordingly, the provisions of clause 3(vi) of the Order are not applicable.

(vii) (a) The Company is generally regular in depositing undisputed statutory dues including goods and services tax, provident fund, employees' state insurance, income-tax, duty of customs, duty of excise, value added tax, cess and other material statutory dues, as applicable, to the appropriate authorities.

There were no undisputed amounts payable in respect of Goods and Service tax, Provident Fund, Employees' State Insurance, Income Tax, Sales Tax, Service Tax, duty of Custom, duty of Excise, Value Added Tax, Cess and other material statutory dues in arrears as at March 31, 2022 for a period of more than six months from the date they became payable.

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(b) There are no statutory dues referred to in sub-clause (a) that have not been deposited with the appropriate authorities on account of any dispute except for the following cases:

Name of the statute	Nature of dues	Amount (₹)	Amount paid under Protest (₹)	Period to which the amount relates (FY)	Forum where dispute is pending	Remarks, if any
Income Tax Act,1961	Income Tax	1,23,01,239	Nil	2008-09	Hon'ble Supreme Court	
Income Tax Act,1961	Income Tax	4,91,992	Nil	2010-11	CIT (A)	
Income Tax Act,1961	Income Tax	1,27,37,519	Nil	2010-11	Hon'ble High Court of Delhi	
Income Tax Act,1961	Income Tax	4,82,318	Nil	2010-11	CIT (A)	
Income Tax Act,1961	Income Tax	36,379	Nil	2011-12	CIT (A)	
Income Tax Act,1961	Income Tax	30,823	Nil	2011-12	CIT (A)	
Income Tax Act,1961	Income Tax	11,44,660	Nil	2012-13	CIT (A)	
Income Tax Act,1961	Income Tax	14,16,04,444	Nil	2013-14	CIT (A)	
Income Tax Act,1961	Income Tax	13,81,05,980	Nil	2014-15	CIT (A)	
Income Tax Act,1961	Income Tax	20,54,05,006	Nil	2015-16	CIT (A)	
Income Tax Act,1961	Income Tax	48,65,53,886	Nil	2016-17	CIT (A)	
Income Tax Act,1961	Income Tax	1,68,05,30,796	Nil	2017-18	CIT (A)	
Income Tax Act,1961	Income Tax	57,23,79,336	Nil	2018-19	CIT (A)	
Income Tax Act,1961	Income Tax	28,04,16,059	Nil	2019-20	CIT (A)	
Income Tax Act,1961	Income Tax	23,05,550	Nil	2020-21	CIT (A)	
The Rajasthan Value Added Tax Act, 2003	Value Added Tax	1,45,05,873	6,206,103	FY 2007-08 to FY 2012-13	Hon'ble Rajasthan High Court	Disallowance u/s 25, 55, 56 and 61

(viii) There were no transactions relating to previously unrecorded income that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961). Accordingly, the provisions of clause 3(viii) of the Order are not applicable.

(ix) (a) 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 wilful defaulter by any bank or financial institution or any other lender during the year.

(c) The term loans were applied for the purposes for which the loans were obtained other than temporary deployment pending application of proceeds.

(d) No funds raised on short-term basis have been used for long-term purposes by the Company.

(e) The Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries.

(f) The Company has not raised loans during the year on the pledge of securities held in its subsidiaries. The Company does not hold any investment in any associate or joint venture (as defined in the Act) during the year ended March 31, 2022.

(x) (a) The moneys raised during the year by way of public issue of non-convertible debentures were applied by the Company for the purpose for which those funds were raised, though idle/surplus funds which were not required for immediate utilization were gainfully invested in liquid investments payable on demand.

(b) The Company has complied with provisions of section 42 of the Companies Act, 2013 in respect of the private placement of foreign currency convertible bonds during the year. According to the information and explanations given by the management, we report that the amounts raised, have been used for the purposes for which the funds were raised.

(xi) (a) Considering the principles of materiality outlined in the Standards on Auditing, we report that no material fraud by the Company or on the Company has been noticed or reported during the course of the audit.

(b) During the year and upto the date of this report, no report under sub-section (12) of Section 143 of the Act has been filed in Form ADT-4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014 (as amended) with the Central Government.

(c) Considering the principles of materiality outlined in the Standards on Auditing, we have taken into consideration the whistle blower complaints received by the Company during the year while determining the nature, timing and extent of audit procedures.

(xii) The Company is not a Nidhi Company. Accordingly, the provisions of clause 3(xii)(a)-(c) of the Order are not applicable.

(xiii) The transactions with the related parties are in compliance with Sections 177 and 188 of Act, where applicable, and the requisite details have been disclosed in the Standalone Ind AS Financial Statements as required by the applicable accounting standards.

(xiv) (a) The Company has an internal audit system commensurate with the size and nature of its business.

(b) The internal audit is performed as per a planned program approved by the Audit Committee of the Board of Directors of the Company. We have considered, the internal audit reports for the year under audit, issued to the Company during the year.

(xv) The Company has not entered into any non-cash transactions with the directors or persons connected with them covered under Section 192 of the Act. Accordingly, provisions of clause 3 (xv) of the order are not applicable.

(xvi) (a) Pending the outcome of the matter as described in Note 39(xxi) to the Standalone Ind AS Financial Statements, the Company is not required to be registered under Section 45-IA of the RBI Act, 1934 as it is a Housing Finance Company.

(b) The Company is a Housing Finance Company registered with the National Housing Bank and is not required to obtain a Certificate of Registration (CoR) from the Reserve Bank of India as per the Reserve Bank of India Act,1934.

(c) The Company is not a Core Investment Company ("CIC") as defined under the Regulations by the Reserve Bank of India.

(d) As per information provided in course of our audit, there is no Core Investment Company as a part of the Group.

(xvii) The Company has not incurred any cash losses in the financial year and in the immediately preceding financial year.

(xviii) The previous statutory auditors of the Company have resigned during the year pursuant to the requirements of the Guidelines for Appointment of Statutory Central Auditors (SCAs)/Statutory Auditors (SAs) of Commercial Banks (excluding RRBs), 8CBs and NBFCs (including HFCs) dated April 27, 2021, issued by the Reserve Bank of India, and no issues, objections or concerns were raised by the outgoing auditors.

(xix) On the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities along with details provided in Note 39 (iv) to the Standalone Ind AS Financial statements which describe the maturity analysis of assets & liabilities, other information accompanying the financial statements, 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 that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

(xx) There is no unspent amount under sub-section (5) of section 135 of the Act pursuant to any project. Accordingly, clauses 3(xx)(a) and 3(xx)(b) of the Order are not applicable.

For S.N. Dhawan & CO LLP
Chartered Accountants
Firm's Registration No.: 000050N/ N500045

Rahul Singhal
Partner
Membership No.: 096570
UDIN: 22096570AJJZKF6974

Place: Gurugram

For Arora & Choudhary Associates
Chartered Accountants
Firm's registration No. 003870N

Vijay K Choudhary
Partner
Membership No. 081843
UDIN: 22081843AJIPPD9636

Place: New Delhi

Date: May 20, 2022 Date: May 20, 2022

Annexure 2 to the Independent Auditor's Report of even date of Standalone Ind AS Financial Statements of Indiabulls Housing Finance Limited

(Referred to in paragraph 2(g) under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of Indiabulls Housing Finance Limited of even date)

Report on the Internal Financial Controls Over Financial Reporting under Clause (i) of sub- section 3 of Section 143 of the Companies Act, 2013 (the "Act")

We have audited the internal financial controls with reference to financial statements of Indiabulls Housing Finance Limited ("the Company") as of March 31, 2022 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's Management is responsible for establishing and maintaining internal financial controls based on the internal financial control with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India. 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 the Company's business, including adherence to Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by the Institute of Chartered Accountants of India ("the ICAI") and deemed to be prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements were established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls with reference to financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system with reference to financial statements.

Meaning of Internal Financial Controls with reference to Financial Statements

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

Inherent Limitations of Internal Financial Controls with reference to Financial Statements

Because of the inherent limitations of internal financial controls with reference to financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to financial statements to future periods are subject to the risk that the internal financial controls with reference to financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

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

For S.N. Dhawan & CO LLP
Chartered Accountants
Firm's Registration No.: 000050N/ N500045

For Arora & Choudhary Associates
Chartered Accountants
Firm's registration No. 003870N

Rahul Singhal
Partner
Membership No.: 096570
UDIN: 22096570AJJZKF6974

Place: Gurugram
Date: May 20, 2022

Vijay K Choudhary
Partner
Membership No. 081843
UDIN: 22081843AJIPPD9636

Place: New Delhi
Date: May 20, 2022

Indiabulls Housing Finance Limited
Standalone Balance Sheet as at March 31, 2022
(All amount in Rs. in Crore, except for share data unless stated otherwise)

Particulars	Note No.	As at March 31, 2022	As at March 31, 2021
ASSETS			
Financial Assets			
Cash and cash equivalents	4	7,605.90	11,245.42
Bank balance other than Cash and cash equivalents	5	1,644.96	3,841.55
Derivative financial instruments	6	149.12	154.13
Receivables			
i) Trade Receivables	7	1.20	3.10
ii) Other Receivables		-	-
Loans	8	50,757.18	54,472.75
Investments	9	10,222.64	10,017.75
Other Financial Assets	10	1,078.25	1,182.26
Total Financial assets		**71,459.25**	**80,916.96**
Non- Financial Assets			
Current tax assets (net)		918.59	393.87
Deferred tax assets (net)	31	536.36	595.02
Property, plant and equipment	11	64.80	79.33
Right-of-use Assets	46	171.00	114.99
Other Intangible assets	11	27.41	34.45
Other Non- Financial Assets	12	592.94	337.02
Assets held for sale	32(x)	2,308.73	1,000.63
Total Non-Financial assets		**4,619.83**	**2,555.31**
Total Assets		**76,079.08**	**83,472.27**
LIABILITIES AND EQUITY			
LIABILITIES			
Financial Liabilities			
Derivative financial instruments	6	122.71	289.22
Payables			
(I) Trade Payables	13		
(i) total outstanding dues of micro enterprises and small enterprises		-	-
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises		0.63	0.68
Debt Securities	14	23,555.93	29,164.70
Borrowings (Other than Debt Securities)	15	29,045.49	29,558.67
Subordinated liabilities	16	4,296.03	4,348.71
Other Financial Liabilities	17	2,705.02	3,965.32
Total Financial Liabilities		**59,725.81**	**67,327.30**
Non Financial Liabilities			
Current tax liabilities (net)		92.19	138.39
Provisions	18	129.16	118.90
Other Non-Financial Liabilities	19	479.59	365.47
Total Non Financial Liabilities		**700.94**	**622.76**
Equity			
Equity share capital	20	93.71	92.47
Other equity	21	15,558.62	15,429.74
Total Equity		**15,652.33**	**15,522.21**
Total Liabilities and Equity		**76,079.08**	**83,472.27**

The accompanying notes are integral part of the financial statements

In terms of our report of even date attached

For S. N. Dhawan & CO LLP	For Arora & Choudhary Associates	For and on behalf of the Board of Directors	
Chartered Accountants	Chartered Accountants		
Firm registration No. 000050N/N500045	Firm Registration No. 003870N		
Rahul Singhal	Vijay K Choudhary	Gagan Banga	Ashwini Omprakash Kumar
Partner	Partner	Vice Chairman / Managing Director & CEO	Whole Time Director
Membership Number: 096570	Membership No. 081843	DIN : 00010894	DIN : 03341114
Gurugram	New Delhi	Mumbai	Mumbai
		Mukesh Garg	Amit Jain
		Chief Financial Officer	Company Secretary
		New Delhi	Gurugram
May 20, 2022	May 20, 2022	May 20, 2022	

Indiabulls Housing Finance Limited
Standalone Statement of Profit and Loss for the year ended March 31, 2022
(All amount in Rs. in Crore, except for share data unless stated otherwise)

Particulars	Note No.	Year ended March 31, 2022	Year ended March 31, 2021
Revenue from operations			
Interest Income	22	7,586.00	8,490.50
Dividend Income	23	-	0.17
Fees and commission Income	24	51.84	54.16
Net gain on derecognition of financial instruments under amortised cost category		127.55	109.81
Total revenue from operations		**7,765.39**	**8,654.64**
Other Income	26	12.31	98.15
Total Income		**7,777.70**	**8,752.79**
Expenses			
Finance Costs	27	5,864.66	6,308.04
Net loss on fair value changes	25	66.02	49.79
Impairment on financial instruments	28	214.64	493.01
Employee Benefits Expense	29	435.15	224.72
Depreciation, amortization and impairment	11 & 46(c)	74.40	90.82
Other expenses	30	166.93	194.24
Total Expenses		**6,821.80**	**7,360.62**
Profit before tax		**955.90**	**1,392.17**
Tax Expense:			
(1) Current Tax	31	-	-
(2) Deferred Tax Charge/ (Credit)	31	259.79	333.71
Profit for the Year		**696.11**	**1,058.46**
Other Comprehensive Income			
A (i) Items that will not be reclassified to statement of profit or loss			
(a) Remeasurement gain on defined benefit plan		1.61	12.43
(b) Gain / (Loss) on equity instrument designated at FVOCI [Refer Note 9(3)&(4)]		66.25	(685.19)
(ii) Income tax impact on above		(11.85)	153.64
B (i) Items that will be reclassified to statement of profit or loss			
(a) Derivative instruments in Cash flow hedge relationship		80.99	(244.82)
(ii) Income tax impact on above		(20.38)	61.62
Other Comprehensive Income / (loss) (A+B)		**116.62**	**(702.32)**
Total Comprehensive Income for the Year		**812.73**	**356.14**
Earnings per equity share			
Basic (Rs.)	37	**15.02**	**23.71**
Diluted (Rs.)	37	**14.98**	**23.71**
Nominal value per share (Rs.)		**2.00**	**2.00**

The accompanying notes are integral part of the financial statements

In terms of our report of even date attached

For S. N. Dhawan & CO LLP
Chartered Accountants
Firm registration No. 000050N/N500045

Rahul Singhal
Partner
Membership Number: 096570
Gurugram

May 20, 2022

For Arora & Choudhary Associates
Chartered Accountants
Firm Registration No. 003870N

Vijay K Choudhary
Partner
Membership No. 081843
New Delhi

May 20, 2022

For and on behalf of the Board of Directors

Gagan Banga
Vice Chairman / Managing Director & CEO
DIN : 00010894
Mumbai

Ashwini Omprakash Kumar
Whole Time Director
DIN : 03341114
Mumbai

Mukesh Garg
Chief Financial Officer

New Delhi

Amit Jain
Company Secretary

Gurugram

May 20, 2022

Indiabulls Housing Finance Limited
Standalone Statement of Cash Flows for the Year ended March 31, 2022
(All amount in Rs. in Crore, except for share data unless stated otherwise)

		Year ended March 31, 2022	Year ended March 31, 2021
A	**Cash flows from operating activities :**		
	Profit before tax	**955.90**	**1,392.17**
	Adjustments to reconcile profit before tax to net cash flows:		
	Employee Stock Compensation	(8.50)	(9.74)
	Change in Provision for Gratuity, Compensated Absences and Superannuation Expense	9.75	(57.49)
	Impairment on Financial Instruments(Inlcuding Bad debt)	597.70	962.69
	Interest Expense	5,602.18	6,147.23
	Interest Income	(7,586.00)	(8,584.39)
	Dividend Received	-	(0.17)
	Profit / (loss) on Lease termination	0.42	(7.97)
	Depreciation and Amortisation	74.39	90.82
	Guarantee Income	(10.53)	(9.33)
	(Profit) / Loss on sale of Property, plant and equipment	(0.99)	3.39
	Unrealised loss on valuation of Investments	29.60	21.52
	Operating Loss before working capital changes	(336.08)	(51.27)
	Working Capital Changes		
	Trade Receivable, Other Financial and non Financial Assets	11.38	706.31
	Loans	2,563.27	5,268.06
	Trade Payables, other financial and non Financial Liabilities	(955.00)	243.98
	Cash from / (used in) operations	1,283.57	6,167.08
	Interest received on loans	6,573.85	7,249.60
	Interest paid on borrowings	(5,882.89)	(6,104.07)
	Income taxes paid (Net)	(526.82)	288.65
	Net cash flow from operating activities	**1,447.71**	**7,601.26**
B	**Cash flows from investing activities**		
	Purchase of Property, plant and equipment and other intangible assets	(19.86)	(34.22)
	Sale of Property, plant and equipment	2.24	3.93
	Movement in Capital Advances	(9.75)	23.32
	Dividend Received	-	0.17
	Investment in deposit accounts(net)	2,196.59	(2,419.86)
	(Investment) / Proceeds from Subsidiaries / other Investments	(1,476.35)	4,530.58
	Interest received on Investments	590.77	476.93
	Net cash flow from investing activities	**1,283.64**	**2,580.85**
C	**Cash flows from financing activities**		
	Net Proceeds from Issue of Equity Share (Including Securities Premium)	0.22	662.31
	Distribution of Equity Dividends	(0.14)	(416.62)
	Loan to Subsidiary Companies(Net)	(190.00)	(707.58)
	Proceeds from / (Repayment of) Term loans (Net)	(197.29)	(6,388.94)
	Repayment of Secured Debentures (including Conversion) (Net)	(5,529.51)	(3,008.15)
	Repayment of Subordinate Debt(Net)	(64.09)	-
	Lease Liability payment	(46.06)	(48.49)
	Repayment of Working capital loans (Net)	(344.00)	(520.82)
	Net cash (used in) / from financing activities	**(6,370.87)**	**(10,428.29)**
D	**Net Decrease in cash and cash equivalents (A+B+C)**	**(3,639.52)**	**(246.18)**
E	**Cash and cash equivalents at the beginning of the year**	**11,245.42**	**11,491.60**
F	**Cash and cash equivalents at the end of the year (D + E)** (Refer Note 4)	**7,605.90**	**11,245.42**

The accompanying notes are integral part of the financial statements

Notes:

1. The above Standalone Statement of Cash Flows has been prepared under the "Indirect Method" as set out in Indian Accounting Standard (IndAS) - 7 on 'Statement of Cash Flows'.
2 For disclosure of investing and financing activity that do not require cash and cash equivalent, refer note 32(iv).

In terms of our report of even date attached

For S. N. Dhawan & CO LLP
Chartered Accountants
Firm registration No. 000050N/N500045

For Arora & Choudhary Associates
Chartered Accountants
Firm Registration No. 003870N

For and on behalf of the Board of Directors

Rahul Singhal
Partner
Membership Number: 096570
Gurugram

Vijay K Choudhary
Partner
Membership No. 081843
New Delhi

Gagan Banga
Vice Chairman / Managing Director & CEO
DIN : 00010894
Mumbai

Ashwini Omprakash Kumar
Whole Time Director
DIN : 03341114
Mumbai

Mukesh Garg
Chief Financial Officer
New Delhi

Amit Jain
Company Secretary
Gurugram

May 20, 2022

May 20, 2022

May 20, 2022

Indiabulls Housing Finance Limited
Standalone statement of changes in equity for the year ended March 31, 2022
(All amount in Rs. in Crore, except for share data unless stated otherwise)

a. Equity Share Capital:	**Numbers**	**Amount**
Equity shares of INR 2 each issued, subscribed and fully paid		
At 31 March , 2020	**427,574,091**	**85.51**
Changes in Equity Share Capital due to prior period errors	-	-
Restated balance as at 31 March, 2020	**427,574,091**	**85.51**
Add : issued during the FY 2020-21	34,774,811	6.96
At 31 March , 2021	**462,348,902**	**92.47**
Changes in Equity Share Capital due to prior period errors	-	-
Restated balance as at 31 March, 2021	**462,348,902**	**92.47**
Add : issued during the FY 2021-22	6,222,602	1.24
At 31 March , 2022	**468,571,504**	**93.71**

b. Other Equity*

	Reserve & Surplus													**Other Comprehensive Income**		
	Capital reserve	**Capital Redemption Reserve**	**Securities premium Account**	**Stock Compensation Adjustment Reserve**	**General reserve**	**Special Reserve U/s 36(I)(viii) of the Income Tax Act, 1961 Refer 21(6)**	**Reserve (I) As per section 29C of the Housing Bank Act, 1987 Refer Note 21(8)**	**Reserve (II) refer Note 21(10)**	**Reserve (III) refer Note 21(8)**	**Additional Reserve Fund (U/s 29C of the National Housing Bank Act, 1987**	**Debenture Redemption Reserve**	**Debenture Premium Account**	**Retained earnings**	**Equity instruments through other comprehensive income**	**Cash flow hedge reserve**	**Total**
As at 31 March, 2020	**13.75**	**0.36**	**7,497.00**	**188.50**	**1,105.99**	**89.00**	**1,780.04**	**505.48**	**2,178.00**	**-**	**974.14**	**1.28**	**387.12**	**361.10**	**(237.67)**	**14,844.09**
Profit for the year	-	-	-	-	-	-	-	-	-	-	-	-	1,058.46	-	-	**1,058.46**
Other Comprehensive Income	-	-	-	-	-	-	-	-	-	-	-	-	9.30	(528.42)	(183.20)	**(702.32)**
Total comprehensive income	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**1,067.76**	**(528.42)**	**(183.20)**	**356.14**
Add: Transferred / Addition during the year	-	-	-	(9.74)	-	-	211.69	-	-	825.00	-	-	-	-	-	**1,026.95**
Add: during the year on Account of ESOPs	-	-	675.92	-	-	-	-	-	-	-	-	-	-	-	-	**675.92**
Less: Adjusted / Utilised during the year	-	-	20.56	-	-	-	-	-	-	-	-	-	-	-	-	**20.56**
Appropriations:-																
Interim Dividend payable on Equity Shares @ Rs. 9 Per Share	-	-	-	-	-	-	-	-	-	-	-	-	416.11	-	-	**416.11**
Transferred to Reserve I (Special Reserve U/s 29C of the NHB Act, 1987)	-	-	-	-	-	-	-	-	-	-	-	-	211.69	-	-	**211.69**
Transferred to Additional Reserve (U/s 29C of the National Housing Bank Act, 1987)	-	-	-	-	-	-	-	-	-	-	-	-	825.00	-	-	**825.00**
Total Appropriations	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**1,452.80**	**-**	**-**	**1,452.80**
As at 31 March, 2021	**13.75**	**0.36**	**8,152.36**	**178.76**	**1,105.99**	**89.00**	**1,991.73**	**505.48**	**2,178.00**	**825.00**	**974.14**	**1.28**	**2.08**	**(167.32)**	**(420.87)**	**15,429.74**
Profit for the year	-	-	-	-	-	-	-	-	-	-	-	-	696.11	-	-	**696.11**
Other Comprehensive Income	-	-	-	-	-	-	-	-	-	-	-	-	5.03	50.98	60.61	**116.62**
Total comprehensive income	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**701.14**	**50.98**	**60.61**	**812.73**
Add: Transferred / Addition during the year	-	-	0.22	(8.50)	827.74	-	139.22	-	-	525.00	-	-	-	-	-	**1,483.68**
Add: during the year on account of conversion of FCCB	-	-	149.43	-	-	-	-	-	-	-	-	-	-	-	-	**149.43**
Add: Transfer from Stock Compensation Adjustment Reserve	-	-	0.13	-	-	-	-	-	-	-	-	-	-	-	-	**0.13**

Indiabulls Housing Finance Limited
Standalone statement of changes in equity for the year ended March 31, 2022
(All amount in Rs. in Crore, except for share data unless stated otherwise)

	Reserve & Surplus													Other Comprehensive Income		
	Capital reserve	Capital Redemption Reserve	Securities premium Account	Stock Compensation Adjustment Reserve	General reserve	Special Reserve U/s 36(I)(viii) of the Income Tax Act, 1961[Refer 21(6)]	Reserve (I) As per section 29C of the Housing Bank Act, 1987 [Refer Note 21(8)]	Reserve (II)[refer Note 21(10)]	Reserve (III)[refer Note 21(8)]	Additional Reserve Fund (U/s 29C of the National Housing Bank Act, 1987	Debenture Redemption Reserve	Debenture Premium Account	Retained earnings	Equity instruments through other comprehensive income	Cash flow hedge reserve	Total
Less:Transferred to Securities Premium Account	-	-	-	0.13	-	-	-	-	-	-	-	-	-	-	-	**0.13**
Less: Adjusted / Utilised during the year[Refer Note 53]	-	-	-	-	-	-	-	-	-	825.00	-	-	-	-	-	**825.00**
Appropriations:-																
Transferred to Reserve I (Special Reserve U/s 29C of the NHB Act, 1987)	-	-	-	-	-	-	-	-	-	-	-	-	139.22	-	-	**139.22**
Transferred to Additional Reserve (U/s 29C of the National Housing Bank Act, 1987)	-	-	-	-	-	-	-	-	-	-	-	-	525.00	-	-	**525.00**
Transferred to General Reserve[Refer note 21(4)]	-	-	-	-	-	-	-	-	-	-	827.74	-	-	-	-	**827.74**
Total Appropriations	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**827.74**	**-**	**664.22**	**-**	**-**	**1,491.96**
At 31 March 2022	**13.75**	**0.36**	**8,302.14**	**170.13**	**1,933.73**	**89.00**	**2,130.95**	**505.48**	**2,178.00**	**525.00**	**146.40**	**1.28**	**39.00**	**(116.34)**	**(360.26)**	**15,558.62**

*There are no changes in accounting policy/prior period errors in other equity during the year and previous year

The accompanying notes are integral part of the financial statements

In terms of our report of even date attached

For S. N. Dhawan & CO LLP
Chartered Accountants
Firm registration No. 000050N/N500045

For Arora & Choudhary Associates
Chartered Accountants
Firm Registration No. 003870N

For and on behalf of the Board of Directors

Rahul Singhal
Partner
Membership Number: 096570
Gurugram

May 20, 2022

Vijay K Choudhary
Partner
Membership No. 081843
New Delhi

May 20, 2022

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DIN : 00010894
Mumbai

May 20, 2022

Ashwini Omprakash Kumar
Whole Time Director
DIN : 03341114
Mumbai

Mukesh Garg
Chief Financial Officer
New Delhi

Amit Jain
Company Secretary
Gurugram

1 Corporate information

Indiabulls Housing Finance Limited ("the Company") ("IBHFL") ("IHFL") is a public limited company domiciled in India with its registered office at M-62 & 63, Ist Floor, Connaught Place, New Delhi-110001. The Company is engaged in the business to provide finance and to undertake all lending and finance to any person or persons, co-operative society, association of persons, body of individuals, companies, institutions, firms, builders, developers, contractors, tenants and others either at interest or without and/or with or without any security for construction, erection, building, repair, remodelling, development, improvement, purchase of houses, apartments, flats, bungalows, rooms, huts, townships and/or other buildings and real estate of all descriptions or convenience there on and to equip the same or part thereof with all or any amenities or conveniences, drainage facility, electric, telephonic, television, and other installations, either in total or part thereof and /or to purchase any free hold or lease hold lands, estate or interest in any property and such other activities as may be permitted under the Main Objects of the Memorandum of Association of the Company.

The Board of Directors of Indiabulls Housing Finance Limited (100% subsidiary of "IBFSL") and Indiabulls Financial Services Limited ("IBFSL", "Erstwhile Holding Company") at their meeting held on April 27, 2012 had approved the Scheme of Arrangement involving the reverse merger of IBFSL with the Company in terms of the provisions of Sections 391 to 394 of the Companies Act, 1956 (the "Scheme of Arrangement"). The Appointed Date of the proposed merger fixed under the Scheme of Arrangement was April 1, 2012. The Hon'ble High Court of Delhi, vide its Order dated December 12, 2012, received by the Company on February 8, 2013, approved the Scheme of Arrangement. In terms of the Court approved Scheme of Arrangement, with the filing of the copy of the Order, on March 8, 2013, with the office of ROC, NCT of Delhi & Haryana (the Effective Date), IBFSL, as a going concern, stands amalgamated with IBHFL with effect from the Appointed Date, being April 1, 2012.

Indiabulls Financial Services Limited ("IBFSL") was incorporated on January 10, 2000 as a Private Limited Company. On March 30, 2001, the Company was registered under Section 45-IA of the Reserve Bank of India (RBI) Act, 1934 to carry on the business of a Non-Banking Financial Company. The Company was converted into a public limited Company pursuant to Section 44 of the Companies Act, 1956 on February 03, 2004.

The Company was incorporated on May 10, 2005. On December 28, 2005 the Company was registered under Section 29A of the National Housing Bank Act, 1987 to commence / carry on the business of a Housing Finance Institution without accepting public deposits. The Company is required to comply with provisions of the National Housing Bank Act, 1987, the Housing Finance Companies (NHB) Directions, 2010 (as amended from time to time) and other guidelines / instructions / circulars issued by the National Housing Bank from time to time.

2 (i) Basis of preparation

The standalone financial statements of the Company have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 (as amended from time to time) along with other relevant provisions of the Act, the Master Direction – Non-Banking Financial Company – Housing Finance Company (Reserve Bank) Directions, 2021, RBI/2020-21/73 DOR.FIN.HFC.CC.No.120/03.10.136/2020-21, 17 February, 2021 ('the RBI Master Directions') and notification for Implementation of Indian Accounting Standard vide circular RBI/2019-20/170 DOR(NBFC).CC.PD.No.109/22.10.106/2019-20 dated 13 March 2020 ('RBI Notification for Implementation of Ind AS') issued by RBI. These standalone financial statements have been approved by the Board of Directors and authorized for issue on 20 May 2022.

The standalone financial statements have been prepared on a historical cost basis, except for fair value through other comprehensive income (FVOCI) instruments, derivative financial instruments, other financial assets held for trading and financial assets and liabilities designated at fair value through profit or loss (FVTPL), all of which have been measured at fair value. Further the carrying values of recognised assets and liabilities that are hedged items in fair value hedges, and otherwise carried at amortised cost, are adjusted to record changes in fair value attributable to the risks that are being hedged. The standalone financial statements are presented in Indian Rupees (INR). The figures are rounded off to the nearest crore.

(ii) Presentation of financial statements

The Company presents its balance sheet in order of liquidity. Financial assets and financial liabilities are generally reported gross in the balance sheet. They are only offset and reported net when, in addition to having an unconditional legally enforceable right to offset the recognised amounts without being contingent on a future event, the parties also intend to settle on a net basis in all of the following circumstances:

A. The normal course of business
B. The event of default
C. The event of insolvency or bankruptcy of the Company and/or its counterparties

3 Significant accounting policies

3.1 Significant accounting Judgements, estimates and assumptions

The preparation of Standalone financial statements in conformity with Ind AS requires the management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and the disclosure of contingent liabilities, at the end of the reporting period. Although these estimates are based on the management's best knowledge of current events and actions, uncertainty about these assumptions and estimates could result in the outcomes requiring a material adjustment to the carrying amounts of assets or liabilities in future periods.

A. Impairment loss on financial assets

The measurement of impairment losses across all categories of financial assets except assets valued at FVTPL, enquires judgment, in particular, the estimation of the amount and timing of future cash flows and collateral values when determining impairment losses and 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.

The Company's expected credit loss (ECL) calculations are outputs of complex models with a number of underlying assumptions regarding the choice of variable inputs and their interdependencies. Elements of the ECL models that are considered accounting judgments and estimates include:

- The Company's model, which assigns Probability of Defaults (PDs)
- The Company's criteria for assessing if there has been a significant increase in credit risk and so allowances for financial assets should be measured on a Long Term ECL (LTECL) basis
- The segmentation of financial assets when their ECL is assessed on a collective basis
- Development of ECL models, including the various formulas and the choice of inputs
- Determination of associations between macroeconomic scenarios and, economic inputs, and the effect on PDs, Exposure at Default (EADs) and Loss Given Default (LGDs)
- Selection of forward-looking macroeconomic scenarios and their probability weightings, to derive the economic inputs into the ECL models

B. Business Model Assumption

Classification and measurement of financial assets depends on the results of the SPPI and the business model test. The Company determines the business model at a level that reflects how groups of financial assets are managed together to achieve a particular business objective. This assessment includes judgment reflecting all relevant evidence including how the performance of the assets is evaluated and their performance measured, the risks that affect the performance of the assets and how these are managed and how the managers of the assets are compensated. The Company monitors financial assets measured at amortised cost that are de-recognised 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 assets.

C. Defined employee benefit assets and liabilities

The cost of the defined benefit gratuity plan and other post-employment benefits and the present value of the gratuity obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

D. Share Based Payments

Estimating fair value for share-based payment transactions requires determination of the most appropriate valuation model, which is dependent on the terms and conditions of the grant. This estimate also requires determination of the most appropriate inputs to the valuation model including the expected life of the share option, volatility and dividend yield and making assumptions about them.

E. Fair value measurement
When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the DCF model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgment is required in establishing fair values. Judgments include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments.

F. Effective interest rate method
The Company's EIR methodology, recognises interest income using a rate of return that represents the best estimate of a constant rate of return over the expected behavioural life of loans and recognises the effect of potentially different interest rates charged at various stages and other characteristics of the product life cycle. This estimation, by nature, requires an element of judgement regarding the expected behaviour and life-cycle of the instruments, as well expected changes to the company's base rate and other fee income/expense that are integral parts of the instrument.

3.2 Cash and cash equivalents

Cash and cash equivalent comprises cash in hand, demand deposits and time deposits held with bank, debit balance in cash credit account.

3.3 Recognition of income and expense

a) Interest income
The Company earns revenue primarily from giving loans. 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. Interest revenue is recognized using the effective interest method (EIR). The effective interest method calculates the amortized cost of a financial instrument and allocates the interest income. The effective interest rate is the rate that discounts estimated future cash payments or receipts through the expected life of the financial instrument or, when appropriate, a shorter period, to the gross carrying amount of the financial asset or liability. The calculation takes into account all contractual terms of the financial instrument (for example, prepayment options) and includes any fees or incremental costs that are directly attributable to the instrument and are an integral part of the EIR, but not future credit losses.

The Company recognises interest income by applying the EIR to the gross carrying amount of financial assets other than credit-impaired assets. When a financial asset becomes credit-impaired and is, therefore, regarded as 'Stage 3', the Company recognises the interest to the extent recoverable. If the financial assets cures and is no longer credit-impaired, the Company reverts to recognising interest income.

b) Interest expense
Interest expense includes issue costs that are initially recognized as part of the carrying value of the financial liability and amortized over the expected life using the effective interest method. These include fees and commissions payable to arrangers and other expenses such as external legal costs, provided these are incremental costs that are directly related to the issue of a financial liability.

c) Other charges and other interest
Additional interest and Overdue interest is recognised on realization basis.

d) Commission on Insurance Policies
Commission on insurance policies sold is recognised when the Company under its agency code sells the insurance policies and when the same is accepted by the principal insurance company.

e) Dividend income
Dividend income is recognized when the Company's right to receive the payment is established, it is probable that the economic benefits associated with the dividend will flow to the entity and the amount of the dividend can be measured reliably. This is generally when shareholders approve the dividend.

3.4 Foreign currency

The Company's financial statements are presented in Indian Rupees (INR) which is also the Company's functional currency.

Transactions in foreign currencies are initially recorded by the Company at their respective functional currency spot rates at the date the transaction first qualifies for recognition.

Foreign currency denominated monetary assets and liabilities are translated at the functional currency spot rates of exchange at the reporting date and exchange gains and losses arising on settlement and restatement are recognized in the statement of profit and loss.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined. The gain or loss arising on translation of non-monetary items measured at fair value is treated in line with the recognition of the gain or loss on the change in fair value of the item (i.e., translation differences on items whose fair value gain or loss is recognized in OCI or profit or loss are also recognized in OCI or profit or loss, respectively).

3.5 Leases

The company assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.
Company as a lessee

The Company applies a single recognition and measurement approach for all leases, except for short-term leases. The Company recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

Right-of-use assets
The Company recognises right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets, as follows:

• Office Premises – 1-12 Years
The right-of-use assets are also subject to impairment. Refer to the accounting policies in note 3.8 Impairment of non-financial assets.

Lease Liability
At the commencement date of the lease, the Company recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments less any lease incentives receivable. The lease payments also include payments of penalties for terminating the lease, if the lease term reflects the Company exercising the option to terminate. Variable lease payments that do not depend on an index or a rate are recognised as expenses in the period in which the event or condition that triggers the payment occurs.
In calculating the present value of lease payments, the Company uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments or a change in the assessment of an option to purchase the underlying asset.

Short-term leases and leases of low-value assets
The Company applies the short-term lease recognition exemption to its short-term leases (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option).

Determining the lease term of contracts with renewal and termination options – Company as lessee
The Company determines the lease term as the non-cancellable term of the lease, together with any periods covered by an option to extend the lease if it is reasonably certain to be exercised, or any periods covered by an option to terminate the lease, if it is reasonably certain not to be exercised.
Leases - Estimating the incremental borrowing rate
The Company cannot readily determine the interest rate implicit in the lease, therefore, it uses its incremental borrowing rate (IBR) to measure lease liabilities. The IBR is the rate of interest that the Company would have to pay to borrow over a similar term, and with a similar security, the funds necessary to obtain an asset of a similar value to the right-of-use asset in a similar economic environment. The IBR therefore reflects what the Company 'would have to pay', which requires estimation when no observable rates are available or when they need to be adjusted to reflect the terms and conditions of the lease.

3.6 Property, plant and equipment (PPE) and Intangible assets

PPE

PPE are stated at cost (including incidental expenses directly attributable to bringing the asset to its working condition for its intended use) less accumulated depreciation and impairment losses, if any. Cost comprises the purchase price and any attributable cost of bringing the asset to its working condition for its intended use. Subsequent expenditure related to PPE is capitalized only when it is probable that future economic benefits associated with these will flow to the Company and the cost of item can be measured reliably. Other repairs and maintenance costs are expensed off as and when incurred.

An item of property, plant and equipment and any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on de-recognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the statement of profit and loss when the asset is derecognised.

Intangible assets

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses.

3.7 Depreciation and amortization

Depreciation

Depreciation on PPE is provided on straight-line method as per the useful life prescribed in Schedule II to the Companies Act, 2013, except for Vehicles.

Vehicles are amortised on a straight line basis over a period of five years from the date when the assets are available for use. The life has been assessed based on past usage experience and considering the change in technology.

Depreciation on additions to PPE is provided on a pro-rata basis from the date the asset is put to use. Leasehold improvements are amortised over the period of Lease. Depreciation on sale / deduction from PPE is provided for up to the date of sale / deduction, as the case may be.

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate

Amortization

Intangible assets consisting of Software are amortised on a straight line basis over a period of four years from the date when the assets are available for use. The amortisation period and the amortisation method for these softwares with a finite useful life are reviewed at least at each financial year-end.

3.8 Impairment of non-financial assets

The carrying amount of assets is reviewed at each balance sheet date if there is any indication of impairment based on internal/external factors. An impairment loss is recognised wherever the carrying amount of an asset exceeds its recoverable amount. The recoverable amount is the greater of the assets, net selling price and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and risks specific to the asset. In determining net selling price, recent market transactions are taken into account, if available. If no such transactions can be identified, an appropriate valuation model is used.

After impairment, depreciation is provided on the revised carrying amount of the asset over its remaining useful life.

3.9 Provisions, Contingent Liability and Contingent Assets

A provision is recognised when the Company has a present obligation as a result of past events and it is probable that an outflow of resources will be required to settle the obligation in respect of which a reliable estimate can be made. Provisions are determined based on the best estimate required to settle the obligation at the balance sheet date. Contingent liability is disclosed for (1) Possible obligations which will be confirmed only by future events not wholly within the control of the Company or (2) Present obligations arising from past events where it is not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount of the obligation cannot be made. Contingent Assets are not recognised in the financial statements.

3.10 Retirement and other employee benefits

Retirement benefit in the form of provident fund and Employee State Insurance Scheme is a defined contribution scheme. The Company has no obligation, other than the contribution payable to the provident fund and Employee State Insurance scheme. The Company recognizes contribution payable to the provident fund and Employee State Insurance scheme as an expense, when an employee renders the related service. If the contribution payable to the scheme for service received before the balance sheet date exceeds the contribution already paid, the deficit payable to the scheme is recognized as a liability after deducting the contribution already paid. If the contribution already paid exceeds the contribution due for services received before the balance sheet date, then excess is recognized as an asset to the extent that the pre-payment will lead to, for example, a reduction in future payment or a cash refund.

The Company has unfunded defined benefit plans Gratuity plan and Compensated absences plan for all eligible employees, the liability for which is determined on the basis of actuarial valuation at each year end. Separate actuarial valuation is carried out for each plan using the projected unit credit method. Superannuation (Pension & Medical coverage) payable to a Director on retirement is also actuarially valued at the end of the year using the Projected Unit Credit Method.

Remeasurements, comprising of actuarial gains and losses, the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability), are recognised immediately in the balance sheet with a corresponding debit or credit to retained earnings through OCI in the period in which they occur. Remeasurements are not reclassified to profit or loss in subsequent periods.

3.11 Taxes

Tax expense comprises current and deferred tax.

Current income tax

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities in accordance with Income tax Act, 1961, Income Computation and Disclosure Standards and other applicable tax laws. The tax rates and tax laws used to compute the amount are those that are enacted at the reporting date.

Current income tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Current tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

Deferred tax

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Deferred tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

3.12 Earning per share

Basic earnings per share are calculated by dividing the net profit or loss for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the period. Partly paid equity shares are treated as a fraction of an equity share to the extent that they are entitled to participate in dividends relative to a fully paid equity share during the reporting year.

For the purpose of calculating diluted earnings per share, the net profit or loss for the year attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

3.13 Share based payments

Equity-settled share based payments to employees and others providing similar services are measured at the fair value of the equity instruments at the grant date.

The fair value determined at the grant date of the equity-settled share based payments is expensed on a straight line basis over the vesting period, based on the Company`s estimate of equity instruments that will eventually vest, with a corresponding increase in equity. At the end of each reporting period, the Company revises its estimate of the number of equity instruments expected to vest. The impact of the revision of the original estimates, if any, is recognised in Statement of Profit and Loss such that the cumulative expenses reflects the revised estimate, with a corresponding adjustment to the Stock Compensation Adjustment Reserve.

The dilutive effect of outstanding options is reflected as additional share dilution in the computation of diluted earnings per share.

3.14 Financial instruments

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

3.14.1 Financial Assets

3.14.1.1 Initial recognition and measurement
Financial assets, with the exception of loans and advances to customers, are initially recognised on the trade date, i.e., the date that the Company becomes a party to the contractual provisions of the instrument. Loans and advances to customers are recognised when funds are disbursed to the customers. The classification of financial instruments at initial recognition depends on their purpose and characteristics and the management's intention when acquiring them. All financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset.

3.14.1.2 Classification and Subsequent measurement

For purposes of subsequent measurement, financial assets are classified in four categories:
• Debt instruments at amortised cost
• Debt instruments at fair value through other comprehensive income (FVTOCI)
• Debt instruments and equity instruments at fair value through profit or loss (FVTPL)
• Equity instruments measured at fair value through other comprehensive income (FVTOCI)

3.14.1.3 Debt instruments at amortised costs

A 'debt instrument' is measured at the amortised cost if both the following conditions are met:
• The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
• Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

Business model: The business model reflects how the Company manages the assets in order to generate cash flows. That is, where the Company's objective is solely to collect the contractual cash flows from the assets, the same is measured at amortized cost or where the Company's objective is to collect both the contractual cash flows and cash flows arising from the sale of assets, the same is measured at fair value through other comprehensive income (FVTOCI). If neither of these is applicable (e.g. financial assets are held for trading purposes), then the financial assets are classified as part of 'other' business model and measured at FVPL.

SPPI: Where the business model is to hold assets to collect and earn contractual cash flows (i.e. measured at amortized cost), the Company assesses whether the financial instruments' cash flows represent solely payments of principal and interest (the 'SPPI test'). In making this assessment, the Company considers whether the contractual cash flows are consistent with a basic lending arrangement i.e. interest includes only consideration for the time value of money, credit risk, other basic lending risks and a profit margin that is consistent with a basic lending arrangement. Where the contractual terms introduce exposure to risk or volatility that are inconsistent with a basic lending arrangement, the related financial asset is classified and measured at fair value through profit or loss. The amortized cost, as mentioned above, is computed using the effective interest rate method.

After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method less impairment. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in interest income in the statement of profit or loss. The losses arising from impairment are recognised in the statement of profit and loss.

3.14.1.4 Debt instruments at FVOCI

A 'debt instrument' is classified as at the FVTOCI if both of the following criteria are met:
The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets

Debt instruments included within the FVTOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognized in the other comprehensive income (OCI). However, the Company recognizes interest income, impairment losses & reversals and foreign exchange gain or loss in the Statement of Profit and Loss. On derecognition of the asset, cumulative gain or loss previously recognised in OCI is reclassified from the equity to Statement of Profit and Loss. Interest earned whilst holding FVTOCI debt instrument is reported as interest income using the EIR method.

3.14.1.5 Debt instruments at FVTPL

FVTPL is a residual category for debt instruments. Any debt instrument, which does not meet the criteria for categorization as at amortized cost or as FVTOCI, is classified as at FVTPL.

In addition, the company may elect to designate a debt instrument, which otherwise meets amortized cost or FVTOCI criteria, as at FVTPL. However, such election is allowed only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as 'accounting mismatch'). Debt instruments included within the FVTPL category are measured at fair value with all changes recognized in the Statement of Profit and Loss.

3.14.1.6 Equity Investments

All equity investments in scope of Ind AS 109 are measured at fair value. Equity instruments which are held for trading classified as at FVTPL. For all other equity instruments, the Company may make an irrevocable election to present in other comprehensive income subsequent changes in the fair value. 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 Other Comprehensive Income to Statement of Profit and Loss, even on sale of investment. However, the company may transfer the cumulative gain or loss within equity.

Equity instruments included within the FVTPL category are measured at fair value with all changes recognized in the Statement of Profit and Loss.

3.14.2 Financial Liabilities

3.14.2.1 Initial recognition and measurement

Financial liabilities are classified and measured at amortised cost or FVTPL. A financial liability is classified as at FVTPL if it is classified as held-for trading or it is designated as on initial recognition. All financial liabilities are recognised initially at fair value and, in the case of borrowings and payables, net of directly attributable transaction costs.

The company's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts and derivative financial instruments.

3.14.2.2 Borrowings

After initial recognition, interest-bearing borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in Statement of Profit and Loss when the liabilities are derecognised as well as through the EIR amortisation process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit and loss. This category generally applies to borrowings.

3.14.3 Derivative financial instruments

The Company holds derivatives to mitigate the risk of changes in exchange rates on foreign currency exposures as well as interest fluctuations. The counterparty for these contracts is generally a bank. Derivatives that are not designated a hedge are categorized as financial assets or financial liabilities, at fair value through profit or loss. Such derivatives are recognized initially at fair value and attributable transaction costs are recognized in the Statement of Profit and Loss when incurred. Subsequent to initial recognition, these derivatives are measured at fair value through profit or loss and the resulting gains or losses are included in Statement of Profit and Loss.

3.14.4 Reclassification of financial assets and liabilities

The company doesn't reclassify its financial assets subsequent to their initial recognition, apart from the exceptional circumstances in which the company acquires, disposes of, or terminates a business line. Financial liabilities are never reclassified.

3.14.5 De recognition of financial assets and liabilities

3.14.5.1 Financial Assets

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is de-recognised when the rights to receive cash flows from the financial asset have expired. The Company also de-recognised the financial asset if it has transferred the financial asset and the transfer qualifies for de recognition.

The Company has transferred the financial asset if, and only if, either:

• It has transferred its contractual rights to receive cash flows from the financial asset, or
• It retains the rights to the cash flows, but has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement

Pass-through arrangements are transactions whereby the Company retains the contractual rights to receive the cash flows of a financial asset (the 'original asset'), but assumes a contractual obligation to pay those cash flows to one or more entities (the 'eventual recipients'), when all of the following three conditions are met:
• The Company has no obligation to pay amounts to the eventual recipients unless it has collected equivalent amounts from the original asset, excluding short-term advances with the right to full recovery of the amount lent plus accrued interest at market rates.
• The Company cannot sell or pledge the original asset other than as security to the eventual recipients.
• The Company has to remit any cash flows it collects on behalf of the eventual recipients without material delay.

In addition, the Company is not entitled to reinvest such cash flows, except for investments in cash or cash equivalents including interest earned, during the period between the collection date and the date of required remittance to the eventual recipients.

A transfer only qualifies for derecognition if either:
• The Company has transferred substantially all the risks and rewards of the asset, Or
• The Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

The Company considers control to be transferred if and only if, the transferee has the practical ability to sell the asset in its entirety to an unrelated third party and is able to exercise that ability unilaterally and without imposing additional restrictions on the transfer.

When the Company has neither transferred nor retained substantially all the risks and rewards and has retained control of the asset, the asset continues to be recognised only to the extent of the Company's continuing involvement, in which case, the Company also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration the Company could be required to pay.

If continuing involvement takes the form of a written or purchased option (or both) on the transferred asset, the continuing involvement is measured at the value the Company would be required to pay upon repurchase. In the case of a written put option on an asset that is measured at fair value, the extent of the entity's continuing involvement is limited to the lower of the fair value of the transferred asset and the option exercise price. The profit or loss on derecognition is recognized in the Statement of profit and loss.

Derecognition due to modification of terms and conditions

The Company de-recognizes a financial asset, when the terms and conditions have been renegotiated to the extent that, substantially, it becomes a new loan, with the difference recognised as a derecognition gain or loss, to the extent that an impairment loss has not already been recorded. The newly recognised loans are classified as Stage 1 for ECL measurement purposes, unless the new loan is deemed to be Purchase Oriented Credit Impaired ("POCI")

If the modification does not result in cash flows that are substantially different, the modification does not result in derecognition. Based on the change in cash flows discounted at the original EIR, the Group records a modification gain or loss, to the extent that an impairment loss has not already been recorded.

3.14.5.2 Financial Liabilities
A financial liability is derecognised when the obligation under the liability is discharged, cancelled or expires. Where an existing financial liability is replaced by another from the same lender on substantially different terms or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a derecognition of the original liability and the recognition of a new liability. The difference between the carrying value of the original financial liability and the consideration paid is recognised in profit or loss.

3.15 Impairment of financial assets

3.15.1 Overview of the ECL principles
The Company is recording the allowance for expected credit losses for all loans and other debt financial assets not held at FVTPL, together with loan commitments and financial guarantee contracts, (in this section all referred to as 'financial instruments'). Equity instruments are not subject to impairment under IND AS 109.

The ECL allowance is based on:

a) 12 months' expected credit loss (12mECL) where there is no significant increase in credit risk since origination and

b) on the the credit losses expected to arise over the life of the asset (the lifetime expected credit loss or LTECL)

The 12mECL is the portion of LTECL that represents the ECL that results from default events on a financial instrument that are possible within the 12 months after the reporting date.

Both LTECL and 12mECL are calculated on individual and collective basis, depending on the nature of the underlying portfolio of financial instruments. The Company has established a policy to perform an assessment, at the end of each reporting period, of whether a financial instrument's credit risk has increased significantly since initial recognition.

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

Stage 1 : When loans are first recognised, the Company recognises an allowance based on 12mECL. Stage 1 loans also include facilities where the credit risk has improved and the loan has been reclassified from Stage 2 or Stage 3.
Stage 2: When a loan has shown a significant increase in credit risk since origination, the company records an allowance for the LTECL. Stage 2 loans also include facilities, where the credit risk has improved and the loan has been reclassified from Stage 3.
Stage 3: Loans considered credit-impaired. The Company records an allowance for the LTECL.

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

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

• PD - The Probability of Default is an estimate of the likelihood of default over a given time horizon. A default may only happen at a certain time over the assessed period, if the facility has not been previously derecognised and is still in the portfolio.
• EAD - The Exposure at Default is an exposure at a default date.
• LGD - The Loss Given Default is an estimate of the loss arising in the case where a default occurs at a given time. It is based on the difference between the contractual cash flows due and those that the lender would expect to receive, including from the realisation of any collateral. It is usually expressed as a percentage of the EAD.

The maximum period for which the credit losses are determined is the expected life of a financial instrument.
The mechanics of the ECL method are summarised below:
Stage 1: The 12mECL is calculated as the portion of LTECL that represent the ECL that result from default events on a financial instrument that are possible within the 12 months after the reporting date. The Company calculates the 12mECL allowance based on the expectation of a default occurring in the 12 months following the reporting date. These expected 12-month default probabilities are applied to an EAD and multiplied by the expected LGD.
Stage 2: When a loan has shown a significant increase in credit risk since origination, the Company records an allowance for the LTECL. The mechanics are similar to those explained above, but PDs and LGDs are estimated over the lifetime of the instrument.
Stage 3: For loans considered credit-impaired , the Company recognizes the lifetime expected credit losses for these loans. The method is similar to that for Stage 2 assets, with the PD set at 100%.

Loan commitments: When estimating LTECL for undrawn loan commitments, the Company estimates the expected portion of the loan commitment that will be drawn down over its expected life. The ECL is then based on the present value of the expected shortfalls in cash flows if the loan is drawn down. The expected cash shortfalls are discounted at an approximation to the expected EIR on the loan.

For loan commitments, the ECL is recognised within Provisions.

3.15.3 Forward looking information
While estimating the expected credit losses, the Company reviews macro-economic developments occurring in the economy and market it operates in. On a periodic basis, the Company analyses if there is any relationship between key economic trends like GDP, Property Price Index, Unemployment rates, Benchmark rates set by the Reserve Bank of India, inflation etc. with the estimate of PD, LGD determined by the Company based on its internal data. While the internal estimates of PD, LGD rates by the Company may not be always reflective of such relationships, temporary overlays are embedded in the methodology to reflect such macro-economic trends reasonably.

3.15.4 Write-offs

Financial assets are written off partially or in their entirety when the recovery of amounts due is considered unlikely. If the amount to be written off is greater than the accumulated loss allowance, the difference is first treated as an addition to the allowance that is then applied against the gross carrying amount. Any subsequent recoveries are credited to Statement of Profit and Loss.

3.16 Fair value measurement
The Company measures financial instruments, such as, derivatives at fair value at each balance sheet date using valuation techniques.
Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:
• In the principal market for the asset or liability, or
• In the absence of a principal market, in the most advantageous market for the asset or liability

The principal or the most advantageous market must be accessible by the Company. The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest. A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

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

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

• Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities
• Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
• Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

3.17 Dividend

The Company recognises a liability to make cash distributions to equity holders when the distribution is authorised and the distribution is no longer at the discretion of the Company. Final dividends on shares are recorded as a liability on the date of approval by the shareholders and interim dividends are recorded as a liability on the date of declaration by the Company's Board of Directors.

3.18 Hedging

The Company makes use of derivative instruments to manage exposures to interest rate and foreign currency. In order to manage particular risks, the Company applies hedge accounting for transactions that meet specified criteria.

At the inception of a hedge relationship, the Company formally designates and documents the hedge relationship to which the Company wishes to apply hedge accounting and the risk management objective and strategy for undertaking the hedge. The documentation includes the Company's risk management objective and strategy for undertaking hedge, the hedging/ economic relationship, the hedged item or transaction, the nature of the risk being hedged, hedge ratio and how the entity will assess the effectiveness of changes in the hedging instrument's fair value in offsetting the exposure to changes in the hedged item's fair value or cash flows attributable to the hedged risk. Such hedges are expected to be highly effective in achieving offsetting changes in fair value or cash flows and are assessed on an ongoing basis to determine that they actually have been highly effective throughout the financial reporting periods for which they were designated.

Hedges that meet the strict criteria for hedge accounting are accounted for, as described below:

3.18.1 Fair value hedges

Fair value hedges hedge the exposure to changes in the fair value of a recognised asset or liability or an unrecognised firm commitment, or an identified portion of such an asset, liability or firm commitment, that is attributable to a particular risk and could affect profit or loss.

For designated and qualifying fair value hedges, the cumulative change in the fair value of a hedging derivative is recognised in the statement of profit and loss in net gain on fair value changes. Meanwhile, the cumulative change in the fair value of the hedged item attributable to the risk hedged is recorded as part of the carrying value of the hedged item in the balance sheet and is also recognised in the statement of profit and loss in net gain on fair value changes.

The Company classifies a fair value hedge relationship when the hedged item (or group of items) is a distinctively identifiable asset or liability hedged by one or a few hedging instruments. The financial instruments hedged for interest rate risk in a fair value hedge relationships fixed rate debt issued and other borrowed funds.

If the hedging instrument expires or is sold, terminated or exercised, or where the hedge no longer meets the criteria for hedge accounting, the hedge relationship is discontinued prospectively. If the relationship does not meet hedge effectiveness criteria, the Company discontinues hedge accounting from the date on which the qualifying criteria are no longer met. For hedged items recorded at amortised cost, the accumulated fair value hedge adjustment to the carrying amount of the hedged item on termination of the hedge accounting relationship is amortised over the remaining term of the original hedge using the recalculated EIR method by recalculating the EIR at the date when the amortisation begins. If the hedged item is derecognised, the unamortised fair value adjustment is recognised immediately in the statement of profit and loss.

3.18.2 Cash flow hedges

A cash flow hedge is a hedge of the exposure to variability in cash flows that is attributable to a particular risk associated with a recognised asset or liability (such as all or some future interest payments on variable rate debt) or a highly probable forecast transaction and could affect profit or loss.

For designated and qualifying cash flow hedges, the effective portion of the cumulative gain or loss on the hedging instrument is initially recognised directly in OCI within equity (cash flow hedge reserve). The ineffective portion of the gain or loss on the hedging instrument is recognised immediately in net gain/loss on fair value changes in the profit and loss statement.

When the hedged cash flow affects the statement of profit and loss, the effective portion of the gain or loss on the hedging instrument is recorded in the corresponding income or expense line of the statement of profit and loss. When the forecast transaction subsequently results in the recognition of a non-financial asset or a non-financial liability, the gains and losses previously recognised in OCI are reversed and included in the initial cost of the asset or liability.

When a hedging instrument expires, is sold, terminated, exercised, or when a hedge no longer meets the criteria for hedge accounting, any cumulative gain or loss that has been recognised in OCI at that time re-mains in OCI and is recognised when the hedged forecast transaction is ultimately recognised in the statement of profit and loss. When a forecast transaction is no longer expected to occur, the cumulative gain or loss that was reported in OCI is immediately transferred to the statement of profit and loss.

3.18.3 Cost of hedging

The Company may separate forward element and the spot element of a forward contract and designate as the hedging instrument only the change in the value of the spot element of a forward contract. Similarly currency basis spread may be separated and excluded from the designation of a financial instrument as the hedging instrument.

When an entity separates the forward element and the spot element of a forward contract and designates as the hedging instrument only the change in the value of the spot element of the forward contract, or when an entity separates the foreign currency basis spread from a financial instrument and excludes it from the designation of that financial instrument as the hedging instrument, such amount is recognised in Other Comprehensive Income and accumulated as a separate component of equity under Cost of hedging reserve. These amounts are reclassified to the statement of profit or loss account as a reclassification adjustment in the same period or periods during which the hedged cash flows affect profit or loss.

3.19. Assets held for Sale

In the course of its business activities, the Company acquires and holds certain assets (residential / commercial) for sale. The Company is committed to sell these assets and such assets and the carrying amounts of such assets will be recovered principally through the sale of these assets.

In accordance with Ind AS 105 , assets held for sale are measured on the reporting date at the lower of carrying value or fair value less costs to sell. The Company does not charge depreciation on such assets. Fair value of such assets is determined based on independent valuations conducted by specialists.

3.20 Recent accounting 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 1st, 2022, as below:

Ind AS 103 – Business Combinations – 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 financial statements.

Ind AS 16 – Property, Plant and Equipment – 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 company is preparing the asset for its intended use. Instead, an entity will recognise 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 financial statements.

Ind AS 37 – Provisions, Contingent Liabilities and Contingent Assets – Onerous Contracts - Costs of Fulfilling a Contrac

The amendments specify that 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 labour, 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 financial statements.

Ind AS 109 – Financial Instruments – 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 derecognise a financial liability. The Company does not expect the amendment to have any significant impact in its financial statements.

(4)

Cash and cash equivalents	As at March 31 , 2022	As at March 31 , 2021
	Amount	
Cash-on-Hand	3.65	4.87
Balance with banks		
In Current accounts#	4,064.70	7,303.38
Bank Deposits	3,537.55	3,937.17
Total	**7,605.90**	**11,245.42**

includes Rs. 4.03 Crore (Previous Year Rs. 4.17 Crore) in designated unclaimed dividend accounts.

(5)

Bank Balance other than cash and cash equivalents	As at March 31 , 2022	As at March 31 , 2021
	Amount	
Balances with banks to the extent held as margin money or security against the borrowings, guarantees, other commitments[(1)]	1,644.96	3,841.55
Total	**1,644.96**	**3,841.55**

(1) Deposits accounts with bank are held as Margin Money/ are under lien / in the name of respective counterparties with whom the Company has entered into assignment deals. The Company has the complete beneficial interest on the income earned from these deposits.

(6) Derivative financial instruments

Part I	As at March 31, 2022			
	Notional amounts	Fair value assets	Notional amounts	Fair value liabilities
		Amount		Amount
Currency Derivatives:				
- Forward Contracts	726.24	2.93	4,693.05	101.60
- Currency swaps	1,516.73	146.19	-	-
- Currency options	-	-	-	-
(i)	**2,242.97**	**149.12**	**4,693.05**	**101.60**
Interest rate derivatives - Interest Rate Swaps	-	-	2,182.90	21.11
(ii)	**-**	**-**	**2,182.90**	**21.11**
Total derivative financial instruments (i)+(ii)	**2,242.97**	**149.12**	**6,875.95**	**122.71**
Part II				
Included in above are derivatives held for hedging and risk management purposes as follows:				
Fair value hedging:				
Interest rate derivatives	-	-	-	-
(i)	**-**	**-**	**-**	**-**
Cash flow hedging:				
- Forward Contracts	726.24	2.93	4,693.05	101.60
- Currency swaps	1,516.73	146.19	-	-
- Currency options	-	-	-	-
-Interest rate derivatives	-	-	2,182.90	21.11
(ii)	**2,242.97**	**149.12**	**6,875.95**	**122.71**
Undesignated derivatives (i	**-**	**-**	**-**	**-**
Total derivative financial instruments (i)+(ii)+(iii)	**2,242.97**	**149.12**	**6,875.95**	**122.71**

Part I	As at March 31, 2021			
	Notional amounts	Fair value assets	Notional amounts	Fair value liabilities
		Amount		Amount
Currency Derivatives:				
- Forward Contracts	-	-	5,450.40	158.98
- Currency swaps	1,859.73	154.13	-	-
- Currency options	-	-	-	-
Part I	**As at March 31, 2021**			
	Notional amounts	Fair value assets	Notional amounts	Fair value liabilities
		Amount		Amount
(i)	**1,859.73**	**154.13**	**5,450.40**	**158.98**

(All amount in Rs. in Crore, except for share data unless stated otherwise)

Interest rate derivatives - Interest Rate Swaps	-	-	2,182.90	130.24
(ii)	**-**	**-**	**2,182.90**	**130.24**
Total derivative financial instruments (i)+(ii)	**1,859.73**	**154.13**	**7,633.30**	**289.22**
Included in above are derivatives held for hedging and risk management purposes as follows:				
Fair value hedging:				
Interest rate derivatives	-	-	-	-
(i)	**-**	**-**	**-**	**-**
Cash flow hedging:				
- Forward Contracts	-	-	5,450.40	158.98
- Currency swaps	1,859.73	154.13	-	-
- Currency options	-	-	-	-
- Interest rate derivatives	-	-	2,182.90	130.24
(ii)	**1,859.73**	**154.13**	**7,633.30**	**289.22**
Undesignated derivatives (i	**-**	**-**	**-**	**-**
Total derivative financial instruments (i)+(ii)+(iii)	**1,859.73**	**154.13**	**7,633.30**	**289.22**

6.1 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 risk and foreign currency risk

6.1.1 Derivatives not designated as hedging instruments

The Company uses interest rate swaps to manage its interest rate risk arising from INR denominated borrowings . The interest rate swaps are not designated in a hedging relationship and are entered into for periods consistent with exposure of the underlying transactions.

6.1.2 Derivatives designated as hedging instruments

a. Cash flow hedges

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

The company is exposed to interest rate risk arising from its foreign currency borrowings amounting to $ 320,000,000 (Previous Year $ 520,000,000). Interest on the borrowing is payable at a floating rate linked to USD LIBOR. The company economically hedged the interest rate risk arising from the debt with a 'receive floating pay fixed' interest rate swap ('swap').

The Company uses Interest Rate Swaps (IRS) Contracts (Floating to Fixed) to hedge its risks associated with interest rate fluctuations relating interest rate risk arising from foreign currency loans / external commercial borrowings. The Company designates such IRS contracts in a cash flow hedging relationship by applying the hedge accounting principles as per IND AS 109. These IRS contracts are stated at fair value at each reporting date. Changes in the fair value of these IRS contracts that are designated and effective as hedges of future cash flows are recognised directly in "Cash Flow Hedge Reserve" under Reserves and surplus and the ineffective portion is recognised immediately in the Statement of Profit and Loss. Hedge accounting is discontinued when the hedging instrument expires or is sold, terminated, or exercised, or no longer qualifies for hedge accounting.

The Company also hedges foreign currency risk arising from its fixed rate foreign currency bond by entering into the Forward Contracts and Principal Only Swaps. There is an economic relationship between the hedged item and the hedging instrument as the terms of the Forward contracts/Principal Only Swaps match that of the foreign currency borrowing (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 swap are identical to the hedged risk components

	As At March 31, 2022			
	Notional amount	**Carrying amount**	**Line item in the statement of financial position**	**Change in fair value**
The impact of hedging instruments(Net)	9,118.92	26.41	Derivative Financial Asset/ (Liability)	80.99

	As At March 31, 2021			
	Notional amount	**Carrying amount**	**Line item in the statement of financial position**	**Change in fair value**
The impact of hedging instruments(Net)	9,493.03	(135.09)	Derivative Financial Asset/ (Liability)	(244.82)

(All amount in Rs. in Crore, except for share data unless stated otherwise)

	Change in fair value	Cash flow hedge reserve as at March 31 , 2022	Cost of hedging as at March 31 , 2022	Cash flow hedge reserve as at March 31, 2021	Cost of hedging as at March 31 , 2021
The impact of hedged item	80.99	(486.56)	-	(567.55)	-

March, 31, 2022	Total hedging gain / (loss) recognised in OCI	Ineffective-ness recognised in profit or (loss)	Line item in the statement of profit or loss
Effect of Cash flow hedge	80.99	0.25	Finance cost

March, 31, 2021	Total hedging gain / (loss) recognised in OCI	Ineffective-ness recognised in profit or (loss)	Line item in the statement of profit or loss
Effect of Cash flow hedge	(244.82)	0.35	Finance cost

b. Fair value hedge

The Company uses IRS instruments to convert a proportion of its fixed rate debt to floating rates in order to hedge the interest rate risk arising, principally, from issue of non-convertible debentures. Company designates these as fair value hedges of interest rate risk. Changes in the fair values of derivatives designated as fair value hedges and changes in fair value of the related hedged item are recognised directly in Statement of Profit and Loss thus ineffective portion being recognised in the Statement of Profit and Loss.

(7)

Trade Receivables	As at March 31 , 2022	As at March 31 , 2021
	Amount	
Receivablesconsidered good - Unsecured	1.20	3.10
Receivables which have significant increase in credit risk	-	-
Receivables – credit impaired	-	-
	1.20	**3.10**

Trade Receivables ageing schedule as at March 31, 2022

Particulars	Less than 6 Months	6 months to 1 Year	1-2 Year	2-3 Year
(i) Undisputed Trade receivables considered good	0.95	0.06	0.13	0.02
(ii) Undisputed Trade receivables considered doubtful	-	-	-	-
(iii) Disputed Trade receivables considered good	-	-	-	-
(iv) Disputed Trade receivables considered doubtful	-	-	-	-

Particulars	>3 Year	Total
(i) Undisputed Trade receivables considered good	0.04	**1.20**
(ii) Undisputed Trade receivables considered doubtful	-	**-**
(iii) Disputed Trade receivables considered good	-	**-**
(iv) Disputed Trade receivables considered doubtful	-	**-**

Trade Receivables ageing schedule as at March 31, 2021

Particulars	Less than 6 Months	6 months to 1 Year	1-2 Year	2-3 Year
(i) Undisputed Trade receivables considered good	0.17	-	0.02	2.02
(ii) Undisputed Trade receivables considered doubtful	-	-	-	-
(iii) Disputed Trade receivables considered good	-	-	-	-
Particulars	**Less than 6 Months**	**6 months to 1 Year**	**1-2 Year**	**2-3 Year**
(iv) Disputed Trade receivables considered doubtful	-	-	-	-

Particulars	>3 Year	Total
(i) Undisputed Trade receivables considered good	0.89	**3.10**
(ii) Undisputed Trade receivables considered doubtful	-	**-**
(iii) Disputed Trade receivables considered good	-	**-**
(iv) Disputed Trade receivables considered doubtful	-	**-**

(8)

Loans	As at March 31 , 2022	As at March 31 , 2021
	Amortised Cost	
	Amount	

Term Loans(Net of Assignment)[(1) to (4)*]	52,225.86	56,587.93
Less: Impairment loss allowance	1,468.68	2,115.18
Total (A) Net	**50,757.18**	**54,472.75**
Secured by tangible assets and intangible assets[(2),(3)(a) & (4)]	51,855.54	55,881.55
Unsecured[(3)(b)]	370.32	706.38
Less: Impairment loss allowance	1,468.68	2,115.18
Total (B) Net	**50,757.18**	**54,472.75**
(C) (I) Loans in India		
Others	52,225.86	56,587.93
Less: Impairment loss allowance	1,468.68	2,115.18
Total (C)(I) Net	**50,757.18**	**54,472.75**
(C) (II)Loans outside India	-	-
Less: Impairment loss allowance	-	-
Total (C)(II) Net	-	-
Total C (I) and C (II)	**50,757.18**	**54,472.75**

(1) Term Loans(Net of Assignment):	**As at March 31 , 2022**	**As at March 31 , 2021**
	Amount	
Total Term Loans	62,232.74	69,217.34
Less: Loans Assigned	11,995.31	14,250.22
	50,237.43	**54,967.12**
Add: Interest Accrued on Loans[#@]	1,988.43	1,620.81
Term Loans(Net of Assignment)	**52,225.86**	**56,587.93**

*Includes credit substitutes
includes redemption premium accrued on zero coupon bond for Rs 1,154.10 Crore (Previous year Rs. 398.23 crore), which will become due and payable upon maturity only. The accounting of the redemption premium shall in no way whatsoever, be considered as the credit of the premium to the account of the Company nor create an enforceable right in favour of the Company on any date prior to redemption.
@ includes interest accrued on units of AIF amounting to Rs 317.80 Crore (Previous year Rs. 99.30 crore), which will become due and payable upon maturity only

(2) Secured Loans and Other Credit Facilities given to customers are secured / partly secured by :
(a) Equitable mortgage of property and / or,
(b) Pledge of shares / debentures, units, other securities, assignment of life insurance policies and / or,
(c) Hypothecation of assets and / or,
(d) Company guarantees and / or,
(e) Personal guarantees and / or,
(f) Negative lien and / or Undertaking to create a security.

(3) (a) Includes Loan to Subsidiaries for Rs. 1,486 Crore (March 31, 2021 Rs. 1,296 Crore).
(b) Includes Loan to Subsidiaries for Rs. 67.30 Crore (March 31, 2021 Rs. 67.30 Crore).

(4) Impairment allowance for loans and advances to customers
IHFL's Analytics Department has designed and operates its Internal Rating Model. The model is tested and calibrated periodically. The model grades loans on a four-point grading scale, and incorporates both quantitative as well as qualitative information on the loans and the borrowers. The model uses historical empirical data to arrive at factors that are indicative of future credit risk and segments the portfolio on the basis of combinations of these parameters into smaller homogenous portfolios from the perspective of credit behaviour. Some of the factors that the internal risk based model may consider are:

a) Loan to value
b) Type of collateral
c) Cash-flow and income assessment of the borrower
d) Interest and debt service cover
e) Repayment track record of the borrower
f) Vintage i.e. months on books and number of paid EMIs
g) Project progress in case of project finance

In addition to information specific to the borrower and the performance of the loan, the model may also utilise supplemental external information that could affect the borrower’s behaviour. The model is also calibrated to incorporate external inputs such as GDP growth rate, unemployment rate and factors specific to the sector/industry of the borrower.

(All amount in Rs. in Crore, except for share data unless stated otherwise)

The table below shows the credit quality and the maximum exposure to credit risk based on the Company's internal credit rating system and year-end stage classification. *.

Risk Categorization	**As at March 31, 2022**			
	Stage 1	**Stage 2**	**Stage 3**	**Total**
	Amount			
Very Good	25,325.55	270.27	-	25,595.82
Good	7,721.54	11,571.47	-	19,293.01
Average	-	3,290.87	-	3,290.87
Non-performing	-	-	2,057.73	2,057.73
Grand Total	**33,047.09**	**15,132.61**	**2,057.73**	**50,237.43**

Risk Categorization	**As at March 31, 2021**			
	Stage 1	**Stage 2**	**Stage 3**	**Total**
	Amount			
Very Good	29,754.83	-	-	29,754.83
Good	3,200.16	18,393.66	-	21,593.82
Average	-	2,091.93	-	2,091.93
Non-performing	-	-	1,526.54	1,526.54
Grand Total	**32,954.99**	**20,485.59**	**1,526.54**	**54,967.12**

*The above table does not include the amount of interest accrued but not due in all the years

An analysis of changes in the ECL allowances in relation to Loans & advances is, as follows[Refer note 53]:

Particulars	**As at March 31, 2022**			
	Stage 1	**Stage 2**	**Stage 3**	**Total**
	Amount			
ECL allowance opening balance	**474.95**	**999.43**	**644.38**	**2,118.76**
ECL on assets added/ change in ECL estimates	446.72	1,297.04	1,154.35	2,898.11
Assets derecognised or repaid(including write offs/ Write back)	(572.66)	(1,787.96)	(1,181.87)	(3,542.49)
Transfers from Stage 1	(75.45)	65.37	10.08	-
Transfers from Stage 2	10.03	(272.62)	262.59	-
Transfers from Stage 3	0.13	0.29	(0.42)	-
ECL allowance closing balance#	**283.72**	**301.55**	**889.11**	**1,474.38**

The decrease in total ECL during the year is due to overall decrease in loan portfolio and certain loans which became non performing being written of

#Includes ECL on undrawn loan commitments for Rs. 5.70 Crore

Particulars	As at March 31, 2021			
	Stage 1	Stage 2	Stage 3	Total
	Amount			
ECL allowance opening balance	**487.84**	**2,504.52**	**481.01**	**3,473.37**
ECL on assets added/ change in ECL estimates	320.66	232.16	218.20	771.02
Assets derecognised or repaid(including write offs/ Write back)	(44.94)	(1,677.25)	(403.43)	(2,125.62)
Transfers from Stage 1	(300.18)	183.37	116.81	-
Transfers from Stage 2	11.56	(243.44)	231.87	(0.01)
Transfers from Stage 3	0.01	0.07	(0.08)	-
ECL allowance closing balance#	**474.95**	**999.43**	**644.38**	**2,118.76**

The decrease in total ECL during the year is due to overall decrease in loan portfolio and certain loans which became non performing being written of

#Includes ECL on undrawn loan commitments for Rs. 3.58 Crore

5. Impairment assessment

The Company's impairment assessment and measurement approach is set out in the notes below. It should be read in conjunction with the Summary of significant accounting policies.

5. (i) Probability of default

The Company considers a loan as defaulted and classified it as Stage 3 (credit-impaired) for ECL calculations typically when the borrowers become 90 days past due on contract payments.

Classification of loans into Stage 2 is done on a conservative basis and typically accounts where contractual repayments are more than 30 days past due are classified in Stage 2. Accounts typically go over 30 days past due owing to temporary mismatch in timing of borrower's or his/her business' underlying cashflows, and are usually quickly resolved. The Company may also classify a loan in Stage 2 if there is significant deterioration in the loans collateral, deterioration in the financial condition of the borrower or an assessment that adverse market conditions may have a disproportionately detrimental effect on loan repayment. Thus as a part of the qualitative assessment of whether an instrument is in default, the Company also considers a variety of instances that may indicate delay in or non-repayment of the loan. When such event occurs, the Company carefully considers whether the event should result in treating the borrower as defaulted and therefore assessed as Stage 3 for ECL calculations or whether Stage 2 is appropriate.

It is the company's policy to consider a financial instrument as 'cured' and therefore re-classified out of Stage 3 when none of the default criteria are present. The decision whether to classify an asset as Stage 2 or Stage 1 once cured depends on the updated credit grade once the account is cured, and whether this indicates there has been a significant reduction in credit risk.

5. (ii) Internal rating model and PD Estimation process

IHFL's Analytics Department has designed and operates its Internal Rating Model which factors in both quantitative as well as qualitative information about the loans and the borrowers. Both Lifetime ECL and 12 months ECL are calculated either on individual basis or a collective basis, depending on the nature of the underlying loan portfolio. In addition to information specific to the borrower and the performance of the loan, the model may also utilise supplemental external information that could affect the borrower's behaviour. The model is also calibrated to incorporate external inputs such as GDP growth rate, unemployment rate and factors specific to the sector/industry of the borrower.

5.(iii) Exposure at default

The outstanding balance as at the reporting date is considered as EAD by the company. Considering that PD determined above factors in amount at default, there is no separate requirement to estimate EAD

5. (iv) Loss given default

The Company uses historical loss data for identified homogenous pools for the purpose of calculating LGD. The estimated recovery cash flows are discounted such that the LGD calculation factors in the NPV of the recoveries

5. (v) Significant increase in credit risk

The internal rating model evaluates the loans on an ongoing basis. The rating model also assesses if there has been a significant increase in credit risk since the previously assigned risk grade One key factor that indicates significant increase in credit risk is when contractual payments are more than 30 days past due.

6. Inputs to the ECL model for forward looking economic scenarios

The internal rating model also provides for calibration to reflect changes in macroeconomic parameters and industry specific factors

7. Collateral

The company is in the business of extending secured loans mainly backed by mortgage of property (residential or commercial).

In addition to the above mentioned collateral, the Company holds other types of collateral and credit enhancements, such as cross-collateralisation on other assets of the borrower, share pledge, guarantees of parent/holding companies, personal guarantees of promoters/proprietors, hypothecation of receivables via escrow account, hypothecation of receivables in other bank accounts etc.

In its normal course of business, the Company does not physically repossess properties or other assets, but recovery efforts are made on delinquent loans through on-rolls collection executives, along with legal means to recover due loan repayments. Once contractual loan repayments are more than 90 days past due, repossession of property may be initiated under the provisions of the SARFAESI Act 2002. Re-possessed property is disposed of in the manner prescribed in the SARFAESI act to recover outstanding debt.

The Company did not hold any financial instrument for which no loss allowance is recognised because of collateral at March 31, 2022. There was no change in the Company's collateral policy during the year.

8. As at the year end the Company has undrawn loan commitments (after applying credit conversion factor) of Rs. 729.62 Crore (Previous Year Rs. 960.07 Crore)

(9)

Investments	**As at March 31, 2022**				
		At fair value			
	Amortised Cost	**Through other comprehensive income**	**Through profit or loss**	**Others***	**Total**
	Amount				
Mutual funds and Debt Funds	-	-	3,300.09	-	3,300.09
Government Securities		-	508.65	-	508.65
Debt Securities	-	-	2,455.03	-	2,455.03
Equity Instruments	-	1.85	-	-	1.85
Subsidiaries	-	-	-	3,863.23	3,863.23
Commercial Papers	-	-	98.84	-	98.84
Total gross (A)	**-**	**1.85**	**6,362.61**	**3,863.23**	**10,227.69**
Overseas Investments	-	-	-	-	-
Investments in India	-	1.85	6,362.61	3,863.23	10,227.69
Total (B)	**-**	**1.85**	**6,362.61**	**3,863.23**	**10,227.69**
Total (A) to tally with (B)	**-**	**-**	**-**	**-**	**-**
Less: Allowance for Impairment loss (C)	-	-	-	5.05	**5.05**
Total Net D = (A) -(C)	**-**	**1.85**	**6,362.61**	**3,858.18**	**10,222.64**

***At Cost(Includes Rs. 59.84 Crore of deemed cost of in respect of Corporate guarntees issued on behalf of a Subsidiary Company)**

Investments	**As at March 31, 2021**				
		At fair value			
	Amortised Cost	**Through other comprehensive income**	**Through profit or loss**	**Others***	**Total**
	Amount				
Mutual funds and Debt Funds	-	-	3,265.93	-	3,265.93
Government Securities		-	943.40	-	943.40
Debt Securities	-	-	1,630.74	-	1,630.74
Equity Instruments	-	231.88	-	-	231.88
Subsidiaries	-	-	-	3,852.05	3,852.05
Commercial Papers	-	-	98.80	-	98.80
Total gross (A)	**-**	**231.88**	**5,938.87**	**3,852.05**	**10,022.80**
Overseas Investments	-	213.88	-	-	213.88
Investments in India	-	18.00	5,938.87	3,852.05	9,808.92

Investments	**As at March 31, 2021**				
		At fair value			
	Amortised Cost	**Through other comprehensive income**	**Through profit or loss**	**Others***	**Total**
	Amount				

Total (B)	**-**	**231.88**	**5,938.87**	**3,852.05**	**10,022.80**
Total (A) to tally with (B)	**-**	**-**	**-**	**-**	**-**
Less: Allowance for Impairment loss (C)	-	-	-	5.05	5.05
Total Net D = (A) -(C)	**-**	**231.88**	**5,938.87**	**3,847.00**	**10,017.75**

***At Cost(Includes Rs. 55.66 Crore of deemed cost of in respect of Corporate guarntees issued on behalf of a Subsidiary Company)**

(1) As at March 31, 2022, the Company holds 100% of the Equity Share capital of Indiabulls Insurance Advisors Limited and Indiabulls Capital Services Limited, these are considered as strategic and long term in nature and are held at a cost of Rs. 0.05 Crore and Rs. 5.00 Crore respectively. Based on the audited financials of these companies, as at March 31, 2022, there has been an erosion in the value of investment made in these companies as the operations in this company have not yet commenced / are in the process of being set up. During the financial year 2016-17 provision of Rs. 5.05 Crore for diminution in the carrying value was made for these companies in the books of accounts.

(2) On December 13, 2010 the Erstwhile Holding Company (IBFSL) had sold 26% shares held by it in Indian Commodity Exchange Limited (ICEX) to Reliance Exchange Next Limited (R-Next) for a total consideration of Rs. 47.35 Crore against a proportionate cost of Rs. 26.00 Crore. As a result thereof, the stake of IBFSL in ICEX reduced from 40% to 14% and the same was reclassified as a long term investment from the earlier classification of being an Associate. MMTC Limited (MMTC) filed a petition before the National Company Law Tribunal (NCLT) (Earlier known as Company Law Board)) against ICEX, R-Next and IBFSL alleging that the transfer is null and void in terms of the Shareholders Agreement in view of the Forward Markets Commission (FMC) guidelines. IBFSL contends that such view of MMTC is based on the old FMC guidelines and without considering the amended FMC Guidelines dated June 17, 2010 wherein the transfer norms were relaxed. IBFSL had filed its objections on maintainability of the petition which is pending adjudication before the NCLT.

(3) During the current financial year ended March 31, 2022, the Company has sold 11,500,000 Equity Shares of Indian Commodity Exchange Limited for a total consideration of Rs. 2.85 Crores at a loss of Rs. 4.05 Crores. Subsequent to the year ended March 31, 2022, the Company has sold 18,500,000 Equity Shares of Indian Commodity Exchange Limited for a total consideration of Rs. 1.85 Crore. With this, the Company had sold its entire stake in Indian Commodity Exchange Limited.

(4) During the current financial year the Company has sold 4,985,000 nos. of Equity shares held of Oaknorth Holdings Limited for a consideration of Rs. 293.42 crores and realised a gain of Rs. 253.03 crores. With this, the Company has sold its entire stake in Oaknorth Holdings Limited.

(5) During the current financial year, the Company has subscribed 6,950,000 Equity Shares of face value Rs. 10/- per share for a total consideration of Rs. 6.95 Crore, issued by wholly owned subsidiary namely Indiabulls Investment Management Limited (Formerly Indiabulls Venture Capital Management Company Limited).

(6) The Company along with its wholly owned subsidiary companies Indiabulls Asset Management Company Limited (IAMCL) and Indiabulls Trustee Company Limited, Trustee of IAMCL, (ITCL) has executed definitive transaction document with Nextbillion Technology Private Limited, part of Groww Group (hereinafter referred to as “Groww”), to divest its entire stake in the business of managing mutual fund, being carried out by IAMCL & ITCL to the Groww at an aggregate purchase consideration of Rs. 175 crores (including cash and cash equivalents of Rs. 100 Crore, as on closing date) (“Transaction”) subject to necessary approvals, as may be required in this regard.

(7) Investment in mutual funds of Rs. 179.01 crores (March 31, 2021 Rs. 102.42 crores) under lien / provided as credit enhancement in respect of assignment deal for loans

(10)

Other financial assets	**As at March 31, 2022**	**As at March 31, 2021**
	Amount	
Security Deposit	48.08	36.44
Interest only Strip receivable	694.24	818.50
Interest Accrued on Deposit accounts / Margin Money	221.03	155.40
Margin Money on Derivative Contracts	86.11	101.33
Other Receivable	28.79	70.59
Total	**1,078.25**	**1,182.26**

11. Property, plant and equipment and intangible assets
Note 11.1 Property, plant and equipment

	Leasehold Improvements	Computers and printers	Furniture and fixtures	Motor vehicles	Office equipment	Land*	Building (1)	Total
Cost								
At April 1, 2020	**63.28**	**63.16**	**30.11**	**92.95**	**24.15**	**0.32**	**14.60**	**288.57**
Additions	1.68	0.38	0.97	0.46	0.36	-	-	**3.85**
Disposals	6.19	0.93	1.45	8.50	1.30	-	-	**18.37**
At April 1, 2021	**58.77**	**62.61**	**29.63**	**84.91**	**23.21**	**0.32**	**14.60**	**274.05**
Additions	2.31	0.47	1.45	8.46	0.55	-	-	**13.24**
Disposals	0.70	0.45	0.31	7.30	0.32	-	-	**9.08**
At March 31, 2022	**60.38**	**62.63**	**30.77**	**86.07**	**23.44**	**0.32**	**14.60**	**278.21**
Depreciation								
At April 1, 2020	**27.75**	**51.33**	**16.15**	**62.25**	**17.01**	**-**	**0.67**	**175.16**
Charge for the year	5.47	8.27	2.27	11.77	2.60	-	0.24	30.62
Disposals	2.84	0.87	0.65	5.71	0.99	-	-	11.06
At April 1, 2021	**30.38**	**58.73**	**17.77**	**68.31**	**18.62**	**-**	**0.91**	**194.72**
Charge for the year	9.22	3.42	2.23	9.31	2.08	-	0.24	26.50
Disposals	0.38	0.45	0.17	6.53	0.28	-	-	7.81
At March 31, 2022	**39.22**	**61.70**	**19.83**	**71.09**	**20.42**	**-**	**1.15**	**213.41**
Net Block								
At March 31, 2021	**28.39**	**3.88**	**11.86**	**16.60**	**4.59**	**0.32**	**13.69**	**79.33**
At March 31, 2022	**21.16**	**0.93**	**10.94**	**14.98**	**3.02**	**0.32**	**13.45**	**64.80**

Note 11.2 Other Intangible assets

	Software	Total
Gross block		
At April 1, 2020	45.42	45.42
Purchase	30.37	30.37
Disposals	-	-
At April 1, 2021	75.79	75.79
Purchase	6.64	6.64
Disposals	-	-
At March 31, 2022	**82.43**	**82.43**
Amortization		
At April 1, 2020	**31.19**	**31.19**
Charge for the year	10.15	10.15
At April 1, 2021	**41.34**	**41.34**
Charge for the year	13.68	13.68
At March 31, 2022	**55.02**	**55.02**
Net block		
At March 31, 2021	**34.45**	**34.45**
At March 31, 2022	**27.41**	**27.41**

*Mortgaged as Security against Secured Non Convertible Debentures (Refer Note 14)
(1) Flat costing Rs. 0.31 Crore Mortgaged as Security against Secured Non Convertible Debentures (Refer Note 14)

(All amount in Rs. in Crore, except for share data unless stated otherwise)

(12)

Other non financial assets	As at March 31, 2022	As at March 31, 2021
	Amount	
Capital Advance Tangible Assets	10.65	3.40
Capital Advance In-Tangible Assets	2.72	0.21
Others including Prepaid Expenses, GST input Credit and Employee advances	579.57	333.41
Total	**592.94**	**337.02**

(13)

Trade Payables	As at March 31, 2022	As at March 31, 2021
	Amount	
(a) Total outstanding dues of micro enterprises and small enterprises*; and	-	-
(b) Total outstanding dues of creditors other than micro enterprises and small enterprises	0.63	0.68
	0.63	**0.68**

* Disclosures under the Micro, Small and Medium Enterprises Development Act, 2006:

(a) No amount was due and outstanding to suppliers as at the end of the accounting year on account of Principal and Interest respectively.

(b) No interest was paid during the year in terms of section 16 of the Micro, Small and Medium Enterprises Development Act, 2006 and no amount was paid to the supplier beyond the appointed day.

(c) No amount of interest is due and payable for the period of delay in making payment but without adding the interest specified under the Micro, Small and Medium Enterprises Development Act, 2006

(d) No interest was accrued and unpaid at the end of the accounting year.

(e) No further interest remaining due and payable even in the succeeding years for the purpose of disallowance of a deductible expenditure under section 23 of the Micro, Small and Medium Enterprises Development Act, 2006

The above information regarding Micro, Small and Medium Enterprises has been determined to the extent such parties have been identified on the basis of information available with the Company. This has been relied upon by the Auditors.

Trade Payables ageing schedule as at March 31, 2022

Particulars	<1 Year	1-2 Year	2-3 Year	>3 Year	Total
(i) MSME	-	-	-	-	**-**
(ii) Others	0.37	0.04	-	0.22	**0.63**
(iii) Disputed dues – MSME	-	-	-	-	**-**
(iv) Disputed dues - Others	-	-	-	-	**-**

Trade Payables ageing schedule as at March 31, 2021

Particulars	<1 Year	1-2 Year	2-3 Year	>3 Year	Total
(i) MSME	-	-	-	-	**-**
(ii) Others	0.26	0.42	-	-	**0.68**
(iii) Disputed dues – MSME	-	-	-	-	**-**
(iv) Disputed dues - Others	-	-	-	-	**-**

(14)

Debt Securities	As at March 31, 2022	As at March 31, 2021
	At Amortised Cost	
	Amount	
Secured		
Liability Component of Compound Financial Instrument*(Refer Note 32(i))	2,205.23	1,091.99
Debentures*(Refer Note 32(i))	21,350.70	28,072.71
		-
Total gross (A)	**23,555.93**	**29,164.70**
Debt securities in India	18,698.97	25,508.95
Debt securities outside India	4,856.96	3,655.75
Total (B) to tally with (A)	**23,555.93**	**29,164.70**

*Secured against Immovable Property / Other financial Assets and pool of Current and Future Loan Receivables of the Company, Including Investments

(All amount in Rs. in Crore, except for share data unless stated otherwise)

(15)

Borrowings other than debt securities*[(1)]	As at March 31, 2022	As at March 31, 2021
	At Amortised Cost	
	Amount	
Secured		
Term Loans from bank and others*[(Refer Note 32(ii))]	13,233.44	14,935.24
External Commercial borrowings(ECB)*[(Refer Note 32(ii))]	2,416.33	3,802.19
Repo Borrowing[@]	515.79	-
From banks- Cash Credit Facility*	1,111.17	2,329.83
From banks- Working Capital Loan*	4,829.00	5,173.00
Securitisation Liability*	6,745.10	3,182.39
Unsecured		
Lease Liability[(At Fair Value)(Refer Note 46)]	194.66	136.02
Total gross (A)	**29,045.49**	**29,558.67**
Borrowings in India	26,629.16	25,756.48
Borrowings outside India (ECB)	2,416.33	3,802.19
Total (B) to tally with (A)	**29,045.49**	**29,558.67**

*Secured by hypothecation of Loan Receivables(Current and Future) / Other financial Assets / Cash and Cash Equivalents of the Company(including investments)

(1) There is no continuing default in the repayment of the aforesaid loans or interest as at the balance sheet date.

@ Secured against Government Securities

(16)

Subordinated Liabilities	As at March 31, 2022	As at March 31, 2021
	At Amortised Cost	
	Amount	
-10.60% Non convertible Subordinated Perpetual Debentures*	100.00	100.00
-Subordinate Debt[(Refer Note 32(iii))]	4,196.03	4,248.71
Total gross (A)	**4,296.03**	**4,348.71**
Subordinated Liabilities in India	4,296.03	4,348.71
Subordinated Liabilities outside India	-	-
Total (B) to tally with (A)	**4,296.03**	**4,348.71**

*Call Option exercisable at the end of 10 years from the date of allotment only with the prior approval of the concerned regulatory authority

(17)

Other financial liabilities (at amortised cost)	As at March 31, 2022	As at March 31, 2021
	Amount	
Interest accrued but not due on borrowings	1,056.41	1,403.48
Foreign Currency Forward premium payable	538.97	646.16
Amount payable on Assigned/Securitised Loans	814.01	993.85
Other liabilities	206.36	223.51
Temporary Overdrawn Balances as per books	-	171.52
Unclaimed Dividends[(Refer Note 38)]	4.03	4.17
Proposed Interim Dividend on Equity Shares	-	416.11
Servicing liability on assigned loans	85.24	106.52
Total	**2,705.02**	**3,965.32**

(18)

Provisions	As at March 31, 2022	As at March 31, 2021
	Amount	
Provision for employee benefits [(Refer Note 29)]		
Provision for Compensated absences	15.30	14.00
Provision for Gratuity	47.24	41.73
Provision for Superannuation	60.92	59.59
Provisions for Loan Commitments	5.70	3.58
Total	**129.16**	**118.90**

(19)

Other Non-financial liabilities	As at March 31, 2022	As at March 31, 2021
	Amount	

Statutory Dues Payable and other non financial liabilities	479.59	365.47
Total	**479.59**	**365.47**

(20) Equity share capital

Details of authorized, issued, subscribed and paid up share capital

	As at March 31, 2022	As at March 31, 2021
	Amount	
Authorized share Capital		
3,000,000,000(Previous Year 3,000,000,000) Equity Shares of face value Rs. 2 each	600.00	600.00
1,000,000,000(Previous Year 1,000,000,000) Preference Shares of face value Rs.10 each	1,000.00	1,000.00
	1,600.00	**1,600.00**
Issued, Subscribed & Paid up capital		
Issued and Subscribed Capital		
468,571,504 (Previous Year 462,348,902) Equity Shares of Rs. 2/- each	93.71	92.47
Called-Up and Paid Up Capital		
Fully Paid-Up		
468,571,504 (Previous Year 462,348,902) Equity Shares of Rs. 2/- each		
Total	**93.71**	**92.47**

Terms/Rights attached to Share

The Company has only one class of Equity Shares of face value Rs. 2 each (Previous Year Rs. 2 each) fully paid up. Each holder of Equity Shares is entitled to one vote per share. The final dividend proposed by the Board of Directors, if any, is subject to the approval of the Shareholders in the ensuing Annual General Meeting, if applicable.

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. The distribution will be in proportion to the number of Equity Shares held by the Shareholders.

(i) (a) As at March 31, 2022 567,505 (Previous Year 617,505) GDR's were outstanding and were eligible for conversion into Equity Shares. The Company does not have information with respect to holders of these GDR's. Holders of Global Depository Receipts (GDRs) will be entitled to receive dividends, subject to the terms of the Deposit Agreement, to the same extent as the holders of Equity Shares, less the fees and expenses payable under such Deposit Agreement and any Indian tax applicable to such dividends. Holders of GDRs will not have voting rights with respect to the Deposited Shares. The GDRs may not be transferred to any person located in India including Indian residents or ineligible investors except as permitted by Indian laws and regulations.

(b) As at March 31, 2022 23,000,000 (Previous Year 17,000,000) shares were held by the Pragati Employee Welfare Trust(PEWT). PEWT will be entitled to receive dividends, as the holders of Equity Shares but will not be having voting rights with respect to the Shares held by it.

The reconciliation of equity shares outstanding at the beginning and at the end of the reporting period.

Name of the shareholder	As at March 31, 2022		As at March 31, 2021	
	No. of shares	Amount	No. of shares	Amount
Equity Share at the beginning of year	462,348,902	92.47	427,574,091	85.51
Add:				
Equity Share Allotted during the year				
ESOP exercised during the year(Refer note (iv))	14,650	0.00	-	-
Issue during the year(Refer note vii & viii)	6,207,952	1.24	34,774,811	6.96
Equity share at the end of period	**468,571,504**	**93.71**	**462,348,902**	**92.47**

(All amount in Rs. in Crore, except for share data unless stated otherwise)

Details of shareholders holding more than 5% shares in the Company

Name of the shareholder	As at March 31, 2022	
	No. of shares	% of holding
Promoter		
Inuus Infrastructure Private Limited	27,943,325	5.96%
Non - Promoters		
Life Insurance Corporation Of India	41,451,766	8.85%
Total	**69,395,091**	**14.81%**

Details of shareholders holding more than 5% shares in the Company

Name of the shareholder	As at March 31, 2021	
	No. of shares	% of holding
Promoter		
Inuus Infrastructure Private Limited	82,943,325	17.94%
Non - Promoters		
Life Insurance Corporation Of India	45,823,723	9.91%
Total	**128,767,048**	**27.85%**

As per records of the Company, including its register of shareholders/ members and other declarations received from shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial ownerships of shares

Shares held by promoters at the end of the financial year 2022

Promoter Name	No of Shares		% of total shares		% Change during the year
	March 31, 2021	March 31, 2022	March 31, 2021	March 31, 2022	
Sameer Gehlaut	17,251,482	500,000	3.73	0.11	-3.62
Inuus Infrastructure Private Limited	82,943,325	27,943,325	17.94	5.96	-11.98
Sameer Gehlaut IBH Trust	N.A. (Ref Note 1)	16,751,482	N.A. (Ref Note 1)	3.58	3.58
Total	100,194,807	45,194,807	21.67	9.65	-12.03

Note 1: Became part of Promoter Group during the FY 2021-22

Shares held by promoters at the end of the financial year 2021

Promoter Name*	No of Shares		% of total shares		% Change during the year
	March 31, 2020	March 31, 2021	March 31, 2020	March 31, 2021	
Sameer Gehlaut	14,851,481 (Ref Note 2)	17,251,482	3.47	3.73	0.26
Inuus Infrastructure Private Limited	82,943,325	82,943,325	19.40	17.94	-1.46
Total	97,794,806	100,194,807	22.87	21.67	-1.20

Note 2: Of the 2,300,000 equity shares in the Company acquired by Mr. Sameer Gehlaut on 26th March, 2020 from open market, one share short received in payout got credited to his demat account subsequent to 31st March, 2020. In addition, 2,400,000 equity shares in the Company acquired by him on 31st March, 2020 from open market, got credited to his demat account subsequent to 31st March, 2020. Hence, 2,400,001 equity shares are not included in his shareholding as on 31st March, 2020

*During the current year, Mr. Sameer Gehlaut (the Promoter) resigned from the office of Non-Executive Director of the Company. The Company also received requests from currently belonging to the 'Promoter and Promoter Group' category of the Company ("Outgoing Promoters"), for their reclassification from 'Promoter and Promoter Group' to 'Public' category, which shall be subject to all requisite approvals.

(ii) **Employees Stock Options Schemes:**
Grants During the Year:
There have been no new grants during the year.

(iii) **Employee Stock Benefit Scheme 2019 ("Scheme").**
The Scheme has been adopted and approved pursuant to: (a) a resolution of the Board of Directors of INDIABULLS HOUSING FINANCE LIMITED at its meeting held on November 6, 2019; and (b) a special resolution of the shareholders' of the Company passed through postal ballot on December 23, 2019, result of which were declared on December 24, 2019.

This Scheme comprises:
a. INDIABULLS HOUSING FINANCE LIMITED Employees Stock Option Plan 2019 ("ESOP Plan 2019")
b. INDIABULLS HOUSING FINANCE LIMITED Employees Stock Purchase Plan 2019 ("ESP Plan 2019")
c. INDIABULLS HOUSING FINANCE LIMITED Stock Appreciation Rights Plan 2019 ("SARs Plan 2019")

In accordance with the ESOP Regulations, the Company had set up Pragati Employee Welfare Trust(formerly known as Indiabulls Housing Finance Limited Employee Welfare Trust) (Trust) for the purpose of implementation of ESOP Scheme. The Scheme is administered through ESOP

(All amount in Rs. in Crore, except for share data unless stated otherwise)

(iv) **(a) Relevant disclosures in respect of the ESOS / ESOP Schemes are as under:-**

Particulars	**IHFL-IBFSL Employees Stock Option Plan II – 2006**	**IHFL-IBFSL Employees Stock Option – 2008**	**IHFL ESOS - 2013**	**IHFL ESOS - 2013**
Total Options under the Scheme	720,000	7,500,000	39,000,000	39,000,000
Total Options issued under the Scheme	720,000	7,500,000	10,500,000	10,500,000
Vesting Period and Percentage	Four years,25% each year	Ten years,15% First year, 10% for next eight years and 5% in last year	Five years, 20% each year	Five years, 20% each year
First Vesting Date	1st November, 2008	8th December, 2009	12th October, 2015	12th August, 2018
Revised Vesting Period & Percentage	Nine years,11% each year for 8 years and 12% during the 9th year	N.A.	N.A.	N.A.
Exercise Price (Rs.)	100.00	95.95	394.75	1,156.50
Exercisable Period	5 years from each vesting date	5 years from each vesting date	5 years from each vesting date	5 years from each vesting date
Outstanding at the beginning of the year(Nos.)	1,152	15,597	3,696,756	5,453,100
Options vested during the year (Nos.)	-	-	-	-
Exercised during the year (Nos.)	-	50	-	-
Expired during the year (Nos.)	-	-	-	-
Cancelled during the year	-	-	-	-
Lapsed during the year	1,152	1,215	372,200	2,035,100
Re-granted during the year	-	-	-	N.A
Outstanding at the end of the year (Nos.)	-	14,332	3,324,556	3,418,000
Exercisable at the end of the year (Nos.)	-	14,332	3,324,556	1,709,000
Remaining contractual Life (Weighted Months)	NA	16	24	40

N.A - Not Applicable

Particulars	**IHFL ESOS - 2013**	**IHFL ESOS - 2013**	**IHFL-IBFSL Employees Stock Option – 2008 -Regrant**	**IHFL-IBFSL Employees Stock Option – 2008-Regrant**
Total Options under the Scheme	39,000,000	39,000,000	N.A.	N.A.
Total Options issued under the Scheme	12,500,000	10,000,000	N.A.	N.A.
Vesting Period and Percentage	Three years, 33.33% each year	Five years, 20% each year	N.A.	N.A.
First Vesting Date	5th October, 2021	10th March, 2020	31st December, 2010	16th July, 2011
Revised Vesting Period & Percentage	N.A.	N.A.	Ten years, 10% for every year	Ten years, 10% for every year
Exercise Price (Rs.)	200.00	702.00	125.90	158.50
Exercisable Period	5 years from each vesting date	5 years from each vesting date	5 years from each vesting date	5 years from each vesting date
Outstanding at the beginning of the year(Nos.)	12,087,358	4,885,800	10,890	38,880
Options vested during the year (Nos.)	4,029,119	-	-	-
Exercised during the year (Nos.)	-	-	3,600	8,000
Expired during the year (Nos.)	-	-	-	-
Cancelled during the year	-	-	-	-
Particulars	**IHFL ESOS - 2013**	**IHFL ESOS - 2013**	**IHFL-IBFSL Employees Stock Option – 2008 -Regrant**	**IHFL-IBFSL Employees Stock Option – 2008-Regrant**
Lapsed during the year	-	1,821,000	-	-
Re-granted during the year	N.A	N.A	N.A	N.A
Outstanding at the end of the year (Nos.)	12,087,358	3,064,800	7,290	30,880
Exercisable at the end of the year (Nos.)	4,029,119	-	7,290	30,880
Remaining contractual Life (Weighted Months)	66	77	34	33

N.A - Not Applicable

Particulars	**IHFL-IBFSL Employees Stock Option Plan – 2006 - Regrant**	**IHFL-IBFSL Employees Stock Option – 2008 -Regrant**	**IHFL-IBFSL Employees Stock Option Plan II – 2006 -Regrant**
Total Options under the Scheme	N.A.	N.A.	N.A.
Total Options issued under the Scheme	N.A.	N.A.	N.A.
Vesting Period and Percentage	N.A.	N.A.	N.A.
First Vesting Date	27th August, 2010	11th January, 2012	27th August, 2010
Revised Vesting Period & Percentage	Ten years, 10% for every year	Ten years, 10% for every year	Ten years, 10% for every year
Exercise Price (Rs.)	95.95	153.65	100.00

(All amount in Rs. in Crore, except for share data unless stated otherwise)

Exercisable Period	5 years from each vesting date	5 years from each vesting date	5 years from each vesting date
Outstanding at the beginning of the year(Nos.)	39,500	3,000	21,900
Options vested during the year (Nos.)	-	-	-
Exercised during the year (Nos.)	-	3,000	-
Expired during the year (Nos.)	-	-	-
Cancelled during the year	-	-	-
Lapsed during the year	-	-	-
Re-granted during the year	N.A	N.A	N.A
Outstanding at the end of the year (Nos.)	39,500	-	21,900
Exercisable at the end of the year (Nos.)	39,500	-	21,900
Remaining contractual Life (Weighted Months)	29	NA	29

N.A - Not Applicable

The details of the Fair value of the options as determined by an Independent firm of Chartered Accountants, for the respective plans using the Black-Scholes Merton Option Pricing Model:-

Particulars	**IHFL - IBFSL Employees Stock Option – 2008 Regrant**	**IHFL - IBFSL Employees Stock Option – 2008 Regrant**	**IHFL - IBFSL Employees Stock Option – 2006- Regrant**	**IHFL - IBFSL Employees Stock Option Plan II – 2006- Regrant**	**IHFL - IBFSL Employees Stock Option – 2008 Regrant**
Exercise price (Rs.)	125.90	158.50	95.95	100.00	153.65
Expected volatility*	99.61%	99.60%	75.57%	75.57%	99.60%
Option Life (Weighted Average)	9.80 Years	9.80 Years	9.80 Years	9.80 Years	9.80 Years
Expected Dividends yield	3.19%	2.89%	4.69%	4.50%	2.98%
Weighted Average Fair Value (Rs.)	83.48	90.24	106.3	108.06	84.93
Risk Free Interest rate	7.59%	7.63%	7.50%	7.50%	7.63%

Particulars	**IHFL - IBFSL Employees Stock Option – 2008**	**IHFL ESOS - 2013 (Grant 1)**	**IHFL ESOS - 2013 (Grant 2)**	**IHFL ESOS - 2013 (Grant 3)**	**IHFL ESOS - 2013 (Grant 4)**
Exercise price (Rs.)	95.95	394.75	1,156.50	1,200.40	702.00
Expected volatility*	97.00%	46.30%	27.50%	27.70%	33.90%
Option Life (Weighted Average)	11 Years	5 Years	3 Years	3 Years	3 Years
Expected Dividends yield	4.62%	10.00%	5.28%	5.08%	7.65%
Weighted Average Fair Value (Rs.)	52.02	89.76	200.42	226.22	126.96
Risk Free Interest rate	6.50%	8.57%	6.51%	7.56%	7.37%

Particulars	**IHFL - IBFSL Employees Stock Option – 2013**
Exercise price (Rs.)	200.00
Expected volatility*	39.95%
Expected forfeiture percentage on each vesting date	Nil
Option Life (Weighted Average)	2 Years
Particulars	**IHFL - IBFSL Employees Stock Option – 2013**
Expected Dividends yield	0.00%
Weighted Average Fair Value (Rs.)	27.4
Risk Free Interest rate	5.92%

*The expected volatility was determined based on historical volatility data.

(b) The Company has established the "Pragati Employee Welfare Trust" ("Pragati – EWT") (earlier known as Indiabulls Housing Finance Limited - Employees Welfare Trust" (IBH – EWT) ("Trust") for the implementation and management of its employees benefit scheme viz. the "Indiabulls Housing Finance Limited - Employee Stock Benefit Scheme – 2019" (Scheme), for the benefit of the employees of the Company and its subsidiaries.
Pursuant to Regulation 3(12) of the SEBI (Share Based Employee Benefits) Regulations, 2014, the shares in Trust have been appropriated towards the Scheme for grant of Share Appreciations Rights (SARs) to the employees of the Company and its subsidiaries as permitted by SEBI. The company will treat these SARs as equity and accounting has been done accordingly. The other disclosures in respect of the SARs are as under:-

Particulars	**IHFL ESOS - 2019**
Total Options under the Scheme	17,000,000
Total Options issued under the Scheme	17,000,000
Vesting Period and Percentage	Three years,33.33% each year
First Vesting Date	10th October, 2021
Exercise Price (Rs.)	Rs. 225 First Year, Rs. 275 Second Year, Rs. 300 Third Year
Exercisable Period	5 years from each vesting date
Outstanding at the beginning of the year(Nos.)	17,000,000
Options vested during the year (Nos.)	5,666,667

Exercised during the year (Nos.)	-
Expired during the year (Nos.)	-
Cancelled during the year	-
Lapsed during the year	-
Re-granted during the year	-
Outstanding at the end of the year (Nos.)	17,000,000
Exercisable at the end of the year (Nos.)	5,666,667
Remaining contractual Life (Weighted Months)	66

The details of the Fair value of the options as determined by an Independent firm of Chartered Accountants, for the respective plans using the Black-Scholes Merton Option Pricing Model:-

Particulars	IHFL ESOS - 2019
Exercise price (Rs.)	Rs. 225 First Year, Rs. 275 Second Year, Rs. 300 Third Year
Expected volatility*	39.95%
Expected forfeiture percentage on each vesting date	Nil
Option Life (Weighted Average)	1 Year for first Vesting, 2 years for second Vesting and 3 years for third Vesting.
Expected Dividends yield	0.00%
Weighted Average Fair Value (Rs.)	9.25 for First Year, 13.20 for Second Year and 19.40 for third year
Risk Free Interest rate	5.92%

*The expected volatility was determined based on historical volatility data.

(v) 22,008,616 Equity Shares of Rs. 2 each (Previous Year : 26,253,933) are reserved for issuance towards Employees Stock options as granted.

(vi) The weighted average share price at the date of exercise of these options was Rs. 215.82 per share(Previous Year Rs. NA per share)

(vii) The Company under the provisions of Chapter VI of Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended, and Sections 42 and 62 of the Companies Act, 2013, as amended, including the rules made thereunder, has concluded Qualified Institutions Placement (QIP), by issuing 34,774,811 equity shares at a price of Rs. 196.37 per equity share aggregating Rs. 682.87 Crores, on September 15, 2020. Share issue expenses amounting to Rs. 20.56 Crores (incurred in respect of this issuance) has been adjusted against the Securities Premium Account.

(viii) (a) During the year 2020-21, the Company has issued 4.50% secured foreign currency convertible bonds due 2026 ('FCCBs') of USD 150 Million at par, convertible into fully paid-up equity shares of face value of 2/- each of the Company at an initial conversion price of Rs.242 per equity share ("conversion price"), on or after April 21, 2021 and up to the close of business hours on February 20, 2026, at the option of the FCCB holders. FCCBs, which are not converted to equity shares during such specified period, will be redeemable on March 4, 2026. The Conversion price is subject to adjustment w.r.t issuance of bonus share, free issuance of shares, division, consolidation and reclassification of shares, declaration of dividend or any other condition as mentioned in offering circular, but cannot be below the floor price which is Rs.227.09.

Pursuant to the applicable provisions of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, and pursuant to receipt of notice for conversion of FCCBs, for a principle value USD 20,500,000, the Company during the current financial year, issued and allotted 6,207,952 (Sixty Two Lakh Seven Thousand Nine Hundred and Fifty Two) Fully Paid Equity shares of face value INR 2/- each, (a) at a conversion price of INR 230.14 (including a premium of INR 228.14) per Equity Share for 157,700 Equity Shares under FCCB1, and (b) at a conversion price of INR 243.05 (including a premium of INR 241.05) per Equity Share for 60,50,252 Equity Shares under FCCB2, to the holder of such FCCBs. Consequent to the said allotment, the paid-up Equity Share Capital of the Company stands increased to INR 937,143,008 divided into 468,571,504 Fully Paid Equity Shares of face value INR 2/- each and outstanding principal value of FCCBs, as listed at Singapore Exchange Securities Trading Limited under (a) FCCB1, ISIN XS2301133943, stands reduced from USD 150,000,000 to USD 149,500,000 and (b) FCCB2, ISIN XS2377720839, stands reduced from USD 165,000,000 to USD 145,000,000.

(b) During the current financial year, the Company has issued 4.50% secured foreign currency convertible bonds due 2026 ('FCCBs') of USD 165 Million, convertible into fully paid-up equity shares of face value of 2/- each of the Company at an initial conversion price of Rs. 243.05 per equity share ("conversion price"), on and after November 08, 2021 up to the close of business on the 10th day prior to the Maturity Date, at the option of the FCCB holders. FCCBs, which are not converted to equity shares during such specified period, will be redeemable on September 28, 2026. The Conversion price is subject to adjustment w.r.t issuance of bonus share, free issuance of shares, division, consolidation and reclassification of shares, declaration of dividend or any other condition as mentioned in offering circular, but cannot be below the floor price which is Rs. 231.48.

(21) Other equity

Particulars	As at March 31, 2022	As at March 31, 2021
	Amount	
Capital Reserve[(1)]		
Balance as per last Balance Sheet	13.75	13.75
Add: Additions during the year	-	-
Closing Balance	**13.75**	**13.75**
Capital Redemption Reserve[(2)]		
Balance as per last Balance Sheet	0.36	0.36
Add: Additions during the year	-	-
Closing Balance	**0.36**	**0.36**

(All amount in Rs. in Crore, except for share data unless stated otherwise)

Securities Premium Account[3]		
Balance as per last Balance Sheet	8,152.36	7,497.00
Add: Additions during the year on account of Esops	0.22	-
Add: Additions during the year on account of FCCB Conversion/QIP Issue	149.43	675.92
Add: Transfer from Stock compensation	0.13	-
	8,302.14	8,172.92
Less: Share issue expenses written off	-	20.56
Closing Balance	**8,302.14**	**8,152.36**
Debenture Premium Account[14]		
Balance as per last Balance Sheet	1.28	1.28
Add: Additions during the year on account	-	-
Closing Balance	**1.28**	**1.28**
Stock Compensation Adjustment[5]		
Balance as per last Balance Sheet	178.76	188.50
Add: Additions during the year	(8.50)	(9.74)
Less: Transferred to Share Premium account	0.13	-
Closing Balance	**170.13**	**178.76**
Special Reserve u/s 36(1)(viii) of I Tax Act, 1961[6]		
Balance as per last Balance Sheet	89.00	89.00
Add: Additions during the year	-	-
Closing Balance	**89.00**	**89.00**

(All amount in Rs. in Crore, except for share data unless stated otherwise)

Particulars	As at March 31, 2022	As at March 31, 2021
	Amount	
General Reserve[7]		
Balance as per last Balance Sheet	1,105.99	1,105.99
Add: Amount Transferred during the year[11]	827.74	-
Closing Balance	**1,933.73**	**1,105.99**
Reserve Fund		
Reserve (I)(As per Section 29C of the Housing Bank Act, 1987) [8] & [9]		
Balance As per last Balance Sheet	1,991.73	1,780.04
Add: Amount Transferred during the year	139.22	211.69
Closing Balance	**2,130.95**	**1,991.73**
Reserve Fund		
Reserve (II)[10]		
Balance As per last Balance Sheet	505.48	505.48
Add: Amount Transferred during the year	-	-
Closing Balance	**505.48**	**505.48**
Reserve Fund		
Reserve (III) [8] & [9]		
Balance As per last Balance Sheet	2,178.00	2,178.00
Add: Amount Transferred during the year	-	-
Closing Balance	**2,178.00**	**2,178.00**
Additional Reserve[8]		
(U/s 29C of the National Housing Bank Act, 1987)		
Balance As per last Balance Sheet	825.00	-
Add: Additions during the year	525.00	825.00
Less: Amount utilised during the year[Refer Note 52]	825.00	-
Closing Balance	**525.00**	**825.00**
Debenture Redemption Reserve[4]		
Balance As per last Balance Sheet	974.14	974.14
Add: Additions during the year	-	-
Less: Transfer to General Reserve[11]	827.74	-
Closing Balance	**146.40**	**974.14**
Other Comprehensive Income[12]		
Balance As per last Balance Sheet	(588.19)	123.43
Less: Amount utilised during the year	111.59	(711.62)
Closing Balance	**(476.60)**	**(588.19)**
Retained Earnings[13]		
Balance at the beginning of the year	2.08	387.12
Add: Additions during the year (including transfer from OCI to be recognised directly in retained earnings)	701.14	1,067.76
Less: Amount utilised during the year	664.22	1,452.80
Closing Balance	**39.00**	**2.08**
	15,558.62	**15,429.74**

(1) Capital reserve is created on receipt of non refundable debenture warrants exercise price.

(2) Capital redemption reserve is created on redemption of preference shares

(3) Securities premium reserve is used to record the premium on issue of shares. The reserve can be utilised only for limited purposes such as issuance of bonus shares in accordance with the provisions of the Companies Act, 2013.

(4) The Companies Act, 2013 requires that where a company issues debentures, it shall create a debenture redemption reserve out of profits of the company available for payment of dividend. The Company is required to maintain a Debenture Redemption Reserve of 25% of the value of debentures issued by a public issue. The amounts credited to the debenture redemption reserve may not be utilised by the company except to redeem debentures.

(5) Stock Compensation Adjustment is created as required by Ind AS 102 ‘Share Based Payments’ on the Employee Stock Option Scheme operated by the Company for employees of the Group.

(6) This pertains to reserve created under section 36(1)(viii) of the Income Tax Act, 1961, by the Erstwhile Holding Company Indiabulls Financial Services Limited, which has been transferred to the Company under the Scheme of Arrangement during the year ended March 31, 2013

(7) Under the erstwhile Companies Act 1956, general reserve was created through an annual transfer of net income at a specified percentage in accordance with applicable regulations. The purpose of these transfers was to ensure that if a dividend distribution in a given year is more than 10% of the paid-up capital of the Company for that year, then the total dividend distribution is less than the total distributable results for that year. Consequent to introduction of Companies Act 2013, the requirement to mandatorily transfer a specified percentage of the net profit to general reserve has been withdrawn. However, the amount previously transferred to the general reserve can be utilised in accordance with the requirements of Companies Act, 2013.

(8) In terms of Section 29C of the National Housing Bank ("NHB") Act, 1987, the Company is required to transfer at least 20% of its Profit after tax to a Reserve Fund before any dividend is declared. Transfer to a Reserve Fund in terms of Section 36(1)(viii) of the Income Tax Act, 1961 is also considered as an eligible transfer as transfer to Special Reserve under Section 29C of the National Housing Bank ("NHB") Act, 1987. The Company has transferred an amount of Rs. Nil Crore (Previous Year Rs. Nil Crore) to reserve created in terms of Section 36(1)(viii) of the Income Tax Act, 1961 termed as "Reserve (III)" and also transferred an amount of Rs. 139.22 Crore (Previous Year Rs. 211.69 Crore) to the Reserve in terms of Section 29C of the National Housing Bank ("NHB") Act, 1987 as at the year end. Further an additional amount of Rs. 525 Crores (Previous Year Rs. 825 Crore) has been set apart by way of transfer to Additional Reserve Fund in excess of the statutory minimum requirement as specified under Section 29C pursuant to Circular no. NHB(ND)/DRS/Pol-No. 03/2004-05 dated August 26, 2004 issued by the National Housing Bank. The additional amount so transferred may be utilised in the future for any business purpose.

(9) Disclosures as required in terms of Master Direction – Non-Banking Financial Company – Housing Finance Company (Reserve Bank) Directions, 2021, RBI/2020-21/73 DOR.FIN.HFC.CC.No.120/03.10.136/2020-21, 17 February, 2021 for clause 3.2 is as follows:-

Particulars	**As at March 31, 2022**	**As at March 31, 2021**
	Amount	
Balance at the beginning of the year		
a) Statutory Reserve U/s 29C of the National Housing Bank Act, 1987	1,991.73	1,780.04
b) Amount of Reserve U/s 36(1)(viii) of Income Tax Act, 1961 taken into account for the purposes of Statutory Reserve under Section 29C of the NHB Act, 1987	2,178.00	2,178.00
c) Total	**4,169.73**	**3,958.04**
Addition / Appropriation / Withdrawal during the year		
Add:		
a) Amount transferred U/s 29C of the NHB Act, 1987	139.22	211.69
b) Amount of Reserve U/s 36(1)(viii) of Income Tax Act, 1961 taken into account for the purposes of Statutory Reserve under Section 29C of the NHB Act, 1987	-	-
Less:		
a) Amount appropriated from the Statutory Reserve U/s 29C of the NHB Act, 1987		
b) Amount withdrawn from the 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		
Balance at the end of the year		
a) Statutory Reserve U/s 29C of the National Housing Bank Act, 1987	2,130.95	1,991.73
b) Amount of Reserve U/s 36(1)(viii) of Income Tax Act, 1961 taken into account for the purposes of Statutory Reserve under Section 29C of the NHB Act, 1987	2,178.00	2,178.00
c) Total	**4,308.95**	**4,169.73**

(10) This pertains to reserve created under section 45-IC of the Reserve Bank of India Act 1934, by the Erstwhile Holding Company Indiabulls Financial Services Limited, which has been transferred to the Company under the Scheme of Arrangement during the year ended March 31, 2013.

(11) The Companies Act 2013 till August, 2019 required companies that issued debentures to create a debenture redemption reserve from annual profits until such debentures are redeemed. The Company was required to transfer a specified percentage (as provided in the Companies Act, 2013) of the outstanding redeemable debentures to debenture redemption reserve. The amounts credited to the debenture redemption reserve may not be utilised except to redeem debentures. On redemption of debentures, the amount may be transferred from debenture redemption reserve to General Reserve. The Ministry of Corporate Affairs (MCA) has amended the Companies (Share Capital and Debenture) Rules, 2014, doing away with creation of debenture redemption reserve by NBFCs/HFCs with respect to issue of non convertible debentures (NCDs). Vide the said amendment, now NBFCs/HFCs are required on or before 30 April of each year to invest or deposit in prescribed securities, a sum not less than 15 per cent of the debentures maturing during the year ending on 31 March of the next year.Accordingly, during the year ended March 31, 2022, the Company has transferred Rs. 827.74 crores to the General Reserve in respect of Debenture Redemption Reserve no longer required.

(12) Other comprehensive income includes fair value gain/(loss) on equity instruments and Derivative instruments in Cash flow hedge relationship.

(13) Retained earnings represents the surplus in Profit and Loss Account and appropriations.

(14) Debenture premium account is used to record the premium on issue of debenture.

(All amount in Rs. in Crore, except for share data unless stated otherwise)

(22)

Interest Income	Year ended March 31, 2022		
	Interest income on securities classified at fair value through profit and loss	On financial assets measured at Amortised cost	Total
	Amount		
Interest on Loans	-	6,929.60	6,929.60
Interest on Pass Through Certificates / Bonds	483.57	-	483.57
Interest on deposits with Banks	-	172.83	172.83
Total	**483.57**	**7,102.43**	**7,586.00**

Interest Income	Year ended March 31, 2021		
	Interest income on securities classified at fair value through profit and loss	On financial assets measured at Amortised cost	Total
	Amount		
Interest on Loans	-	8,058.88	8,058.88
Interest on Pass Through Certificates / Bonds	198.53	5.97	204.50
Interest on deposits with Banks	-	227.12	227.12
Total	**198.53**	**8,291.97**	**8,490.50**

(23)

Dividend Income	Year ended March 31, 2022	Year ended March 31, 2021
	Amount	
Dividend Income on Mutual Funds	-	0.17
	-	**0.17**

(24)

Fee and Commission Income	Year ended March 31, 2022	Year ended March 31, 2021
	Amount	
Commission on Insurance	2.50	0.87
Other Operating Income	18.37	21.53
Income from Advisory Services	-	-
Income from Service Fee	30.97	31.76
	51.84	**54.16**

(25)

Net loss on fair value changes	Year ended March 31, 2022	Year ended March 31, 2021
	Amount	
Net losson financial instruments at fair value through profit or loss		
(i) On trading portfolio		
- Investments	(66.02)	(49.79)
Total Net gain/(loss) on fair value changes (A)	**(66.02)**	**(49.79)**
Fair Value changes:		
-Realised	(36.42)	(28.27)
-Unrealised	(29.60)	(21.52)
Total Net gain/(loss) on fair value changes (B)	**(66.02)**	**(49.79)**

(26)

Other Income	Year ended March 31, 2022	Year ended March 31, 2021
	Amount	
Interest on Income Tax Refund	-	64.16
Miscellaneous Income	11.14	19.27
Sundry Credit balances written back	1.17	14.72
	12.31	**98.15**

(27)

Finance Costs	Year ended March 31, 2022	Year ended March 31, 2021
	On financial liabilities measured at Amortised cost	On financial liabilities measured at Amortised cost

	Amount	
Debt Securities	2,229.03	2,775.68
Borrowings (Other than Debt Securities)[1]	2,740.28	2,764.13
Subordinated Liabilities	387.57	414.86
Processing and other Fee	242.92	137.03
Bank Charges	19.56	23.78
FCNR Hedge Premium	245.30	192.56
Total	**5,864.66**	**6,308.04**

1) Includes premium on principal only swaps on foreign currency loans amounting to Rs.63.06 Crore (Previous Year Rs.78.58 Crore).

(2) Disclosure of Foreign Currency Exposures:-

Particulars	**Foreign Currency**	**Year Ended March 31, 2022**		
		Exchange Rate	**Amount in Foreign Currency**	**Amount**
I. Assets				
Receivables (trade & other)	N.A.	-	-	-
Other Monetary assets	N.A.	-	-	-
Total Receivables (A)	N.A.	-	-	-
Hedges by derivative contracts (B)	N.A.	-	-	-
Unhedged receivables (C=A-B)	N.A.	-	-	-
II. Liabilities				
Payables (trade & other)				
Borrowings (ECB and Others)	USD	75.8071	96.45	7,311.59
Total Payables (D)	USD	75.8071	96.45	7,311.59
Hedges by derivative contracts (E)	USD	75.8071	96.45	7,311.59
Unhedged Payables F=D-E)	USD	75.8071	-	-
III. Contingent Liabilities and Commitments				
Contingent Liabilities	N.A.	-	-	-
Commitments	N.A.	-	-	-
Total (G)	N.A.	-	-	-
Hedges by derivative contracts(H)	N.A.	-	-	-
Unhedged Payables (I=G-H)	N.A.	-	-	-
Total unhedged FC Exposures (J=C+F+I)	N.A.	**-**	**-**	**-**

Note: For the above disclosure, Interest accrued on borrowings at respective year end has not been considerec

Particulars	**Foreign Currency**	**Year Ended March 31, 2021**		
		Exchange Rate	**Amount in Foreign Currency**	**Amount**
I. Assets				
Receivables (trade & other)	N.A.	-	-	-
Other Monetary assets	N.A.	-	-	-
Total Receivables (A)	N.A.	-	-	-
Hedges by derivative contracts (B)	N.A.	-	-	-
Unhedged receivables (C=A-B)	N.A.	-	-	-
II. Liabilities				
Payables (trade & other)				
Borrowings (ECB and Others)	USD	73.5047	102.00	7,497.48
Total Payables (D)	USD	73.5047	102.00	7,497.48
Hedges by derivative contracts (E)	USD	73.5047	102.00	7,497.48
Unhedged Payables F=D-E)	USD	73.5047	-	-
Particulars	**Foreign Currency**	**Year Ended March 31, 2021**		
		Exchange Rate	**Amount in Foreign Currency**	**Amount**
III. Contingent Liabilities and Commitments				
Contingent Liabilities	N.A.	-	-	-
Commitments	N.A.	-	-	-
Total (G)	N.A.	-	-	-
Hedges by derivative contracts(H)	N.A.	-	-	-
Unhedged Payables (I=G-H)	N.A.	-	-	-
Total unhedged FC Exposures (J=C+F+I)	N.A.	**-**	**-**	**-**

Note: For the above disclosure, Interest accrued on borrowings at respective year end has not been considerec

(All amount in Rs. in Crore, except for share data unless stated otherwise)

(3) Additional Disclosures as required in terms of Master Direction – Non-Banking Financial Company – Housing Finance Company (Reserve Bank) Directions, 2021, RBI/2020-21/73 DOR.FIN.HFC.CC.No.120/03.10.136/2020-21, 17 February, 2021 for Clause 3.4 for Derivatives are as follows:-

3.4.1. Forward Rate Agreement (FRA) / Interest Rate Swap (IRS):-

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
(i) The notional principal of swap agreements	2,182.90	2,182.90
(ii) Losses which would be incurred if counterparties failed to fulfill their obligations under the agreements	-	-
(iii) Collateral required by the FC upon entering into swaps	Nil	Nil
(iv) Concentration of credit risk arising from the swaps	Counterparty for all Swaps entered into by the company are Scheduled Commercial Banks	
(v) The fair value of the swap book Receivable/(Payable)	(21.11)	(130.24)

3.4.2 Exchange Traded Interest Rate (IR) Derivative:-

Particulars	Currency Derivatives	Interest Rate Derivatives
(i) Notional principal amount of exchange traded IR derivatives undertaken during the year	N.A.	N.A.
(ii) Notional principal amount of exchange traded IR derivatives outstanding as on 31st March 2022	N.A.	N.A.
(iii) Notional principal amount of exchange traded IR derivatives outstanding and not "highly effective"	N.A.	N.A.
Particulars	**Currency Derivatives**	**Interest Rate Derivatives**
(iv) Mark-to-market value of exchange traded IR derivatives outstanding and not "highly effective"	N.A.	N.A.

3.4.3. (A) Qualitative Disclosure:-

The Company's activities expose it to the financial risks of changes in foreign exchange rates and interest rates. The Company uses derivative contracts such as foreign exchange forward, cross currency contracts, interest rate swaps, foreign currency futures, options and swaps to hedge its exposure to movements in foreign exchange and interest rates. The use of these derivative contracts reduce the risk or cost to the Company and the Company does not use those for trading or speculation purposes.

The Company uses hedging instruments that are governed by the policies of the Company which are approved by the Board of Directors, which provide written principles on the use of such financial derivatives consistent with the risk management strategy of the Company. The Board constituted Risk Management Committee (RMC) of the company manages risk on the company's derivative portfolio. The officials authorized by the board to enter into derivative transactions for the company are kept separate from the authorized signatories to confirm the derivative transactions. All derivative transactions that are entered into by the company are reported to the board, and the mark-to-market on its portfolio is monitored regularly by the senior management. The company uses Bloomberg to monitor and value its derivative portfolio to ascertain its hedge effectiveness vis-à-vis the underlying.

To hedge its risks on the principal and/ or interest amount for foreign currency borrowings on its balance sheet, the company has currently used cross currency derivatives, forwards and principal only swaps. Additionally, the company has entered into Interest Rate Swaps (IRS) to hedge its basis risk on fixed rate borrowings and LIBOR risk on its foreign currency borrowings.

Derivative financial instruments are initially measured at fair value on the contract date and are subsequently re-measured to fair value at each reporting date. Derivatives are classified as assets when the fair value is positive (positive marked to market value) or as liabilities when the fair value is negative (negative marked to market value). Derivative assets and liabilities are recognized on the balance sheet at fair value. Fair value of derivatives is ascertained from the mark to market and accrual values received from the counterparty banks. These values are cross checked against the valuations done internally on Bloomberg. Changes in the fair value of derivatives other than those designated as hedges are recognized in the Statement of Profit and Loss.

Hedge accounting is discontinued when the hedging instrument expires or is sold, terminated or exercised, no longer qualifies for hedge accounting or the Company chooses to end the hedging relationship.

3.4.3. (B)

Particulars	Currency Derivatives	Interest Rate Derivatives
	Amount	
(i) Derivatives (Notional Principal Amount)	6,936.02	2,182.90
(ii) Marked to Market Positions	47.52	(21.11)
(a) Assets (+)	149.12	-
(b) Liabilities (-)	(101.60)	(21.11)
(iii) Credit Exposure	Nil	Nil
Particulars	**Currency Derivatives**	**Interest Rate Derivatives**
	Amount	
(iv) Unhedged Exposures	Nil	Nil

(28)

Impairment on financial instruments	Year ended March 31, 2022	Year ended March 31, 2021
	On financial assets measured at Amortised cost	
	Amount	
ECL on Loans / Bad Debts Written Off(Net of Recoveries) [1]	214.64	493.01
Total	**214.64**	**493.01**

(1) ECL on loans / Bad Debts Written Off(Net of Recoveries) includes;

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
	Amount	

ECL on Loan Assets	285.22	291.41
Bad Debt /advances written off*	(70.58)	201.60
	214.64	**493.01**

*Net of Bad Debt recovery of Rs. 383.06 Crore (Previous Year Net of Bad Debt recovery Rs. 219.68 Crore). Read with note 8

(29)

Employee Benefits Expenses	**Year ended March 31, 2022**	**Year ended March 31, 2021**
	Amount	
Salaries and wages	421.01	279.55
Contribution to provident and other funds	4.89	4.01
Share Based Payments to employees	(8.50)	(9.74)
Staff welfare expenses	3.78	1.99
Provision for Gratuity, Compensated Absences and Superannuation Expense(1)	13.97	(51.09)
Total	**435.15**	**224.72**

(1) Employee Benefits – Provident Fund, ESIC, Gratuity and Compensated Absences disclosures as per Indian Accounting Standard (IndAS) 19 – Employee Benefits:

Contributions are made to Government Provident Fund and Family Pension Fund, ESIC and other statutory funds which cover all eligible employees under applicable Acts. Both the employees and the Company make predetermined contributions to the Provident Fund and ESIC. The contributions are normally based on a certain proportion of the employee's salary. The Company has recognised an amount of Rs. 4.89 Crore (Previous year Rs. 4.01 Crore) in the Statement of Profit and Loss towards Employers contribution for the above mentioned funds.

Provision for unfunded Gratuity and Compensated Absences for all employees is based upon actuarial valuations carried out at the end of every financial year. Major drivers in actuarial assumptions, typically, are years of service and employee compensation. Pursuant to the issuance of the Indian Accounting Standard (IndAS) 19 on 'Employee Benefits', commitments are actuarially determined using the 'Projected Unit Credit' Method. Gains and losses on changes in actuarial assumptions are accounted for in Statement of Profit and Loss for Compensated absences and for Gratuity in Other Comprehensive Income.

Disclosure in respect of Gratuity, Compensated Absences and Superannuation:

Particulars	**Gratuity (Unfunded)**		**Compensated Absences (Unfunded)**	
	2021-2022	**2020-2021**	**2021-2022**	**2020-2021**
	Amount		**Amount**	
Reconciliation of liability recognised in the Balance Sheet:				
Present Value of commitments (as per Actuarial valuation)	47.24	41.73	15.30	14.00
Fair value of plan assets	-	-	-	-
Net liability in the Balance sheet (as per Actuarial valuation)	47.24	41.73	15.30	14.00
Movement in net liability recognised in the Balance Sheet:				
Net liability as at the beginning of the year	41.73	50.65	14.00	19.84
Amount (paid) during the year/Transfer adjustment	(4.22)	(6.40)	-	-
Net expenses recognised / (reversed) in the Statement of Profit and Loss	8.51	7.86	1.30	(5.83)
Actuarial changes arising from changes in Demographic assumptions	-	-	-	-
Actuarial changes arising from changes in financial assumptions	(2.21)	(5.48)	-	-
Experience adjustments	3.43	(4.90)	-	-
Net liability as at the end of the year	**47.24**	**41.73**	**15.30**	**14.00**
Expenses recognised in the Statement of Profit and Loss:				
Particulars	**Gratuity (Unfunded)**		**Compensated Absences (Unfunded)**	
	2021-2022	**2020-2021**	**2021-2022**	**2020-2021**
	Amount		**Amount**	
Current service cost	5.46	5.10	2.46	2.31
Past service cost	-	-	-	-
Interest Cost	3.05	2.76	1.03	0.99
Actuarial (gains) / losses	-	-	(2.19)	(9.13)
Expenses charged / (reversal) to the Statement of Profit and Loss	**8.51**	**7.86**	**1.30**	**(5.83)**
Return on Plan assets:				
Actuarial (gains) / losses	N.A.	N.A.	N.A.	N.A.
Actual return on plan assets	N.A.	N.A.	N.A.	N.A.
Reconciliation of defined-benefit commitments:				
Commitments as at the beginning of the year	41.73	50.65	14.00	19.84
Current service cost	5.46	5.10	2.46	2.31
Past service cost	-	-	-	-
Interest cost	3.05	2.76	1.03	0.99
(Paid benefits)	(4.22)	(6.40)	-	-
Actuarial (gains) / losses	-	-	(2.19)	(9.13)
Actuarial changes arising from changes in Demographic assumptions	-	-	-	-

(All amount in Rs. in Crore, except for share data unless stated otherwise)

Actuarial changes arising from changes in financial assumptions	(2.21)	(5.48)	-	-
Experience adjustments	3.43	(4.90)	-	-
Commitments as at the end of the year	**47.24**	**41.73**	**15.30**	**14.00**
Reconciliation of Plan assets:				
Plan assets as at the beginning of the year	N.A.	N.A.	N.A.	N.A.
Expected return on plan assets	N.A.	N.A.	N.A.	N.A.
Contributions during the year	N.A.	N.A.	N.A.	N.A.
Paid benefits	N.A.	N.A.	N.A.	N.A.
Actuarial (gains) / losses	N.A.	N.A.	N.A.	N.A.
Plan assets as at the end of the year	N.A.	N.A.	N.A.	N.A.

N.A - not applicable

Particulars	Superannuation (Unfunded)	
	2021-2022	2020-2021
	Amount	
Reconciliation of liability recognised in the Balance Sheet:		
Present Value of commitments (as per Actuarial valuation)	60.92	59.59
Fair value of plan assets	-	-
Net liability in the Balance sheet (as per Actuarial valuation)	60.92	59.59
Movement in net liability recognised in the Balance Sheet:		
Net liability as at the beginning of the year	59.59	114.76
Amount (paid) during the year/Transfer adjustment	-	-
Net expenses recognised / (reversed) in the Statement of Profit and Loss	4.17	(53.12)
Actuarial changes arising from changes in financial assumptions	(1.18)	(1.31)
Experience adjustments	(1.66)	(0.74)
Net liability as at the end of the year	**60.92**	**59.59**
Expenses recognised in the Statement of Profit and Loss:		
Current service cost	-	2.87
Past service cost	-	(63.79)
Interest Cost	4.17	7.80
Actuarial (gains) / losses	-	-
Expenses charged / (reversal) to the Statement of Profit and Loss	**4.17**	**(53.12)**
Return on Plan assets:		
Actuarial (gains) / losses	N.A.	N.A.
Actual return on plan assets	N.A.	N.A.
Reconciliation of defined-benefit commitments:		

Particulars	Superannuation (Unfunded)	
	2021-2022	2020-2021
	Amount	
Commitments as at the beginning of the year	59.59	114.76
Current service cost	-	2.87
Past service cost	-	(63.79)
Interest cost	4.17	7.80
(Paid benefits)	-	-
Actuarial (gains) / losses	-	-
Actuarial changes arising from changes in financial assumptions	(1.18)	(1.31)
Experience adjustments	(1.66)	(0.74)
Commitments as at the end of the year	**60.92**	**59.59**
Reconciliation of Plan assets:		
Plan assets as at the beginning of the year	N.A.	N.A.
Expected return on plan assets	N.A.	N.A.
Contributions during the year	N.A.	N.A.
Paid benefits	N.A.	N.A.
Actuarial (gains) / losses	N.A.	N.A.
Plan assets as at the end of the year	N.A.	N.A.

N.A - not applicable

The actuarial calculations used to estimate commitments and expenses in respect of unfunded Gratuity, Compensated absences and Superannuation (Pension & Medical coverage) are based on the following assumptions which if changed, would affect the commitment's size, funding requirements and expenses:

Particulars	Gratuity (Unfunded)		Compensated Absences (Unfunded)	
	2021-2022	2020-2021	2021-2022	2020-2021
Discount Rate	7.18%	6.79%	7.18%	6.79%
Expected Return on plan assets	N.A.	N.A.	N.A.	N.A.
Expected rate of salary increase	5.00%	5.00%	5.00%	5.00%
Mortality	IALM (2012-14)	IALM (2012-14)	IALM (2012-14)	IALM (2012-14)
Retirement Age (Years)	60	60	60	60

N.A - not applicable

Particulars	Superannuation (Unfunded)	
	2021-2022	2020-2021
Discount Rate	7.18%	7.00%
Expected Return on plan assets	N.A.	N.A.
Expected rate of salary increase	0.00%	0.00%
Mortality	IALM (2012-14)	IALM (2012-14)
Retirement Age (Years)	60	60

N.A - not applicable

The employer's best estimate of contributions expected to be paid during the annual period beginning after the Balance Sheet date, towards Gratuity, Compensated Absences and Superannuation is Rs. 10.39 Crore (Previous Year Rs. 8.54 Crore), Rs. 4.12 Crore (Previous Year Rs. 3.31 Crore) and Rs. 4.37 Crore (Previous Year Rs.4.05 Crore) respectively.

A quantitative sensitivity analysis for significant assumption is as shown below:

Gratuity

	March 31, 2022		March 31, 2021	
Assumptions	Discount rate			
Sensitivity Level	0.5% increase	0.5% decrease	0.5% increase	0.5% decrease
Impact on defined benefit obligation	(3.06)	2.92	(2.65)	2.90

Gratuity

	March 31, 2022		March 31, 2021	
Assumptions	Future salary increases			
Sensitivity Level	0.5% increase	0.5% decrease	0.5% increase	0.5% decrease
Impact on defined benefit obligation	2.97	(3.13)	2.94	(2.71)

(All amount in Rs. in Crore, except for share data unless stated otherwise)

Leave Encashment

	March 31, 2022		March 31, 2021	
Assumptions	Discount rate			
Sensitivity Level	0.5% increase	0.5% decrease	0.5% increase	0.5% decrease
Impact on defined benefit obligation	(0.93)	1.04	(0.91)	0.98

Leave Encashment

	March 31, 2022		March 31, 2021	
Assumptions	Future salary increases			
Sensitivity Level	0.5% increase	0.5% decrease	0.5% increase	0.5% decrease
Impact on defined benefit obligation	1.06	(0.94)	1.00	(0.92)

Superannuation

	March 31, 2022		March 31, 2021	
Assumptions	Discount rate			
Sensitivity Level	0.5% increase	0.5% decrease	0.5% increase	0.5% decrease
Impact on defined benefit obligation	(4.08)	4.02	(4.08)	4.02

Superannuation

	March 31, 2022		March 31, 2021	
Assumptions	Future salary increases			
Sensitivity Level	0.5% increase	0.5% decrease	0.5% increase	0.5% decrease
Impact on defined benefit obligation	-	-	-	-

The following payments are expected contributions to the defined benefit plan in future years:

	Gratuity		Leave Encashment	
Expected payment for future years	**March 31, 2022**	**March 31, 2021**	**March 31, 2022**	**March 31, 2021**
	Amount		Amount	
Within the next 12 months (next annual reporting period)	2.54	2.31	0.89	0.81
Between 1 and 2 years	0.90	0.70	0.30	0.25
Between 2 and 5 years	3.04	2.56	1.03	0.94
Between 5 and 6 years	1.13	0.73	0.36	0.23
Beyond 6 years	39.63	35.44	12.72	11.78
Total expected payments	47.24	41.73	15.30	14.00

	Superannuation	
Expected payment for future years	**March 31, 2022**	**March 31, 2021**
	Amount	
Within the next 12 months (next annual reporting period)	-	-
Between 1 and 2 years	-	-
Between 2 and 5 years	-	-
Between 5 and 6 years	-	-
Beyond 6 years	60.92	59.59
Total expected payments	60.92	59.59

(30)

Other expenses	**Year ended March 31, 2022**	**Year ended March 31, 2021**
	Amount	
Rent	5.39	7.43
Rates & Taxes Expenses	2.05	1.38
Repairs and maintenance	18.24	16.50
Communication Costs	4.97	6.71
Printing and stationery	1.63	1.07
Advertisement and publicity	9.67	3.90
Auditor's remuneration		
Audit Fee[(1)]	3.13	2.89
Other expenses	**Year ended March 31, 2022**	**Year ended March 31, 2021**
	Amount	
Legal and Professional charges[(1)]	42.04	58.01
CSR expenses[(2)]	57.88	76.99

(All amount in Rs. in Crore, except for share data unless stated otherwise)

Travelling and Conveyance	5.65	2.04
Stamp Duty	0.81	3.96
Recruitment Expenses	0.53	0.01
Business Promotion	0.79	0.26
Loss on sale of Fixed Assets	-	3.39
Electricity and water	5.05	4.76
Brokerage Expenses	1.66	0.29
Miscellaneous Expenses	7.44	4.65
Total	**166.93**	**194.24**

(1) Fees paid to the auditors include:

	Year ended March 31, 2022	Year ended March 31, 2021
As auditor		
Audit Fee	3.13	2.89
Certification fee*	0.55	2.06
Others*	1.91	-
Total	**5.59**	**4.95**

*Included in Legal and Professional Charges

(2) Corporate Social Responsibility:-

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Gross amount required to be spent by the company during the year	57.88	76.99
Amount spent during the year	57.88	76.99
Shortfall at the end of the year	-	-
Nature of CSR activities:	Jan Swasthya Kalyan Vahika (JSK)- Mobile Medical Vans	Jan Swasthya Kalyan Vahika (JSK)- Mobile Medical Vans
	Indiabulls Foundation Charitable Clinics	Indiabulls Foundation Charitable Clinics
	Community Health Check-up Camps	Nutrition – Poshtik Ahar
	IBF Scholarship Programme	Sanitation- Kumud
	COVID Care Relief Programme	Renewable Energy Projects-Solar Energy
		Water Wheel Projects
		Community Health Check-up Camps
		IBF Scholarship Programme
		Sports Excellence Programme
		HDFC Cancer Fund

(31) Tax Expenses

The Company has elected to exercise the option permitted under 115BAA of the Income Tax Act, 1961, as introduced by the Taxation Laws (Amendment) Ordinance, 2019. The effective applicable corporate tax rate for the company is now 25.168%. Accordingly, the Company has recognized provision for Income Tax for year ended March 31, 2022 and re-measured its Deferred Tax asset/liability basis the rate prescribed in the aforesaid section. The major components of income tax expense for the year ended March 31, 2022 and March 31, 2021 are:

Profit or loss section	Year ended March 31, 2022	Year ended March 31, 2021
	Amount	
Current income tax:		
Current income tax charge	-	-
Adjustments in respect of current income tax of previous year	-	-
Deferred tax:		
Relating to origination and reversal of temporary differences	259.79	333.71
Income tax expense reported in the statement of profit or loss	**259.79**	**333.71**

Reconciliation of tax expense and the accounting profit multiplied by India’s domestic tax rate for March 31, 2022:

(All amount in Rs. in Crore, except for share data unless stated otherwise)

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
	Amount	
Accounting profit before tax from continuing operations	955.90	1,392.17
Profit/(loss) before tax from a discontinued operation	-	-
Accounting profit before income tax	**955.90**	**1,392.17**
Tax at statutory Income Tax rate of 25.168%(Previous Year 25.168%)-(i)	240.58	350.38
Tax on Expenses / deductions Allowed/Disallowed in Income tax Act-(ii)	19.21	(16.67)
Tax on Expenses allowed/disallowed in income Tax Act	(5.78)	(52.78)
Net Addition/deduction u/s 36(i)(viia)	16.55	19.38
Income Exempt for Tax Purpose	(0.04)	(0.09)
Long Term Capital Gain on Sale of Investments	8.47	8.52
Others	0.01	8.30
Tax expenses related to the profit for the year (a)= (i)+(ii)	259.79	333.71
Tax on Other comprehensive income (b)	32.23	(215.26)
Total tax expenses for the comprehensive income (a+b)	**292.02**	**118.45**

Deferred Tax

The following table shows deferred tax recorded in the balance sheet and changes recorded in the Statement of Profit and Loss and Other Comprehensive Income

Particulars	Deferred tax assets	Deferred tax liabilities	Income statement	OCI	Others
	March 31, 2022	March 31, 2022	Year ended March 31, 2022	Year ended March 31, 2022	Year ended March 31, 2022
	Amount		Amount		
Depreciation	49.62	-	12.46	-	-
Impairment allowance for financial assets	527.77	-	(423.10)	-	260.92
Fair value of financial instruments held for trading	1.60		8.14	-	-
Remeasurement gain / (loss) on defined benefit plan	31.07	-	2.46	(0.41)	-
Impact on Borrowings using effective rate of Interest	-	27.10	7.64	-	-
Gain / loss on equity instrument designated at FVOCI	45.17		-	(11.44)	53.25
Derivative instruments in Cash flow hedge relationship	122.46	-	-	(20.38)	-
Share based Payments	28.02	-	-	-	-
Impact on Loans using effective rate of Interest	1.92	-	(1.98)	-	-
Impact on account of EIS and Servicing assets/ liability	-	153.27	25.92	-	-
Other temporary differences	-	90.90	108.67	-	(80.81)
Total	**807.63**	**271.27**	**(259.79)**	**(32.23)**	**233.36**

Particulars	Deferred tax assets	Deferred tax liabilities	Income statement	OCI
	March 31, 2021	March 31, 2021	Year ended March 31, 2021	Year ended March 31, 2021
	Amount		Amount	
Depreciation	37.16	-	12.44	-
Impairment allowance for financial assets	689.95	-	(330.64)	-
Fair value of financial instruments held for trading	-	6.54	(60.52)	-
Remeasurement gain / (loss) on defined benefit plan	29.02	-	(14.47)	(3.13)
Impact on Borrowings using effective rate of Interest	-	34.74	18.91	-
Gain / loss on equity instrument designated at FVOCI	-	(3.36)	-	156.77
Particulars	**Deferred tax assets**	**Deferred tax liabilities**	**Income statement**	**OCI**
	March 31, 2021	March 31, 2021	Year ended March 31, 2021	Year ended March 31, 2021
	Amount		Amount	
Derivative instruments in Cash flow hedge relationship	142.84	-	-	61.62
Share based Payments	28.02	-	-	-
Impact on Loans using effective rate of Interest	3.90	-	(5.21)	-
Impact on account of EIS and Servicing assets/ liability	-	179.19	51.33	-
Other temporary differences	-	118.76	(5.55)	-
Total	**930.89**	**335.87**	**(333.71)**	**215.26**

(32) Explanatory Notes

	As at March 31, 2022
(i) Debentures(payable at par unless otherwise stated)(Secured unless otherwise stated) includes:*	**Amount**
9.10 % Redeemable Non convertible Debentures of Face value Rs. 1,000,000 each Redeemable on January 15, 2029	699.55

(All amount in Rs. in Crore, except for share data unless stated otherwise)

9.30 % Redeemable Non convertible Debentures of Face value Rs. 1,000,000 each Redeemable on November 22, 2028	999.06
8.90 % Redeemable Non convertible Debentures of Face value Rs. 1,000,000 each Redeemable on August 4, 2028	1,024.02
8.43 % Redeemable Non convertible Debentures of Face value Rs. 1,000,000 each Redeemable on February 23, 2028	24.98
8.43 % Redeemable Non convertible Debentures of Face value Rs. 1,000,000 each Redeemable on February 22, 2028	3,058.25
8.03 % Redeemable Non convertible Debentures of Face value Rs. 1,000,000 each Redeemable on September 8, 2027	1,448.89
8.75 % Redeemable Non convertible Debentures of Face value Rs. 1,000 each Redeemable on January 6, 2027	0.24
9.25 % Redeemable Non convertible Debentures of Face value Rs. 1,000 each Redeemable on January 6, 2027	9.38
8.43 % Redeemable Non convertible Debentures of Face value Rs. 1,000 each Redeemable on January 6, 2027	0.01
8.89 % Redeemable Non convertible Debentures of Face value Rs. 1,000 each Redeemable on January 6, 2027	9.25
4.50 % Foreign Currency Convertible Debentures of Face value $ 1,000 each Redeemable on September 28, 2026	1,082.04
8.65 % Redeemable Non convertible Debentures of Face value Rs. 1,000 each Redeemable on September 26, 2026	13.53
8.85 % Redeemable Non convertible Debentures of Face value Rs. 1,000 each Redeemable on September 26, 2026	978.16
9.00 % Redeemable Non convertible Debentures of Face value Rs. 1,000 each Redeemable on September 26, 2026	399.33
0.00 % Redeemable Non convertible Debentures of Face value Rs. 1,000 each Redeemable on September 26, 2026[(1)]	38.77
8.75 % Redeemable Non convertible Debentures of Face value Rs. 1,000 each Redeemable on September 24, 2026	120.17
9.25 % Redeemable Non convertible Debentures of Face value Rs. 1,000 each Redeemable on September 24, 2026	13.74
8.89 % Redeemable Non convertible Debentures of Face value Rs. 1,000 each Redeemable on September 24, 2026	10.27
8.90 % Redeemable Non convertible Debentures of Face value Rs. 1,000,000 each Redeemable on July 22, 2026	24.77
9.30 % Redeemable Non convertible Debentures of Face value Rs. 1,000,000 each Redeemable on June 30, 2026	197.10
9.00 % Redeemable Non convertible Debentures of Face value Rs. 1,000,000 each Redeemable on June 5, 2026	24.81
9.30 % Redeemable Non convertible Debentures of Face value Rs. 1,000,000 each Redeemable on May 29, 2026	24.71
9.30 % Redeemable Non convertible Debentures of Face value Rs. 1,000,000 each Redeemable on May 8, 2026	24.71
9.30 % Redeemable Non convertible Debentures of Face value Rs. 1,000,000 each Redeemable on April 29, 2026	204.97
9.30 % Redeemable Non convertible Debentures of Face value Rs. 1,000,000 each Redeemable on April 11, 2026	34.78
9.00 % Redeemable Non convertible Debentures of Face value Rs. 1,000,000 each Redeemable on March 13, 2026	24.81
4.50 % Foreign Currency Convertible Debentures of Face value $ 1,000 each Redeemable on March 4, 2026	1,123.19
9.30 % Redeemable Non convertible Debentures of Face value Rs. 1,000,000 each Redeemable on February 7, 2026	49.82
9.00 % Redeemable Non convertible Debentures of Face value Rs. 1,000,000 each Redeemable on December 31, 2025	9.93
9.30 % Redeemable Non convertible Debentures of Face value Rs. 1,000,000 each Redeemable on December 30, 2025	94.65
9.30 % Redeemable Non convertible Debentures of Face value Rs. 1,000,000 each Redeemable on November 20, 2025	169.03
10.00 % Redeemable Non convertible Debentures of Face value Rs. 1,000,000 each Redeemable on June 26, 2025	999.21
9.00 % Redeemable Non convertible Debentures of Face value Rs. 1,000,000 each Redeemable on May 19, 2025	24.83
8.12 % Redeemable Non convertible Debentures of Face value Rs. 1,000,000 each Redeemable on January 24, 2025	223.82
8.50 % Redeemable Non convertible Debentures of Face value Rs. 1,000 each Redeemable on January 6, 2025	0.19
9.00 % Redeemable Non convertible Debentures of Face value Rs. 1,000 each Redeemable on January 6, 2025	64.14
0.00 % Redeemable Non convertible Debentures of Face value Rs. 1,000 each Redeemable on January 6, 2025[(1)]	5.91
8.20 % Redeemable Non convertible Debentures of Face value Rs. 1,000 each Redeemable on January 6, 2025	0.10
8.66 % Redeemable Non convertible Debentures of Face value Rs. 1,000 each Redeemable on January 6, 2025	8.56
9.20 % Redeemable Non convertible Debentures of Face value Rs. 1,000,000 each Redeemable on December 31, 2024	24.84
9.20 % Redeemable Non convertible Debentures of Face value Rs. 1,000,000 each Redeemable on December 16, 2024	24.84
8.50 % Redeemable Non convertible Debentures of Face value Rs. 1,000 each Redeemable on September 24, 2024	137.21
9.00 % Redeemable Non convertible Debentures of Face value Rs. 1,000 each Redeemable on September 24, 2024	20.07

(i) Debentures(payable at par unless otherwise stated)(Secured unless otherwise stated) includes:*	**As at March 31, 2022 Amount**
0.00 % Redeemable Non convertible Debentures of Face value Rs. 1,000 each Redeemable on September 24, 2024[(1)]	9.24
8.20 % Redeemable Non convertible Debentures of Face value Rs. 1,000 each Redeemable on September 24, 2024	0.10
8.66 % Redeemable Non convertible Debentures of Face value Rs. 1,000 each Redeemable on September 24, 2024	9.93
10.15 % Redeemable Non convertible Debentures of Face value Rs. 1,000,000 each Redeemable on June 30, 2024	24.78
10.15 % Redeemable Non convertible Debentures of Face value Rs. 1,000,000 each Redeemable on June 5, 2024	24.79
8.35 % Redeemable Non convertible Debentures of Face value Rs. 1,000 each Redeemable on January 6, 2024	407.90
8.75 % Redeemable Non convertible Debentures of Face value Rs. 1,000 each Redeemable on January 6, 2024	15.11
0.00 % Redeemable Non convertible Debentures of Face value Rs. 1,000 each Redeemable on January 6, 2024[(1)]	5.08
8.05 % Redeemable Non convertible Debentures of Face value Rs. 1,000 each Redeemable on January 6, 2024	-
8.42 % Redeemable Non convertible Debentures of Face value Rs. 1,000 each Redeemable on January 6, 2024	7.38
10.20 % Redeemable Non convertible Debentures of Face value Rs. 1,000,000 each Redeemable on December 24, 2023	24.67
10.80 % Redeemable Non convertible Debentures of Face value Rs. 1,000,000 each Redeemable on November 21, 2023	399.52
10.25 % Redeemable Non convertible Debentures of Face value Rs. 1,000,000 each Redeemable on October 8, 2023	24.80
8.35 % Redeemable Non convertible Debentures of Face value Rs. 1,000 each Redeemable on September 24, 2023	276.28
8.75 % Redeemable Non convertible Debentures of Face value Rs. 1,000 each Redeemable on September 24, 2023	155.77
0.00 % Redeemable Non convertible Debentures of Face value Rs. 1,000 each Redeemable on September 24, 2023[(1)]	7.61
8.05 % Redeemable Non convertible Debentures of Face value Rs. 1,000 each Redeemable on September 24, 2023	0.10
8.42 % Redeemable Non convertible Debentures of Face value Rs. 1,000 each Redeemable on September 24, 2023	9.21
11.25 % Redeemable Non convertible Debentures of Face value Rs. 1,000,000 each Redeemable on August 29, 2023	998.60

(All amount in Rs. in Crore, except for share data unless stated otherwise)

9.30 % Redeemable Non convertible Debentures of Face value Rs. 1,000,000 each Redeemable on July 28, 2023	203.02
8.85 % Redeemable Non convertible Debentures of Face value Rs. 1,000,000 each Redeemable on June 5, 2023	49.88
9.35 % Redeemable Non convertible Debentures of Face value Rs. 1,000,000 each Redeemable on May 30, 2023	99.79
9.10 % Redeemable Non convertible Debentures of Face value Rs. 1,000,000 each Redeemable on May 18, 2023	1,006.39
9.10 % Redeemable Non convertible Debentures of Face value Rs. 1,000,000 each Redeemable on April 28, 2023	199.94
10.00 % Redeemable Non convertible Debentures of Face value Rs. 1,000,000 each Redeemable on March 25, 2023	4.98
10.00 % Redeemable Non convertible Debentures of Face value Rs. 1,000,000 each Redeemable on March 19, 2023	99.11
10.00 % Redeemable Non convertible Debentures of Face value Rs. 1,000,000 each Redeemable on February 26, 2023	24.89
10.20 % Redeemable Non convertible Debentures of Face value Rs. 1,000,000 each Redeemable on January 16, 2023	34.73
10.00 % Redeemable Non convertible Debentures of Face value Rs. 1,000,000 each Redeemable on December 31, 2022	49.76
8.12 % Redeemable Non convertible Debentures of Face value Rs. 1,000,000 each Redeemable on December 29, 2022	997.10
10.00 % Redeemable Non convertible Debentures of Face value Rs. 1,000,000 each Redeemable on December 18, 2022	14.94
9.30 % Redeemable Non convertible Debentures of Face value Rs. 1,000,000 each Redeemable on November 20, 2022	9.98
10.00 % Redeemable Non convertible Debentures of Face value Rs. 1,000,000 each Redeemable on November 19, 2022	14.94
7.77 % Redeemable Non convertible Debentures of Face value Rs. 1,000,000 each Redeemable on November 7, 2022	289.26
10.00 % Redeemable Non convertible Debentures of Face value Rs. 1,000,000 each Redeemable on November 6, 2022	14.94
7.82 % Redeemable Non convertible Debentures of Face value Rs. 1,000,000 each Redeemable on July 25, 2022	99.88
10.70 % Redeemable Non convertible Debentures of Face value Rs. 1,000,000 each Redeemable on July 6, 2022	19.98
10.95 % Redeemable Non convertible Debentures of Face value Rs. 1,000,000 each Redeemable on June 28, 2022	799.19
6.38 % Redeemable Non convertible Debentures of Face value $ 1,000 each Redeemable on May 28, 2022	2,651.75
9.07 % Redeemable Non convertible Debentures of Face value Rs. 1,000,000 each Redeemable on April 6, 2022	999.97
	23,555.93

(1) Redeemable at premium
*Debentures are secured against Immovable Property / Other financial Assets and pool of Current and Future Loan Receivables of the Company(Including Investments)

(i) Redeemable Non Convertible Debentures(payable at par unless otherwise stated)(Secured unless otherwise stated) includes:*	**As at March 31, 2021 Amount**
9.10 % Redeemable Non convertible Debentures of Face value Rs. 1,000,000 each Redeemable on January 15, 2029	699.55
9.30 % Redeemable Non convertible Debentures of Face value Rs. 1,000,000 each Redeemable on November 22, 2028	999.06
8.90 % Redeemable Non convertible Debentures of Face value Rs. 1,000,000 each Redeemable on August 4, 2028	1,024.00
8.43 % Redeemable Non convertible Debentures of Face value Rs. 1,000,000 each Redeemable on February 23, 2028	24.97
8.43 % Redeemable Non convertible Debentures of Face value Rs. 1,000,000 each Redeemable on February 22, 2028	3,059.04
8.03 % Redeemable Non convertible Debentures of Face value Rs. 1,000,000 each Redeemable on September 8, 2027	1,448.89
8.65 % Redeemable Non convertible Debentures of Face value Rs. 1,000 each Redeemable on September 26, 2026	13.51
8.85 % Redeemable Non convertible Debentures of Face value Rs. 1,000 each Redeemable on September 26, 2026	976.13
9.00 % Redeemable Non convertible Debentures of Face value Rs. 1,000 each Redeemable on September 26, 2026	398.50

(i) Redeemable Non Convertible Debentures(payable at par unless otherwise stated)(Secured unless otherwise stated) includes:*	**As at March 31, 2021 Amount**
0.00 % Redeemable Non convertible Debentures of Face value Rs. 1,000 each Redeemable on September 26, 2026(1)	35.50
8.90 % Redeemable Non convertible Debentures of Face value Rs. 1,000,000 each Redeemable on July 22, 2026	24.73
9.30 % Redeemable Non convertible Debentures of Face value Rs. 1,000,000 each Redeemable on June 30, 2026	196.61
9.00 % Redeemable Non convertible Debentures of Face value Rs. 1,000,000 each Redeemable on June 5, 2026	24.78
9.30 % Redeemable Non convertible Debentures of Face value Rs. 1,000,000 each Redeemable on May 29, 2026	24.65
9.30 % Redeemable Non convertible Debentures of Face value Rs. 1,000,000 each Redeemable on May 8, 2026	24.66
9.30 % Redeemable Non convertible Debentures of Face value Rs. 1,000,000 each Redeemable on April 29, 2026	204.59
9.30 % Redeemable Non convertible Debentures of Face value Rs. 1,000,000 each Redeemable on April 11, 2026	34.74
9.00 % Redeemable Non convertible Debentures of Face value Rs. 1,000,000 each Redeemable on March 13, 2026	24.77
4.50 % Foreign Currency Convertible Debentures of Face value $ 1,000 each Redeemable on March 4, 2026	1,091.99
9.30 % Redeemable Non convertible Debentures of Face value Rs. 1,000,000 each Redeemable on February 7, 2026	49.79
9.00 % Redeemable Non convertible Debentures of Face value Rs. 1,000,000 each Redeemable on December 31, 2025	9.92
9.30 % Redeemable Non convertible Debentures of Face value Rs. 1,000,000 each Redeemable on December 30, 2025	94.59
9.30 % Redeemable Non convertible Debentures of Face value Rs. 1,000,000 each Redeemable on November 20, 2025	168.85
10.00 % Redeemable Non convertible Debentures of Face value Rs. 1,000,000 each Redeemable on June 26, 2025	999.21
9.00 % Redeemable Non convertible Debentures of Face value Rs. 1,000,000 each Redeemable on May 19, 2025	24.79
8.12 % Redeemable Non convertible Debentures of Face value Rs. 1,000,000 each Redeemable on January 24, 2025	223.49
9.20 % Redeemable Non convertible Debentures of Face value Rs. 1,000,000 each Redeemable on December 31, 2024	24.80
9.20 % Redeemable Non convertible Debentures of Face value Rs. 1,000,000 each Redeemable on December 16, 2024	24.80
10.15 % Redeemable Non convertible Debentures of Face value Rs. 1,000,000 each Redeemable on June 30, 2024	24.71
10.15 % Redeemable Non convertible Debentures of Face value Rs. 1,000,000 each Redeemable on June 5, 2024	24.72
10.20 % Redeemable Non convertible Debentures of Face value Rs. 1,000,000 each Redeemable on December 24, 2023	24.52
10.80 % Redeemable Non convertible Debentures of Face value Rs. 1,000,000 each Redeemable on November 21, 2023	399.52
10.25 % Redeemable Non convertible Debentures of Face value Rs. 1,000,000 each Redeemable on October 8, 2023	24.70

(All amount in Rs. in Crore, except for share data unless stated otherwise)

11.25 % Redeemable Non convertible Debentures of Face value Rs. 1,000,000 each Redeemable on August 29, 2023	998.60
9.30 % Redeemable Non convertible Debentures of Face value Rs. 1,000,000 each Redeemable on July 28, 2023	248.10
8.85 % Redeemable Non convertible Debentures of Face value Rs. 1,000,000 each Redeemable on June 5, 2023	99.62
9.35 % Redeemable Non convertible Debentures of Face value Rs. 1,000,000 each Redeemable on May 30, 2023	99.67
9.10 % Redeemable Non convertible Debentures of Face value Rs. 1,000,000 each Redeemable on May 18, 2023	988.24
9.10 % Redeemable Non convertible Debentures of Face value Rs. 1,000,000 each Redeemable on April 28, 2023	199.94
10.00 % Redeemable Non convertible Debentures of Face value Rs. 1,000,000 each Redeemable on March 25, 2023	4.96
10.00 % Redeemable Non convertible Debentures of Face value Rs. 1,000,000 each Redeemable on March 19, 2023	98.29
10.00 % Redeemable Non convertible Debentures of Face value Rs. 1,000,000 each Redeemable on February 26, 2023	24.79
10.20 % Redeemable Non convertible Debentures of Face value Rs. 1,000,000 each Redeemable on January 16, 2023	34.45
10.00 % Redeemable Non convertible Debentures of Face value Rs. 1,000,000 each Redeemable on December 31, 2022	49.52
8.12 % Redeemable Non convertible Debentures of Face value Rs. 1,000,000 each Redeemable on December 29, 2022	994.26
10.00 % Redeemable Non convertible Debentures of Face value Rs. 1,000,000 each Redeemable on December 18, 2022	14.88
9.30 % Redeemable Non convertible Debentures of Face value Rs. 1,000,000 each Redeemable on November 20, 2022	9.96
10.00 % Redeemable Non convertible Debentures of Face value Rs. 1,000,000 each Redeemable on November 19, 2022	14.87
7.77 % Redeemable Non convertible Debentures of Face value Rs. 1,000,000 each Redeemable on November 7, 2022	288.43
10.00 % Redeemable Non convertible Debentures of Face value Rs. 1,000,000 each Redeemable on November 6, 2022	14.88
7.82 % Redeemable Non convertible Debentures of Face value Rs. 1,000,000 each Redeemable on July 25, 2022	99.71
10.70 % Redeemable Non convertible Debentures of Face value Rs. 1,000,000 each Redeemable on July 6, 2022	19.98
10.95 % Redeemable Non convertible Debentures of Face value Rs. 1,000,000 each Redeemable on June 28, 2022	799.19
6.38 % Redeemable Non convertible Debentures of Face value $. 1,000 each Redeemable on May 28, 2022	2,563.76
9.07 % Redeemable Non convertible Debentures of Face value Rs. 1,000,000 each Redeemable on April 6, 2022	999.97
10.75 % Redeemable Non convertible Debentures of Face value Rs. 1,000,000 each Redeemable on April 3, 2022	124.99
9.07 % Redeemable Non convertible Debentures of Face value Rs. 1,000,000 each Redeemable on March 30, 2022	264.97
9.00 % Redeemable Non convertible Debentures of Face value Rs. 1,000,000 each Redeemable on March 29, 2022	623.74
9.07 % Redeemable Non convertible Debentures of Face value Rs. 1,000,000 each Redeemable on March 22, 2022	159.99
9.07 % Redeemable Non convertible Debentures of Face value Rs. 1,000,000 each Redeemable on March 21, 2022	599.98
10.15 % Redeemable Non convertible Debentures of Face value Rs. 1,000,000 each Redeemable on February 27, 2022	499.81
9.00 % Redeemable Non convertible Debentures of Face value Rs. 1,000,000 each Redeemable on January 3, 2022	149.53
9.58 % Redeemable Non convertible Debentures of Face value Rs. 1,000,000 each Redeemable on December 31, 2021	62.37
9.00 % Redeemable Non convertible Debentures of Face value Rs. 1,000,000 each Redeemable on December 30, 2021	248.50
9.00 % Redeemable Non convertible Debentures of Face value Rs. 1,000,000 each Redeemable on December 24, 2021	323.57

(i) Redeemable Non Convertible Debentures(payable at par unless otherwise stated)(Secured unless otherwise stated) includes:*	**As at March 31, 2021 Amount**
9.00 % Redeemable Non convertible Debentures of Face value Rs. 1,000,000 each Redeemable on December 10, 2021	199.97
10.70 % Redeemable Non convertible Debentures of Face value Rs. 1,000,000 each Redeemable on November 22, 2021	99.88
8.00 % Redeemable Non convertible Debentures of Face value Rs. 1,000,000 each Redeemable on October 22, 2021	29.98
8.75 % Redeemable Non convertible Debentures of Face value Rs. 1,000 each Redeemable on September 26, 2021	2,392.95
8.90 % Redeemable Non convertible Debentures of Face value Rs. 1,000 each Redeemable on September 26, 2021	914.19
0.00 % Redeemable Non convertible Debentures of Face value Rs. 1,000 each Redeemable on September 26, 2021[1]	10.92
10.65 % Redeemable Non convertible Debentures of Face value Rs. 1,000,000 each Redeemable on September 7, 2021	499.34
8.80 % Redeemable Non convertible Debentures of Face value Rs. 1,000,000 each Redeemable on August 11, 2021	9.99
8.00 % Redeemable Non convertible Debentures of Face value Rs. 1,000,000 each Redeemable on July 9, 2021	109.92
8.40 % Redeemable Non convertible Debentures of Face value Rs. 1,000,000 each Redeemable on June 22, 2021	211.26
8.39 % Redeemable Non convertible Debentures of Face value Rs. 1,000,000 each Redeemable on June 15, 2021	213.99
9.00 % Redeemable Non convertible Debentures of Face value Rs. 1,000,000 each Redeemable on June 7, 2021	14.98
9.00 % Redeemable Non convertible Debentures of Face value Rs. 1,000,000 each Redeemable on May 29, 2021	9.99
9.30 % Redeemable Non convertible Debentures of Face value Rs. 1,000,000 each Redeemable on May 21, 2021	24.98
9.30 % Redeemable Non convertible Debentures of Face value Rs. 1,000,000 each Redeemable on May 10, 2021	24.98
9.30 % Redeemable Non convertible Debentures of Face value Rs. 1,000,000 each Redeemable on April 12, 2021	24.99
0.00 % Redeemable Non convertible Debentures of Face value Rs. 1,000,000 each Redeemable on April 8, 2021[1]	124.80
8.03 % Redeemable Non convertible Debentures of Face value Rs. 1,000,000 each Redeemable on April 6, 2021	74.99
	29,164.70

(1) Redeemable at premium
*Redeemable Non-Convertible Debentures are secured against Immovable Property / Other financial Assets and pool of Current and Future Loan Receivables of the Company(Including Investments)

(ii) Term Loan from banks includes as at March 31, 2022*:	**As at March 31, 2022 Amount**
Term Loan taken from Bank(s). These loans are repayable in monthly installment with moratorium period of 12 month from the date of disbursement. The balance tenure for these loan is 50 months (average) from the Balance Sheet.[1]	624.55

(All amount in Rs. in Crore, except for share data unless stated otherwise)

Term Loan taken from Bank. This loan is repayable in half yearly installment after the moratorium of 3 years from the date of disbursement. The balance tenure for this loan is 9 months from the Balance Sheet.[1]	499.97
Term Loan taken from Bank(s). These loans are repayable in quarterly installment with moratorium period of 3 months from the date of disbursement. The balance tenure for these loan is 57 months (average) from the Balance Sheet.[1]	1,328.23
Term Loan taken from Bank.This loan is repayable in quarterly installment with moratorium period of 1 years from the date of disbursement. The balance tenure for this loan is 9 months from the Balance Sheet.[1]	312.38
Term Loan taken from Bank(s). These loans are repayable in quarterly installment with moratorium period of 6 month from the date of disbursement. The balance tenure for these loan is 66 months (average) from the Balance Sheet.[1]	2,327.26
Term Loan taken from Bank(s). These loans are repayable in yearly installment with the moratorium period of 2 years from the date of disbursement. The balance tenure for these loan is 29 months (average) from the Balance Sheet.[1]	930.02
Term Loan taken from Bank(s). These loans are repayable in bullet at the end of the tenure from the date of disbursement. The balance tenure for these loan is 12 months (average) from the Balance Sheet.[(2)&(3)]	2,563.88
Term Loan taken from Bank. This loan is repayable in yearly installment after the moratorium period of 1 years from the date of disbursement. The balance tenure for this loan is 5 months from the Balance Sheet.[1]	333.33
Term Loan taken from Bank. This loan is repayable in monthly installment from the date of disbursement. The balance tenure for this loan is 3 months from the Balance Sheet.[1]	14.99
Term Loan taken from Bank(s). These loans are repayable in quarterly installment from the date of disbursement. The balance tenure for these loan is 47 months (average) from the Balance Sheet.[1]	3,415.43
Term Loan taken from Bank. This loan is repayable in half yearly installment from the date of disbursement. The balance tenure for this loan is 3 months from the Balance Sheet.[1]	65.62
Term Loan taken from Bank. This loan is repayable in yearly installment with the moratorium period of 4 years from the date of disbursement. The balance tenure for this loan is 42 months from the Balance Sheet.[1]	399.98
Term Loan taken from Bank(s). These loans are repayable in yearly installment with the moratorium period of 3 years from the date of disbursement. The balance tenure for these loan is 12 months (average) from the Balance Sheet.[1]	2,059.67

(ii) Term Loan from banks includes as at March 31, 2022*:	**As at March 31, 2022 Amount**
Term Loan taken from Bank(s). These loans are repayable in half yearly installment with the moratorium period of 1 years from the date of disbursement. The balance tenure for these loan is 13 months (average) from the Balance Sheet.[1]	624.82
Term Loan taken from Bank. This loan is repayable in half yearly installment with the moratorium period of 6 months from the date of disbursement. The balance tenure for this loan is 49 months from the Balance Sheet.[1]	149.64
	15,649.77

(1) Linked to base rate / MCLR of respective lenders
(2) Linked to Libor
(3) Includes External commercial borrowings from banks.
*Secured by hypothecation of Loan Receivables(Current and Future) / Other financial Assets / Cash and Cash Equivalents of the Company(including investments)

(ii) Term Loan from banks includes as at March 31, 2021*:	**As at March 31, 2021 Amount**
Term Loan taken from Bank. This loan is repayable in monthly installment with moratorium period of 12 month from the date of disbursement. The balance tenure for this loan is 52 months from the Balance Sheet.[1]	523.79
Term Loan taken from Bank. This loan is repayable in half yearly installment after the moratorium of 3 years from the date of disbursement. The balance tenure for this loan is 22 months from the Balance Sheet.[1]	999.94
Term Loan taken from Bank(s), These loans are repayable in quarterly installment with moratorium period of 1 years from the date of disbursement. These loan are secured by hypothecation of loan receivables of the company. The balance tenure for these loans is 11 months(average) from the Balance Sheet.[1]	942.43
Term Loan taken from Bank(s). These loans are repayable in quarterly installment with moratorium period of 6 month from the date of disbursement. The balance tenure for these loans is 61 months(average) from the Balance Sheet.[1]	1,642.28
Term Loan taken from Bank(s). These loans are repayable in yearly installment with the moratorium period of 2 years from the date of disbursement. The balance tenure for these loans is 18 months(average) from the Balance Sheet.[1]	1,997.72
Term Loan taken from Bank(s). These loans are repayable in bullet at the end of the tenure from the date of disbursement. The balance tenure for these loans is 20 months(average) from the Balance Sheet.[(2) & (3)]	3,802.19
Term Loan taken from Bank. This loan is repayable in yearly installment after the moratorium period of 1 years from the date of disbursement. The balance tenure for this loan is 17 months from the Balance Sheet.[1]	666.67
Term Loan taken from Bank(s). These loans are repayable in monthly installment from the date of disbursement. The balance tenure for these loans is 14 months(average) from the Balance Sheet.[1]	73.32

(All amount in Rs. in Crore, except for share data unless stated otherwise)

Term Loan taken from Bank(s). These loans are repayable in quarterly installment from the date of disbursement. The balance tenure for these loans is 57 months(average) from the Balance Sheet.(1)	1,618.24
Term Loan taken from Bank(s). These loans are repayable in half yearly installment from the date of disbursement. The balance tenure for these loans is 9 months(average) from the Balance Sheet.(1)	221.87
Term Loan taken from Bank. This loan is repayable in yearly installment with the moratorium period of 4 years from the date of disbursement. The balance tenure for this loan is 54 months from the Balance Sheet.(1)	399.97
Term Loan taken from Bank(s). These loans are repayable in yearly installment with the moratorium period of 3 years from the date of disbursement. The balance tenure for these loans is 20 months(average) from the Balance Sheet.(1)	3,599.84
Term Loan taken from Bank(s), These loans are repayable in half yearly installment with the moratorium period of 1 years from the date of disbursement. The balance tenure for these loans is 14 months(average) from the Balance Sheet.(1)	1,549.37
Term Loan taken from Bank. This loan is repayable in half yearly installment with the moratorium period of 1.5 years from the date of disbursement. The balance tenure for this loan is 9 months from the Balance Sheet.(1)	699.80
	18,737.43

(1) Linked to base rate / MCLR of respective lenders
(2) Linked to Libor
(3) Includes External commercial borrowings from banks.
*Secured by hypothecation of Loan Receivables(Current and Future) / Other financial Assets / Cash and Cash Equivalents of the Company(including investments)

(iii) Subordinated Debt	**As at March 31, 2022 Amount**
8.89 % Redeemable Non convertible Debentures of Face value Rs. 1,000 each Redeemable on December 24, 2028	0.00
9.25 % Redeemable Non convertible Debentures of Face value Rs. 1,000 each Redeemable on December 24, 2028	0.00
9.35 % Redeemable Non convertible Debentures of Face value Rs. 1,000 each Redeemable on December 24, 2028	3.99
9.75 % Redeemable Non convertible Debentures of Face value Rs. 1,000 each Redeemable on December 24, 2028	2.71
8.80 % Redeemable Non convertible Debentures of Face value Rs. 1,000,000 each Redeemable on March 27, 2028	1,470.44
10.65 % Redeemable Non convertible Debentures of Face value Rs. 1,000,000 each Redeemable on November 15, 2027	31.45
8.35 % Redeemable Non convertible Debentures of Face value Rs. 1,000,000 each Redeemable on September 8, 2027	888.86
10.65 % Redeemable Non convertible Debentures of Face value Rs. 1,000,000 each Redeemable on June 30, 2027	47.99
10.25 % Redeemable Non convertible Debentures of Face value Rs. 1,000,000 each Redeemable on June 28, 2027	99.90
10.65 % Redeemable Non convertible Debentures of Face value Rs. 1,000,000 each Redeemable on June 5, 2027	106.48
8.79 % Redeemable Non convertible Debentures of Face value Rs. 1,000 each Redeemable on September 26, 2026	2.39
9.15 % Redeemable Non convertible Debentures of Face value Rs. 1,000 each Redeemable on September 26, 2026	192.84
9.00 % Redeemable Non convertible Debentures of Face value Rs. 1,000 each Redeemable on September 26, 2026	0.15
0.00 % Redeemable Non convertible Debentures of Face value Rs. 1,000 each Redeemable on September 26, 2026	1.52
9.30 % Redeemable Non convertible Debentures of Face value Rs. 1,000,000 each Redeemable on June 29, 2026	602.62
10.00 % Redeemable Non convertible Debentures of Face value Rs. 1,000,000 each Redeemable on August 3, 2025	163.73
10.10 % Redeemable Non convertible Debentures of Face value Rs. 1,000,000 each Redeemable on July 21, 2025	8.14
9.70 % Redeemable Non convertible Debentures of Face value Rs. 1,000,000 each Redeemable on March 17, 2025	4.97
8.35 % Redeemable Non convertible Debentures of Face value Rs. 1,000,000 each Redeemable on September 6, 2024	99.92
10.85 % Redeemable Non convertible Debentures of Face value Rs. 1,000,000 each Redeemable on July 17, 2024	9.92
10.80 % Redeemable Non convertible Debentures of Face value Rs. 1,000,000 each Redeemable on December 23, 2023	19.77
10.85 % Redeemable Non convertible Debentures of Face value Rs. 1,000,000 each Redeemable on October 24, 2023	4.97
10.85 % Redeemable Non convertible Debentures of Face value Rs. 1,000,000 each Redeemable on September 27, 2023	24.76
10.10 % Redeemable Non convertible Debentures of Face value Rs. 1,000,000 each Redeemable on September 23, 2023	24.77
9.90 % Redeemable Non convertible Debentures of Face value Rs. 1,000,000 each Redeemable on June 3, 2023	124.24
9.80 % Redeemable Non convertible Debentures of Face value Rs. 1,000,000 each Redeemable on May 23, 2023	19.79
10.10 % Redeemable Non convertible Debentures of Face value Rs. 1,000,000 each Redeemable on March 28, 2023	24.88
10.10 % Redeemable Non convertible Debentures of Face value Rs. 1,000,000 each Redeemable on March 6, 2023	19.81
10.10 % Redeemable Non convertible Debentures of Face value Rs. 1,000,000 each Redeemable on February 18, 2023	24.79
10.65 % Redeemable Non convertible Debentures of Face value Rs. 1,000,000 each Redeemable on January 30, 2023	9.96
10.10 % Redeemable Non convertible Debentures of Face value Rs. 1,000,000 each Redeemable on January 14, 2023	24.80
10.20 % Redeemable Non convertible Debentures of Face value Rs. 1,000,000 each Redeemable on December 4, 2022	19.94
10.65 % Redeemable Non convertible Debentures of Face value Rs. 1,000,000 each Redeemable on November 15, 2022	1.09
10.30 % Redeemable Non convertible Debentures of Face value Rs. 1,000,000 each Redeemable on October 31, 2022	24.87
10.30 % Redeemable Non convertible Debentures of Face value Rs. 1,000,000 each Redeemable on October 22, 2022	39.80
10.30 % Redeemable Non convertible Debentures of Face value Rs. 1,000,000 each Redeemable on October 9, 2022	34.82
10.65 % Redeemable Non convertible Debentures of Face value Rs. 1,000,000 each Redeemable on June 5, 2022	14.95
	4,196.03

(All amount in Rs. in Crore, except for share data unless stated otherwise)

(1) Redeemable at premium

(iii) Subordinated Debt	**As at March 31, 2021 Amount**
8.80 % Redeemable Non convertible Debentures of Face value Rs. 1,000,000 each Redeemable on March 27, 2028	1,466.08
10.65 % Redeemable Non convertible Debentures of Face value Rs. 1,000,000 each Redeemable on November 15, 2027	31.31
8.35 % Redeemable Non convertible Debentures of Face value Rs. 1,000,000 each Redeemable on September 8, 2027	887.41
10.65 % Redeemable Non convertible Debentures of Face value Rs. 1,000,000 each Redeemable on June 30, 2027	47.77
10.25 % Redeemable Non convertible Debentures of Face value Rs. 1,000,000 each Redeemable on June 28, 2027	99.90
10.65 % Redeemable Non convertible Debentures of Face value Rs. 1,000,000 each Redeemable on June 5, 2027	106.02
8.79 % Redeemable Non convertible Debentures of Face value Rs. 1,000 each Redeemable on September 26, 2026	2.38
9.15 % Redeemable Non convertible Debentures of Face value Rs. 1,000 each Redeemable on September 26, 2026	192.44
9.00 % Redeemable Non convertible Debentures of Face value Rs. 1,000 each Redeemable on September 26, 2026	0.15
0.00 % Redeemable Non convertible Debentures of Face value Rs. 1,000 each Redeemable on September 26, 2026[1]	1.39
9.30 % Redeemable Non convertible Debentures of Face value Rs. 1,000,000 each Redeemable on June 29, 2026	601.40

(iii) Subordinated Debt	**As at March 31, 2021 Amount**
10.00 % Redeemable Non convertible Debentures of Face value Rs. 1,000,000 each Redeemable on August 3, 2025	163.47
10.10 % Redeemable Non convertible Debentures of Face value Rs. 1,000,000 each Redeemable on July 21, 2025	8.14
9.70 % Redeemable Non convertible Debentures of Face value Rs. 1,000,000 each Redeemable on March 17, 2025	4.97
8.35 % Redeemable Non convertible Debentures of Face value Rs. 1,000,000 each Redeemable on September 6, 2024	99.92
10.85 % Redeemable Non convertible Debentures of Face value Rs. 1,000,000 each Redeemable on July 17, 2024	9.89
10.80 % Redeemable Non convertible Debentures of Face value Rs. 1,000,000 each Redeemable on December 23, 2023	19.66
10.85 % Redeemable Non convertible Debentures of Face value Rs. 1,000,000 each Redeemable on October 24, 2023	4.95
10.85 % Redeemable Non convertible Debentures of Face value Rs. 1,000,000 each Redeemable on September 27, 2023	24.64
10.10 % Redeemable Non convertible Debentures of Face value Rs. 1,000,000 each Redeemable on September 23, 2023	24.65
9.90 % Redeemable Non convertible Debentures of Face value Rs. 1,000,000 each Redeemable on June 3, 2023	123.74
9.80 % Redeemable Non convertible Debentures of Face value Rs. 1,000,000 each Redeemable on May 23, 2023	19.63
10.10 % Redeemable Non convertible Debentures of Face value Rs. 1,000,000 each Redeemable on March 28, 2023	24.78
10.10 % Redeemable Non convertible Debentures of Face value Rs. 1,000,000 each Redeemable on March 6, 2023	19.63
10.10 % Redeemable Non convertible Debentures of Face value Rs. 1,000,000 each Redeemable on February 18, 2023	24.57
10.65 % Redeemable Non convertible Debentures of Face value Rs. 1,000,000 each Redeemable on January 30, 2023	9.92
10.10 % Redeemable Non convertible Debentures of Face value Rs. 1,000,000 each Redeemable on January 14, 2023	24.59
10.20 % Redeemable Non convertible Debentures of Face value Rs. 1,000,000 each Redeemable on December 4, 2022	19.80
10.65 % Redeemable Non convertible Debentures of Face value Rs. 1,000,000 each Redeemable on November 15, 2022	1.09
10.30 % Redeemable Non convertible Debentures of Face value Rs. 1,000,000 each Redeemable on October 31, 2022	24.70
10.30 % Redeemable Non convertible Debentures of Face value Rs. 1,000,000 each Redeemable on October 22, 2022	39.56
10.30 % Redeemable Non convertible Debentures of Face value Rs. 1,000,000 each Redeemable on October 9, 2022	34.62
10.65 % Redeemable Non convertible Debentures of Face value Rs. 1,000,000 each Redeemable on June 5, 2022	14.82
11.00 % Redeemable Non convertible Debentures of Face value Rs. 1,000,000 each Redeemable on March 30, 2022	14.85
11.85 % Redeemable Non convertible Debentures of Face value Rs. 1,000,000 each Redeemable on February 22, 2022	19.88
11.85 % Redeemable Non convertible Debentures of Face value Rs. 1,000,000 each Redeemable on January 31, 2022	35.99
	4,248.71

(1) Redeemable at premium

(iv) Disclosure of investing and financing activity that do not require cash and cash equivalent*:

Particulars	**Year Ended March 31, 2022**	**Year Ended March 31, 2021**
Property, plant and equipment and intangible assets	(39.18)	(44.16)
Investments in subsidiaries and other long-term Investments	36.64	(706.71)
Right-of-use assets	56.01	(132.94)
Equity share capital including securities premium	-	-
Borrowings**	6.32	(2.16)

* Includes non cash movements such as effective interest rate on borrowings and investment, fair value adjustment on investment etc.
** Represents debt securities, borrowings (other than debt securities) and subordinated liabilities.

(v) Additional disclosures as required in terms of Master Direction – Non-Banking Financial Company – Housing Finance Company (Reserve Bank) Directions, 2021, RBI/2020-21/73 DOR.FIN.HFC.CC.No.120/03.10.136/2020-21, 17 February, 2021:-
Clause 3.3

Particulars	**Year Ended March 31, 2022**	**Year Ended March 31, 2021**

Value of Investments	**Amount**	
(i) Gross value of Investments		
(a) In India	10,227.69	9,808.92
(b) Outside India	-	213.88
(ii) Provisions for Depreciation*		
(a) In India	5.05	5.05
(b) Outside India	-	-
(iii) Net value of Investments		
(a) In India	10,222.64	9,803.87
(b) Outside India	-	213.88
Movement of provisions held towards depreciation on investments		
Particulars	**Year Ended March 31, 2022**	**Year Ended March 31, 2021**
	Amount	
(i) Opening balance	5.05	5.05
(ii) Add: Provisions made during the year	-	-
(iii) Less: Write-off / Written-back of excess provisions during the year		
(iv) Closing balance	5.05	5.05

*Does not include Investments which are measured at fair value for the year ended March 31, 2022.

Clause 5.5 Overseas Assets

Particulars	**Year Ended March 31, 2022**	**Year Ended March 31, 2021**
	Amount	
Investment in shares of OakNorth Holdings Limited	-	213.88
Bank Balances	0.09	0.21

Clause 5.6 Off-balance Sheet SPVs sponsored (which are required to be consolidated as per accounting Norms)

Name of the SPV sponsored	
Domestic	**Overseas**
None	None

(vi) During the year, the Company has bought back non-convertible debenture having face value of Rs. 182.70 Crores(Previous Year Rs.3,588.62 crores), thereby earning a loss of Rs. 1.59 Crores(Previous Year profit Rs.15.93 crores) which is clubbed under net gain on derecognition of financial instruments under amortized cost category.

(vii) The Citizens Whistle Blower Forum has filed a Public Interest Litigation ("PIL") before the Delhi High Court wherein certain allegations have been made against the Indiabulls group. The Company has vehemently denied the frivolous allegations that have been made without basic research or inquiry. The company has also filed a perjury application wherein notice has been issued. The Management has concluded that the allegations made in the Writ Petition has no merit and no impact on the financial statements. The matter is sub judice and pending with the Delhi High Court.

(viii) During the year ended 31st March, 2022, the Enforcement Directorate (ED) had sought certain information from the Company emanating from an FIR complaint lodged in village Wada, Palghar, Maharashtra in April, 2021. The Company and its officials have provided required information to the Enforcement Directorate. On May 4, 2022, subsequent to the Balance Sheet date, the Honourable Bombay High court has upheld the company's appeal against the said FIR and has quashed the compliant/FIR forming the basis of the ED's action.

Recently, on May 5, 2022, in a case [J Sekar Reddy v. Directorate of Enforcement] similar to the Company's case, the Hon'ble Supreme Court quashed the ECIR on the basis that there is no scheduled offence as the FIR with respect to the scheduled offence had been quashed by the High Court. In view of this, the ECIR against the Company is also likely to be quashed by the Hon'ble Delhi High Court since in the Company's case also, the FIR in this case has been quashed by the Hon'ble Bombay High Court

(ix) The Company does not have any charges which are yet to be registered with the Registrar of Companies beyond the statutory period. In some cases, the Company has fully redeemed certain secured debentures and External Commercial Borrowing aggregating to Rs 14,992 crores in respect of which the Company is in the process of preparation and submission of necessary forms for satisfaction of such charges and expects to complete the process in due course.

(x) Major classes of assets held for sale as at March 31, 2022 are as below:

Description	**As at March 31, 2022**	**As at March 31, 2021**
Residential	1,474.70	649.84
Commercial	834.03	350.79
Total	**2,308.73**	**1,000.63**

(33) Contingent Liability and Commitments:

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

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

a) Demand pending under the Income Tax Act,1961
(i) For Rs. 1.23 Crore with respect to FY 2008-09 (Previous Year Rs. 1.23 Crore) against disallowances under Income Tax Act,1961,against which appeal is pending before Supreme Court.
(ii) For Rs.1.27 Crore with respect to FY 2010-11 (Previous Year Rs.1.27 Crore) against disallowances under Income Tax Act,1961, against which the department has filed appeal before High Court.
(iii) For Rs. 0.05 Crore with respect to FY 2010-11 (Previous Year Rs. 0.05) against disallowances under Income Tax Act,1961 against which appeal is pending before CIT (Appeal).
(iv) For Rs. 0.00 Crore with respect to FY 2011-12 (Previous Year Rs. 0.00) against disallowances under Income Tax Act,1961 against which appeal is pending before CIT (Appeal).
(v) For Rs. 0.11 Crore with respect to FY 2012-13 (Previous Year Rs. 0.11 Crore) against disallowances under Income Tax Act,1961 against which appeal is pending before CIT (Appeal).
(vi) For Rs. 14.16 Crore with respect to FY 2013-14 (Previous Year Rs. 14.16) against disallowances under Income Tax Act,1961 against which appeal is pending before CIT (Appeal).
(vii) For Rs. 13.81 Crore with respect to FY 2014-15 (Previous Year Rs. 13.81) against disallowances under Income Tax Act,1961 against which appeal is pending before CIT (Appeal).
(viii) For Rs 20.54 Crore with respect to FY 2015-16 (Previous Year Rs. 20.54) against disallowances under Income Tax Act,1961 against which appeal is pending before CIT (Appeal).
(ix) For Rs. 48.66 Crore with respect to FY 2016-17 (Previous Year Rs. 48.66) against disallowances under Income Tax Act,1961 against which appeal is pending before CIT (Appeal).
(x) For Rs. 0.05 Crore with respect to FY 2010-11 (Previous Year Rs. 0.05) against disallowances under Income Tax Act,1961 against which appeal is pending before CIT (Appeal).
(xi) For Rs. 0.00 Crore with respect to FY 2011-12 (Previous Year Rs. 0.00) against disallowances under Income Tax Act,1961 against which appeal is pending before CIT (Appeal).
(xii) For Rs. 168.05 Crore with respect to FY 2017-18 (Previous Year Rs. NIL) against disallowances under Income Tax Act,1961 against which appeal is pending before CIT (Appeal).
(xiii) For Rs. 57.24 Crore with respect to FY 2018-19 (Previous Year Rs. NIL) against disallowances under Income Tax Act,1961 against which appeal is pending before CIT (Appeal).
(xiv) For Rs. 28.04 Crore with respect to FY 2019-20 (Previous Year Rs. NIL) against disallowances under Income Tax Act,1961 against which appeal is pending before CIT (Appeal).
(xv) For Rs. 0.23 Crore with respect to FY 2020-21 (Previous Year Rs. NIL) against disallowances under Income Tax Act,1961 against which appeal is pending before CIT (Appeal).

(b)(i) Demand pending u/s of 25, 55 , 56 & 61 of The Rajasthan Value Added Tax Act, 2003 for Rs. 1.45 Crore (Including interest & Penalty) with respect to FY 2007-08 to FY 2012-13 (Previous Year Rs. 1.45 Crore) against which appeal was pending before Rajasthan High Court. The Company has paid tax along with interest for Rs. 0.62 Crore (Previous Year Rs. 0.62 Crore) under protest. Further the company has deposited Rs. 0.21 Crore on May 30, 2016. Further ,the company has opted for New Amnesty Scheme 2016 and accordingly deposited 25 % of the disputed demand amount and withdrawn appeal before the Hon'ble High Court.

(c) Capital commitments for acquisition of fixed assets at various branches as at the year end (net of capital advances paid) Rs. 32.63 Crore (Previous Year Rs. 3.14 Crore).
(d) Corporate guarantees provided to Unique Identification Authority of India for Aadhaar verification of loan applications for Rs. 0.25 Crore (Previous Year Rs. 0.25 Crore).
(e) Bank guarantees provided against court case for Rs. 0.05 Crore (Previous Year Rs. 0.05 Crore).
(f) Corporate guarantees provided to NABARD for loan taken by Indiabulls Commercial Credit Limited for Rs. 561.50 Crore (Previous Year Rs. 1,051 Crore)

(34) Segment Reporting:

The Company's main business is financing by way of loans for purchase or construction of residential houses, commercial real estate and certain other purposes in India. All other activities of the Company revolve around the main business. Accordingly, there are no separate reportable segments as per IND-AS 108 dealing with Operating Segment.

(35) Disclosures in respect of Related Parties as per Indian Accounting Standard (IndAS) – 24 'Related Party Disclosures'.

(a) Detail of related party

Nature of relationship	**Related party**
Subsidiary Companies	Indiabulls Commercial Credit Limited Indiabulls Insurance Advisors Limited Indiabulls Capital Services Limited Indiabulls Collection Agency Limited Ibulls Sales Limited Indiabulls Advisory Services Limited Indiabulls Asset Holding Company Limited Indiabulls Asset Management Company Limited Indiabulls Trustee Company Limited Indiabulls Holdings Limited Indiabulls Investment Management Limited (Previously known as Indiabulls Venture Capital Management Company Limited) Indiabulls Asset Management (Mauritius) (Subsidiary of Indiabulls Commercial Credit Limited) Nilgiri Financial Consultants Limited (Subsidiary of Indiabulls Insurance Advisors Limited) Pragati Employee Welfare Trust (Formerly known as Indiabulls Housing Finance Limited- Employee Welfare Trust) ICCL lender repayment trust (Subsidiary of Indiabulls Commercial Credit Limited)
Key Management Personnel	Mr. Subhash Sheoratan Mundra, Non Executive Chairman from August 12, 2020, Independent Director Mr. Sameer Gehlaut, Chairman till August 11, 2020, Non - Executive Director till March 14, 2022 Mr. Gagan Banga, Vice Chairman/ Managing Director & CEO Mr. Ashwini Omprakash Kumar, Deputy Managing Director Mr. Ajit Kumar Mittal, Executive Director Mr. Sachin Chaudhary, Executive Director Mr. Shamsher Singh Ahlawat, Independent Director till September 28, 2021

(All amount in Rs. in Crore, except for share data unless stated otherwise)

Mr. Prem Prakash Mirdha, Independent Director [till September 28, 2021]
Justice Gyan Sudha Misra, Independent Director
Mr. Achutan Siddharth, Independent Director [from July 3, 2020]
Mr. Dinabandhu Mohapatra, Independent Director [from November 23, 2020]
Mr. Satish Chand Mathur, Independent Director

(b) Significant transactions with related parties:

Nature of Transactions	Year ended March 31, 2022	Year ended March 31, 2021
	Amount (Rs.)	Amount (Rs.)
Finance		
Secured Loans given		
(Maximum balance outstanding during the year)*		
-Subsidiary Companies	5,745.56	4,286.31
Total	**5,745.56**	**4,286.31**
Unsecured Loans given		
(Maximum balance outstanding during the year)*		
-Subsidiary Companies	67.30	75.10
Total	**67.30**	**75.10**
Other receipts and payments		
Sale of Investment to:		
-Subsidiary Companies	-	222.02
Total	**-**	**222.02**
Purchase of Investment from:		
-Subsidiary Companies	48.40	-
Total	**48.40**	**-**
Payment made for Redemption of Bonds to:		
-Subsidiary Companies	-	555.50
Total	**-**	**555.50**
Payment received on Redemption of Bonds from:		
-Subsidiary Companies	1,990.84	250.00
Total	**1,990.84**	**250.00**
Payment made for purchase of Investment in:		
-Subsidiary Companies	0.05	-
Total	**0.05**	**-**
Corporate counter guarantees given to third parties for:(1)		
-Subsidiary Companies	200.00	200.00
Total	**200.00**	**200.00**
Investment in equity Shares		
-Subsidiary Companies	6.95	-
Total	**6.95**	**-**
Investment in Bonds		
-Subsidiary Companies	2,000.00	-
Total	**2,000.00**	**-**
Assignment of Loans from		
-Subsidiary Companies	1,196.58	-
Total	**1,196.58**	**-**
Income		
Income from Service Fee		
-Subsidiary Companies	0.06	0.06
Total	**0.06**	**0.06**
Expenses on Service Fee		
-Subsidiary Companies	0.10	0.14
Total	**0.10**	**0.14**
Interest Income on Loan		
Nature of Transactions	**Year ended March 31, 2022**	**Year ended March 31, 2021**
	Amount (Rs.)	**Amount (Rs.)**
-Subsidiary Companies	424.66	274.52
Total	**424.66**	**274.52**
Interest Income on Bonds		
-Subsidiary Companies	180.02	125.34
Total	**180.02**	**125.34**
Interest Expense on Bonds		
-Subsidiary Companies	2.65	53.35

(All amount in Rs. in Crore, except for share data unless stated otherwise)

Total	**2.65**	**53.35**
Payment of Dividend		
-Subsidiary Companies	15.30	-
-Key Management Personnel	3.81	-
Total	**19.11**	-
Other receipts and payments		
Salary / Remuneration(Consolidated)		
-Key Management Personnel	25.68	(43.84)
Total	**25.68**	**(43.84)**
Salary / Remuneration(Short-term employee benefits)		
-Key Management Personnel	21.68	11.29
Total	**21.68**	**11.29**
Salary / Remuneration(Share-based payments)		
-Key Management Personnel	(1.87)	(1.30)
Total	**(1.87)**	**(1.30)**
Salary / Remuneration(Post-employment benefits)		
-Key Management Personnel	1.36	(55.80)
Total	**1.36**	**(55.80)**
Salary / Remuneration(Others)		
-Key Management Personnel	4.51	1.97
Total	**4.51**	**1.97**

* Represents Maximum balance of loan outstanding during the year

(c) Outstanding balance:

Nature of Transactions	**Year ended March 31, 2022**	**Year ended March 31, 2021**
	Amount (Rs.)	**Amount (Rs.)**
Secured Loans given:		
-Subsidiary Companies	1,486.00	1,296.00
Total	**1,486.00**	**1,296.00**
Unsecured Loans given:		
-Subsidiary Companies	67.30	67.30
Total	**67.30**	**67.30**
Investment in Bonds of:		
-Subsidiary Companies	2,020.83	1,129.32
Total	**2,020.83**	**1,129.32**
Outstanding Balance of Borrowings in Bonds held by(at fair value):		
-Subsidiary Companies	49.88	49.22
Total	**49.88**	**49.22**
Corporate counter guarantees given to third parties for:		
-Subsidiary Companies	561.50	1,051.00
Total	**561.50**	**1,051.00**
Assignment (Payable)/ Receivable (Net)		
-Subsidiary Companies	5.99	(16.12)
Total	**5.99**	**(16.12)**

(d) Statement of Partywise transactions during the Year:

Particulars	**For the Year ended March 31, 2022**	**For the Year ended March 31, 2021**
	Amount (Rs.)	**Amount (Rs.)**
Particulars	**Year ended March 31, 2022**	**Year ended March 31, 2021**
	Amount (Rs.)	**Amount (Rs.)**
Secured Loans Given*		
Subsidiaries		
– Indiabulls Commercial Credit Limited	5,745.56	4,286.31
Total	**5,745.56**	**4,286.31**
Unsecured Loans Given*		
Subsidiaries		
– Pragati Employee Welfare Trust	67.30	75.10
Total	**67.30**	**75.10**
Sale of Investment to:		
Subsidiaries		
– Indiabulls Commercial Credit Limited	-	222.02
Total	-	-

Purchase of Investment from:		
Subsidiaries		
– Indiabulls Asset Management Company Limited	48.40	
Total	**48.40**	**-**
Payment made for Redemption of Bonds to:		
Subsidiaries		
– Indiabulls Commercial Credit Limited	-	555.50
Total	**-**	**555.50**
Payment received for Redemption Investment:		
Subsidiaries		
– Indiabulls Commercial Credit Limited	1,990.84	250.00
Total	**1,990.84**	**250.00**
Corporate counter guarantees given to third parties for:		
Subsidiaries		
– Indiabulls Commercial Credit Limited	200.00	200.00
Total	**200.00**	**200.00**
Investment in equity Shares		
-Subsidiary Companies		
– Indiabulls Investment Management Limited	6.95	-
Total	**6.95**	**-**
Investment in Bonds		
Subsidiaries		
– Indiabulls Commercial Credit Limited	2,000.00	-
Total	**2,000.00**	**-**
Assignment of Loans from		
Subsidiaries		
– Indiabulls Commercial Credit Limited	1,196.58	-
Total	**1,196.58**	**-**
Income from Service Fee		
Subsidiaries		
– Indiabulls Commercial Credit Limited	0.06	0.06
Total	**0.06**	**0.06**
Expenses on Service Fee		
Subsidiaries		
– Indiabulls Commercial Credit Limited	0.10	0.14
Total	**0.10**	**0.14**
Interest Income on Loan		
Subsidiaries		
– Indiabulls Commercial Credit Limited	417.97	270.69
– Pragati Employee Welfare Trust	6.69	3.83
Total	**424.66**	**274.52**
Interest Income on Bonds		
Subsidiaries		
– Indiabulls Commercial Credit Limited	180.02	125.34
Particulars	**For the Year ended March 31, 2022**	**For the Year ended March 31, 2021**
	Amount (Rs.)	**Amount (Rs.)**
Total	**180.02**	**125.34**
Interest Expense on Bonds		
Subsidiaries		
– Indiabulls Commercial Credit Limited	-	49.09
– Indiabulls Asset Management Company Limited	2.65	4.26
Total	**2.65**	**53.35**
Payment of Dividend		
Subsidiaries		
-Pragati Employee Welfare Trust	15.30	-
-Key Managerial Personnel		
– Sameer Gehlaut	0.45	-
– Gagan Banga	3.19	-
– Ashwini Omprakash Kumar	0.02	-
– Sachin Chaudhary	0.11	-
– Ajit Kumar Mittal	0.04	-
– Prem Prakash Mirdha	0.00	
Total	**19.11**	**-**
Salary / Remuneration(Short-term employee benefits)		

(All amount in Rs. in Crore, except for share data unless stated otherwise)

Remuneration to Directors		
– Gagan Banga	10.55	5.14
– Ajit Kumar Mittal	1.34	-
– Ashwini Omprakash Kumar	4.87	2.89
– Sachin Chaudhary	4.92	3.26
Total	**21.68**	**11.29**
Salary / Remuneration(Share-based payments)		
– Gagan Banga	0.21	(1.11)
– Ajit Kumar Mittal	(0.06)	0.10
– Ashwini Omprakash Kumar	(1.13)	(0.20)
– Sachin Chaudhary	(0.89)	(0.09)
Total	**(1.87)**	**(1.30)**
Salary / Remuneration(Post-employment benefits)		
– Sameer Gehlaut	1.33	(55.15)
– Gagan Banga	0.01	(0.01)
– Ajit Kumar Mittal	(0.07)	-
– Ashwini Omprakash Kumar	-	(0.36)
– Sachin Chaudhary	0.09	(0.28)
Total	**1.36**	**(55.80)**
Salary / Remuneration(Others)		
– Shamsher Singh Ahlawat	0.03	0.12
– Prem Prakash Mirdha	0.03	0.12
– Justice Gyan Sudha Misra	0.57	0.16
– Subhash Sheoratan Mundra	2.07	0.82
– Satish Chand Mathur	0.32	0.22
– Achutan Siddharth	0.82	0.31
– Dinabandhu Mohapatra	0.67	0.22
Total	**4.51**	**1.97**

* Represents Maximum balance of loan outstanding during the year

(e) Breakup of outstanding Balances

Particulars	**For the Year ended March 31, 2022**	**For the Year ended March 31, 2021**
	Amount (Rs.)	**Amount (Rs.)**
Secured Loan given		
Subsidiaries		
– Indiabulls Commercial Credit Limited	1,486.00	1,296.00
Unsecured Loan given		
Particulars	**For the Year ended March 31, 2022**	**For the Year ended March 31, 2021**
	Amount (Rs.)	**Amount (Rs.)**
Subsidiaries		
– Pragati Employee welfare Trust	67.30	67.30
Investment in Bonds of:		
Subsidiaries		
– Indiabulls Commercial Credit Limited	2,020.83	1,129.32
Outstanding Balance of Borrowings in Bonds held by(at fair value):		
Subsidiaries		
– Indiabulls Commercial Credit Limited	49.88	-
– Indiabulls Asset Management Company Limited	-	49.22
Assignment Receivable/ (Payable)		
Subsidiaries		
- Indiabulls Commercial Credit Limited	5.99	(16.12)
Corporate counter guarantees given to third parties for the Company		
- Indiabulls Commercial Credit Limited	561.50	1,051.00

Related Party relationships as given above are as identified by the Company.

(1) Disclosure related to Fair value of Corporate Guarantee given to Subsidiary as per IND As 109, "Financial Instruments"

Particulars	**For the Year ended March 31, 2022**	**For the Year ended March 31, 2021**
Fair Value Income on Corporate Guarantee	**Amount (Rs.)**	**Amount (Rs.)**
Subsidiaries		
– Indiabulls Commercial Credit Limited	10.53	9.33
Total	**10.53**	**9.33**
Investment in		

Subsidiaries		
– Indiabulls Commercial Credit Limited	4.18	4.27
Total	**4.18**	**4.27**
Outstanding Balance of Unamortised Corporate Guarantee Income		
– Indiabulls Commercial Credit Limited	26.08	32.43
Total	**26.08**	**32.43**

(36) Remittances during the year in foreign currency on account of dividends:

Remittance during the Financial Year 2021-22 :

Pertains to Financial Year	Interim	No of Shareholders	No. of Shares	Amount
2020-21	1st Interim 2020-21	1	567,505	0.51
		Total	**567,505**	**0.51**

Remittance during the Financial Year 2020-21 : NIL

(37) Earnings Per Equity Share

Earnings Per Equity Share (EPS) as per Indian Accounting Standard (IndAS)-33 "Earnings Per Share",:

The basic earnings per share is computed by dividing the net profit attributable to Equity Shareholders for the year by the weighted average number of Equity Shares outstanding during the year. Diluted earnings per share are computed using the weighted average number of Equity Shares and also the weighted average number of Equity Shares that could have been issued on the conversion of all dilutive potential Equity Shares. The dilutive potential Equity Shares are adjusted for the proceeds receivable, had the shares been actually issued at fair value.

Dilutive potential Equity Shares are deemed converted as of the beginning of the year, unless they have been issued at a later date. The number of Equity Shares and potential diluted Equity Shares are adjusted for potential dilutive effect of Employee Stock Option Plan as appropriate.

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Profit available for Equity Shareholders (Amount)	696.11	1,058.46
Weighted average number of Shares used in computing Basic Earnings per Equity Share (Nos.)	463,406,287	446,438,235
Add: Potential number of Equity share that could arise on exercise of Employee Stock Options (Nos.)	1,253,208	46,143
Weighted average number of shares used in computing Diluted Earnings per Equity Share (Nos.)	464,659,495	446,484,378
Particulars	**Year ended March 31, 2022**	**Year ended March 31, 2021**
Face Value of Equity Shares - (Rs.)	2.00	2.00
Basic Earnings Per Equity Share - (Rs.)	15.02	23.71
Diluted Earnings Per Equity Share - (Rs.)	14.98	23.71

(38) In respect of amounts as mentioned under Section 124 of the Companies Act, 2013, there were no dues(Previous Year Rs. Nil) required to be credited to the Investor Education and Protection Fund as on March 31, 2022, except an amount of Rs. 2,280(Rupees Two thousand two hundred Eighty only) which were issued to certain shareholders against revalidation cases for the payment of unpaid/unclaimed interim dividend could not be encashed by them and were again credited back to Company's unpaid dividend account. The same has been deposited subsequent to the year end to Investor Education and Protection fund.

(39)

(1) Disclosures as required in terms of Master Direction – Non-Banking Financial Company – Housing Finance Company (Reserve Bank) Directions, 2021, RBI/2020-21/73 DOR.FIN.HFC.CC.No.120/03.10.136/2020-21, 17 February, 2021

(i) Disclosure for Capital to Risk Assets Ratio (CRAR) :-

CRAR	**As at March 31, 2022**	**As at March 31, 2021**
Items		
i) CRAR (%)	22.49%	22.84%
ii) CRAR - Tier I capital (%)	16.59%	16.27%
iii) CRAR - Tier II Capital (%)	5.90%	6.57%
iv) Amount of subordinated debt raised as Tier- II Capital	4,196.03	4,248.71
v) Amount raised by issue of Perpetual Debt Instruments	100.00	100.00

(ii) Exposure to Real Estate Sector:-

Category			**As at March 31, 2022**	**As at March 31, 2021**
	Direct exposure			
	(i)	Residential Mortgages -		

a)		Lending fully secured by mortgages on residential property that is or will be occupied by the borrower or that is rented. Individual housing loans up to Rs.15 lakh Rs. 1,314.34 crore(Previous Year Rs.1,754.34 crore)	21,598.00	30,223.92
	(ii)	Commercial Real Estate - Lending secured by mortgages on commercial real estates	16,921.77	13,274.19
	(iii)	Investments in Mortgage		
		a. Residential	-	0.97
		b. Commercial Real Estate.	299.09	444.66
b)	Indirect Exposure Fund based and non-fund based exposures on National Housing Bank (NHB) and Housing Finance Companies (HFCs).		-	-

Note: The above computation is based on management's estimates, assumptions and adjustments / Borrower's confirmation which have been relied upon by the auditors

(iii) Exposure to Capital Market

Particulars	As at March 31, 2022	As at 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;	1.85	58.39
(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;	-	-
Particulars	**As at March 31, 2022**	**As at March 31, 2021**
(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 (both registered and unregistered)	-	-
Total Exposure to Capital Market	**1.85**	**58.39**

Note: In computing the above information certain estimates, assumptions and adjustments have been made by the Management which have been relied upon by the auditors.

(iv) Asset Liability Management

Maturity Pattern of Assets and Liabilities as at March 31, 2022*:-

	1 to 7 Days	8 to 14 Days	15 days to 30/31 days	Over 1 month & up to 2 months
Liabilities				
Borrowing from banks**	0.73	18.50	68.39	43.30
Market borrowings	1,083.84	530.10	188.63	2,870.26
Foreign Currency Liabilities	-	0.49	61.97	313.63
Assets				
Advances	383.00	47.85	1,023.14	1,435.93
Investments***	358.98	88.24	178.06	2,929.86
Foreign Currency Assets	-	-	-	0.33

Maturity Pattern of Assets and Liabilities as at March 31, 2022*:-

	Over 2 month & up to 3 months	Over 3 months & up to 6 months	Over 6 months & up to 1 year	Over 1 year & up to 3 Years
Liabilities				
Borrowing from banks**	1,658.26	1,123.94	3,260.04	9,873.80
Market borrowings	1,292.40	867.31	4,608.13	7,293.46
Foreign Currency Liabilities	80.28	0.52	6.34	47.41
Assets				
Advances	1,033.03	3,429.79	4,366.40	19,312.52
Investments***	480.37	83.75	3,422.36	4,466.05
Foreign Currency Assets	14.28	2.68	-	131.83

Maturity Pattern of Assets and Liabilities as at March 31, 2022*:-

	Over 3 Years & up to 5 Years	Over 5 Years	Grand Total
Liabilities			
Borrowing from banks**	5,566.58	1,433.39	23,046.93
Market borrowings	4,694.08	11,284.06	34,712.27
Foreign Currency Liabilities	151.03	-	661.67
Assets			
Advances	14,117.26	8,765.45	53,914.37
Investments***	1,275.51	4,430.69	17,713.87
Foreign Currency Assets	-	-	149.12

*In addition to the investments shown in the table above, the company also had cash, cash equivalents and bank balances of Rs. 4,068.35 Crores.
** Net of lease liability recognized under Ind AS 116 in respect of leases (other than short-term leases) aggregating to INR 194.66 crores
*** Investments includes Assets held for sale amounting to Rs. 2,308.73 crores and Fixed deposit with bank amounting to Rs. 5,182.51.
Note: In computing the above information certain estimates, assumptions and adjustments have been made by the Management for its regulatory submission which have been relied upon by the auditors.

(2) Capital to Risk Assets Ratio (CRAR)(Proforma) as per IndAs (considering Nil risk weightage on Mutual fund investments):-

CRAR	**As at March 31, 2022**	**As at March 31, 2021**
Items		
i) Adjusted CRAR-(Total)-	22.56%	22.90%
ii) Adjusted CRAR - Tier I capital (%) -	16.64%	16.32%
iii) Adjusted CRAR - Tier II Capital (%) -	5.92%	6.58%

Note: In computing the above information certain estimates, assumptions and adjustments have been made by the Management for its regulatory submission which have been relied upon by the auditors.

Additional Disclosures as required in terms of Master Direction – Non-Banking Financial Company – Housing Finance Company (Reserve Bank) Directions, 2021, RBI/2020-21/73 DOR.FIN.HFC.CC.No.120/03.10.136/2020-21, 17 February, 2021 are as follows:-

'(i) Break up of 'Provisions and Contingencies'

Particulars	**Year Ended March 2022**	**Year Ended March 2021**
1. Provisions for depreciation on Investment	-	-
2. Provision made towards Income tax	259.79	333.71
3. Provision towards NPA(including Counter Cyclical provisions)	1,426.60	566.80
4. Provision for Standard Assets	(828.90)	395.88
5. Other Provision and Contingencies:-	10.81	(51.09)
i) Gratuity Expense	8.51	7.86
ii) Leave Encashment Expense	1.29	(5.83)
iii) Superannuation Expense	4.17	(53.12)

(ii) Break up of Loan & Advances and Provisions thereon

Particulars	**Housing Loans**		**Non Housing Loans**	
Standard Assets	**Year Ended March 2022**	**Year Ended March 2021**	**Year Ended March 2022**	**Year Ended March 2021**
a) Total Outstanding Amount	31,490.08	39,799.82	18,678.05	15,261.57
b) Provisions made as per applicable accounting framework	341.24	1,072.31	238.33	402.08
c) Provision made NHB Norms	215.81	612.79	184.29	266.40
Sub-Standard Assets				
a) Total Outstanding Amount	734.36	812.23	1,226.10	666.15
b) Provisions made as per applicable accounting framework	316.81	326.28	527.65	281.83
c) Provision made NHB Norms	110.15	121.83	183.91	99.93
Doubtful Assets – Category-I				

(All amount in Rs. in Crore, except for share data unless stated otherwise)

a) Total Outstanding Amount	65.19	14.74	16.96	24.23
b) Provisions made as per applicable accounting framework	28.36	5.20	7.04	26.50
c) Provision made NHB Norms	16.30	3.69	4.26	6.26
Doubtful Assets – Category-II				
a) Total Outstanding Amount	6.53	0.78	7.47	6.94
b) Provisions made as per applicable accounting framework	3.84	0.33	4.29	2.77
c) Provision made NHB Norms	2.61	0.31	2.99	2.79
Doubtful Assets – Category-III				
a) Total Outstanding Amount	0.81	1.32	0.30	0.15
b) Provisions made as per applicable accounting framework	0.81	1.32	0.30	0.15
c) Provision made NHB Norms	0.81	1.32	0.30	0.15
Loss Assets				
a) Total Outstanding Amount	-	-	-	-
b) Provisions made as per applicable accounting framework	-	-	-	-
c) Provision made NHB Norms	-	-	-	-
TOTAL				
a) Total Outstanding Amount	32,296.97	40,628.89	19,928.88	15,959.04
b) Provisions made as per applicable accounting framework	691.06	1,405.44	777.61	713.33
c) Provision made NHB Norms	345.68	739.94	375.75	375.53

(All amount in Rs. in Crore, except for share data unless stated otherwise)

(iii) Concentration of Public Deposits

Particulars	Year Ended March 2022	Year Ended March 2021
Total Deposits of twenty largest depositors	NA	NA
Percentage of Deposits of twenty largest depositors to Total Deposits of the HFC	NA	NA

(iv) Concentration of Loans & Advances*

Particulars	Year Ended March 2022	Year Ended March 2021
Total exposure to twenty largest borrowers/customers	11,821.39	12,533.40
Percentage of Loans & Advances to twenty largest borrowers to Total Advances of the HFC	23.53%	22.80%

*Does not consider credit substitutes

(v) Concentration of all Exposure (including off-balance sheet exposure)*

Particulars	Year Ended March 2022	Year Ended March 2021
Total Exposure to twenty largest borrowers / customers	11,821.39	12,533.40
Percentage of Exposures to twenty largest borrowers / customers to Total Exposure of the HFC on borrowers /	23.53%	22.80%

*Does not consider credit substitutes

(vi) Concentration of NPAs

Particulars	Year Ended March 2022	Year Ended March 2021
Total Exposure to top ten NPA accounts	967.76	740.12

(vii) Sector-wise NPAs

Sl. No	Sector	Percentage of NPAs to Total Advances in that sector as on March, 31 2022
A.	**Housing Loans:**	
1	Individuals	1.99%
2	Builders/Project Loans	3.04%
3	Corporates	0.23%
4	Others	
B.	**Non-Housing Loans:**	
1	Individuals	1.74%
2	Builders/Project Loans	6.61%
3	Corporates	7.81%
4	Others	

(viii) Movement of NPAs

Particulars	Year Ended March 2022	Year Ended March 2021
(I) Net NPAs to Net Advances (%)	2.30%	1.62%
(II) Movement of NPAs (Gross)		
a) Opening balance	1,526.54	1,365.12
b) Additions during the year	1,601.70	1,489.65
c) Reductions during the year	1,070.51	1,328.23
d) Closing balance	2,057.73	1,526.54
(III) Movement of Net NPAs		
a) Opening balance	882.14	884.10
b) Additions during the year	286.48	922.80
c) Reductions during the year	-	924.76
d) Closing balance	1,168.62	882.14
(IV) Movement of provisions for NPAs(excluding provisions on standard assets)		
(excluding provisions on standard assets)		
Particulars	**Year Ended March 2022**	**Year Ended March 2021**
a) Opening balance	644.38	481.01
b) Provisions made during the year	1,426.60	566.80
c) Write-off/write-back of excess provisions	1,181.87	403.43
d) Closing balance	889.11	644.38

(ix) Rating assigned by Credit Rating Agencies and migration of rating during the year :-

Deposits Instrument	Name of rating agency	Date of rating / revalidation	Rating assigned/ Reaffirmed	Borrowing limit or conditions imposed by rating agency, if any (Amt. in Rs. Billion)
Cash Credit	Crisil Rating	8-Mar-22	CRISIL AA	69.55
Proposed Long-Term Bank Facility	Crisil Rating	8-Mar-22	CRISIL AA	175.95
Non-Convertible Debentures	Crisil Rating	8-Mar-22	CRISIL AA	276.80
Subordinate Debt	Crisil Rating	8-Mar-22	CRISIL AA	25.00
Retail Bonds	Crisil Rating	8-Mar-22	CRISIL AA	150.00
Short Term Non-Convertible Debenture	Crisil Rating	8-Mar-22	CRISIL A1+	10.00
Short Term Commercial Paper Program	Crisil Rating	8-Mar-22	CRISIL A1+	250.00
Retail NCD	Brickwork Ratings	11-Mar-22	BWR AA+	28.00
NCD Issue	Brickwork Ratings	11-Mar-22	BWR AA+	270.00
Subordinate Debt Issue program	Brickwork Ratings	11-Mar-22	BWR AA+	30.00
Perpetual Debt Issue	Brickwork Ratings	18-Nov-21	BWR AA	1.50
Secured NCD	Brickwork Ratings	11-Mar-22	BWR AA+	68.01
Unsecured Subordinated NCD	Brickwork Ratings	11-Mar-22	BWR AA+	1.99
Short Term Commercial Paper Program	Brickwork Ratings	31-Aug-21	BWR A1+	30.00
Long Term Debt	CARE Ratings	22-Dec-21	CARE AA	135.97
Subordinate Debt	CARE Ratings	22-Dec-21	CARE AA	31.22
Perpetual Debt	CARE Ratings	22-Dec-21	CARE AA-	2.00
Cash Credit	CARE Ratings	22-Dec-21	CARE AA	80.00
Long-Term Bank Facility	CARE Ratings	22-Dec-21	CARE AA	311.71
Short Term Bank Facility	CARE Ratings	22-Dec-21	CARE A1+	-
Proposed Long-Term/Short-Term Facility	CARE Ratings	22-Dec-21	CARE AA	106.29
Public Issue of Non-Convertible Debentures	CARE Ratings	22-Dec-21	CARE AA	14.33
Public Issue of Subordinate Debt	CARE Ratings	22-Dec-21	CARE AA	1.99
Short Term Commercial Paper Program	CARE Ratings	22-Dec-21	CARE A1+	30.00
NCD Issue	ICRA Limited	31-Mar-22	ICRA AA	86.25
Subordinate Debt	ICRA Limited	31-Mar-22	ICRA AA	15.00
Retail NCD	ICRA Limited	31-Mar-22	ICRA AA	30.00
Long Term Corporate Family Rating	Moody's	25-Jun-21	B3	-
Foreign and Local Currency Senior Secured MTN program Rating	Moody's	25-Jun-21	(P) B3	$ 350 Mn

(x) Customers Complaints

Particulars	Year Ended March 2022	Year Ended March 2021
	No.s	
a) No. of complaints pending at the beginning of the year	27	10
b) No. of complaints received during the year	856	1,329
c) No. of complaints redressed during the yea	883	1,312
d) No. of complaints pending at the end of the year	-	27

(xi) Details of Single Borrower Limit (SGL) / Group Borrower Limit (GBL) exceeded by the HFC

The Company has not exceeded the limits for SGL / GBL

(xii) Exposure to group companies engaged in real estate business

Description	Amount (in Crore)	% of owned fund
i) Exposure to any single entity in a group engaged in real estate business	-	NA
ii) Exposure to all entities in a group engaged in real estate business	-	NA

(xiii) Disclosure of Penalties imposed by NHB and other regulators

Disclosure of Penalties imposed by NHB and other regulators [FY22]
Compounding fees of Rs. 0.19 Crore paid to Ministry of Corporate Affairs with respect to certain observations in the inspection Conducted for the financial year 2014-15 to 2019-20.

Disclosure of Penalties imposed by NHB and other regulators [FY21]

(All amount in Rs. in Crore, except for share data unless stated otherwise)

Penalty of ₹ 20,65,000/- was imposed by National Housing Bank vide letter dated February 26, 2021 for instances of non-compliance in operational matters with Policy Circular 74/2015-16; Policy Circular 86/2017-18; NHB (ND)/DRS/Misc. Circular No. 5/2011; NHB (ND)/DRS/ Misc. Circular No. 20/2018-19; NHB (ND)/DRS/Pol-No.33/2010-11; and Para 2(1)(zc)(ii) HFCs (NHB) Directions, 2010.

Penalty of Rs. 3,45,000 was imposed by National Housing Bank vide letter dated October 8, 2020 for non-compliance of Section 29(A)(7) of National Housing Bank Act 1987, Para 2(1)(z)(c)(ii), 2(1)(v)(i), 28(1)(iv)(a), 28(1)(iv)(b)(ii) and 30 of the HFCs (NHB) Directions, 2010, Para 10(1) and 10(2) of Housing Finance Companies issuance of Non-Convertible Debentures on private placement basis (NHB) Directions, 2014, non-disclosure of some related party transaction, Miscellaneous Policy Circular 20 and Policy Circular 74, during the financial year 2018-19.

(xiv) Gold loan

The Company has not granted any loans against collateral of gold jewellery (Previous Year: Nil).

(xv) Funding Concentration based on significant counterparty

No. of significant counterparties*	Amount**	% of Total Deposits	% of Total Liabilities
15*	40,449.26	NA	66.94%

*Does not include holders of Foreign currency convertible bond and Medium Term note listed on Singapore Exchange Limited since the holder-wise details are not available with the Company

** Represents contractual amount

Particulars	Amount**
Top 10 borrowings (Crs)*	34,929.65
Top 10 borrowings [% of Total borrowings]	69.92%

*Does not include holders of Foreign currency convertible bond and Medium Term Note listed on Singapore Exchange Limited since the holder-wise details are not available with the Company.

** Represents contractual amount

(xvi) Funding Concentration based on significant instrument/product

Name of the instrument/product	Amount	% of Total Liabilities
Secured Non Convertible Debentures*	23,555.93	39.0%
Term Loans including Securitisation and lease liability	20,688.99	34.2%
Working Capital Loans	4,829.00	8.0%
Subordinated Debt	4,296.03	7.1%
External Commercial Borrowings	2,416.33	4.0%
Cash Credit	1,111.17	1.8%

*Includes Foreign Currency Convertible Bonds

(xvii) Stock Ratios:

CP as % of total public funds	0.0%
CP as % of total liabilities	0.0%
CP as % of total assets	0.0%

NCD (original maturity of less than 1 year) as % of total public funds	0.0%
NCD (original maturity of less than 1 year) as % of total liabilities	0.0%
NCD (original maturity of less than 1 year) as % of total assets	0.0%

Other short term liabilities as % of total public funds	8.43%
Other short term liabilities as % of total liabilities	7.94%
Other short term liabilities as % of total assets	6.30%

(xviii) Institutional set-up for liquidity risk management

Liquidity Risk Management framework consists of Asset Liability Management Committee [ALCO] which is a sub-committee of the Board of Directors. The meetings of ALCO are held at periodic intervals. While the ALCO is responsible for oversight of specific risks relating to liquidity and interest rate sensitivity, the Risk Management Committee is responsible for company-wide risk management.

(xix) Schedule to the Balance Sheet of an HFC:

Particulars		
(1) Loans and advances availed by the HFC inclusive of interest accrued thereon but not paid:	**Amount outstanding**	**Amount overdue**
(a) Debentures : Secured	24,413.11	-
: Unsecured	4,467.58	-
(other than falling within the meaning of public deposits*)		
(b)'Deferred Credits		
(c) Term Loans*	22,133.40	-
(d) Inter-corporate loans and borrowing		-
(e) Commercial Paper		-
(f) Public Deposits	-	-
(g) Other loans (securitization liability and lease liability)	6,939.76	-
(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**	
(3) Break-up of Loans and Advances including bills receivables [other than those included in (4) below]:		
(a) Secured	51,855.54	
(b) Unsecured	370.32	
(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) Finance Lease	-	
(a) Operating Lease	-	
(ii) Stock on hire including hire charges under sundry debtors	-	
(a) Assets on hire	-	
(a) Repossessed Assets	-	
(iii) Other loans counting towards asset financing activities	-	
(a) Loans where assets have been repossessed	-	
(a) 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	201.03	
(iv) Government Securities	508.65	
(v) Others (please specify)	-	
Assets side	**Amount Outstanding**	
(2) Unquoted		
(i) Shares		
(a) Equity	-	

(All amount in Rs. in Crore, except for share data unless stated otherwise)

(b) Preference	-
(ii) Debentures and Bonds	-
(iii) Units of mutual funds	-
(iv) Government Securities	-
(v) Others (Please specify) - Commercial Paper	98.84
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	3,860.03
(b) Preference	-
(ii) Debentures and Bonds	2,155.94
(iii) Units of mutual funds	-
(iv) Government Securities	-
(v) Others - Pass through certificate, Units of debt fund and security receipts	3,398.15

(6) Borrower group-wise classification of assets financed as in (3) and (4) above:			
Category	**Amount net of provisions**		
	Secured	**Unsecured**	**Total**
(1) Related Parties			
(a) Subsidiaries	1,486.00	67.30	**1,553.30**
(b) Companies in the same group	-	-	
(c) Other related parties	-	-	
(2) Other than related parties	50,369.54	303.02	**50,672.56**
Total	**51,855.54**	**370.32**	**52,225.86**

(7) Investor group-wise classification of all investments (current and long term) in shares and securities (both quoted and unquoted) :		
Category	**Amount net of provisions**	
	Market Value / Break up or fair value or NAV	**Book Value (Net of Provisions)**
(1) Related Parties		
(a) Subsidiaries	7,368.89	5,879.01
(b) Companies in the same group	-	-
(c) Other related parties	-	-
(2) Other than related parties	4,343.63	4,343.63
Total	11,712.52	10,222.64

(All amount in Rs. in Crore, except for share data unless stated otherwise)

(8) Other information	
Particulars	Amount
(i) Gross Non-Performing Assets	
(a) Related parties	-
(b) Other than related parties	2,057.73
(ii) Net Non-Performing Assets	
(a) Related parties	-
(b) Other than related parties	1,168.62
(iii) Assets acquired in satisfaction of debt	-

*comprises of cash credit and working capital demand loan

(xx) A comparison between provisions required under Income recognition, asset classification and provisioning (IRACP) and impairment allowances as per Ind AS 109 'Financial instruments':

Asset Classification as per RBI Norms RBI Norms	Asset Classification as per Ind AS 109	Gross Carrying Amount as per Ind AS	Loss Allowances (Provisions) as required under Ind AS 109	Net Carrying Amount
		1	2	3=1-2
Performing Assets				
Standard	Stage1	34,410.98	278.02	34,132.96
	Stage2	15,757.15	301.55	15,455.60
Subtotal		**50,168.13**	**579.57**	**49,588.56**
Non-Performing Assets (NPA)				
Substandard	Stage3	1,960.46	844.47	1,115.99
Doubtful - up to 1 year	Stage3	82.15	35.39	46.76
1 to 3 years	Stage3	14.00	8.13	5.87
More than 3 years	Stage3	1.12	1.12	-
Subtotal for doubtful		**2,057.73**	**889.11**	**1,168.62**
Loss	Stage3	-	-	-
Subtotal for NPA				
Other items such as guarantees, loan commitments, etc. which are in the scope of Ind AS 109 but not covered under current Income Recognition, Asset Classification and Provisioning (IRACP) norms	Stage1	1,459.24	5.70	1,453.54
	Stage2	-	-	-
	Stage3	-	-	-
Subtotal		**1,459.24**	**5.70**	**1,453.54**
Total	Stage1	35,870.22	283.72	35,586.50
	Stage2	15,757.15	301.55	15,455.60
	Stage3	2,057.73	889.11	1,168.62
	Total	**53,685.10**	**1,474.38**	**52,210.72**

Asset Classification as per RBI Norms RBI Norms	Asset Classification as per Ind AS 109	Provisions required as per IRACP norms	Difference between Ind AS 109 provisions and IRACP norms
		4	5=2-4
Performing Assets			
Standard	Stage1	266.32	11.70
	Stage2	133.79	167.76
Subtotal		**400.11**	**179.46**
Non-Performing Assets (NPA)			
Substandard	Stage3	294.07	550.40
Doubtful - up to 1 year	Stage3	20.55	14.84
1 to 3 years	Stage3	5.60	2.53
More than 3 years	Stage3	1.12	-
Subtotal for doubtful		**321.34**	**567.77**
Asset Classification as per RBI Norms RBI Norms	**Asset Classification as per Ind AS 109**	**Provisions required as per IRACP norms**	**Difference between Ind AS 109 provisions and IRACP norms**
		4	5=2-4

Loss	Stage3	-	-
Subtotal for NPA			
Other items such as guarantees, loan commitments, etc. which are in the scope of Ind AS 109 but not covered under current Income Recognition, Asset Classification and Provisioning (IRACP) norms	Stage1	-	5.70
	Stage2	-	-
	Stage3		
Subtotal		**-**	**5.70**
Total	Stage1	266.32	17.40
	Stage2	133.79	167.76
	Stage3	321.34	567.77
	Total	**721.45**	**752.93**

(xxi) The Company is mainly engaged in the housing finance business and all other activities revolve around the main business of the Company. Further, all activities are conducted within India and as such there is no separate reportable segment, as per the Ind AS 108 - "Operating Segments" specified under Section 133 of the Act. As an outcome of its asset-light business model and the high levels of liquidity on the balance sheet, as on March 31, 2022, the Company is not meeting the principal business criteria as laid out in circular No. DOR.NBFC (HFC). CC.No.118/03.10.136/2020-21 dated October 22, 2020 issued by the RBI. As per timelines prescribed in para 5.3 of the said RBI Circular, the Company will submit to the RBI necessary business plan with a roadmap to achieve compliance with principal business criteria by March 31, 2024.

(xxii) Disclosure of Unsecured Portfolio: Please refer note 8

(xxiii) Disclosure of Related party transactions and Group Structure : Please refer note 35

(xxiv) Disclosures on liquidity coverage ratio for the quarters ended on December 31, 2021 and March 31, 2022:

From	**December 1, 2021**	**December 1, 2022**	**December 1, 2023**	**December 1, 2024**	**December 1, 2025**
Minimum LCR	50%	60%	70%	85%	100%

	Q4 FY 2021-22		**Q3 FY 2021-22**	
	Total Unweighted Value(average)	**Total Weighted Value(average)**	**Total Unweighted Value(average)**	**Total Weighted Value(average)**
High Quality Liquid Assets				
1. Total High Quality Liquid Assets (HQLA)	**6,771.52**	**6,771.52**	**4,937.77**	**4,937.77**
Cash in Hand and Bank balance	6,771.52	6,771.52	4,937.77	4,937.77
Cash Outflow				
2. Deposit for deposit taking companies	NA	NA	NA	NA
3. Unsecured wholesale funding	-	-	-	-
4. Secured wholesale funding	3,246.78	3,733.80	3,226.59	3,710.58
5 Additional Requirements, of which	-	-		
(i) Outflow related to derivative exposures and other collateral requirements	-	-	-	-
(ii) Outflow related to loss of funding on debt products	-	-	-	-
(iii) Credit and Liquidity facilities	-	-	-	-
6 Contractual funding Obligations	1,130.00	1,299.50	1,147.00	1,319.05
7 Other Contingent funding Obligations		-		-
8. Total Cash Outflow	**4,376.78**	**5,033.30**	**4,373.59**	**5,029.63**
Cash Inflows				
9. Secure Lending	870.00	652.50	500.00	375.00
10. Inflow from fully performing exposure	1,100.00	825.00	1,100.00	825.00
11. Other Cash inflows	609.01	456.76	635.14	476.36
12. Total Cash Inflows	**2,579.01**	**1,934.26**	**2,235.14**	**1,676.36**
		Total Adjusted value		**Total Adjusted value**
13. Total HQLA		**6,771.52**		**4,937.77**
	Total Unweighted Value(average)	**Total Weighted Value(average)**	**Total Unweighted Value(average)**	**Total Weighted Value(average)**
14. Total Net cash outflow over next 30 days		**3,099.04**		**3,353.27**
15. Liquidity Coverage Ratio		**219%**		**147%**

Note: In computing the above information certain estimates, assumptions and adjustments have been made by the Management for its regulatory submission which have been relied upon by the auditors.

(40) (1) Detail of Loans transferred / acquired during the Year ended March 31 ,2022 under the Master Direction - RBI(Transfer of Loan Exposures) Directions , 2021 Dated September 24 ,2021 as given below

(i) Details of Loans not in Default transferred / acquired through assignment :

Particulars	Year Ended March 31 2022		Year Ended March 31 2021	
	Transferred	Acquired	Transferred	Acquired
Count of Loan accounts Assigned	11,588	975	8,199	474
Amount of Loan accounts Assigned	2,081.71	1,196.58	992.43	259.90
Retention of beneficial economic interest (MRR)	430.71	-	206.17	35.29
Weighted Average Maturity (Residual Maturity in months)	188.27	98.43	211.79	564.51
Weighted Average Holding Period [in months]	9.60	20.92	48.05	40.76
Coverage of tangible security coverage	1.00	1.00	1.00	1.00
Rating-wise distribution of rated loans	Unrated	Unrated	Unrated	Unrated

(ii) Details of stressed loans transferred during the year

Particulars	To Asset Reconstruction Companies (ARC)		
	Year Ended March 31 2022*		
	NPA	SMA	Total
Number of accounts	67,183.00	10.00	67,193.00
Aggregate principal outstanding of loans transferred (Rs. in crore)	1,649.12	1,593.35	3,242.47
Weighted average residual tenor of the loans transferred (in months)	117.73	56.38	174.10
Net book value of loans transferred (at the time of transfer) (Rs. in crore)	1,236.84	1,545.06	2,781.90
Aggregate consideration (Rs. in crore)	1,409.36	1,593.35	3,002.71
Additional consideration realized in respect of accounts transferred in earlier years	-	-	-
Excess provisions reversed to the Profit and Loss Account on account of sale	-	-	-

*Apart from above company has assigned 139 written off loans to ARCs for purchase consideration Rs.63.31 Cr during the financial year 2021-22

Particulars	To Asset Reconstruction Companies (ARC)		
	Year Ended March 31 2021*		
	NPA	SMA	Total
Number of accounts	962.00	-	962.00
Aggregate principal outstanding of loans transferred (Rs. in crore)	396.10	-	396.10
Weighted average residual tenor of the loans transferred (in months)	243.03	-	243.03
Net book value of loans transferred (at the time of transfer) (Rs. in crore)	296.56	-	296.56
Aggregate consideration (Rs. in crore)	277.98	-	277.98
Additional consideration realized in respect of accounts transferred in earlier years	-	-	-
Excess provisions reversed to the Profit and Loss Account on account of sale	-	-	-

*Apart from above company has assigned 12 written off loans to ARCs for purchase consideration Rs.87.02 Cr during the financial year FY 2020-21

(iii) The Company has not acquired any stressed loan during the year ended 31 March 2022.

(iv) Details of Security Receipts held and Credit rating during the year ended 31 Mar 2022.

Recovery Rating	Anticipated recovery as per recovery rating	Amount (Rs. In crores)
RR1	100% - 150%	1,537.04
R1	100% - 150%	484.5
Unrated*		89.80
Total		**2,111.34**

* Rating in process, pursuant to regulatory norms, the ARC shall obtain initial rating of Security Receipts(SR) from an approved credit rating agency within a period of 6 months from the date of acquisition

(All amount in Rs. in Crore, except for share data unless stated otherwise)

(2) Disclosures under Master Direction - Reserve Bank of India (Securitisation of Standard Assets) Directions , 2021 dated September 24 ,2021

Particulars	**As at March 31 , 2022**	**As at March 31 , 2021**
(1) No of SPEs holding assets for securitisation transactions originated by the originator	29	18
(2) Total amount of securitised assets as per books of the SPEs	18,911.08	2,677.60
(3) Total amount of exposures retained by the originator to comply with MRR as on the date of balance sheet	887.63	676.49
a) Off-balance sheet exposures		-
First loss		-
Others		-
b) On-balance sheet exposures	887.63	676.49
First loss	887.63	676.49
Others	-	-
(4) Amount of exposures to securitisation transactions other than MRR	-	-
a) Off-balance sheet exposures	**-**	**-**
i) Exposure to own securitisations	**-**	**-**
First loss	-	-
Others	-	-
ii) Exposure to third party securitisations	**-**	**-**
First loss	-	-
Others	-	-
b) On-balance sheet exposures	13,392.13	388.55
i) Exposure to own securitisations	13,392.13	388.55
First loss	-	-
Others	13,392.13	388.55
ii) Exposure to third party securitisations	**-**	**-**
First loss	-	-
Others	-	-
(5) Sale consideration received for the securitised assets	23,512.21	5,769.19
(6) Gain/loss on sale on account of securitisation	-	-

(41) (i) Disclosures pursuant to RBI Notification - RBI/2020-21/16 DOR.No.BP.BC/3/21.04.048/2020-21 dated 6 August 2020 and RBI/2021- 22/31/DOR.STR.REC.11 /21.04.048/2021-22 dated 5 May 2021

Type of borrower	Exposure to accounts classified as Standard consequent to implementation of resolution plan – Position as at the end of the previous half-year ended 30 September 2021(A)@	Of (A), aggregate debt that slipped into NPA during the half-year ended 31 March 2022	Of (A) amount written off during the half-year ended 31 March 2022	Of (A) amount paid by the borrowers during the half-year ended 31 March 2022	Exposure to accounts classified as Standard consequent to implementation of resolution plan – Position as at the end of half-year ended 31 March 2022#
Personal Loans	62.42	-	-	2.44	59.98
Corporate persons*	28.00	-	4.94	13.97	9.23
Of which, MSMEs	22.94	-	4.94	13.33	4.80
Others	5.07	-	-	0.64	4.43
Total	**90.42**	**-**	**4.94**	**16.41**	**69.21**

**As defined in Section 3(7) of the Insolvency and Bankruptcy Code, 2016*

 # Includes restructured loans which were "substandard" in previous half-year but upgraded now

@ Includes restructuring done in respect of resolution invoked till September 30, 2021 and processed subsequently

(ii) Disclosure on refund of Interest on Interest amount : Pursuant to the Notification Vide: RBI/2021-22/17 DOR.STR.REC.4/21.04.048/2021-22 dated April 7, 2021, during the financial year 2020-21 the company has refunded/adjusted amount of Rs. 75.02 Crs to its borrowers, which was initially charged as Interest on Interest amount during the moratorium Period of March 1, 2020 to August 31, 2020.

(iii) The Company has setup an Asset Liability Management Committee (ALCO), to handle liquidity risk management. ALCO committee reviews our asset and liability positions and gives directions to our finance and treasury teams in managing the same. Our risk management committee approves, reviews, monitors and modifies our credit and operation policy from time to time, reviews regulatory requirements and implements appropriate mechanisms and guidelines related to risk Management.

(All amount in Rs. in Crore, except for share data unless stated otherwise)

(42) Fair value measurement

42.1 Valuation principles

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

In order to show how fair values have been derived, financial instruments are classified based on a hierarchy of valuation techniques.

42.2 Valuation governance

The Company's process to determine fair values is part of its periodic financial close process. The Audit Committee exercises the overall supervision over the methodology and models to determine the fair value as part of its overall monitoring of financial close process and controls. The responsibility of ongoing measurement resides with business units . Once submitted, fair value estimates are also reviewed and challenged by the Risk and Finance functions.

42.3 Assets and liabilities by fair value hierarchy

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

	As at March 31, 2022			
	Level 1	Level 2	Level 3	Total
	Amount			
Assets measured at fair value on a recurring basis				
Derivative financial instruments				
Forward contracts	-	2.93	-	2.93
Interest rate swaps	-	-	-	-
Currency swaps	-	146.19	-	146.19
Currency options		-		-
Total derivative financial instruments	-	**149.12**	**-**	**149.12**
Financial investment measured at FVTPL				
Government Debt Securities	-	508.65	-	508.65
Debt Securities	-	2,455.03	-	2,455.03
Mutual Funds	201.03	3,099.06	-	3,300.09
Commercial Papers	-	98.84	-	98.84
Total financial assets measured at FVTPL	201.03	**6,310.70**	-	**6,511.73**
Financial investments measured at FVOCI				
Equities	-	1.85		1.85
Total financial investments measured at FVOCI	**-**	**1.85**	**-**	**1.85**
Total assets measured at fair value on a recurring basis	**201.03**	**6,312.55**	**-**	**6,513.58**
Liabilities measured at fair value on a recurring basis				
Derivative financial instruments				
Forward contracts	-	101.60	-	101.60
Interest rate swaps	-	21.11	-	21.11
Currency swaps	-	-	-	-
Total derivative financial instruments	**-**	**122.71**	**-**	**122.71**
Total financial liabilities measured at fair value	**-**	**122.71**	**-**	**122.71**

	As at March 31, 2021			
	Level 1	Level 2	Level 3	Total
	Amount			
Assets measured at fair value on a recurring basis				
Derivative financial instruments				
Forward contracts	-	-	-	-
Interest rate swaps	-	-	-	-
Currency swaps	-	154.13	-	154.13
Currency options		-		-
Total derivative financial instruments	-	**154.13**	**-**	**154.13**
Financial investment measured at FVTPL				
Government Debt Securities	-	943.40	-	943.40
	As at March 31, 2021			
	Level 1	**Level 2**	**Level 3**	**Total**
	Amount			
Debt Securities	-	1,630.74	-	1,630.74
Mutual Funds	141.92	3,124.01	-	3,265.93

(All amount in Rs. in Crore, except for share data unless stated otherwise)

Commercial Papers	-	98.80	-	98.80
Total financial assets measured at FVTPL	**141.92**	**5,951.08**	-	**6,093.00**
Financial investments measured at FVOCI				
Equities	-	231.88		231.88
Total financial investments measured at FVOCI	**-**	**231.88**	**-**	**231.88**
Total assets measured at fair value on a recurring basis	**141.92**	**6,337.09**	**-**	**6,324.88**
Liabilities measured at fair value on a recurring basis				
Derivative financial instruments				
Forward contracts	-	158.98	-	158.98
Interest rate swaps	-	130.24	-	130.24
Currency swaps	-	-	-	-
Total derivative financial instruments	**-**	**289.22**	**-**	**289.22**
Total financial liabilities measured at fair value	**-**	**289.22**	**-**	**289.22**

42.4 Valuation techniques

Debt securities, Commercial papers and government debt securities

Fair value of these instruments is derived based on the indicative quotes of price and yields prevailing in the market as at reporting date and are classified as Level 2

Equity instruments

Equity instruments in non-listed entities are initially recognised at transaction price and re-measured and valued on a case-by-case and classified as Level 2. Fair value is the price of recent transaction as there has not been a significant lapse of time since the last transaction took place

Mutual Funds

Open ended mutual funds are valued at NAV declared by respective fund house and are classified under Level 1.

Interest rate swaps, Currency swaps and Forward rate contracts

The fair value of Interest rate swaps is calculated as the present value of estimated cash flows based on observable yield curves. The fair value of Forward foreign exchange contracts and currency swaps is determined using observable foreign exchange rates and yield curves at the balance sheet date.

42.5 There have been no transfers between Level 1, Level 2 and Level 3 for the year ended March 31, 2022 and March 31, 2021

42.6 Fair value of financial instruments not measured at fair value

Set out below is a comparison, by class, of the carrying amounts and fair values of the Company's financial instruments that are not carried at fair value in the financial statements. This table does not include the fair values of non–financial assets and non–financial liabilities

	As at March 31, 2022				
	Carrying Value	Fair Value			
		Level 1	Level 2	Level 3	Total
	Amount				
Financial Assets:					
Cash and cash equivalent	7,605.90	-	-	-	*
Bank balances other than cash and cash equivalent	1,644.96	-	-	-	*
Trade Receivables	1.20	-	-	-	*
Loans and advances:	50,757.18	-	-	-	*
Investments – at amortised cost:	-	-	-	-	-
Other Financial assets:	1,078.25	-	-	-	*
Total financial assets	**61,087.49**	**-**	**-**	**-**	**-**
Financial Liabilities:					
Trade payables	0.63	-	-	-	*
Debt securities	23,555.93	-	24,273.35	-	24,273.35
Borrowing other than debt securities	29,045.49	-	-	-	*
Subordinated Liabilities	4,296.03	-	4,624.18	-	4,624.18
Other financial liability	2,705.02	-	-	-	*
Total financial liabilities	**59,603.10**	**-**	**28,897.53**	**-**	**28,897.53**

	As at March 31, 2021				
	Carrying Value	Fair Value			
		Level 1	Level 2	Level 3	Total
	Amount				
Financial Assets:					
Cash and cash equivalent	11,245.42	-	-	-	*
Bank balances other than cash and cash equivalent	3,841.55	-	-	-	*
Trade Receivables	3.10	-	-	-	*
Loans and advances:	54,472.75	-	-	-	*

(All amount in Rs. in Crore, except for share data unless stated otherwise)

Investments – at amortised cost:	-	-	-	-	-
Other Financial assets:	1,161.71	-	-	-	*
Total financial assets	**70,724.53**	**-**	**-**	**-**	**-**
Financial Liabilities:					
Trade payables	22.96	-	-	-	*
Debt securities	29,164.70	-	30,461.29	-	30,461.29
Borrowing other than debt securities	29,558.67	-	-	-	*
Subordinated Liabilities	4,348.71	-	4,739.93	-	4,739.93
Other financial liability	3,943.04	-	-	-	*
Total financial liabilities	**67,038.08**	**-**	**35,201.22**	**-**	**35,201.22**

42.7 Valuation methodologies of financial instruments not measured at fair value

Below are the methodologies and assumptions used to determine fair values for the above financial instruments which are not recorded and measured at fair value in the company's financial statements. These fair values were calculated for disclosure purposes only. The below methodologies and assumptions relate only to the instruments in the above tables.

Debt Securities & Subordinated liabilities

These includes Subordinated debt, secured debentures, unsecured debentures. The fair values of such liabilities are estimated using a discounted cash flow model based on contractual cash flows using actual or estimated yields and discounting by yields incorporating the credit risk. These instrument are classified in Level 2.

***Assets and Liabilities other than above**

The carrying value of assets and liabilities other than investments at amortised cost, debt securities and subordinated liabilities represents a reasonable approximation of fair value

(43) Transfers of financial assets

Transfers of financial assets that are not derecognised in their entirety

Securitisations: The company uses securitisations 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 securitised 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 derecognised in their entirety and associated liabilities

	As at March 31, 2022	As at March 31, 2021
Securitisations	Rs.	Rs.
Carrying amount of transferred assets measured at amortised cost	18,680.21	2,209.01
Carrying amount of associated liabilities	(5,706.12)	(1,793.06)
The carrying amount of above assets and liabilities is a reasonable approximation of fair value		

Transfers of financial assets that are derecognised in their entirety

The Company has elected to apply the de-recognition provisions of Ind AS 109 prospectively from the date of transition to Ind AS. Thus, Pre-transition securitisation deals continues to be de-recognised in their entirety
The table below outlines details for each type of continued involvement relating to transferred assets derecognised in their entirety.

Particulars	**Carrying amount of continuing involvement in statement of financial position**		**Fair value of continuing involvement**		**Maximum exposure to loss**
	Balance with banks	**Liabilities**	**Balance with banks**	**Liabilities**	
Type of continuing involvement	**Amount**				
Securitisation					
March 31, 2022	281.64	-	281.64	-	281.64
March 31, 2021	427.33	-	427.33	-	427.33

Assignment Deals

During the period ended 31st March 2022, the Company has sold some loans and advances measured at amortised cost 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 derecognised.

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.

The table below summarises the carrying amount of the derecognised financial assets measured at amortised cost and the gain/(loss) on derecognition, per type of asset.

Loans and advances measured at amortised cost	**Year ended March 2022**	**Year ended March 2021**
	Amount	
Carrying amount of derecognised financial assets	11,716.19	13,824.63
Gain/(loss) from derecognition (for the respective financial year)	129.70	93.88

Since the company transferred the above financial asset in a transfer that qualified for derecognition in its entirety therefore the whole of the interest spread (over the expected life of the asset) is recognised on the date of derecognition itself as interest-only strip receivable ("Receivables on assignment of loan") and correspondingly recognised as profit on derecognition of financial asset.

Transfers of financial assets that are not derecognised in their entirety

During the period ended 31st March 2021, the Company has sold some loans and advances measured at amortised cost 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 not being met, the assets have been re-recognised.

The table below summarises the carrying amount of the derecognised financial assets measured at amortised cost and the gain/(loss) on derecognition, per type of asset.

Loans and advances measured at amortised cost	As at March 2022	As at March 2021
Carrying amount of transferred assets measured at amortised cost	1,003.74	1,353.46
Carrying amount of associated liabilities	(1,038.99)	(1,389.12)

The carrying amount of above assets and liabilities is a reasonable approximation of fair valu

Sale of Investments measured at amortised cost

The Company during the financial year derecognised investment in bonds measured at Amortised cost having carrying value of Rs. Nil crores (Previous year : Rs. 1,541.15 crores) due to sale of these investments, resulting in a profit of Rs. Nil crores (Previous year loss: Rs. 24.45 crores). The sale of such Investments is infrequent and was made due to the unanticipated funding needs and thus this sale does not impact the hold to collect objective of the Company and the asset portfolio continues to be classified and measured at amortised cost.

(44) Capital management-

For the purpose of the Company's capital management, capital includes issued equity capital, share premium and all other equity reserves attributable to the equity holders of the Company. The primary objective of the Company's capital management is to maximise the shareholder value. The Company monitors capital using a capital adequacy ratio as prescribed by the NHB/RBI guidelines. Refer note 39(1)(i) for details.

(45) Risk Management

Introduction and risk profile

Indiabulls Housing Finance Ltd. (IBHFL) is a housing finance company in India and is regulated by the National Housing Bank (NHB) and Reserve Bank of India(RBI). In view of the intrinsic nature of operations, the company is exposed to a variety of risks, which can be broadly classified as credit risk, market risk, liquidity risk and operational risk. It is also subject to various regulatory risks.

Risk management structure and policies

As a lending institution, Company is exposed to various risks that are related to lending business and operating environment. The Principal Objective in Company 's risk management processes is to measure and monitor the various risks that Company is subject to and to follow policies and procedures to address such risks. Company 's risk management framework is driven by Board and its subcommittees including the Audit Committee, the Asset Liability Management Committee and the Risk Management Committee. Company gives due importance to prudent lending practices and have implemented suitable measures for risk mitigation, which include verification of credit history from credit information bureaus, personal verification of a customer's business and residence, technical and legal verifications, conservative loan to value, and required term cover for insurance. The major types of risk Company face in businesses are liquidity risk, credit risk, interest rate risk and equity price risk.

(A) Liquidity risk

Liquidity risk is the potential for loss to an entity arising from either its inability to meet its obligations or to fund increases in assets as they fall due without incurring unacceptable cost or losses.

The Company manages liquidity risk by maintaining sufficient cash and cash equivalents (including marketable securities) to meet its obligations at all times. It also ensures having access to funding through an adequate amount of committed credit lines. The Company's treasury department is responsible for liquidity and funding as well as settlement management. In addition, processes and policies related to such risks are overseen by senior management and the management regularly monitors the position of cash and cash equivalents vis-à-vis projections. Assessment of maturity profiles of financial assets and financial liabilities including debt financing plans and maintenance of Balance Sheet liquidity ratios are considered while reviewing the liquidity position.

The table below summarises the maturity profile of the undiscounted cash flows of the company's financial liabilities. In FY2021-22 'Upto one month borrowings from banks and others' includes repo borrowings of Rs. 522.52 Crore(Previous Year Rs. Nil) with specific collateral of investments in government securities:

Particulars	As At March 31, 2022				
	Upto One month	**Over one months to 2 years**	**2 years to 5 years**	**more than 5 years**	**Total**
Borrowings from Banks and Others	4,686.30	30,827.91	17,989.54	16,932.05	70,435.80
Lease liability recognised under Ind AS 116	2.44	52.93	101.30	37.99	194.66
Trade Payables	0.63	-	-	-	0.63
Amount payable on Assigned Loans	814.01	-	-	-	814.01
Other liabilities	152.29	54.08	-	-	206.37
Temporary Overdrawn Balances as per books	-	-	-	-	-
Unclaimed Dividends	4.03	-	-	-	4.03
Derivatives	(0.49)	97.85	-	-	97.36
Foreign Currency Forward payable	-	410.31	128.66	-	538.97
Undrawn Loan Commitments	90.00	1,369.24	-	-	1,459.24
Corporate Guarantee for Subsidiary	-	360.86	200.64	-	561.50
Servicing liability on assigned loans	2.73	47.84	31.48	3.19	85.24
	5,751.94	**33,221.02**	**18,451.62**	**16,973.23**	**74,397.81**

Particulars	As At March 31, 2021

(All amount in Rs. in Crore, except for share data unless stated otherwise)

Particulars	Upto One month	Over one months to 2 years	2 years to 5 years	more than 5 years	Total
Borrowings from Banks and Others	3,394.12	39,301.62	16,396.42	17,204.64	76,296.80
Lease liability recognised under Ind AS 116	2.81	44.00	59.73	29.48	136.02
Trade Payables	-	22.96	-	-	22.96
Amount payable on Assigned Loans	993.85	-	-	-	993.85
Other liabilities	121.71	488.19	7.44	-	617.34
Temporary Overdrawn Balances as per books	171.52	-	-	-	171.52
Unclaimed Dividends	4.17	-	-	-	4.17
Derivatives	(0.31)	(25.40)	51.39	-	25.68
Foreign Currency Forward payable	-	591.91	54.26	-	646.17
Undrawn Loan Commitments	70.00	1,640.00	210.14	-	1,920.14
Corporate Guarantee for Subsidiary	-	809.93	241.07	-	1,051.00
Servicing liability on assigned loans	3.48	58.68	42.12	2.24	106.52
	4,761.35	**42,931.89**	**17,062.57**	**17,236.36**	**81,992.17**

(B) Maturity analysis of assets and liabilities

The table below shows an analysis of assets and liabilities according to when they are expected to be recovered or settled after factoring in rollover and prepayment assumptions

Particulars	**Balance as at March 31, 2022**		
	Within 12 Months	**After 12 Months**	**Total**
ASSETS			
Financial Assets			
Cash and cash equivalents	7,605.90	-	7,605.90
Bank balance other than cash and cash equivalents	886.76	758.20	1,644.96
Derivative financial instruments	17.29	131.83	149.12
Receivables			
(i) Trade Receivables	1.20	-	1.20
(ii) Other Receivables	-	-	-
Loans	10,858.77	39,898.41	50,757.18
Investments	808.59	9,414.05	10,222.64
Other Financial Assets	465.08	613.17	1,078.25
Non-financial Assets			
Current tax assets (net)	-	918.59	918.59
Deferred tax assets (net)	-	536.36	536.36
Property, Plant and Equipment	-	64.80	64.80
Rou Assets	32.54	138.46	171.00
Other Intangible assets	-	27.41	27.41
Other non-financial assets	394.08	198.86	592.94
Asset held for sale	2,308.73	-	2,308.73
Particulars	**Balance as at March 31, 2022**		
	Within 12 Months	**After 12 Months**	**Total**
Total Assets	**23,378.94**	**52,700.14**	**76,079.08**
LIABILITIES AND EQUITY			
Financial Liabilities			
Derivative financial instruments	100.34	22.37	122.71
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	0.63	-	0.63
Debt Securities	6,131.74	17,424.19	23,555.93
Borrowings (Other than Debt Securities)	10,111.42	18,934.07	29,045.49
Subordinated Liabilities	341.10	3,954.93	4,296.03
Other financial liabilities	2,480.42	224.60	2,705.02
Non-Financial Liabilities			
Current tax liabilities (net)	92.19	-	92.19
Provisions	15.30	113.86	129.16
Other non-financial liabilities	464.16	15.43	479.59
Equity			
Equity Share capital	-	93.71	93.71
Other Equity	-	15,558.62	15,558.62
Total Liabilities and Equity	**19,737.30**	**56,341.78**	**76,079.08**

(All amount in Rs. in Crore, except for share data unless stated otherwise)

Particulars	Balance as at March 31, 2021		
	Within 12 Months	After 12 Months	Total
ASSETS			
Financial Assets			
Cash and cash equivalents	11,245.42	-	11,245.42
Bank balance other than cash and cash equivalents	2,818.09	1,023.46	3,841.55
Derivative financial instruments	18.09	136.04	154.13
Receivables			
(i) Trade Receivables	3.10	-	3.10
(ii) Other Receivables	-	-	-
Loans	13,808.47	40,664.28	54,472.75
Investments	1,321.70	8,696.05	10,017.75
Other Financial Assets	533.15	649.11	1,182.26
Non-financial Assets			
Current tax assets (net)	-	393.87	393.87
Deferred tax assets (net)	-	595.02	595.02
Property, Plant and Equipment	-	79.33	79.33
Rou Assets	30.99	84.00	114.99
Other Intangible assets	-	34.45	34.45
Other non-financial assets	298.22	38.80	337.02
Asset held for sale	-	1,000.63	1,000.63
Total Assets	**30,077.23**	**53,395.04**	**83,472.27**
LIABILITIES AND EQUITY			
Financial Liabilities			
Derivative financial instruments	108.47	180.75	289.22
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	0.68	-	0.68
Debt Securities	7,907.77	21,256.93	29,164.70
Borrowings (Other than Debt Securities)	10,651.95	18,906.72	29,558.67
Subordinated Liabilities	70.80	4,277.91	4,348.71
Particulars	**Balance as at March 31, 2021**		
	Within 12 Months	**After 12 Months**	**Total**
Other financial liabilities	3,424.54	540.78	3,965.32
Non-Financial Liabilities			
Current tax liabilities (net)	138.39	-	138.39
Provisions	62.71	56.19	118.90
Other non-financial liabilities	365.47	-	365.47
Equity			
Equity Share capital	-	92.47	92.47
Other Equity	-	15,429.74	15,429.74
Total Liabilities and Equity	**22,730.78**	**60,741.49**	**83,472.27**

(C) Credit Risk

Credit Risk arises from the potential that an obligor is either unwilling to perform on an obligation or its ability to perform such obligation is impaired resulting in economic loss to the company. IBHFL's Credit Risk Management framework is categorized into following main components:

- Board and senior management oversight
- Organization structure
- Systems and procedures for identification, acceptance, measurement, monitoring and controlling risks.

It is the overall responsibility of the board appointed Risk Management Committee to approve the company's credit risk strategy and lending policies relating to credit risk and its management. The policies are based on the company's overall business strategy and the same is reviewed periodically.

(All amount in Rs. in Crore, except for share data unless stated otherwise)

The Board of Directors constituted Risk Management Committee keeps an active watch on emerging risks the company is exposed to. The Risk Management Committee("RMC") defines loan sanctioning authorities, including process of vetting by credit committees for various types/values of loans. The RMC approves credit policies, reviews regulatory requirements, and also periodically reviews large ticket loans and overdue accounts from this pool.

The Risk Management Committee approves the 'Credit Authority Matrix' that defines the credit approval hierarchy and the approving authority for each group of approving managers/ committees in the hierarchy.

To maintain credit discipline and to enunciate credit risk management and control process there is a separate Risk Management department independent of loan origination function. The Risk Management department performs the function of Credit policy formulation, credit limit setting, monitoring of credit exceptions / exposures and review /monitoring of documentation.

Derivative financial Instruments
Credit risk arising from derivative financial instruments is, at any time, limited to those with positive fair values, as recorded on the balance sheet. With gross–settled derivatives, the company is also exposed to a settlement risk, being the risk that the company honours its obligation, but the counterparty fails to deliver the counter value.

Analysis of risk concentration
The Company's concentrations of risk for loans are managed by counterparty and type of loan (i.e. Housing and Non-Housing as defined by NHB). Housing and Non housing loans are given to both individual and corporate borrowers. The table below shows the concentration of risk by type of loan

	March 31, 2022	March 31, 2021
Housing	31,605.91	39,226.04
Non Housing	19,151.27	15,246.71

The Company's concentrations of risk (for financial assets other than loans and advances) are managed by industry sector.

The following table shows the risk concentration by industry for the financial assets(other than loans) of the company:-

Particulars	As At March 31, 2022			
	Financial services	Government*	Others	Total
Financial asset				
Cash and cash equivalents	7,605.90	-	-	7,605.90
Bank balance other than Cash and cash equivalents	1,644.96	-	-	1,644.96
Derivative financial instruments	149.12	-	-	149.12
Receivables	1.20	-	-	1.20
Investments	9,707.03	508.65	6.96	10,222.64
Other financial assets	1,078.25	-	-	1,078.25

* Government sector includes exposure to Central Government, State Governments, Government Corporations and Government Companies

(All amount in Rs. in Crore, except for share data unless stated otherwise)

Particulars	As At March 31, 2021			
	Financial services	Government*	Others	Total
Financial asset				
Cash and cash equivalents	11,245.42	-	-	11,245.42
Bank balance other than Cash and cash equivalents	3,841.55	-	-	3,841.55
Derivative financial instruments	154.13	-	-	154.13
Receivables	3.10	-	-	3.10
Investments	8,926.70	1,014.59	76.46	10,017.75
Other financial assets	1,182.26	-	-	1,182.26

* Government sector includes exposure to Central Government, State Governments, Government Corporations and Government Companies

(D) 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 and Foreign exchange risk.

(i) Interest Rate Risk:-

Interest rate risk arises when there is a mismatch between positions, which are subject to interest rate adjustment within a specified period. The company's lending, funding and investment activities give rise to interest rate risk. The immediate impact of variation in interest rate is on the company's net interest income, while a long term impact is on the company's net worth since the economic value of the assets, liabilities and off-balance sheet exposures are affected. While assessing interest rate risks, signals given to the market by RBI and government departments from time to time and the financial industry's reaction to them shall be continuously monitored.

Due to the very nature of housing finance, the company is exposed to moderate to higher Interest Rate Risk. This risk has a major impact on the balance sheet as well as the income statement of the company. Interest Rate Risk arises due to
i) Changes in Regulatory or Market Conditions affecting the interest rates
ii) Short term volatility
iii) Prepayment risk translating into a reinvestment risk
iv) Real interest rate risk.

In short run, change in interest rate affects Company's earnings (measured by NII or NIM) and in long run it affects Market Value of Equity (MVE) or net worth. It is essential for the company to not only quantify the interest rate risk but also to manage it proactively. The company mitigates its interest rate risk by keeping a balanced portfolio of fixed and variable rate loans and borrowings. Further company carries out Earnings at risk analysis and maturity gap analysis at quarterly intervals to quantify the risk.

Interest Rate sensitivity
The following table demonstrates the sensitivity to a reasonably possible change in interest rates (all other variables being constant) of the Company's statement of profit and loss:

Particulars	Basis Points	Effect on Profit /loss and Equity for the year 2021-22	Effect on Profit /loss and Equity for the year 2020-21
Borrowings*			
Increase in basis points	+25	80.69	78.72
Decrease in basis points	-25	(80.69)	(78.72)
Advances			
Increase in basis points	+25	131.51	155.11
Decrease in basis points	-25	(131.51)	(155.11)
Investments			
Increase in basis points	+25	0.09	0.44
Decrease in basis points	-25	(0.09)	(0.44)

*The impact of borrowings is after considering the impact on derivatives contracts entered to hedge the interest rate fluctuation on borrowings

(ii) Foreign currency risk

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 through the FCNR route and External Commercial Borrowings (ECB).

The Company follows a conservative policy of hedging its foreign currency exposure through Forwards and / or Currency Swaps in such a manner that it has fixed determinate outflows in its function 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.

(iii) Equity Price Risk

Equity price risk is the risk that the fair value of equities decreases as the result of changes in the level of equity indices and individual stocks. The non–trading equity price risk exposure arises from equity securities classified as FVOCI. A 10 per cent increase in the value of the company's FVOCI equities at March 31, 2022 would have increased equity by Rs. 0.19 Crore (Previous Year Rs. 23.19 Crore). An equivalent decrease would have resulted in an equivalent but opposite impact.

(E) Operational Risk

Operational risk is the risk of loss resulting from inadequate or failed internal processes, people and system or from external events. Operational risk is associated with human error, system failures and inadequate procedures and controls. It is the risk of loss arising from the potential that inadequate information system; technology failures, breaches in internal controls, fraud, unforeseen catastrophes, or other operational problems may result in unexpected losses or reputation problems. Operational risk exists in all products and business activities.

IBHFL recognizes that operational risk event types that have the potential to result in substantial losses includes Internal fraud, External fraud, employment practices and workplace safety, clients, products and business practices, business disruption and system failures, damage to physical assets, and finally execution, delivery and process management.
The Company cannot expect to eliminate all operational risks, but it endeavours to manage these risks through a control framework and by monitoring and responding to potential risks. Controls include effective segregation of duties, access, authorisation and reconciliation procedures, staff education and assessment processes, such as the use of internal audit.

(46) Leases

Company is a Lessee
(a) The Company has lease contracts for various office premises used in its operations. Leases of office premises generally have lease terms between 1 to 12 years. The Company's obligations under its leases are secured by the lessor's title to the leased assets. Generally, the Company is restricted from assigning and subleasing the leased assets.
The Company also has certain leases of office premises with lease terms of 12 months or less. The Company applies the 'short-term lease' recognition exemptions for these leases.

(b) Leases are shown as follows in the Company's balance sheet and profit & loss account

Set out below are the carrying amounts of right-of-use assets recognised and the movements during the period:

Particulars	Building - Office Premises	Total
Opening balance as at 1 April 2020	247.93	247.93
Additions	14.85	14.85
Deletion (Terminated during the period)	(97.74)	(97.74)
Depreciation expense	50.05	50.05
Closing net carrying balance 31 March 2021	**114.99**	**114.99**
Additions	92.55	92.55
Deletion (Termination/Modification during the period)	(2.32)	(2.32)
Depreciation expense	34.22	34.22
Closing net carrying balance 31 March 2022	**171.00**	171.00

Set out below are the carrying amounts of lease liabilities (included under Borrowings (Other than Debt Securities)) and the movements during the period

Particulars	Amount Rs. In Crore
Opening balance as at 1 April 2020	**259.10**
Additions	14.85
Deletion (Terminated during the period)	(102.07)
Accretion of interest	16.27
Payments	(48.49)
Amount recognised in P/L for changes in lease payments on a/c of rent concession	(3.64)
As at 31 March 2021	**136.02**
Additions	92.55
Deletion (Termination/Modification during the period)	(1.90)
Accretion of interest	14.05
Payments	(46.06)
Particulars	**Amount Rs. In Crore**
Amount recognised in P/L for changes in lease payments on a/c of rent concession	-
As at 31 March 2022	**194.66**
Current	26.84
Non-current	167.82

(c) Amounts recognized in the Statement of Profit and Loss

Particulars	**For the year ended FY 2021-22 Amount Rs. In Crore**	**For the year ended FY 2020-21 Amount Rs. In Crore**
Depreciation expense of right-of-use assets	34.22	50.05
Interest expense on lease liabilities	14.05	16.27
Gain on termination/modification of leases	0.42	(4.33)
Amount recognised in P/L for changes in lease payments on a/c of rent concession	-	(3.64)
Expense relating to short-term leases (included in other expenses)	5.39	7.43
Total amount recognised in profit or loss	**54.08**	**65.78**

The Company had total cash outflows for leases of Rs. 46.06 crores in 2022 (Rs. 48.49 crores in 2021).

(47) As result of the impact of the outbreak of Covid–19 virus, the Company's performance continues to be dependent on future developments, which are uncertain, including, among other things, the risk of another wave of infections and actions to contain its spread, including lockdowns.

The Company is mainly engaged in providing individual housing loans, loans against property (LAP) and project finance for real estate development. Operations of all these segments were impacted over the past few years and consequent to CoVID-19 pandemic are expected to be further significantly impacted, including erosion in the asset values of the collateral held by the Company. The Company has assessed each of its loan portfolio and performed a comprehensive analysis of the staging of each of its borrower segment. Further, for project finance loans, the Company has reviewed the project status, funding plans and analysis of the borrowers for large projects. Further, the Company has also analysed its outstanding exposures vis-a-vis the valuation of the collateral/underlying property based on third party valuation reports. Based on the above analysis, the Company has recorded expected credit loss provision to reflect, among other things, the impact of CoVID-19 pandemic. The ECL provision has been determined based on estimates using information available as of the reporting date and given the uncertainties relating to the impact of CoVID-19, the expected credit loss including management overlay is based on various variables and assumptions, which could result in actual credit loss being different than that being estimated; this will have a corresponding impact on the carrying value of the financial assets, results of operation and the financial position of the Company."

(48) The Company has not entered into any transactions with companies struck off under section 248 of the Companies Act, 2013 or section 560 of Companies Act, 1956 during the year ended March 31, 2022 (Previous year Rs. Nil).

(49) Quarterly returns or statements of current assets filed by the Company with banks or financial institutions are in agreement with the books of accounts;

(50) The Company has not been declared a wilful defaulter by any bank or financial institution or other lender during the year (Previous year Nil)

(51) The Company has not traded or invested in crypto currency or virtual currency during the financial year ended March 31, 2022 (Previous year Rs. Nil)

(52) With reference to RBI Circular No. RBI/2021-2022/125 DOR.STR.REC.68/21.04.048/2021-22 dated November 12 2021, and subsequent RBI Circular DOR.STR.REC.85/21.04.048/2021-22 dated February 15 ,2022, related to up-gradation of accounts classified as NPA , the Company has opted to follow the RBI Circular DOR.STR.REC.85/21.04.048/2021-22 dated February 15 ,2022 to be in compliance with aforesaid RBI circular.

(53) The Company's estimate of impairment loss on financial instruments reflects among other things, an increased risk of deterioration in macro-economic factors and the impact on the Company's borrowers caused by the COVID-19 pandemic. In the year ended March 31, 2022, the Company had debited additional special reserve created under section 29 C as per the Master Direction – Non-Banking Financial Company – Housing Finance Company (Reserve Bank) Directions, 2021 issued by the Reserve Bank of India [read with erstwhile NHB circular no. NHB (ND)/DRS/Pol-No.03/2004-05 dated August 26, 2004] for an amount of Rs. 825 crores in respect of impairment loss on financial instruments net of related tax impact instead of debiting the same to the statement of profit and loss.

(54) The Company has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding (whether recorded in writing or otherwise) that the Intermediaries shall;
(a) 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
(b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries

(55) The Company has not received any funds from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall;
(a) 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
(b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries

(All amount in Rs. in Crore, except for share data unless stated otherwise)

(56) The Company did not enter into any transactions which are not recorded in the books of accounts and has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961. (Previous year Rs. Nil)

(57) There are no proceedings initiated or pending against the Company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) during the year ended March 31, 2022 (Previous year Rs. Nil)

(58) The Company has complied with the NHB Directions, 2010 including Prudential Norms and as amended from time to time. Disclosures as required in terms of Master Direction – Non-Banking Financial Company – Housing Finance Company (Reserve Bank) Directions, 2021, RBI/2020-21/73 DOR.FIN.HFC.CC.No.120/03.10.136/2020-21, 17 February, 2021 have been prepared in compliance with Indian Accounting Standards (Ind AS).

(59) Previous Year's figures have been regrouped / reclassified wherever necessary to correspond with the current year's classification / disclosures

The accompanying notes are integral part of the financial statements

For and on behalf of the Board of Directors

Gagan Banga	Ashwini Omprakash Kumar	Mukesh Garg	Amit Jain
Vice Chairman / Managing Director & CEO	Whole Time Director	Chief Financial Officer	Company Secretary
DIN : 00010894	DIN : 03341114		
Mumbai	Mumbai	Delhi	Gurugram
May 20, 2022			

S. N. Dhawan & CO LLP
Chartered Accountants
51-52, Sector-18, Phase IV
Udyog Vihar, Gurugram
Haryana- 122016

Arora & Choudhary Associates
Chartered Accountants
8/28, Second Floor, WEA,
Abdul Aziz Road, Karol Bagh,
New Delhi - 110005

INDEPENDENT AUDITOR'S REPORT

To the Members of Indiabulls Housing Finance Limited

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the accompanying Consolidated Financial Statements of Indiabulls Housing Finance Limited ("the Holding Company") and its subsidiaries (Holding Company and its subsidiaries together referred to as "the Group"), which comprise the Consolidated Balance Sheet as at 31 March 2023, and the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flows for the year then ended, and a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the Consolidated Financial Statements").

In our opinion and to the best of our information and according to the explanations given to us, and based on the consideration of reports of the other auditors on separate financial statements of the subsidiaries referred to in the Other Matters section below, the aforesaid Consolidated Financial Statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, and other accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at 31 March 2023, of consolidated profit, consolidated other comprehensive income, consolidated changes in equity and its consolidated cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under Section 143(10) of the Act. Our responsibilities under those Standards are further described in the *Auditor's Responsibilities for the Audit of the Consolidated Financial Statements* section of our report. We are independent of the Group in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ("the ICAI") together with the ethical requirements that are relevant to our audit of the Consolidated Financial Statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence we have obtained, and the audit evidence obtained by the other auditors in terms of their reports referred to in sub-para (a) and (b) of the Other Matters paragraph below is sufficient and appropriate to provide a basis for our audit opinion on the Consolidated Financial Statements.

Emphasis of Matter

1. We draw attention to note no. 33(ix) to the accompanying Consolidated Financial Statements which states that as at 31 March 2023, the Holding Company is unable to meet its Principal Business Criteria ("PBC") pursuant to the requirements of para 5.3 of the Master Direction – Non Banking Financial Company – Housing Finance Company ("NBFC-HFC") (Reserve Bank) Directions, 2021 ("Master Directions"). The Holding Company has submitted a plan for reoganisation approved by its Board of Directors on April 28, 2023 to the Reserve Bank of India ("RBI") for conversion of the Holding Company into an NBFC-ICC and has been granted timeline up to September 30, 2023 by the RBI to implement such plan.

Emphasis of Matter (continued)

2. We draw attention to Note 47 of the accompanying Consolidated Financial Statements which states that the Holding Company has withdrawn an amount of Rs. 525 crores net of related tax impact towards the impairment allowance on financial instruments, from the additional special reserve created under Section 29 C of the National Housing Bank Act, 1987 in accordance with the Master Direction - Non-Banking Financial Company - Housing Finance Company (Reserve Bank) Directions, 2021 ("Master Directions") issued by the Reserve Bank of India [read with erstwhile NHB circular no NHB(ND)/DRS/Pol-o.03/2004-05 dated August 26, 2004].

Our opinion is not modified in respect of these matters.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the Consolidated Financial Statements of the current year. These matters were addressed in the context of our audit of the Consolidated Financial Statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

A. Key audit matter of the Holding Company

Key audit matters	**How our audit addressed the key audit matter**
Impairment of financial instruments (including provision for expected credit losses) (as described in note 8 of the Consolidated Financial Statements)	
Ind AS 109 requires the Holding Company to provide for impairment of its financial assets using the expected credit loss ('ECL') approach involving an estimation of probability of loss on the financial assets over their life, considering reasonable and supportable information about past events, current conditions and forecasts of future economic conditions which could impact the credit quality of the Holding Company loans and advances. In the process, a significant degree of judgement has been applied by the management in respect of following matters: • The Holding Company has various loan products divided into Corporate loan portfolio and Retail loan portfolio. Retail loans are grouped into different categories on the basis of homogeneity and thereby expected to demonstrate similar credit characteristics. Corporate loan portfolio is assessed on a case-to-case basis. • Estimation of losses in respect of loans or groups of loans which had no/ minimal defaults in the past. • Staging of loans and estimation of behavioural life. • Management overlay for macro-economic factors and estimation of their impact on the credit quality. • The Holding Company has developed models that derive key assumptions used within the provision calculation such as probability of default (PD). • The Holding Company has used LGD rates based on past experience and industry practice.	• Our audit procedures included considering the Holding Company's accounting policies for impairment of loan receivables and assessing compliance with the policies in terms of Ind AS 109. • Tested the assumptions used by the Holding Company for grouping and staging of loan portfolio into various categories and default buckets for determining the PD. • Tested the operating effectiveness of the controls for staging of loans based on their past-due status. Tested a sample of performing (stage 1) loans to assess whether any loss indicators were present requiring them to be classified under stage 2 or 3. • Performed inquiries with the Holding Company's management and its risk management function. • Tested the arithmetical accuracy of computation of ECL provision performed by the Holding Company in spreadsheets. • Compared the disclosures included in the Ind AS standalone financial statements in respect of expected credit losses with the requirements of Ind AS 107 and 109.

• The output of these models is then applied to the provision calculation with other information including the exposure at default (EAD).	

B. Key Audit Matters of Subsidiary Company – Indiabulls Commercial Credit Limited ('ICCL") as reported by the auditors of ICCL

Key Audit Matters	Auditor's Response
a) Impairment of Loans (expected credit loss - ECL) In accordance with the requirements of Ind AS 109, the Company is required to provide for impairment of its financial assets using the expected credit loss ('ECL') approach which involves an estimation of the probability of loss on the financial assets over their life, considering reasonable and supportable information about past events, current conditions and forecasts of future economic conditions which could impact the credit quality of the Company's loans and advances. In the process, a significant degree of judgement has been applied by the management in respect of following matters: (i) Classification and staging of loan portfolio, and estimation of behavioural life. (ii) Estimation of losses in respect of those classes of loans which had no or minimal historical defaults. (iii) Management overlay for macro-economic factors and the impact of CoVID -19 pandemic and estimation of their impact on the credit quality of the loans. In accordance with the guidance in Ind AS 109, the management overlay estimate takes into account reasonably and supportable information without incurring significant cost. The actual credit losses for the next 12 months could be significantly different than the ECL estimates prepared by the Company depending upon the impact and duration of the pandemic and various regulatory and policy measures announced by the Government. (iv) The disclosures (including disclosures prescribed by RBI) regarding the Company's application of Ind AS 109 are key to explaining the key judgements and material inputs to the Ind AS 109 ECL results. The Company has developed a financial model that derives key assumptions used within the provision calculation such as probability of default (PD) and loss given default (LGD). The output of such model is then applied to the calculation for the provision for expected credit loss calculation with other information including the exposure at default (EAD). Given the high degree of management's judgement involved in estimation of ECL, it is an area of	Principal Audit Procedures • Read and assessed the Company's accounting policies for the process of estimation of impairment of financial assets and whether such policy was in accordance with the requirements of Ind AS 109 and the governance framework approved by the Board of Directors pursuant to the applicable Reserve Bank of India guidelines/directions. • Evaluated the appropriateness of the Company's assumptions used by the Company for grouping and staging of loan portfolio into various categories and default buckets and their appropriateness for determining the probability of default (PD) and loss-given default (LGD) rates. • Tested the operating effectiveness of the controls for application of the staging criteria. Assessed the additional considerations applied by the Management for staging of loans. • Performed tests (on sample basis) to verify the completeness and accuracy of the input data used to determine the PD and LGD rates and agreed such data with the underlying books of accounts and records. • Performed inquiries with the Company's management to assess the impact of macro-economic factors on the current economic environment and business activities of the Company. • Tested the arithmetical accuracy of calculation of the provision for ECL performed by the Company. • Tested assumptions used by the management in determining the overlay for macro-economic factors. • Tested key controls and details over restructuring process in respect of eligibility, approval and modification of terms.

material uncertainty and a key audit matter.	• Assessed the appropriateness and sufficiency of disclosures in the Financial Statements in respect of provision for EC.
b) De-recognition of financial assets The Company has, during the year ended March 31, 2023, assigned loans amounting to Rs. 3617.09 crores for managing its funding requirements and recorded net income of Rs. 49.69 crores in the Statement of Profit and Loss. In accordance with Ind AS 109, de-recognition of financial assets (loans) transferred by the Company through assignment is based on the 'risk and reward' model and a 'control' model. In case de-recognition criteria are met, the financial assets assigned are de-recognized and difference between carrying value and consideration including the present value of interest payments that it would not give up (excess interest spread (EIS) receivable) is recognized as income in the Statement of Profit and Loss for the year. The Company also records a servicing asset and servicing liability at their fair value for the right retained for servicing the financial asset for the service contract and the related costs to be incurred. The assessment of derecognition criteria being met involves significant judgements and furthermore the measurement of the related EIS receivable income, servicing asset and liability requires significant estimates to be made with respect to the discount rate, expected portfolio life, prepayment and foreclosures. Given the complexity and the volume of such transactions the same has been considered a key audit matter.	Principal audit procedures • Assessed (on sample basis) assignment agreements to evaluate whether the derecognition criteria have been met. • Assessed the significant estimates and judgments, including the discount rate and expected remaining life of the portfolio transferred used by the Company for computation of excess interest spread receivable, servicing asset and servicing liability. • Tested the arithmetical accuracy of computation of the excess interest spread receivable, servicing asset and servicing liability. • Assessed the disclosures included in the Financial Statements with respect to derecognition in accordance with the requirements of Ind AS 109 and Ind AS 107.

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

The Holding Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Board's report, Management Discussion & Analysis Report and Business Responsibility & Sustainability Report but does not include the Consolidated Financial Statements and our auditor's reports thereon. The Board's report, Management Discussion & Analysis Report and Business Responsibility & Sustainability Report are expected to be made available to us after the date of this auditor's report.

Our opinion on the Consolidated Financial Statements does not cover the other information and we will not express any form of assurance conclusion thereon.

In connection with our audit of the Consolidated Financial Statements, our responsibility is to read the other information identified above when it becomes available, compare with the financial statements of subsidiaries to the extent it relates to these entities and, in doing so, consider whether the other information is materially inconsistent with the Consolidated Financial Statements or our knowledge obtained during the course of our audit, or otherwise appears to be materially misstated.

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

Management's Responsibility for the Consolidated Financial Statements

The Holding Company's Board of Directors is responsible for the preparation and presentation of these Consolidated Financial Statements in term of the requirements of the Act, that give a true and fair view of the consolidated financial position, consolidated financial performance (including other comprehensive income), consolidated cash flows and consolidated statement of changes in equity of the Group in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards specified under Section 133 of the Act. The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the Consolidated Financial Statements, the respective Board of Directors of the companies included in the Group are responsible for assessing the ability of the Group 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 Group or to cease operations, or has no realistic alternative but to do so.

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

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

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

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

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

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

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

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements (continued)

- 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 Group to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Consolidated Financial Statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.

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

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the Consolidated Financial Statements. We are responsible for the direction, supervision and performance of the audit of the consolidated financial statements of such entities or business activities included in the Consolidated Financial Statements of which we are the independent auditors. For the other entities or business activities included in the Consolidated Financial Statements, which have been audited by the other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

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

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

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

Other Matters

a. We did not audit the financial statements and other financial information, in respect of 13 subsidiaries, whose financial statements include total assets of Rs. 14,415.94 crores as at 31 March 2023, total revenues of Rs. 1,964.64 crores and net cash inflows of Rs. 511.43 crores for the year ended on that date, as considered in the Consolidated Financial Statements. These financial statements and other financial information have been audited by other auditors whose reports have been furnished to us by the Management and our opinion on the Consolidated Financial Statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries and our report in terms of sub-section (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries is based solely on the reports of the other auditors.

Other Matters (continued)

b. We did not audit the financial statements of one subsidiary, whose un-audited financial statements and other financial information reflect total assets of Rs. Nil as at 31 March 2023, total revenues of Rs. Nil and net cash flows amounting to Rs. Nil for the year ended on that date, as considered in the Consolidated Financial Statements. These unaudited financial statements have been furnished to us by the Management and our opinion on the Consolidated Financial Statements, in so far as it relates to the amounts and disclosures included in respect of this subsidiary, and our report in terms of sub-section (3) of Section 143 of the Act in so far as it relates to the aforesaid subsidiary, is based solely on such unaudited financial statements and unaudited other financial information. In our opinion and according to the information and explanations given to us by the Management, these financial statements and other financial information are not material to the Group.

Our opinion on the Consolidated Financial Statements above, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors and the financial statements and other financial information certified by the Management.

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, based on the comments in the auditors' reports of the Holding Company and subsidiaries incorporated in India, we report hereunder the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable:

(xxi)There are qualifications or adverse remarks by the respective auditors in the Companies (Auditor's Report) Order (CARO) reports of the companies included in the Consolidated Financial Statements, the details of which are given below*:

S.no	Name	CIN	Holding Company/ Subsidiary/ Associate/ Joint Venture	Clause number of the CARO report which is qualified or adverse
1.	Indiabulls Housing Finance Limited	L65922DL2005PLC136029	Holding Company	i(c) iii(c) iii(d) xvi(a)
2.	Indiabulls Commercial Credit Limited	U65923DL2006PLC150632	Subsidiary	iii(c) iii(d)
3.	Indiabulls Insurance Advisors Limited	U72200DL2002PLC114257	Subsidiary	iii(c)
4.	Nilgiri Investmart Services Limited	U72200DL2005PLC143654	Subsidiary	xvii
5.	Indiabulls Trustee company Limited	U65991DL2008PLC176626	Subsidiary	xvii
6.	Indiabulls Capital Services Limited	U65993DL2005PLC134948	Subsidiary	iii(c)
7.	Indiabulls Holdings Limited	U74140DL2010PLC201275	Subsidiary	iii(c) xvii
8.	Indiabulls Advisory Services Limited	U51101DL2006PLC155168	Subsidiary	iii(c)
9.	Ibulls Sales Limited	U67100DL2006PLC154666	Subsidiary	xvii

10.	Indiabulls Asset Holding Company Limited	U74900DL2007PLC164760	Subsidiary	xvii
11.	Indiabulls Asset Management Company Limited	U65991DL2008PLC176627	Subsidiary	xvii

* does not include reporting with regard to a trust and the subsidiary company incorporated outside India on which Companies (Auditor's Report) Order, 2020 are not applicable, however, the same have been considered as Subsidiaries in accordance with Indian Accounting Standards as prescribed.

2. As required by Section 143(3) of the Act based on our audit and on the consideration of reports of the other auditors on separate financial statements and the other financial information of subsidiaries, as noted in the 'Other Matters' paragraph, we report, to the extent applicable, that:

a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid Consolidated Financial Statements.

b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid Consolidated Financial Statements have been kept so far as it appears from our examination of those books and the reports of the other auditors.

c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Statement of Cash Flows and Consolidated Statement of Changes in Equity dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the Consolidated Financial Statements.

d) In our opinion, the aforesaid Consolidated Financial Statements comply with the Indian Accounting Standards specified under Section 133 of the Act.

e) On the basis of the written representations received from the directors of the Holding Company as on 31 March 2023 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors of its subsidiaries in India, none of the directors of the Group companies incorporated in India is disqualified as on 31 March 2023 from being appointed as a director in terms of Section 164 (2) of the Act.

f) With respect to the adequacy of internal financial controls with reference to financial statements of the Group, incorporated in India and the operating effectiveness of such controls, refer to our separate report in Annexure A

   Reporting on the adequacy of internal financial controls over financial reporting of the company and the operating effectiveness of such controls, under section 143(3)(i) of the Act is not applicable on the trusts and companies incorporated outside India, considered as subsidiaries in the Consolidated Financial Statements.

g) In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Holding Company to its directors during the year is in accordance with the provisions of Section 197of the Act.

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

Report on Other Legal and Regulatory Requirements (continued)

(i) The Consolidated Financial Statements disclose the impact of pending litigations on the consolidated financial position of the Group – Refer Note 34 (a & b) to the Consolidated Financial Statements.

(ii) Provision has been made in the Consolidated Financial Statements, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts – Refer Note 7 to the Consolidated Financial Statements in respect of such items as it relates to the Group.

(iii) There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Group.

(iv) (a) On the basis of the representations received from the directors of the Holding Company as on 31 March 2023 and the reports of the statutory auditors of its subsidiaries in India, whose financial statements have been audited under the Act, to the best of their knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Holding Company or any such subsidiaries to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Holding Company or any of such subsidiaries ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(b) On the basis of the representations received from the directors of the Holding Company as on 31 March 2023 and the reports of the statutory auditors of its subsidiaries in India, whose financial statements have been audited under the Act, to the best of their knowledge and belief, no funds have been received by the Holding Company or any of such subsidiaries from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Holding Company or any of such subsidiaries shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances performed by us and that performed by the auditors of the subsidiaries which are companies incorporated in India whose financial statements have been audited under the Act, nothing has come to our or other auditors' notice that has caused us or other auditors to believe that the representations under sub-clause (i) and (ii) of Rule 11(e) contain any material misstatement.

(v) The Holding Company has not declared or paid any interim or final dividend during the year.

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Report on Other Legal and Regulatory Requirements (continued)

(vi) As proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 as amended is applicable for the Holding Company only w.e.f 1 April 2023, therefore, reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 as amended, is not applicable.

For S.N. Dhawan & CO LLP	**For Arora & Choudhary Associates**
Chartered Accountants	Chartered Accountants
Firm's Registration No.: 000050N/ N500045	Firm's Registration No. 003870N
Rahul Singhal	Vijay K Choudhary
Partner	Partner
Membership No.: 096570	Membership No.: 081843
UDIN: 23096570BGZGOX3153	UDIN: 23081843BGSNZL5585
Place: Gurugram	Place: New Delhi
Date: May 22, 2023	Date: May 22, 2023

Annexure A

Independent Auditor's report on the Internal Financial Controls with reference to Consolidated Financial Statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

In conjunction with our audit of the Consolidated Financial Statements of Indiabulls Housing Finance Limited (hereinafter referred to as the "Holding Company") as of and for the year ended 31 March 2023, we have audited the internal financial controls with reference to the Consolidated Financial Statements of the Holding Company and its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group"), which are companies incorporated in India, as of that date.

Management's Responsibility for Internal Financial Controls

The respective Board of Directors of the Companies included in the Group, which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls based on the internal financial control with reference to the financial reporting criteria established by the Group considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of the Group's business, including adherence to the respective Group's policies, the safeguarding of the Group's 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.

Auditors' Responsibility

Our responsibility is to express an opinion on the Holding Company's internal financial controls with reference to the Consolidated Financial Statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the Institute of Chartered Accountants of India ("the ICAI") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls, both issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to the consolidated financial statements were 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 the consolidated financial statements and their operating effectiveness. Our audit of internal financial controls with reference to the consolidated financial statements included obtaining an understanding of internal financial controls with reference to the consolidated financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors in terms of their reports referred to in the Other Matter(s) paragraph below is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls system with reference to the Consolidated Financial Statements of the Group, as aforesaid.

Meaning of Internal Financial Controls with reference to Financial Statements

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

Inherent Limitations of Internal Financial Controls with reference to the Consolidated Financial Statements

Because of the inherent limitations of internal financial controls with reference to the Consolidated Financial Statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to the consolidated financial statements to future periods are subject to the risk that the internal financial controls with reference to the consolidated financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Group, which are companies incorporated in India, have, in all material respects, adequate internal financial controls system with reference to the Consolidated Financial Statements and such internal financial controls with reference to the Consolidated Financial Statements were operating effectively as at 31 March 2023, based on the internal financial control with reference to the financial reporting criteria established by the Group considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

Other Matters

Our aforesaid reports under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls with reference to the Consolidated Financial Statements in so far as it relates to 12 subsidiaries, which are companies incorporated in India, is based on the corresponding reports of the auditors of such companies incorporated in India. Our opinion is not modified in respect of this matter.

For S.N. Dhawan & CO LLP	**For Arora & Choudhary Associates**
Chartered Accountants	Chartered Accountants
Firm’s Registration No.: 000050N/ N500045	Firm’s Registration No. 003870N
Rahul Singhal	Vijay K Choudhary
Partner	Partner
Membership No.: 096570	Membership No.: 081843
UDIN: 23096570BGZGOX3153	UDIN: 23081843BGSNZL5585
Place: Gurugram	Place: New Delhi
Date: May 22, 2023	Date: May 22, 2023

Indiabulls Housing Finance Limited Group
Consolidated Balance Sheet as at March 31, 2023
(All amount in Rs. in Crore, except for share data unless stated otherwise)

Particulars	Note No.	As at March 31, 2023	As at March 31, 2022
ASSETS			
Financial Assets			
Cash and cash equivalents	5	3,697.64	7,986.04
Bank balance other than Cash and cash equivalents	6	1,534.59	1,666.81
Derivative financial instruments	7	166.32	149.12
Receivables			
i) Trade Receivables	8	28.42	9.26
ii) Other Receivables		-	-
Loans	9	55,831.30	59,950.19
Investments	10	5,370.23	5,545.62
Other financial assets	11	2,998.27	1,034.27
Financial assets held for sale	32	103.28	-
Total Financial assets		**69,730.05**	**76,341.31**
Non- Financial Assets			
Current tax assets (net)		1,421.72	1,161.83
Deferred tax assets (net)	31	436.33	555.55
Property, plant and equipment	12.1	77.80	67.02
Goodwill on Consolidation		57.83	57.83
Other Intangible assets	12.2	28.12	28.26
Right-of-use Assets	43	268.80	173.99
Other Non- Financial Assets	13	584.23	605.98
Assets Held for Sale	33(viii)	2,340.14	2,981.55
Non-financial assets held for sale	32	0.22	-
Total Non-Financial assets		**5,215.19**	**5,632.01**
Total Assets		**74,945.24**	**81,973.32**
LIABILITIES AND EQUITY			
LIABILITIES			
Financial Liabilities			
Derivative financial instruments	7	14.82	122.71
Payables			
(I) Trade Payables	14		
(i) total outstanding dues of micro enterprises and small enterprises		-	-
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises		3.53	0.66
Debt Securities	15	18,837.07	23,665.34
Borrowings (Other than Debt Securities)	16	29,169.46	33,067.99
Subordinated liabilities	17	4,396.94	4,626.03
Other financial liabilities	18	4,705.75	2,880.22
Financial liabilities in respect of assets held for sale	32	0.07	-
Total Financial Liabilities		**57,127.64**	**64,362.95**
Non-Financial Liabilities			
Current tax liabilities (net)		13.81	151.76
Provisions	19	77.75	135.09
Deferred tax liabilities (net)	31	0.04	0.32
Other Non-Financial Liabilities	20	359.46	649.14
Non-financial liabilities in respect of assets held for sale	32	5.29	-
Total Non-Financial Liabilities		**456.35**	**936.31**
Equity			
Equity share capital	21	89.72	89.11
Other equity	22	17,271.53	16,584.95
Total Equity		**17,361.25**	**16,674.06**
Total Liabilities and Equity		**74,945.24**	**81,973.32**

The accompanying Notes are integral part of the consolidated financial statements

In terms of our report of even date attached

For S. N. Dhawan & CO LLP	For Arora & Choudhary Associates	**For and on behalf of the Board of Directors**	
Chartered Accountants	Chartered Accountants		
Firm registration No. 000050N/N500045	Firm Registration No. 003870N		
Rahul Singhal	Vijay Kumar Choudhary	Gagan Banga	Sachin Chaudhary
Partner	Partner	Vice Chairman / Managing Director & CEO	Whole Time Director
Membership Number: 096570	Membership No. 081843	DIN : 00010894	DIN : 02016992
Gurugram	New Delhi	Mumbai	Gurugram

Mukesh Garg	Amit Jain	Pinank Shah
Chief Financial Officer	Company Secretary	Deputy Chief Financial Officer
New Delhi	Gurugram	Mumbai

May 22, 2023 May 22, 2023 May 22, 2023

Indiabulls Housing Finance Limited Group
Consolidated Statement of profit and loss for the year ended March 31, 2023
(All amount in Rs. in Crore, except for share data unless stated otherwise)

Particulars	Note No.	Year ended March 31, 2023	Year ended March 31, 2022
Revenue from operations			
Interest Income	23	7,676.47	8,582.53
Fees and commission Income	24	157.89	80.91
Net gain on fair value changes	25	412.50	173.25
Net gain on derecognition of financial instruments under amortised cost category		472.42	146.62
Total revenue from operations		**8,719.28**	**8,983.31**
Other Income	26	6.51	10.59
Total Income		**8,725.79**	**8,993.90**
Expenses			
Finance Costs	27	5,636.49	6,241.62
Impairment on financial instruments	28	666.00	463.72
Employee Benefits Expenses	29	514.77	468.42
Depreciation, amortisation and impairment	12 & 43(c)	85.57	77.37
Other expenses	30	219.11	187.00
Total Expenses		**7,121.94**	**7,438.13**
Profit before tax		**1,603.85**	**1,555.77**
Tax Expense:			
(1) Current Tax	31	180.11	62.48
(2) Deferred Tax Charge	31	296.06	315.55
Profit for the year from continuing operations after tax		**1,127.68**	**1,177.74**
Profit for the year from discontinued operations	32	2.34	-
Tax expense for the year from discontinued operations	32	0.33	-
Profit for the year from discontinued operations after tax	32	**2.01**	**-**
Profit for the year attributable to the Shareholders of the Company		**1,129.69**	**1,177.74**
Other Comprehensive Income			
(1) Other comprehensive income from continuing operations			
A (i) Items that will not be reclassified to the statement of profit or loss			
(a) Remeasurement gain on defined benefit plan		(0.81)	1.46
(b) Gain on equity instrument designated at FVOCI[Refer Note 10(2)&(3)]		2.89	70.13
(ii) Income tax impact on above		1.73	(11.82)
B (i) Items that will be reclassified to the statement of profit or loss			
(a) Derivative instruments in Cash flow hedge relationship		9.11	80.99
(ii) Income tax impact on above		(2.29)	(20.38)
Total Other comprehensive income from continuing operations		**10.63**	**120.38**
(2) Other comprehensive income from discontinued operations			
A (i) Items that will not be reclassified to the statement of profit or loss			
(a) Remeasurement gain on defined benefit plan		-	-
(b) Loss on equity instrument designated at FVOCI		(0.09)	-
(ii) Income tax impact on above		0.02	-
Total Other comprehensive loss from discontinued operations		**(0.07)**	**-**
Total Other comprehensive Income (net of tax) (1)+(2)		**10.56**	**120.38**
Total Comprehensive Income for the Year		**1,140.25**	**1,298.12**
Earnings per Share (EPS) (for continuing operations)			
Basic (Rs.)	38(1)	25.15	26.42
Diluted (Rs.)	38(1)	25.01	26.34
Nominal value per share (Rs.)		2.00	2.00
Earnings per Share (EPS) (for discontinued operations)			
Basic (Rs.)	38(2)	0.04	-
Diluted (Rs.)	38(2)	0.04	-
Nominal value per share (Rs.)		2.00	-
Earnings per Share (EPS) (for continuing and discontinued operations)			
Basic (Rs.)		25.19	26.42
Diluted (Rs.)		25.05	26.34
Nominal value per share (Rs.)		2.00	2.00

The accompanying Notes are integral part of the consolidated financial statements

In terms of our report of even date attached

For S. N. Dhawan & CO LLP
Chartered Accountants
Firm registration No. 000050N/N500045

For Arora & Choudhary Associates
Chartered Accountants
Firm Registration No. 003870N

For and on behalf of the Board of Directors

Rahul Singhal
Partner
Membership Number: 096570
Gurugram

Vijay Kumar Choudhary
Partner
Membership No. 081843
New Delhi

Gagan Banga
Vice Chairman / Managing Director & CEO
DIN : 00010894
Mumbai

Sachin Chaudhary
Whole Time Director
DIN : 02016992
Gurugram

Mukesh Garg
Chief Financial Officer
New Delhi

Pinank Shah
Deputy Chief Financial Officer
Mumbai

Amit Jain
Company Secretary
Gurugram

May 22, 2023

May 22, 2023

May 22, 2023

Indiabulls Housing Finance Limited Group
Consolidated Cash Flow Statement for the year ended March 31, 2023
(All amount in Rs. in Crore, except for share data unless stated otherwise)

		Year ended March 31, 2023	Year ended March 31, 2022
A	**Cash flows from operating activities :**		
	Profit before tax from continuing operations	1,603.85	1,555.77
	Profit before tax from discontinued operations	2.34	-
	Adjustments to reconcile profit before tax to net cash flows:		
	Employee Stock Compensation Adjustment	(2.62)	(9.12)
	Provision for Gratuity, Compensated Absences and Superannuation Expense	(56.12)	9.63
	Impairment on financial instruments	1,261.85	1,138.86
	Lease Interest	(0.33)	-
	Interest Income	(7,676.47)	(8,582.52)
	(Profit) / Loss on Lease termination	(0.89)	0.42
	Interest Expense	5,377.76	5,305.14
	Depreciation and Amortisation of PPE and ROU assets	85.57	77.37
	(Profit) / Loss on sale of Property, plant and equipment	(3.25)	0.02
	Unrealised loss on Investments	112.63	30.87
	Operating Profit / (Loss) before working capital changes	704.32	(473.56)
	Working Capital Changes		
	Trade Receivables, Other Financial and non Financial Assets	(913.52)	32.00
	Loans	2,644.97	3,648.24
	Trade Payables, other financial and non Financial Liabilities	1,000.93	(3,978.31)
	Net Cash from / (used in) operations	3,436.70	(771.63)
	Interest received on loans	6,982.89	7,647.67
	Interest paid on borrowings	(5,840.61)	(5,629.69)
	Income taxes paid (Net)	(578.02)	(589.17)
	Net cash from operating activities	**4,000.96**	**657.18**
B	**Cash flows from investing activities :**		
	Purchase of Property, plant and equipment and other intangible assets	(49.36)	(20.04)
	Sale of Property, plant and equipment	5.78	1.25
	Decrease in Capital Advances	2.15	26.91
	Proceeds from deposit accounts	132.21	2,212.91
	Sale / (Purchase) of Investments (Net)	643.53	(1,046.57)
	Interest received on Investments	149.94	474.48
	Net cash from investing activities	**884.25**	**1,648.94**
C	**Cash flows from financing activities :**		
	Proceeds from Issue of Equity Share through ESOPs (Including Securities Premium)	1.02	0.22
	Distribution of Equity Dividends	(0.63)	15.16
	Repayment of loans (Net)	(3,635.70)	(524.73)
	Repayment of Secured Redeemable Non-Convertible Debentures (Net)	(4,835.72)	(6,479.85)
	Repayment of Subordinated Debt (Net)	(241.10)	(64.09)
	Payment of Lease liabilities	(58.71)	(46.95)
	Repayment of Working capital loans (Net)	(371.00)	(344.00)
	Net cash used in financing activities	**(9,141.84)**	**(7,444.24)**
D	**Net Decrease in cash and cash equivalents (A+B+C)**	**(4,256.63)**	**(5,138.12)**
E	**Cash and cash equivalents at the beginning of the year**	**7,986.04**	**13,124.16**
F	**Cash and cash equivalents at the end of the year (D + E) (includes Rs. 31.77 Crore for discontinued operations for FY 23)** (Refer Note 5 & Note 32)	**3,729.41**	**7,986.04**

The accompanying Notes are integral part of the consolidated financial statements

Note:
1. The above Consolidated Cash Flow Statement has been prepared under the "Indirect Method" as set out in Indian Accounting Standard (IndAS) - 7 on 'Statement of Cash Flows'.
2. For disclosure of investing and financing activity that do not require cash and cash equivalent (Refer note 33(iv)).

In terms of our report of even date attached

For S. N. Dhawan & CO LLP
Chartered Accountants
Firm registration No. 000050N/N500045

Rahul Singhal
Partner
Membership Number: 096570
Gurugram

May 22, 2023

For Arora & Choudhary Associates
Chartered Accountants
Firm Registration No. 003870N

Vijay Kumar Choudhary
Partner
Membership No. 081843
New Delhi

May 22, 2023

For and on behalf of the Board of Directors

Gagan Banga
Vice Chairman / Managing Director & CEO
DIN : 00010894
Mumbai

Sachin Chaudhary
Whole Time Director
DIN : 02016992
Gurugram

Mukesh Garg
Chief Financial Officer
New Delhi

Amit Jain
Company Secretary
Gurugram

Pinank Shah
Deputy Chief Financial Officer
Mumbai

May 22, 2023

Indiabulls Housing Finance Limited Group

Consolidated statement of changes in equity for the year ended March 31, 2023

(All amount in Rs. in Crore, except for share data unless stated otherwise)

a. Equity Share Capital:	**Numbers**	**Amount**
Equity shares of INR 2 each issued, subscribed and fully paid		
At April 01, 2021	445,348,902	89.07
Changes in Equity Share Capital due to prior period errors	-	-
Restated balance as at April 01, 2021	**445,348,902**	**89.07**
Add: Issued during Financial Year 2021-22	6,222,602	1.24
Less: Investment in Treasury Shares (Own Shares) during the FY 2021-22	6,000,000	1.20
At March 31, 2022	**445,571,504**	**89.11**
Changes in Equity Share Capital due to prior period errors	-	-
Restated balance as at April 01, 2022	**445,571,504**	**89.11**
Add: Issued during Financial Year 2022-23	3,025,126	0.61
At March 31, 2023	**448,596,630**	**89.72**

Indiabulls Housing Finance Limited Group
Consolidated statement of changes in equity for the year ended March 31, 2023
(All amount in Rs. in Crore, except for share data unless stated otherwise)

b. Other Equity*:

	Reserve & Surplus															Other Comprehensive Income		Total
	Capital Reserve	Capital Redemption Reserve	Securities Premium Account	Stock Compensation Adjustment Reserve	General Reserve	Special Reserve U/s 36(I)(viii) of the Income Tax Act, 1961[Refer Note 22(6)]	Reserve (I) As per section 29C of the Housing Bank Act, 1987[Refer Note 22(8)]	Reserve (II)[Refer Note 22(9)]	Reserve (III)[Refer Note 22(8)]	Additional Reserve Fund (U/s 29C of the National Housing Bank Act, 1987[Refer Note 22(8)]	Debenture Redemption Reserve	Debenture Premium Account	Share based Payment reserve	Foreign Currency Translation Reserve	Retained earnings	Equity instruments through other comprehensive income	Cash flow hedge reserve	
Balance at 1 April, 2021	**13.92**	**6.36**	**7,775.34**	**178.75**	**1,105.99**	**225.46**	**1,991.73**	**726.79**	**2,178.00**	**825.00**	**1,221.18**	**1.28**	**8.79**	**0.02**	**997.03**	**(789.98)**	**(420.87)**	**16,044.79**
Profit for the year	-	-	-	-	-	-	-	-	-	-	-	-	-	-	1,177.74	-	-	**1,177.74**
Other Comprehensive Income	-	-	-	-	-	-	-	-	-	-	-	-	-	-	2.92	56.85	60.61	**120.38**
Total comprehensive income	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**1,180.66**	**56.85**	**60.61**	**1,298.12**
Add: Transferred / Addition during the year	-	-	-	(8.49)	1,066.42	-	139.22	101.64	-	525.00	-	-	(0.62)	-	-	-	-	**1,823.17**
Add: during the year on Account of ESOPs	-	-	0.22	-	-	-	-	-	-	-	-	-	-	-	-	-	-	**0.22**
Add: during the year on account of conversion of FCCB	-	-	149.43	-	-	-	-	-	-	-	-	-	-	-	-	-	-	**149.43**
Add: Transfer from Stock Compensation Adjustment A/c	-	-	0.13	-	-	-	-	-	-	-	-	-	-	-	-	-	-	**0.13**
Less: Investment in Treasury Shares (Own Shares)	-	-	88.80	-	-	-	-	-	-	-	-	-	-	-	-	-	-	**88.80**
Less: Transferred to Securities Premium A/c	-	-		0.13	-	-	-	-	-	-	-	-	-	-	-	-	-	**0.13**
Less: Adjusted / Utilised during the year	-	-	-	-	-	-	-	-	-	825.00	1,066.42	-	-	-	-	-	-	**1,891.42**
Appropriations:-																		
Interim Dividend received on Own Equity Shares @ Rs. 9/- per equity share	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(15.30)	-	-	**(15.30)**
Transferred to Reserve I (Special Reserve U/s 29C of the NHB Act, 1987)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	139.22	-	-	**139.22**
Transferred to Additional Reserve (U/s 29C of the National Housing Bank Act, 1987)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	525.00	-	-	**525.00**
Transferred to Reserve I (Special Reserve U/s 45IC of the Reserve Bank of India	-	-	-	-	-	-	-	-	-	-	-	-	-	-	101.64	-	-	**101.64**
Total Appropriations	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**750.56**	**-**	**-**	**750.56**
At 31 March 2022	**13.92**	**6.36**	**7,836.32**	**170.13**	**2,172.41**	**225.46**	**2,130.95**	**828.43**	**2,178.00**	**525.00**	**154.76**	**1.28**	**8.17**	**0.02**	**1,427.13**	**(733.13)**	**(360.26)**	**16,584.95**
Profit for the year from continuing operations	-	-	-	-	-	-	-	-	-	-	-	-	-	-	1,127.68	-	-	**1,127.68**
Profit for the year from discontinued operations	-	-	-	-	-	-	-	-	-	-	-	-	-	-	2.01	-	-	**2.01**
Other comprehensive income from continuing operations	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(0.61)	4.42	6.82	**10.63**
Other comprehensive income from discontinued operations	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(0.07)	-	**(0.07)**
Total comprehensive income	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**1,129.08**	**4.35**	**6.82**	**1,140.25**
Add: Transferred / Addition during the year	-	-	1.03	(1.53)	-	-	163.83	106.37	-	610.00	-	-	(1.09)	-	0.02	-	-	**878.63**

Indiabulls Housing Finance Limited Group
Consolidated statement of changes in equity for the year ended March 31, 2023
(All amount in Rs. in Crore, except for share data unless stated otherwise)

b. Other Equity*:

	Reserve & Surplus															Other Comprehensive Income		
	Capital Reserve	**Capital Redemption Reserve**	**Securities Premium Account**	**Stock Compensation Adjustment Reserve**	**General Reserve**	**Special Reserve U/s 36(I)(viii) of the Income Tax Act, 1961**[Refer Note 22(6)]	**Reserve (I) As per section 29C of the Housing Bank Act, 1987**[Refer Note 22(8)]	**Reserve (II)**[Refer Note 22(9)]	**Reserve (III)**[Refer Note 22(8)]	**Additional Reserve Fund (U/s 29C of the National Housing Bank Act, 1987**[Refer Note 22(8)]	**Debenture Redemption Reserve**	**Debenture Premium Account**	**Share based Payment reserve**	**Foreign Currency Translation Reserve**	**Retained earnings**	**Equity instruments through other comprehensive income**	**Cash flow hedge reserve**	**Total**
Add: during the year on account of conversion of FCCB	-	-	72.92	-	-	-	-	-	-	-	-	-	-	-	-	-	-	**72.92**
Less: Adjusted / Utilised during the year	-	-	-	-	-	-	-	-	-	525.00	-	-	-	0.02	-	-	-	**525.02**
Appropriations:-																		
Transferred to Reserve I (Special Reserve U/s 29C of the NHB Act, 1987)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	163.83	-	-	**163.83**
Transferred to Additional Reserve (U/s 29C of the National Housing Bank Act, 1987)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	610.00	-	-	**610.00**
Transferred to Reserve I (Special Reserve U/s 45IC of the Reserve Bank of India	-	-	-	-	-	-	-	-	-	-	-	-	-	-	106.37	-	-	**106.37**
Total Appropriations	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**880.20**	**-**	**-**	**880.20**
At 31 March 2023	**13.92**	**6.36**	**7,910.27**	**168.60**	**2,172.41**	**225.46**	**2,294.78**	**934.80**	**2,178.00**	**610.00**	**154.76**	**1.28**	**7.08**	**-**	**1,676.03**	**(728.78)**	**(353.44)**	**17,271.53**

*There are no changes in accounting policy/prior period errors in other equity during the year and previous year

The accompanying Notes are integral part of the consolidated financial statements

In terms of our report of even date attached

For S. N. Dhawan & CO LLP
Chartered Accountants
Firm registration No. 000050N/N500045

For Arora & Choudhary Associates
Chartered Accountants
Firm Registration No. 003870N

For and on behalf of the Board of Directors

Rahul Singhal
Partner
Membership Number: 096570
Gurugram
May 22, 2023

Vijay Kumar Choudhary
Partner
Membership No. 081843
New Delhi
May 22, 2023

Gagan Banga
Vice Chairman / Managing Director & CEO
DIN : 00010894
Mumbai
May 22, 2023

Sachin Chaudhary
Whole Time Director
DIN : 02016992
Gurugram

Mukesh Garg
Chief Financial Officer
New Delhi

Amit Jain
Company Secretary
Gurugram

Pinank Shah
Deputy Chief Financial Officer
Mumbai

1 Corporate information

Indiabulls Housing Finance Limited ('the Company' or 'the Holding Company') is a public limited company domiciled in India with its registered office at Building No. 27, 5th Floor, KG Marg, New Delhi-110001. The Company together with its subsidiaries (collectively, 'the Group') is primarily engaged in the business to provide finance and to undertake all lending and finance to any person or persons, co-operative society, association of persons, body of individuals, companies, institutions, firms, builders, developers, contractors, tenants and others either at interest or without and/or with or without any security for construction, erection, building, repair, remodeling, development, improvement, purchase of houses, apartments, flats, bungalows, rooms, huts, townships and/or other buildings, other finance and real estate of all descriptions or convenience there on and to equip the same or part thereof with all or any amenities or conveniences, drainage facility, electric, telephonic, television, and other installations, either in total or part thereof and /or to purchase any free hold or lease hold lands, estate or interest in any property and such other activities as may be permitted.

The Board of Directors of Indiabulls Housing Finance Limited (100% subsidiary of "IBFSL") and Indiabulls Financial Services Limited ("IBFSL", "Erstwhile Holding Company") at their meeting held on April 27, 2012 had approved the Scheme of Arrangement involving the reverse merger of IBFSL with the Company in terms of the provisions of Sections 391 to 394 of the Companies Act, 1956 (the “Scheme of Arrangement”). The Appointed Date of the proposed merger fixed under the Scheme of Arrangement was April 1, 2012. The Hon’ble High Court of Delhi, vide its Order dated December 12, 2012, received by the Company on February 8, 2013, approved the Scheme of Arrangement. In terms of the Court approved Scheme of Arrangement, with the filing of the copy of the Order, on March 8, 2013, with the office of ROC, NCT of Delhi & Haryana (the Effective Date), IBFSL, as a going concern, stands amalgamated with IBHFL with effect from the Appointed Date, being April 1, 2012.

Indiabulls Financial Services Limited (“IBFSL”) was incorporated on January 10, 2000 as a Private Limited Company. On March 30, 2001, the Company was registered under Section 45-IA of the Reserve Bank of India (RBI) Act, 1934 to carry on the business of a Non-Banking Financial Company. The Company was converted into a public limited Company pursuant to Section 44 of the Companies Act, 1956 on February 03, 2004.

2 (i) Basis of preparation

The consolidated financial statements of the Group have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 (as amended from time to time).

The consolidated financial statements have been prepared on a historical cost basis, except for fair value through other comprehensive income (FVOCI) instruments, derivative financial instruments, other financial assets held for trading and financial assets and liabilities designated at fair value through profit or loss (FVTPL), all of which have been measured at fair value. Further the carrying values of recognised assets and liabilities that are hedged items in fair value hedges, and otherwise carried at amortised cost, are adjusted to record changes in fair value attributable to the risks that are being hedged. The consolidated financial statements are presented in Indian Rupees (INR) and all values are rounded to the nearest Crores, except when otherwise indicated.

(ii) Statement of compliance

These consolidated financial statements have been prepared in accordance with the Indian Accounting Standards (Ind AS) as per the Companies (Indian Accounting Standards) Rules, 2015 (amended), notified under Section 133 of the Companies Act, 2013 (the “Act”) (as amended), other relevant provisions of the Act, guidelines issued by the Reserve Bank of India and National Housing Bank as applicable and other accounting principles generally accepted in India.

Any application guidance / clarifications / directions issued by RBI/NHB or other regulators are implemented as and when they are issued / applicable, the guidance notes/announcements issued by the Institute of Chartered Accountants of India (ICAI) are also applied except where compliance with other statutory promulgations require a different treatment.

Accounting policies have been consistently applied except where a newly issued Ind AS is initially adopted or a revision to an existing Ind AS required a change in the accounting policy hitherto in use. The consolidated financial statements were authorised for issue by the Board of Directors (BOD) on May 22, 2023.

(iii) Presentation of financial statements

The Group presents its balance sheet in order of liquidity. Financial assets and financial liabilities are generally reported gross in the balance sheet. They are only offset and reported net when, in addition to having an unconditional legally enforceable right to offset the recognised amounts without being contingent on a future event, the parties also intend to settle on a net basis in all of the following circumstances:

A. The normal course of business
B. The event of default
C. The event of insolvency or bankruptcy of the Group and/or its counterparties.

3 Basis of consolidation

The consolidated financial statements comprise the financial statements of the Company and its subsidiaries as at March 31, 2023 including controlled structured entities. The Group consolidates a subsidiary when it controls it. Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee.

Generally, there is a presumption that a majority of voting rights result in control. To support this presumption and when the Group has less than a majority of the voting or similar rights of an investee, the Group considers all relevant facts and circumstances in assessing whether it has power over an investee, including:

(i) The contractual arrangement with the other vote holders of the investee

(ii) Rights arising from other contractual arrangements

(iii) The Group's voting rights and potential voting rights

(iv) The size of the Group's holding of voting rights relative to the size and dispersion of the holdings of the other voting rights holders.

The Group re-assesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control. Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. Assets, liabilities, income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated financial statements from the date the Group gains control until the date the Group ceases to control the subsidiary.

Consolidated financial statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances.

The financial statements of all entities used for the purpose of consolidation are drawn up to same reporting date as that of the parent company, i.e., year ended on March 31.

Consolidation procedure:

a. Combine like items of assets, liabilities, equity, income, expenses and cash flows of the parent with those of its subsidiaries. For this purpose, income and expenses of the subsidiary are based on the amounts of the assets and liabilities recognised in the consolidated financial statements at the acquisition date.

b. Offset (eliminate) the carrying amount of the parent's investment in each subsidiary and the parent's portion of equity of each subsidiary.

c. Eliminate in full intragroup assets and liabilities, equity, income, expenses and cash flows relating to transactions between entities of the Group (profits or losses resulting from intragroup transactions that are recognised in assets, such as inventory and PPE, are eliminated in full). Intragroup losses may indicate an impairment that requires recognition in the consolidated financial statements. Ind AS 12 Income Taxes applies to temporary differences that arise from the elimination of profits and losses resulting from intragroup transactions.

Profit or loss and each component of OCI are attributed to the equity holders of the parent of the Group and to the non-controlling interests, even if this results in the non-controlling interests having a deficit balance

When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies in line with the Group's accounting policies. All intra-group assets, liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

If the Group loses control over a subsidiary, it:

(i) Derecognises the assets (including goodwill) and liabilities of the subsidiary

(ii) Derecognises the carrying amount of any non-controlling interests

(iii) Derecognises the cumulative translation differences recorded in equity

(iv) Recognises the fair value of the consideration received

(v) Recognises the fair value of any investment retained

(vi) Recognises any surplus or deficit in profit or loss.

(vii) Reclassifies the parent's share of components previously recognised in OCI to profit or loss or retained earnings, as appropriate, as would be required if the Group had directly disposed of the related assets or liabilities

A change in the ownership interest of a subsidiary, without loss of control, is accounted for as an equity transaction.

Business combinations under common control:

Business combinations under common control are accounted for in accordance with Ind AS 103 using the pooling of interest method as at the date of the acquisition, which is the date at which control is transferred . The consideration transferred in the acquisition and the identifiable assets acquired and liabilities assumed are recognised at carrying value on their acquisition date. Goodwill is initially measured at cost, being the excess of the aggregate of the consideration transferred and the amount recognised for net identifiable assets acquired and liabilities assumed.

4 Significant accounting policies

4.1 Significant accounting judgements, estimates and assumptions

The preparation of Consolidated financial statements in conformity with Ind AS requires the management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and the disclosure of contingent liabilities, at the end of the reporting period. Although these estimates are based on the management's best knowledge of current events and actions, uncertainty about these assumptions and estimates could result in the outcomes requiring a material adjustment to the carrying amounts of assets or liabilities in future periods

A. Impairment loss on financial assets

The measurement of impairment losses across all categories of financial assets except assets valued at FVTPL, enquires judgement, in particular, the estimation of the amount and timing of future cash flows and collateral values when determining impairment losses and 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.

The Group’s expected credit loss (ECL) calculations are outputs of complex models with a number of underlying assumptions regarding the choice of variable inputs and their interdependencies. Elements of the ECL models that are considered accounting judgements and estimates include:

• The Group’s model, which assigns Probability of Defaults (PDs)
• The Group’s criteria for assessing if there has been a significant increase in credit risk and so allowances for financial assets should be measured on a Long Term ECL (LTECL) basis
• The segmentation of financial assets when their ECL is assessed on a collective basis
• Development of ECL models, including the various formulas and the choice of inputs
• Determination of associations between macroeconomic scenarios and, economic inputs, and the effect on PDs, Exposure at Default (EADs) and Loss Given Default (LGDs)
• Selection of forward-looking macroeconomic scenarios and their probability weightings, to derive the economic inputs into the ECL models.

B. Business Model Assumption

Classification and measurement of financial assets depends on the results of the Solely Payment of Principal and Interest (SPPI) and the business model test. The Group determines the business model at a level that reflects how groups of financial assets are managed together to achieve a particular business objective. This assessment includes judgement reflecting all relevant evidence including how the performance of the assets is evaluated and their performance measured, the risks that affect the performance of the assets and how these are managed and how the managers of the assets are compensated. The Group monitors financial assets measured at amortised cost that are de-recognised 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 Group’s continuous assessment of whether the business model for which the remaining financial assets are held continues to be appropriate and if it is not appropriate whether there has been a change in business model and so a prospective change to the classification of those assets.

C. Defined employee benefit assets and liabilities

The cost of the defined benefit gratuity plan and other post-employment benefits and the present value of the gratuity obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

D. Share Based Payments

Estimating fair value for share-based payment transactions requires determination of the most appropriate valuation model, which is dependent on the terms and conditions of the grant. This estimate also requires determination of the most appropriate inputs to the valuation model including the expected life of the share option, volatility and dividend yield and making assumptions about them.

E. Fair value measurement

When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the DCF model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments.

F. Effective interest rate method

The Group's EIR methodology, recognises interest income using a rate of return that represents the best estimate of a constant rate of return over the expected behavioural life of loans and recognises the effect of potentially different interest rates charged at various stages and other characteristics of the product life cycle. This estimation, by nature, requires an element of judgement regarding the expected behaviour and life-cycle of the instruments, as well expected changes to the Group's base rate and other fee income/expense that are integral parts of the instrument.

4.2 Cash and cash equivalents

Cash and cash equivalent comprises cash in hand, demand deposits and time deposits held with bank, debit balance in cash credit account

4.3 Recognition of income and expense

a) Interest income

The Group earns revenue primarily from giving loans. Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Group and the revenue can be reliably measured. Interest revenue is recognized using the effective interest method (EIR). The effective interest method calculates the amortized cost of a financial instrument and allocates the interest income. The effective interest rate is the rate that discounts estimated future cash payments or receipts through the expected life of the financial instrument or, when appropriate, a shorter period, to the gross carrying amount of the financial asset or liability. The calculation takes into account all contractual terms of the financial instrument (for example, prepayment options) and includes any fees or incremental costs that are directly attributable to the instrument and are an integral part of the EIR, but not future credit losses.

The Group recognises interest income by applying the EIR to the gross carrying amount of financial assets other than credit-impaired assets. When a financial asset becomes credit-impaired and is, therefore, regarded as 'Stage 3', the Group recognises the interest to the extent recoverable. If the financial assets cures and is no longer credit-impaired, the Group reverts to recognising interest income

b) Interest expense

Interest expense includes issue costs that are initially recognized as part of the carrying value of the financial liability and amortized over the expected life using the effective interest method. These include fees and commissions payable to arrangers and other expenses such as external legal costs, provided these are incremental costs that are directly related to the issue of a financial liability.

c) Other charges and other interest

Additional interest and Overdue interest is recognised on realisation basis.

d) Commission on Insurance Policies

Commission on insurance policies sold is recognised when the Group under its agency code sells the insurance policies and when the same is accepted by the principal insurance Company.

e) Income from Advisory Services

Income from Advisory Services includes investment management fees from the mutual fund and portfolio management services which is charged as a percentage of the Assets Under Management (AUM) and is recognised on accrual basis.

f) Dividend income

Dividend income is recognized when the Group's right to receive the payment is established, it is probable that the economic benefits associated with the dividend will flow to the entity and the amount of the dividend can be measured reliably. This is generally when shareholders approve the dividend.

4.4 Foreign currency

The Group's financial statements are presented in Indian Rupees (INR) which is also the Group's functional currency.

Transactions in foreign currencies are initially recorded by the Group at their respective functional currency spot rates at the date the transaction first qualifies for recognition.

Foreign currency denominated monetary assets and liabilities are translated at the functional currency spot rates of exchange at the reporting date and exchange gains and losses arising on settlement and restatement are recognized in the statement of profit and loss.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined. The gain or loss arising on translation of non-monetary items measured at fair value is treated in line with the recognition of the gain or loss on the change in fair value of the item (i.e., translation differences on items whose fair value gain or loss is recognized in OCI or profit or loss are also recognized in OCI or profit or loss, respectively).

4.5 Leases

The Group assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

Company as a lessee:

The Group applies a single recognition and measurement approach for all leases, except for short-term leases (generally leases upto 12 months). The Group recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

Right-of-use assets
The Group recognises right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets, as follows:

• Office Premises – 1-12 Years
The right-of-use assets are also subject to impairment. Refer to the accounting policies in Note 4.8 Impairment of non-financial assets.

Lease Liability
At the commencement date of the lease, the Group recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments less any lease incentives receivable. The lease payments also include payments of penalties for terminating the lease, if the lease term reflects the Group exercising the option to terminate. Variable lease payments that do not depend on an index or a rate are recognised as expenses in the period in which the event or condition that triggers the payment occurs.
In calculating the present value of lease payments, the Group uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments or a change in the assessment of an option to purchase the underlying asset.

Short-term leases and leases of low-value assets
The Group applies the short-term lease recognition exemption to its short-term leases (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option).

Determining the lease term of contracts with renewal and termination options – Group as lessee
The Group determines the lease term as the non-cancellable term of the lease, together with any periods covered by an option to extend the lease if it is reasonably certain to be exercised, or any periods covered by an option to terminate the lease, if it is reasonably certain not to be exercised.
Leases - Estimating the incremental borrowing rate
The Group cannot readily determine the interest rate implicit in the lease, therefore, it uses its incremental borrowing rate (IBR) to measure lease liabilities. The IBR is the rate of interest that the Group would have to pay to borrow over a similar term, and with a similar security, the funds necessary to obtain an asset of a similar value to the right-of-use asset in a similar economic environment. The IBR therefore reflects what the Group 'would have to pay', which requires estimation when no observable rates are available or when they need to be adjusted to reflect the terms and conditions of the lease.

4.6 Property, plant and equipment (PPE) and Intangible assets

PPE
PPE are stated at cost (including incidental expenses directly attributable to bringing the asset to its working condition for its intended use) less accumulated depreciation and impairment losses, if any. Cost comprises the purchase price and any attributable cost of bringing the asset to its working condition for its intended use. Subsequent expenditure related to PPE is capitalized only when it is probable that future economic benefits associated with these will flow to the Group and the cost of item can be measured reliably. Other repairs and maintenance costs are expensed off as and when incurred.

An item of property, plant and equipment and any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on de-recognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the statement of profit and loss when the asset is derecognised.

Intangible assets
Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses.

4.7 Depreciation and amortization

Depreciation

Depreciation on PPE is provided on straight-line method as per the useful life prescribed in Schedule II to the Companies Act, 2013, except for Vehicles.

Vehicles are amortised on a straight line basis over a period of five years from the date when the assets are available for use. The life has been assessed based on past usage experience and considering the change in technology.

Depreciation on additions to PPE is provided on a pro-rata basis from the date the asset is put to use. Leasehold improvements are amortised over the period of Lease. Depreciation on sale / deduction from PPE is provided for up to the date of sale / deduction, as the case may be.

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate

Amortization

Intangible assets consisting of Software are amortised on a straight line basis over a period of four years from the date when the assets are available for use.

The amortisation period and the amortisation method for these softwares with a finite useful life are reviewed at least at each financial year-end.

4.8 Impairment of non-financial assets

The carrying amount of assets is reviewed at each balance sheet date if there is any indication of impairment based on internal/external factors. An impairment loss is recognised wherever the carrying amount of an asset exceeds its recoverable amount. The recoverable amount is the greater of the assets, net selling price and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and risks specific to the asset. In determining net selling price, recent market transactions are taken into account, if available. If no such transactions can be identified, an appropriate valuation model is used.

After impairment, depreciation is provided on the revised carrying amount of the asset over its remaining useful life.

4.9 Provisions, Contingent Liability and Contingent Assets

A provision is recognised when the Group has a present obligation as a result of past events and it is probable that an outflow of resources will be required to settle the obligation in respect of which a reliable estimate can be made. Provisions are determined based on the best estimate required to settle the obligation at the balance sheet date. Contingent liability is disclosed for (1) Possible obligations which will be confirmed only by future events not wholly within the control of the Group or (2) Present obligations arising from past events where it is not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount of the obligation cannot be made. Contingent Assets are not recognised in the financial statements.

4.10 Retirement and other employee benefits

Retirement benefit in the form of provident fund and Employee State Insurance Scheme is a defined contribution scheme. The Group has no obligation, other than the contribution payable to the provident fund and Employee State Insurance scheme. The Group recognizes contribution payable to the provident fund and Employee State Insurance scheme as an expense, when an employee renders the related service. If the contribution payable to the scheme for service received before the balance sheet date exceeds the contribution already paid, the deficit payable to the scheme is recognized as a liability after deducting the contribution already paid. If the contribution already paid exceeds the contribution due for services received before the balance sheet date, then excess is recognized as an asset to the extent that the pre-payment will lead to, for example, a reduction in future payment or a cash refund.

The Group has unfunded defined benefit plans Gratuity plan and Compensated absences plan for all eligible employees, the liability for which is determined on the basis of actuarial valuation at each year end. Separate actuarial valuation is carried out for each plan using the projected unit credit method. Superannuation (Pension & Medical coverage) payable to a Director on retirement is also actuarially valued at the end of the year using the Projected Unit Credit Method.

Remeasurements, comprising of actuarial gains and losses, the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability), are recognised immediately in the balance sheet with a corresponding debit or credit to retained earnings through other comprehensive income in the period in which they occur. Remeasurements are not reclassified to profit or loss in subsequent periods.

4.11 Taxes

Tax expense comprises current and deferred tax.

Current income tax

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities in accordance with Income tax Act, 1961, Income Computation and Disclosure Standards and other applicable tax laws. The tax rates and tax laws used to compute the amount are those that are enacted at the reporting date.

Current income tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Current tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

Deferred tax

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Deferred tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

4.12 Earning per share

Basic earnings per share are calculated by dividing the net profit or loss for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the period. Partly paid equity shares are treated as a fraction of an equity share to the extent that they are entitled to participate in dividends relative to a fully paid equity share during the reporting year.

For the purpose of calculating diluted earnings per share, the net profit or loss for the year attributable to equity shareholders and the weighted average number of shares outstanding (net of treasury shares) during the period are adjusted for the effects of all dilutive potential equity shares.

4.13 Share based payments

Equity-settled share based payments to employees and others providing similar services are measured at the fair value of the equity instruments at the grant date.

The fair value determined at the grant date of the equity-settled share based payments is expensed on a straight line basis over the vesting period, based on the Group`s estimate of equity instruments that will eventually vest, with a corresponding increase in equity. At the end of each reporting period, the Group revises its estimate of the number of equity instruments expected to vest. The impact of the revision of the original estimates, if any, is recognised in Statement of Profit and Loss such that the cumulative expenses reflects the revised estimate, with a corresponding adjustment to the Stock Compensation Adjustment Reserve.

The dilutive effect of outstanding options is reflected as additional share dilution in the computation of diluted earnings per share.

4.14 Financial instruments

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

4.14.1 Financial Assets

4.14.1.1 Initial recognition and measurement

Financial assets, with the exception of loans and advances to customers, are initially recognised on the trade date, i.e., the date that the Group becomes a party to the contractual provisions of the instrument. Loans and advances to customers are recognised when funds are disbursed to the customers. The classification of financial instruments at initial recognition depends on their purpose and characteristics and the management's intention when acquiring them. All financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset.

4.14.1.2 Classification and Subsequent measurement

For purposes of subsequent measurement, financial assets are classified in four categories:

• Debt instruments at amortised cost
• Debt instruments at fair value through other comprehensive income (FVTOCI)
• Debt instruments and equity instruments at fair value through profit or loss (FVTPL)
• Equity instruments measured at fair value through other comprehensive income (FVTOCI)

4.14.1.3 Debt instruments at amortised costs

A 'debt instrument' is measured at the amortised cost if both the following conditions are met:

• The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and

Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

Business model: The business model reflects how the Group manages the assets in order to generate cash flows. That is, where the Group's objective is solely to collect the contractual cash flows from the assets, the same is measured at amortized cost or where the Group's objective is to collect both the contractual cash flows and cash flows arising from the sale of assets, the same is measured at fair value through other comprehensive income (FVTOCI). If neither of these is applicable (e.g. financial assets are held for trading purposes), then the financial assets are classified as part of 'other' business model and measured at FVPL.

SPPI: Where the business model is to hold assets to collect and earn contractual cash flows (i.e. measured at amortized cost), the Group assesses whether the financial instruments' cash flows represent solely payments of principal and interest (the 'SPPI test'). In making this assessment, the Group considers whether the contractual cash flows are consistent with a basic lending arrangement i.e. interest includes only consideration for the time value of money, credit risk, other basic lending risks and a profit margin that is consistent with a basic lending arrangement. Where the contractual terms introduce exposure to risk or volatility that are inconsistent with a basic lending arrangement, the related financial asset is classified and measured at fair value through profit or loss. The amortized cost, as mentioned above, is computed using the effective interest rate method.

After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method less impairment. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in interest income in the statement of profit or loss. The losses arising from impairment are recognised in the statement of profit and loss.

4.14.1.4 Debt instruments at FVOCI

A 'debt instrument' is classified as at the FVTOCI if both of the following criteria are met:
The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets, and The asset's contractual cash flows represent SPPI.

Debt instruments included within the FVTOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognized in the other comprehensive income (OCI). However, the Group recognizes interest income, impairment losses & reversals and foreign exchange gain or loss in the Statement of Profit & Loss. On derecognition of the asset, cumulative gain or loss previously recognised in OCI is reclassified from the equity to Statement of profit and loss. Interest earned whilst holding FVTOCI debt instrument is reported as interest income using the EIR method.

4.14.1.5 Debt instruments at FVTPL

FVTPL is a residual category for debt instruments. Any debt instrument, which does not meet the criteria for categorization as at amortized cost or as FVTOCI, is classified as at FVTPL.

In addition, the Group may elect to designate a debt instrument, which otherwise meets amortized cost or FVTOCI criteria, as at FVTPL. However, such election is allowed only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as 'accounting mismatch'). Debt instruments included within the FVTPL category are measured at fair value with all changes recognized in the Statement of profit and loss.

4.14.1.6 Equity Investments

All equity investments in scope of Ind AS 109 are measured at fair value. Equity instruments which are held for trading classified as at FVTPL. For all other equity instruments, the Group may make an irrevocable election to present in other comprehensive income subsequent changes in the fair value. The Group makes such election on an instrument-by- instrument basis. The classification is made on initial recognition and is irrevocable.
If the Group decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognized in the Other Comprehensive Income. There is no recycling of the amounts from Other Comprehensive Income to Statement of Profit &Loss, even on sale of investment. However, the Group may transfer the cumulative gain or loss within equity.

Equity instruments included within the FVTPL category are measured at fair value with all changes recognized in the Statement of profit and loss

4.14.2 Financial Liabilities

4.14.2.1 Initial recognition and measurement

Financial liabilities are classified and measured at amortised cost or FVTPL. A financial liability is classified as at FVTPL if it is classified as held-for trading or it is designated as on initial recognition. All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

The Group's financial liabilities include trade and other payables, borrowings including bank overdrafts and derivative financial instruments.

4.14.2.2 Borrowings

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit and loss. This category generally applies to borrowings.

4.14.3 Derivative financial instruments

The Group holds derivatives to mitigate the risk of changes in exchange rates on foreign currency exposures as well as interest fluctuations. The counterparty for these contracts is generally a bank. Derivatives that are not designated a hedge are categorized as financial assets or financial liabilities, at fair value through profit or loss. Such derivatives are recognized initially at fair value and attributable transaction costs are recognized in net profit in the Statement of Profit and Loss when incurred. Subsequent to initial recognition, these derivatives are measured at fair value through profit or loss and the resulting gains or losses are included in Statement of Profit and Loss.

4.14.4 Reclassification of financial assets and liabilities

The Group doesn't reclassify its financial assets subsequent to their initial recognition, apart from the exceptional circumstances in which the Group acquires, disposes of, or terminates a business line. Financial liabilities are never reclassified.

4.14.5 De recognition of financial assets and liabilities

4.14.5.1 Financial Assets

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is de-recognised when the rights to receive cash flows from the financial asset have expired. The Group also de-recognised the financial asset if it has transferred the financial asset and the transfer qualifies for de recognition.

The Group has transferred the financial asset if, and only if, either:

• It has transferred its contractual rights to receive cash flows from the financial asset
Or
• It retains the rights to the cash flows, but has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement

Pass-through arrangements are transactions whereby the Group retains the contractual rights to receive the cash flows of a financial asset (the 'original asset'), but assumes a contractual obligation to pay those cash flows to one or more entities (the 'eventual recipients'), when all of the following three conditions are met:
• The Group has no obligation to pay amounts to the eventual recipients unless it has collected equivalent amounts from the original asset, excluding short-term advances with the right to full recovery of the amount lent plus accrued interest at market rates.
• The Group cannot sell or pledge the original asset other than as security to the eventual recipients.
• The Group has to remit any cash flows it collects on behalf of the eventual recipients without material delay.

In addition, the Group is not entitled to reinvest such cash flows, except for investments in cash or cash equivalents including interest earned, during the period between the collection date and the date of required remittance to the eventual recipients.

A transfer only qualifies for derecognition if either:
• The Group has transferred substantially all the risks and rewards of the asset
Or
• The Group has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.
The Group considers control to be transferred if and only if, the transferee has the practical ability to sell the asset in its entirety to an unrelated third party and is able to exercise that ability unilaterally and without imposing additional restrictions on the transfer.

When the Group has neither transferred nor retained substantially all the risks and rewards and has retained control of the asset, the asset continues to be recognised only to the extent of the Group's continuing involvement, in which case, the Group also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Group has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration the Group could be required to pay.

If continuing involvement takes the form of a written or purchased option (or both) on the transferred asset, the continuing involvement is measured at the value the Group would be required to pay upon repurchase. In the case of a written put option on an asset that is measured at fair value, the extent of the entity's continuing involvement is limited to the lower of the fair value of the transferred asset and the option exercise price. The profit or loss on derecognition is recognised in the Statement of profit and loss.

Derecognition due to modification of terms and conditions

The Group de-recognizes a financial asset, when the terms and conditions have been renegotiated to the extent that, substantially, it becomes a new loan, with the difference recognised as a derecognition gain or loss, to the extent that an impairment loss has not already been recorded. The newly recognised loans are classified as Stage 1 for ECL measurement purposes, unless the new loan is deemed to be Purchase Oriented Credit Impaired ("POCI":)

If the modification does not result in cash flows that are substantially different, the modification does not result in derecognition. Based on the change in cash flows discounted at the original EIR, the Group records a modification gain or loss, to the extent that an impairment loss has not already been recorded.

4.14.5.2 Financial Liabilities

A financial liability is derecognised when the obligation under the liability is discharged, cancelled or expires. Where an existing financial liability is replaced by another from the same lender on substantially different terms or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a derecognition of the original liability and the recognition of a new liability. The difference between the carrying value of the original financial liability and the consideration paid is recognised in profit or loss.

4.15 Impairment of financial assets

4.15.1 Overview of the ECL principles
The Group is recording the allowance for expected credit losses for all loans and other debt financial assets not held at FVTPL, together with loan commitments and financial guarantee contracts, (in this section all referred to as 'financial instruments'). Equity instruments are not subject to impairment under IND AS 109.

The ECL allowance is based on:

a) 12 months' expected credit loss (12mECL) where there is no significant increase in credit risk since origination and

b) on the the credit losses expected to arise over the life of the asset (the lifetime expected credit loss or LTECL)

The 12mECL is the portion of LTECL that represents the ECL that results from default events on a financial instrument that are possible within the 12 months after the reporting date.

Both LTECL and 12mECL are calculated on individual and collective basis, depending on the nature of the underlying portfolio of financial instruments. The Group has established a policy to perform an assessment, at the end of each reporting period, of whether a financial instrument's credit risk has increased significantly since initial recognition.
Based on the above process, the Company groups its loans into Stage 1, Stage 2, Stage 3, as described below:

Stage 1 : When loans are first recognised, the Company recognises an allowance based on 12mECL. Stage 1 loans also include facilities where the credit risk has improved and the loan has been reclassified from Stage 2 or Stage 3.
Stage 2: When a loan has shown a significant increase in credit risk since origination, the company records an allowance for the LTECL. Stage 2 loans also include facilities, where the credit risk has improved and the loan has been reclassified from Stage 3.
Stage 3: Loans considered credit-impaired. The Company records an allowance for the LTECL.

4.15.2 The calculation of ECLs

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

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

• PD - The Probability of Default is an estimate of the likelihood of default over a given time horizon. A default may only happen at a certain time over the assessed period, if the facility has not been previously derecognised and is still in the portfolio.
• EAD - The Exposure at Default is an exposure at a default date.
• LGD - The Loss Given Default is an estimate of the loss arising in the case where a default occurs at a given time. It is based on the difference between the contractual cash flows due and those that the lender would expect to receive, including from the realisation of any collateral. It is usually expressed as a percentage of the EAD.

The maximum period for which the credit losses are determined is the expected life of a financial instrument.

The mechanics of the ECL method are summarised below:
Stage 1: The 12mECL is calculated as the portion of LTECL that represent the ECL that result from default events on a financial instrument that are possible within the 12 months after the reporting date. The Group calculates the 12mECL allowance based on the expectation of a default occurring in the 12 months following the reporting date. These expected 12-month default probabilities are applied to an EAD and multiplied by the expected LGD.
Stage 2: When a loan has shown a significant increase in credit risk since origination, the Company records an allowance for the LTECL. The mechanics are similar to those explained above, but PDs and LGDs are estimated over the lifetime of the instrument.
Stage 3: For loans considered credit-impaired , the Company recognizes the lifetime expected credit losses for these loans. The method is similar to that for Stage 2 assets, with the PD set at 100%.

Loan commitments: When estimating LTECL for undrawn loan commitments, the Company estimates the expected portion of the loan commitment that will be drawn down over its expected life. The ECL is then based on the present value of the expected shortfalls in cash flows if the loan is drawn down. The expected cash shortfalls are discounted at an approximation to the expected EIR on the loan.

For loan commitments, the ECL is recognised within Provisions.

4.15.3 Forward looking information

While estimating the expected credit losses, the Group reviews macro-economic developments occurring in the economy and market it operates in. On a periodic basis, the Group analyses if there is any relationship between key economic trends like GDP, Property Price Index, Unemployment rates, Benchmark rates set by the Reserve Bank of India, inflation etc. with the estimate of PD, LGD determined by the Group based on its internal data. While the internal estimates of PD, LGD rates by the Group may not be always reflective of such relationships, temporary overlays are embedded in the methodology to reflect such macro-economic trends reasonably.

4.15.4 Write-offs

Financial assets are written off partially or in their entirety when the recovery of amounts due is considered unlikely. If the amount to be written off is greater than the accumulated loss allowance, the difference is first treated as an addition to the allowance that is then applied against the gross carrying amount. Any subsequent recoveries are credited to Statement of Profit and Loss.

4.16 Fair value measurement

The Group measures financial instruments, such as, derivatives at fair value at each balance sheet date using valuation techniques.
Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

In the principal market for the asset or liability, or
In the absence of a principal market, in the most advantageous market for the asset or liability

The principal or the most advantageous market must be accessible by the Group.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

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

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities
Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable
For assets and liabilities that are recognised in the financial statements on a recurring basis, the Group determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period

4.17 Dividend

The Group recognises a liability to make cash distributions to equity holders when the distribution is authorised and the distribution is no longer at the discretion of the Group. Final dividends on shares are recorded as a liability on the date of approval by the shareholders and interim dividends are recorded as a liability on the date of declaration by the Group's Board of Directors.

4.18 Hedging

The Group makes use of derivative instruments to manage exposures to interest rate and foreign currency. In order to manage particular risks, the Group applies hedge accounting for transactions that meet specified criteria.
At the inception of a hedge relationship, the Group formally designates and documents the hedge relationship to which the Group wishes to apply hedge accounting and the risk management objective and strategy for undertaking the hedge. The documentation includes the Group's risk management objective and strategy for undertaking hedge, the hedging/ economic relationship, the hedged item or transaction, the nature of the risk being hedged, hedge ratio and how the entity will assess the effectiveness of changes in the hedging instrument's fair value in offsetting the exposure to changes in the hedged item's fair value or cash flows attributable to the hedged risk. Such hedges are expected to be highly effective in achieving offsetting changes in fair value or cash flows and are assessed on an ongoing basis to determine that they actually have been highly effective throughout the financial reporting periods for which they were designated.
Hedges that meet the strict criteria for hedge accounting are accounted for, as described below:

4.18.1 Fair value hedges

Fair value hedges hedge the exposure to changes in the fair value of a recognised asset or liability or an unrecognised firm commitment, or an identified portion of such an asset, liability or firm commitment, that is attributable to a particular risk and could affect profit or loss.

For designated and qualifying fair value hedges, the cumulative change in the fair value of a hedging derivative is recognised in the statement of profit and loss in net gain on fair value changes. Meanwhile, the cumulative change in the fair value of the hedged item attributable to the risk hedged is recorded as part of the carrying value of the hedged item in the balance sheet and is also recognised in the statement of profit and loss in net gain on fair value changes.

The Group classifies a fair value hedge relationship when the hedged item (or group of items) is a distinctively identifiable asset or liability hedged by one or a few hedging instruments. The financial instruments hedged for interest rate risk in a fair value hedge relationships fixed rate debt issued and other borrowed funds.

If the hedging instrument expires or is sold, terminated or exercised, or where the hedge no longer meets the criteria for hedge accounting, the hedge relationship is discontinued prospectively. If the relationship does not meet hedge effectiveness criteria, the Group discontinues hedge accounting from the date on which the qualifying criteria are no longer met. For hedged items recorded at amortised cost, the accumulated fair value hedge adjustment to the carrying amount of the hedged item on termination of the hedge accounting relationship is amortised over the remaining term of the original hedge using the recalculated EIR method by recalculating the EIR at the date when the amortisation begins. If the hedged item is derecognised, the unamortised fair value adjustment is recognised immediately in the statement of profit and loss.

4.18.2 Cash flow hedges

A cash flow hedge is a hedge of the exposure to variability in cash flows that is attributable to a particular risk associated with a recognised asset or liability (such as all or some future interest payments on variable rate debt) or a highly probable forecast transaction and could affect profit or loss.

For designated and qualifying cash flow hedges, the effective portion of the cumulative gain or loss on the hedging instrument is initially recognised directly in OCI within equity (cash flow hedge reserve). The ineffective portion of the gain or loss on the hedging instrument is recognised immediately in the profit and loss statement.

When the hedged cash flow affects the statement of profit and loss, the effective portion of the gain or loss on the hedging instrument is recorded in the corresponding income or expense line of the statement of profit and loss. When the forecast transaction subsequently results in the recognition of a non-financial asset or a non-financial liability, the gains and losses previously recognised in OCI are reversed and included in the initial cost of the asset or liability.

When a hedging instrument expires, is sold, terminated, exercised, or when a hedge no longer meets the criteria for hedge accounting, any cumulative gain or loss that has been recognised in OCI at that time re-mains in OCI and is recognised when the hedged forecast transaction is ultimately recognised in the statement of profit and loss. When a forecast transaction is no longer expected to occur, the cumulative gain or loss that was reported in OCI is immediately transferred to the statement of profit and loss.

4.18.3 Cost of hedging

The Group also may separate forward element and the spot element of a forward contract and designate as the hedging instrument only the change in the value of the spot element of a forward contract. Similarly currency basis spread may be separated and excluded from the designation of a financial instrument as the hedging instrument.

When an entity separates the forward element and the spot element of a forward contract and designates as the hedging instrument only the change in the value of the spot element of the forward contract, or when an entity separates the foreign currency basis spread from a financial instrument and excludes it from the designation of that financial instrument as the hedging instrument, such amount is recognised in Other Comprehensive Income and accumulated as a separate component of equity under Cost of hedging reserve. These amounts are reclassified to the statement of profit or loss account as a reclassification adjustment in the same period or periods during which the hedged cash flows affect profit or loss.

4.19. Assets held for Sale

In the course of its business activities, the Group acquires and holds certain assets (residential / commercial) for sale. The Group is committed to sell these assets and such assets and the carrying amounts of such assets will be recovered principally through the sale of these assets.

In accordance with Ind AS 105 , assets held for sale are measured on the reporting date at the lower of carrying value or fair value less costs to sell. The Group does not charge depreciation on such assets. Fair value of such assets is determined based on independent valuations conducted by specialists.

4.20 Recent accounting pronouncements

The Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. On March 31, 2023, MCA amended the Companies (Indian Accounting Standards) Rules, 2015 by issuing the Companies (Indian Accounting Standards) Amendment Rules, 2023, applicable from April 1, 2023, as below:

Ind AS 1 – Presentation of Financial Statements

The amendments require companies to disclose their material accounting policies rather than their significant accounting policies. Accounting policy information, together with other information, is material when it can reasonably be expected to influence decisions of primary users of general purpose financial statements. The Group does not expect this amendment to have any significant impact in its financial statements.

Ind AS 12 – Income Taxes

The amendments clarify how companies account for deferred tax on transactions such as leases and decommissioning obligations. The amendments narrowed the scope of the recognition exemption in paragraphs 15 and 24 of Ind AS 12 (recognition exemption) so that it no longer applies to transactions that, on initial recognition, give rise to equal taxable and deductible temporary differences. The Group is evaluating the impact, if any, in its financial statements.

Ind AS 8 – Accounting Policies, Changes in Accounting Estimates and Errors

The amendments will help entities to distinguish between accounting policies and accounting estimates. The definition of a change in accounting estimates has been replaced with a definition of accounting estimates. Under the new definition, accounting estimates are “monetary amounts in financial statements that are subject to measurement uncertainty”. Entities develop accounting estimates if accounting policies require items in financial statements to be measured in a way that involves measurement uncertainty. The Group does not expect this amendment to have any significant impact in its financial statements.

(5)

Cash and cash equivalents	**As at March 31, 2023**	**As at March 31, 2022**
Cash-on-Hand	4.85	3.93
Cheques-on-Hand	413.44	49.50
Balance with banks		
In Current accounts#	1,953.07	4,341.41
Bank Deposits	1,326.28	3,591.20
Total	**3,697.64**	**7,986.04**

includes Rs. 3.39 Crore (Previous Year Rs. 4.03 Crore) in designated unclaimed dividend accounts.

(6)

Bank Balance other than cash and cash equivalents	**As at March 31, 2023**	**As at March 31, 2022**
Balances with banks to the extent held as margin money or security against the borrowings, guarantees, other commitments[1]	1,534.59	1,666.81
Total	**1,534.59**	**1,666.81**

(1) Deposits accounts with bank are held as Margin Money/ are under lien / in the name of respective counterparties with whom the Group has entered into assignment deals. The Group has the complete beneficial interest on the income earned from these deposits.

(7) Derivative financial instruments

Part I	**As at March 31, 2023**			
	Notional amounts	**Fair value assets**	**Notional amounts**	**Fair value liabilities**
Currency Derivatives:				
- Forward Contracts	1,442.55	2.41	2,003.73	14.82
- Currency swaps	1,343.73	143.60	-	-
- Currency options	-	-	-	-
(i)	**2,786.28**	**146.01**	**2,003.73**	**14.82**
Interest rate derivatives - Interest Rate Swaps	1,859.73	20.31	-	-
(ii)	**1,859.73**	**20.31**	**-**	**-**
Total derivative financial instruments (i)+(ii)	**4,646.01**	**166.32**	**2,003.73**	**14.82**

(All amount in Rs. in Crore, except for share data unless stated otherwise)

Part II	As at March 31, 2023			
	Notional amounts	Fair value assets	Notional amounts	Fair value liabilities
Included in above are derivatives held for hedging and risk management purposes as follows:				
Fair value hedging:				
Interest rate derivatives	-	-	-	-
(i)	**-**	**-**	**-**	**-**
Cash flow hedging:				
- Forward Contracts	1,442.55	2.41	2,003.73	14.82
-Currency swaps	1,343.73	143.60	-	-
-Currency options	-	-	-	-
-Interest rate derivatives	1,859.73	20.31	-	-
(ii)	**4,646.01**	**166.32**	**2,003.73**	**14.82**
Undesignated derivatives (iii)	-	-	-	-
Total derivative financial instruments (i)+(ii)+(iii)	**4,646.01**	**166.32**	**2,003.73**	**14.82**

Part I	As at March 31, 2022			
	Notional amounts	Fair value assets	Notional amounts	Fair value liabilities
Currency Derivatives:				
- Forward Contracts	726.24	2.93	4,693.05	101.60
-Currency swaps	1,516.73	146.19	-	-
-Currency options	-	-	-	-
(i)	**2,242.97**	**149.12**	**4,693.05**	**101.60**
Interest rate derivatives - Interest Rate Swaps	-	-	2,182.90	21.11
(ii)	**-**	**-**	**2,182.90**	**21.11**
Total derivative financial instruments (i)+(ii)	**2,242.97**	**149.12**	**6,875.95**	**122.71**

(All amount in Rs. in Crore, except for share data unless stated otherwise)

Part II	**As at March 31, 2022**			
	Notional amounts	**Fair value assets**	**Notional amounts**	**Fair value liabilities**
Included in above are derivatives held for hedging and risk management purposes as follows:				
Fair value hedging:				
Interest rate derivatives	-	-	-	-
(i)	**-**	**-**	**-**	**-**
Cash flow hedging:				
- Forward Contracts	726.24	2.93	4,693.05	101.60
- Currency swaps	1,516.73	146.19	-	-
- Currency options	-	-	-	-
-Interest rate derivatives	-	-	2,182.90	21.11
(ii)	**2,242.97**	**149.12**	**6,875.95**	**122.71**
Undesignated derivatives (iii)	**-**	**-**	**-**	**-**
Total derivative financial instruments (i)+(ii)+(iii)	**2,242.97**	**149.12**	**6,875.95**	**122.71**

7.1 Hedging activities and derivatives

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

7.1.1 Derivatives not designated as hedging instruments

The Group uses interest rate swaps to manage its interest rate risk arising from INR denominated borrowings . The interest rate swaps are not designated in a hedging relationship and are entered into for periods consistent with exposure of the underlying transactions.

(All amount in Rs. in Crore, except for share data unless stated otherwise)

7.1.2 Derivatives designated as hedging instruments

a. Cash flow hedges

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

The Group is exposed to interest rate risk arising from its foreign currency borrowings amounting to $ 270,000,000 (Previous Year $ 320,000,000). Interest on the borrowing is payable at a floating rate linked to USD LIBOR. The Group economically hedged the interest rate risk arising from the debt with a 'receive floating pay fixed' interest rate swap ('swap').

The Group uses Interest Rate Swaps (IRS) Contracts (Floating to Fixed) to hedge its risks associated with interest rate fluctuations relating interest rate risk arising from foreign currency loans / external commercial borrowings. The Group designates such IRS contracts in a cash flow hedging relationship by applying the hedge accounting principles as per IND AS 109. These IRS contracts are stated at fair value at each reporting date. Changes in the fair value of these IRS contracts that are designated and effective as hedges of future cash flows are recognised directly in "Cash Flow Hedge Reserve" under Reserves and surplus and the ineffective portion is recognised immediately in the Statement of Profit and Loss. Hedge accounting is discontinued when the hedging instrument expires or is sold, terminated, or exercised, or no longer qualifies for hedge accounting.

The Group also hedges foreign currency risk arising from its fixed rate foreign currency bond by entering into the Forward Contracts and Principal Only Swaps. There is an economic relationship between the hedged item and the hedging instrument as the terms of the Forward contracts/Principal Only Swaps match that of the foreign currency borrowing (notional amount, interest payment dates, principal repayment date etc.). The Group has established a hedge ratio of 1:1 for the hedging relationships as the underlying risk of the Forward contracts/Cross currency swap are identical to the hedged risk components.

	As at March 31, 2023			
	Notional amount	Carrying amount	Line item in the statement of financial position	Change in fair value used for measuring ineffectiveness for the year
The impact of hedging instruments (Net)	6,649.74	151.50	Derivative Financial Asset/ (Liability)	9.11

	As at March 31, 2022			
	Notional amount	Carrying amount	Line item in the statement of financial position	Change in fair value used for measuring ineffectiveness for the year
The impact of hedging instruments (Net)	9,118.92	26.41	Derivative Financial Asset/ (Liability)	80.99

(All amount in Rs. in Crore, except for share data unless stated otherwise)

	Change in fair value	Cash flow hedge reserve (Gross of Income Tax) as at March 31 , 2023	Cost of hedging as at March 31 , 2023	Cash flow hedge reserve (Gross of Income Tax) as at March 31 , 2022	Cost of hedging as at March 31 , 2022
The impact of hedging item	9.11	(477.45)	-	(486.56)	-

March, 31, 2023	Total hedging gain / (loss) recognised in OCI	Ineffective-ness recognised in profit or (loss)	Line item in the statement of profit and loss
Effect of Cash flow hedge	9.11	0.16	Finance cost

March, 31, 2022	Total hedging gain / (loss) recognised in OCI	Ineffective-ness recognised in profit or (loss)	Line item in the statement of profit and loss
Effect of Cash flow hedge	80.99	0.25	Finance cost

b Fair value hedge

The Group uses IRS instruments to convert a proportion of its fixed rate debt to floating rates in order to hedge the interest rate risk arising, principally, from issue of non-convertible debentures. Group designates these as fair value hedges of interest rate risk. Changes in the fair values of derivatives designated as fair value hedges and changes in fair value of the related hedged item are recognised directly in the Statement of Profit and Loss thus ineffective portion being recognised in the Statement of Profit and Loss.

(8)

Trade Receivables	As at March 31, 2023	As at March 31, 2022
Receivables considered good - Unsecured	28.42	9.26
Receivables which have significant increase in credit risk	-	-
Receivables – credit impaired	-	-
Total	**28.42**	**9.26**

Trade Receivables ageing schedule as at March 31, 2023

Particulars	Less than 6 Months	6 months to 1 Year	1-2 Years	2-3 Years	>3 Years	Total
(i) Undisputed Trade receivables considered good	27.34	0.70	0.22	0.10	0.06	**28.42**
(ii) Undisputed Trade receivables considered doubtful	-	-	-	-	-	-
(iii) Disputed Trade receivables considered good	-	-	-	-	-	-
(iv) Disputed Trade receivables considered doubtful	-	-	-	-	-	-

Trade Receivables ageing schedule as at March 31, 2022

Particulars	Less than 6 Months	6 months to 1 Year	1-2 Years	2-3 Years	>3 Years	Total
(i) Undisputed Trade receivables considered good	6.35	2.72	0.13	0.02	0.04	**9.26**
(ii) Undisputed Trade receivables considered doubtful	-	-	-	-	-	-
(iii) Disputed Trade receivables considered good	-	-	-	-	-	-
(iv) Disputed Trade receivables considered doubtful	-	-	-	-	-	-

(9)

Loans	**As at March 31, 2023**	**As at March 31, 2022**
	Amortised Cost	**Amortised Cost**
Term Loans (Net of Assignment)(1) to (3)*	57,011.22	61,589.26
Less: Impairment loss allowance	1,179.92	1,639.07
Total (A) Net	**55,831.30**	**59,950.19**
Secured by tangible assets and intangible assets(2) & (3)	54,305.07	58,481.02
Unsecured	2,706.15	3,108.24
Less: Impairment loss allowance	1,179.92	1,639.07
Total (B) Net	**55,831.30**	**59,950.19**

Loans	**As at March 31, 2023**	**As at March 31, 2022**
	Amortised Cost	**Amortised Cost**
(C) (I) Loans in India		
Others	57,011.22	61,589.26
Less: Impairment loss allowance	1,179.92	1,639.07
Total (C)(I) Net	**55,831.30**	**59,950.19**
(C) (II)Loans outside India	-	-
Less: Impairment loss allowance	-	-
Total (C)(II) Net	**-**	**-**
Total C (I) and C (II)	**55,831.30**	**59,950.19**

(1) Term Loans (Net of Assignment):	**As at March 31 , 2023**	**As at March 31 , 2022**
	Amortised Cost	**Amortised Cost**
Total Term Loans	67,020.04	72,211.13
Less: Loans Assigned	12,743.63	12,878.47
	54,276.41	**59,332.66**
Add: Interest Accrued on Loans#@	2,734.81	2,256.60
Term Loans (Net of Assignment)	**57,011.22**	**61,589.26**

*Includes credit substitutes

includes redemption premium accrued on zero coupon bond for Rs 1,722.31 Crore (Previous year Rs. 1,154.10 crore), which will become due and payable upon maturity only. The accounting of the redemption premium shall in no way whatsoever, be considered as the credit of the premium to the account of the Group nor create an enforceable right in favour of the Group on any date prior to redemption.

@ includes interest accrued on units of AIF amounting to Rs. 190.33 Crore (Previous year Rs. 376.14 Crore), which will become due and payable upon maturity only.

(All amount in Rs. in Crore, except for share data unless stated otherwise)

(2) Secured Loans and Other Credit Facilities given to customers are secured / partly secured by :
(a) Equitable mortgage of property and / or
(b) Pledge of shares / debentures, units, other securities, assignment of life insurance policies and / or
(c) Hypothecation of assets and / or
(d) Company guarantees and / or
(e) Personal guarantees and / or
(f) Negative lien and / or Undertaking to create a security.

(3) Impairment allowance for loans and advances to customers

Group's Analytics Department has designed and operates its Internal Rating Model. The model is tested and calibrated periodically. The model grades loans on a four-point grading scale, and incorporates both quantitative as well as qualitative information on the loans and the borrowers. The model uses historical empirical data to arrive at factors that are indicative of future credit risk and segments the portfolio on the basis of combinations of these parameters into smaller homogenous portfolios from the perspective of credit behaviour. Some of the factors that the internal risk based model may consider are:
a) Loan to value
b) Type of collateral
c) Cash-flow and income assessment of the borrower
d) Interest and debt service cover
e) Repayment track record of the borrower
f) Vintage i.e. months on books and number of paid EMIs
g) Project progress in case of project finance

In addition to information specific to the borrower and the performance of the loan, the model may also utilise supplemental external information that could affect the borrower's behaviour. The model is also calibrated to incorporate external inputs such as GDP growth rate, unemployment rate and factors specific to the sector/industry of the borrower.

The Internal Rating Model is dynamic and is calibrated periodically; the choice of parameters and division into smaller homogenous portfolios is thus also dynamic.

The table below shows the credit quality and the maximum exposure to credit risk based on the Group's internal credit rating system and year-end stage classification*.

Risk Categorization	**March 31, 2023**			
	Stage 1	**Stage 2**	**Stage 3**	**Total**
Very Good	44,453.63	-	-	44,453.63
Good	2,345.81	2,002.53	-	4,348.34
Average	0.49	3,555.51	-	3,556.00
Non-performing	-	-	1,918.44	1,918.44
Grand Total	**46,799.93**	**5,558.04**	**1,918.44**	**54,276.41**

Risk Categorization	**March 31, 2022**			
	Stage 1	**Stage 2**	**Stage 3**	**Total**
Very Good	30,417.60	270.27	-	30,687.87
Good	8,290.57	12,974.00	-	21,264.57
Average	-	5,061.76	-	5,061.76
Non-performing	-	-	2,318.46	2,318.46
Grand Total	**38,708.17**	**18,306.03**	**2,318.46**	**59,332.66**

*The above table does not include the amount of interest accrued but not due in all the years.

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Notes to Consolidated Financial Statements for the year ended March 31, 2023
(All amount in Rs. in Crore, except for share data unless stated otherwise)

An analysis of changes in the ECL allowances in relation to Loans & advances is, as follows:

Particulars	March 31, 2023			
	Stage 1	Stage 2	Stage 3	Total
ECL allowance opening balance	**320.03**	**370.43**	**954.31**	**1,644.77**
ECL on assets added/ change in ECL estimates	295.96	968.10	561.06	1,825.12
Assets derecognised or repaid (including write offs/ Write back)	(98.42)	(1,102.42)	(1,085.40)	(2,286.24)
Transfers from Stage 1	(118.97)	39.90	79.07	-
Transfers from Stage 2	24.34	(157.18)	132.84	-
Transfers from Stage 3	0.08	0.04	(0.12)	-
ECL allowance closing balance#	**423.02**	**118.87**	**641.76**	**1,183.65**

The decrease in total ECL during the year is due to overall decrease in loan portfolio and certain loans which became non performing being written off.
#Includes ECL on undrawn loan commitments for Rs. 3.73 Crore

Particulars	March 31, 2022			
	Stage 1	Stage 2	Stage 3	Total
ECL allowance opening balance	**559.84**	**1,038.70**	**859.79**	**2,458.33**
ECL on assets added/ change in ECL estimates	540.78	1,309.78	1,169.38	3,019.94
Assets derecognised or repaid (including write offs/ Write back)	(633.87)	(1,806.48)	(1,393.15)	(3,833.50)
Transfers from Stage 1	(158.45)	104.01	54.44	-
Transfers from Stage 2	11.58	(275.94)	264.36	-
Transfers from Stage 3	0.15	0.36	(0.51)	-
ECL allowance closing balance	**320.03**	**370.43**	**954.31**	**1,644.77**

The decrease in total ECL during the year is due to overall decrease in loan portfolio and certain loans which became non performing being written off.
#Includes ECL on undrawn loan commitments for Rs. 5.70 Crore

(4) Impairment assessment
The Group's impairment assessment and measurement approach is set out in the notes below. It should be read in conjunction with the Summary of significant accounting policies.

(4) (i) Probability of default
The Group considers a loan as defaulted and classified it as Stage 3 (credit-impaired) for ECL calculations typically when the borrowers become 90 days past due on contract payments.

Classification of loans into Stage 2 is done on a conservative basis and typically accounts where contractual repayments are more than 30 days past due are classified in Stage 2. Accounts usually go over 30 days past due owing to temporary mismatch in timing of borrower's or his/her business' underlying cashflows, and are usually quickly resolved. The Group may also classify a loan in Stage 2 if there is significant deterioration in the loans collateral, deterioration in the financial condition of the borrower or an assessment that adverse market conditions may have a disproportionately detrimental effect on the loan repayment. Thus as a part of the qualitative assessment of whether an instrument is in default, the Group also considers a variety of instances that may indicate delay in or non-repayment of the loan. When such event occurs, the Group carefully considers whether the event should result in treating the borrower as defaulted and therefore assessed as Stage 3 for ECL calculations or whether Stage 2 is appropriate.

It is the Group's policy to consider a financial instrument as 'cured' and therefore re-classified out of Stage 3 when none of the default criteria are present. The decision whether to classify an asset as Stage 2 or Stage 1 once cured depends on the updated credit grade once the account is cured, and whether this indicates there has been a significant reduction in credit risk.

(4) (ii) Internal rating model and PD Estimation process
Group's Analytics Department has designed and operates its Internal Rating Model that factors in both quantitative as well as qualitative information on the loans and the borrowers. Both Lifetime ECL and 12 months ECL are calculated either on individual basis or a collective basis, depending on the nature of the underlying loan portfolio. In addition to information specific to the borrower and the performance of the loan, the model may also utilise supplemental external information that could affect the borrower's behaviour. The model is also calibrated to incorporate external inputs such as GDP growth rate, unemployment rate and factors specific to the sector/industry of the borrower.

(4) (iii) Exposure at default
The outstanding balance as at the reporting date is considered as EAD by the Group. Considering that PD determined above factors in amount at default, there is no separate requirement to estimate EAD.

(4) (iv) Loss given default
The Group uses historical loss data for identified homogenous pools for the purpose of calculating LGD. The estimated recovery cash flows are discounted such that the LGD calculation factors in the NPV of the recoveries.

(4) (v) Significant increase in credit risk
The internal rating model evaluates the loans on an ongoing basis. The rating model also assesses if there has been a significant increase in credit risk since the previously assigned risk grade One key factor that indicates significant increase in credit risk is when contractual payments are more than 30 days past due.

(5) Inputs to the ECL model for forward looking economic scenarios
The internal rating model also provides for calibration to reflect changes in macroeconomic parameters and industry specific factors.

(6) Collateral
The Group is in the business of extending secured loans mainly backed by mortgage of property (residential or commercial).

In addition to the above mentioned collateral, the Group holds other types of collateral and credit enhancements, such as cross-collateralisation on other assets of the borrower, share pledge, guarantees of parent/holding companies, personal guarantees of promoters/proprietors, hypothecation of receivables via escrow account, hypothecation of receivables in other bank accounts etc.

In its normal course of business, the Group does not physically repossess properties or other assets, but recovery efforts are made on delinquent loans through on-rolls collection executives, along with legal means to recover due loan repayments. Once contractual loan repayments are more than 90 days past due, repossession of property may be initiated under the provisions of the SARFAESI Act 2002. Re-possessed property is disposed of in the manner prescribed in the SARFAESI act to recover outstanding debt.

The Group did not hold any financial instrument for which no loss allowance is recognised because of collateral as at March 31, 2023. There was no change in the Group's collateral policy during the year.

(7) As at the year end the Group has undrawn loan commitments (after applying credit conversion factor) of Rs. 1,085.54 Crore (Previous Year Rs. 825.43 Crore).

(10) Investments

Investments	As at March 31, 2023			
	At amortised cost	At fair value		Total
		Through other comprehensive income	Through profit or loss	
Mutual funds and Debt Funds	-	302.89	4,024.54	4,327.43
Debt Securities	-	-	919.41	919.41
Commercial Papers	-	-	123.39	123.39
Total gross (A)	**-**	**302.89**	**5,067.34**	**5,370.23**
Overseas Investments	-	-	-	-
Investments in India	-	302.89	5,067.34	5,370.23
Total (B)	**-**	**302.89**	**5,067.34**	**5,370.23**
Total (A) to tally with (B)	-	-	-	-
Less: Allowance for Impairment loss (C)	-	-	-	-
Total Net D = (A) -(C)	**-**	**302.89**	**5,067.34**	**5,370.23**

Investments	As at March 31, 2022			
	Amortised Cost	At fair value		Total
		Through other comprehensive income	Through profit or loss	
Mutual funds and Debt Funds	-	-	4,351.79	4,351.79
Government Securities	-	-	508.65	508.65
Debt Securities	-	-	584.20	584.20
Equity Instruments	-	2.14	-	2.14
Commercial Papers	-	-	98.84	98.84
Total gross (A)	**-**	**2.14**	**5,543.48**	**5,545.62**
Overseas Investments	-	-	-	-
Investments in India	-	2.14	5,543.48	5,545.62
Total (B)	**-**	**2.14**	**5,543.48**	**5,545.62**
Total (A) to tally with (B)				-
Less: Allowance for Impairment loss (C)	-	-	-	-
Total Net D = (A) -(C)	**-**	**2.14**	**5,543.48**	**5,545.62**

(1) On December 13, 2010 the Erstwhile Holding Company (IBFSL) had sold 26% shares held by it in Indian Commodity Exchange Limited (ICEX) to Reliance Exchange Next Limited (R-Next) for a total consideration of Rs. 47.35 Crore against a proportionate cost of Rs. 26.00 Crore. As a result thereof, the stake of IBFSL in ICEX reduced from 40% to 14% and the same was reclassified as a long term investment from the earlier classification of being an Associate. MMTC Limited (MMTC) filed a petition before the National Company Law Tribunal (NCLT) (Earlier known as Company Law Board)) against ICEX, R-Next and IBFSL alleging that the transfer is null and void in terms of the Shareholders Agreement in view of the Forward Markets Commission (FMC) guidelines. IBFSL contends that such view of MMTC is based on the old FMC guidelines and without considering the amended FMC Guidelines dated June 17, 2010 wherein the transfer norms were relaxed. IBFSL had filed its objections on maintainability of the petition which is pending adjudication before the NCLT.

(2) During the financial year ended March 31, 2022, the Holding Company has sold 11,500,000 Equity Shares of Indian Commodity Exchange Limited for a total consideration of Rs. 2.85 Crores at a loss of Rs. 4.05 Crores. During the current financial year, the Group has sold 18,500,000 Equity Shares of Indian Commodity Exchange Limited for a total consideration of Rs. 1.85 Crore. With this, the Group had sold its entire stake in Indian Commodity Exchange Limited.

(3) During the financial year ended March 31, 2022, the Holding Company has sold 4,985,000 nos. of Equity shares held of Oaknorth Holdings Limited for a consideration of Rs. 293.42 crores and realised a gain of Rs. 253.03 crores. With this, the Group has sold its entire stake in Oaknorth Holdings Limited.

(4) Investment in mutual funds of Rs. 135.60 crores (March 31, 2022 Rs. 237.70 crores) under lien / provided as credit enhancement in respect of securitisation deal for loans.

(11)	**Other financial assets**	**As at March 31, 2023**	**As at March 31, 2022**
	Security Deposits	37.86	49.10
	Interest only Strip receivable	907.09	723.05
	Interest Accrued on Deposit accounts / Margin Money	1,189.43	128.92
	Interest Accrued on investment	3.94	3.70
	Margin Money on Derivative Contracts	89.13	86.11
	Other Receivable	770.82	43.39
	Total	**2,998.27**	**1,034.27**

12. Property, plant and equipment and intangible assets

Note 12.1 Property, plant and equipment

	Leasehold Improvements	Computers and printers	Furniture and fixtures	Motor vehicles	Office equipment	Land*	Building [1]	Total
Cost								
At April 1, 2021	59.60	65.47	30.39	91.91	23.95	0.42	14.60	286.34
Additions	2.31	0.47	1.46	8.46	0.54	-	-	13.24
Disposals	0.71	0.45	0.35	7.30	0.32	-	-	9.13
At March 31, 2022	**61.20**	**65.49**	**31.50**	**93.07**	**24.17**	**0.42**	**14.60**	**290.45**
Additions	11.85	6.15	3.51	10.14	2.70	-	-	**34.35**
Disposals	14.57	6.08	4.72	16.28	2.40	-	-	**44.05**
Discontinued Operations	-	0.05	-	-	-	-	-	**0.05**
At March 31, 2023	**58.48**	**65.51**	**30.29**	**86.93**	**24.47**	**0.42**	**14.60**	**280.70**
Depreciation								
At April 1, 2021	30.60	61.52	18.12	73.17	19.22	-	0.91	203.54
Charge for the year	9.31	3.47	2.31	10.26	2.14	-	0.24	27.73
Disposals	0.38	0.45	0.19	6.53	0.29	-	-	7.84
At March 31, 2022	**39.53**	**64.54**	**20.24**	**76.90**	**21.07**	**-**	**1.15**	**223.43**
Charge for the year	6.15	1.55	2.52	8.55	2.03	-	0.24	21.04
Disposals	14.05	6.05	4.46	14.57	2.39	-	-	41.52
Discontinued Operations	-	0.05	-	-	-	-	-	0.05
At March 31, 2023	**31.63**	**59.99**	**18.30**	**70.88**	**20.71**	**-**	**1.39**	**202.90**
Net Block								
At March 31, 2022	**21.67**	**0.95**	**11.26**	**16.17**	**3.10**	**0.42**	**13.45**	**67.02**
At March 31, 2023	**26.85**	**5.52**	**11.99**	**16.05**	**3.76**	**0.42**	**13.21**	**77.80**

Note 12.2 Other Intangible assets

	Software	Total
Gross block		
At April 1, 2021	89.99	89.99
Purchase	6.81	6.81
Disposals	-	-
At March 31, 2022	96.80	96.80
Purchase	15.01	15.01
Disposals	-	-
At March 31, 2023	**111.81**	**111.81**
Amortization		
At April 1, 2021	53.85	53.85
Charge for the year	14.69	14.69
At March 31, 2022	**68.54**	**68.54**
Charge for the year	15.15	15.15
At March 31, 2023	**83.69**	**83.69**
Net block		
At March 31, 2022	**28.26**	**28.26**
At March 31, 2023	**28.12**	**28.12**

*Mortgaged as Security against Secured Non Convertible Debentures(Refer Note 15)

(1) Flat costing Re. 0.31 Crore (Previous Year Re. 0.31 Crore) Mortgaged as Security against Secured Non Convertible Debentures(Refer Note 15)

Indiabulls Housing Finance Limited Group
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(13) Other non financial assets	As at March 31, 2023	As at March 31, 2022
Capital Advance Tangible Assets	5.89	10.65
Capital Advance In-Tangible Assets	5.33	2.72
Others including Prepaid Expenses, GST input Credit and Employee advances	573.01	592.61
Total	**584.23**	**605.98**

(14) Trade Payables	As at March 31, 2023	As at March 31, 2022
(a) Total outstanding dues of micro enterprises and small enterprises*; and	-	-
(b) Total outstanding dues of creditors other than micro enterprises and small enterprises	3.53	0.66
Total	**3.53**	**0.66**

* Disclosures under the Micro, Small and Medium Enterprises Development Act, 2006:
(a) An amount of Nil and Nil was due and outstanding to suppliers as at the end of the accounting year on account of Principal and Interest respectively.
(b) No interest was paid during the year in terms of section 16 of the Micro, Small and Medium Enterprises Development Act, 2006 and no amount was paid to the supplier beyond the appointed day.
(c) No amount of interest is due and payable for the period of delay in making payment but without adding the interest specified under the Micro, Small and Medium Enterprises Development Act, 2006
(d) No interest was accrued and unpaid at the end of the accounting year.
(e) No further interest remaining due and payable even in the succeeding years for the purpose of disallowance of a deductible expenditure under section 23 of the Micro, Small and Medium Enterprises Development Act, 2006.

The above information regarding Micro, Small and Medium Enterprises has been determined to the extent such parties have been identified on the basis of information available with the Group. This has been relied upon by the Auditors.

Trade Payables ageing schedule as at March 31, 2023

Particulars	<1 Year	1-2 Year	2-3 Year	>3 Year	Total
(i) MSME	-	-	-	-	-
(ii) Others	2.97	0.30	0.03	0.23	**3.53**
(iii) Disputed dues – MSME	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-

Trade Payables ageing schedule as at March 31, 2022

Particulars	<1 Year	1-2 Year	2-3 Year	>3 Year	Total
(i) MSME	-	-	-	-	-
(ii) Others	0.40	0.04	-	0.22	**0.66**
(iii) Disputed dues – MSME	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-

Indiabulls Housing Finance Limited Group
Notes to Consolidated Financial Statements for the year ended March 31, 2023
(All amount in Rs. in Crore, except for share data unless stated otherwise)

(15)

Debt Securities	**As at March 31, 2023**	**As at March 31, 2022**
	At Amortised Cost	
Secured		
Liability Component of Compound Financial Instrument*(Refer Note 33(i))	2,324.22	2,205.23
Debentures*(Refer Note 33(i))	16,512.85	21,460.11
Total gross (A)	**18,837.07**	**23,665.34**
Debt securities in India	16,512.85	18,808.38
Debt securities outside India	2,324.22	4,856.96
Total (B) to tally with (A)	**18,837.07**	**23,665.34**

*Secured against Immovable Property / Other financial Assets and pool of Current and Future Loan Receivables of the Group, including Investments

(16)

Borrowings other than debt securities*(1)	**As at March 31, 2023**	**As at March 31, 2022**
	At Amortised Cost	
Secured		
Term Loans from bank and others*(Refer Note 33(ii))	10,501.70	15,198.17
External Commercial borrowings (ECB)*(Refer Note 33(ii))	3,032.20	2,416.33
Repo Borrowing@	-	515.79
From banks- Cash Credit Facility*	1,356.39	1,125.96
From banks- Working Capital Loan*	4,458.00	4,829.00
Securitisation Liability*	9,014.08	8,330.04
Unsecured		
Loan from others(Refer Note 33(ii))	501.50	454.70
Lease Liability	305.59	198.00
Total gross (A)	**29,169.46**	**33,067.99**
Borrowings in India	26,137.26	30,651.66
Borrowings outside India (ECB)	3,032.20	2,416.33
Total (B) to tally with (A)	**29,169.46**	**33,067.99**

*Secured by hypothecation of Loan Receivables (Current and Future) / Other Financial Assets / Cash and Cash Equivalents of the Group including investments.
(1) There is no continuing default in the repayment of the aforesaid loans or interest as at the balance sheet date.
@ Secured against Government Securities

(17)

Subordinated liabilities	**As at March 31, 2023**	**As at March 31, 2022**
	At Amortised Cost	
-10.60% Non convertible Subordinated Perpetual Debentures*	100.00	100.00
-Subordinate Debt(Refer Note 33(iii))	4,296.94	4,526.03
Total gross (A)	**4,396.94**	**4,626.03**
Subordinated Liabilities in India	4,396.94	4,626.03
Subordinated Liabilities outside India	-	-
Total (B) to tally with (A)	**4,396.94**	**4,626.03**

*Call Option exercisable at the end of 10 years from the date of allotment only with the prior approval of the concerned regulatory authority.

(All amount in Rs. in Crore, except for share data unless stated otherwise)

(18)	Other financial liabilities	As at March 31, 2023	As at March 31, 2022
		At Amortised Cost	
	Interest accrued but not due on borrowings	929.17	1,082.49
	Foreign Currency Forward premium payable	590.40	538.97
	Amount payable on Assigned Loans	2,080.78	902.65
	Other liabilities	1,047.02	263.60
	Temporary Overdrawn Balances as per books	1.91	0.04
	Unclaimed Dividends[1]	3.39	4.03
	Servicing liability on assigned loans	53.08	88.44
	Total	**4,705.75**	**2,880.22**

(1) In respect of amounts as mentioned under Section 124 of the Companies Act, 2013, there were no dues required to be credited to the Investor Education and Protection Fund as on March 31, 2023. (With respect to year ended March 31, 2022 an amount of Rs. 2,280 (Rupees Two thousand two hundred Eighty only) which were issued to certain shareholders against revalidation cases for the payment of unpaid/unclaimed interim dividend could not be encashed by them and were again credited back to Company's unpaid dividend account. The same was deposited subsequent to the year ended March 31, 2022 to Investor Education and Protection fund).

(19)	Provisions	As at March 31, 2023	As at March 31, 2022
	Provision for employee benefits(Refer Note 29)		
	Provision for Compensated absences	17.64	16.60
	Provision for Gratuity	56.38	51.87
	Provision for Superannuation	-	60.92
	Provisions for Loan Commitments	3.73	5.70
	Total	**77.75**	**135.09**

(20)	Other Non-financial Liabilities	As at March 31, 2023	As at March 31, 2022
	Statutory Dues Payable and other non financial liabilities	359.46	649.14
	Total	**359.46**	**649.14**

(21) Equity share capital

Details of authorised, issued, subscribed and paid up share capital

	As at March 31, 2023	As at March 31, 2022
Authorised share Capital		
3,000,000,000 (Previous Year 3,000,000,000) Equity Shares of face value Rs. 2 each	600.00	600.00
1,000,000,000(Previous Year 1,000,000,000) Preference Shares of face value Rs.10 each	1,000.00	1,000.00
	1,600.00	**1,600.00**

	As at March 31, 2023	As at March 31, 2022
Issued , Subscribed & Paid up capital		
Issued and Subscribed Capital		
448,596,630 (March 31, 2022 - 445,571,504) Equity Shares of Rs. 2/- each	89.72	89.11
Called-Up and Paid Up Capital		
Fully Paid-Up		
448,596,630 (March 31, 2022 - 445,571,504) Equity Shares of Rs. 2/- each		
Terms / Rights attached to Share		
The Company has only one class of Equity Shares of face value Rs. 2 each (Previous Year Rs. 2 each) fully paid up. Each holder of Equity Shares is entitled to one vote per share. The final dividend proposed by the Board of Directors, if any, is subject to the approval of the Shareholders in the ensuing Annual General Meeting, if applicable.		
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. The distribution will be in proportion to the number of Equity Shares held by the Shareholders.		
Total	**89.72**	**89.11**

(i) As at March 31, 2023 542,505 (Previous Year 567,505) GDR's were outstanding and were eligible for conversion into Equity Shares. The Company does not have information with respect to holders of these GDR's. Holders of Global Depository Receipts (GDRs) will be entitled to receive dividends, subject to the terms of the Deposit Agreement, to the same extent as the holders of Equity Shares, less the fees and expenses payable under such Deposit Agreement and any Indian tax applicable to such dividends. Holders of GDRs will not have voting rights with respect to the Deposited Shares. The GDRs may not be transferred to any person located in India including Indian residents or ineligible investors except as permitted by Indian laws and regulations.

The reconciliation of equity shares outstanding at the beginning and at the end of the reporting period.

Name of the shareholder	As at March 31, 2023		As at March 31, 2022	
	No. of shares	Rs. In Crores	No. of shares	Rs. In Crores
Equity Share at the beginning of year	445,571,504	89.11	445,348,902	89.07
Add:				
Equity Share Allotted during the year				
ESOP exercised during the year(Refer note (iv))	-	-	14,650	-
Issue during the year(Refer note vii)	3,025,126	0.61	6,207,952	1.24
Less: Investment in Treasury Shares (Own Shares) during the FY 2021-22(Refer Note 22(15))	-	-	6,000,000	1.20
Equity share at the end of year	**448,596,630**	**89.72**	**445,571,504**	**89.11**

Indiabulls Housing Finance Limited Group
Notes to Consolidated Financial Statements for the year ended March 31, 2023
(All amount in Rs. in Crore, except for share data unless stated otherwise)

Details of shareholders holding more than 5% shares in the Company

Name of the shareholder	**As at March 31, 2023**	
	No. of shares	**% of holding**
Non - Promoters		
Inuus Infrastructure Private Limited*	27,943,325	5.93%
Life Insurance Corporation Of India	39,793,468	8.44%
Total	**67,736,793**	**14.36%**

*Pursuant to and in terms of BSE & NSE approvals dated February 22, 2023, the erstwhile promoters of the Company, namely, Mr. Sameer Gehlaut, Inuus Infrastructure Private Limited and Sameer Gehlaut IBH Trust, have been reclassified as Non-Promoter Shareholders/ Public Shareholders. Therefore, effective from February 22, 2023, the shareholding of Promoters and Promoter Group is appropriately included as part of Non-Promoters shareholding.

Details of shareholders holding more than 5% shares in the Company

Name of the shareholder	**As at March 31, 2022**	
	No. of shares	**% of holding**
Promoter		
Inuus Infrastructure Private Limited	27,943,325	5.96%
Non - Promoters		
Life Insurance Corporation Of India	41,451,766	8.85%
Total	**69,395,091**	**14.81%**

As per records of the Company, including its register of shareholders/ members and other declarations received from shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial ownerships of shares.

Shares held by Promoters at the end of the Financial Year 2023

Pursuant to and in terms of BSE & NSE approvals dated February 22, 2023, the erstwhile promoters of the Company, namely, Mr. Sameer Gehlaut, Inuus Infrastructure Private Limited and Sameer Gehlaut IBH Trust, have been reclassified as Public Shareholders. Therefore, effective from February 22, 2023, the shareholding of Promoters and Promoter Group is shown as NIL and their existing shareholding has been added to the Public shareholder.

Shares held by Promoters at the end of the Financial Year 2022

Promoter Name	**No. of Shares**		**% of Total Shares**		**% change during the year**
	31-03-2021	**31-03-2022**	**31-03-2021**	**31-03-2022**	
Sameer Gehlaut	17,251,482	500,000	3.73	0.11	(3.62)
Inuus Infrastructure Private Limited	82,943,325	27,943,325	17.94	5.96	(11.98)
Sameer Gehlaut IBH Trust	N.A..(Refer Footnote 1 below)	16,751,482	N.A..(Refer Footnote 1 below)	3.58	3.58
Total	**100,194,807**	**45,194,807**	**21.67**	**9.65**	**(12.03)**

Note 1: Became part of Promoter Group during the FY 2021-22

*During the financial year 2021-22, Mr. Sameer Gehlaut (the Promoter) resigned from the office of Non-Executive Director of the Company. The Company also received requests from currently belonging to the 'Promoter and Promoter Group' category of the Company ("Outgoing Promoters"), for their reclassification from 'Promoter and Promoter Group' to 'Public' category, which shall be subject to all requisite approvals.

(ii) **Employees Stock Options Schemes:**

Grants During the Year:

1. The Nomination and Remuneration Committee of the the Holding Company has, at its meeting held on April 26, 2022, granted under the "Indiabulls Housing Finance Limited Employees Stock Option Scheme - 2013 or IHFL ESOS - 2013", 10,800,000 Stock Options representing an equal number of equity shares of face value of Rs. 2 each at an exercise price of Rs. 152.85 per share, which is the latest available closing market price on the National Stock Exchange of India Limited, as on April 25, 2022. The Stock Options so granted, shall vest within 1 year beginning from April 27, 2023 or thereafter, as may be decided by Nomination and Remuneration Committee of the Holding Company.

2. The Nomination and Remuneration Committee of the Company has, at its meeting held on July 19, 2022, granted under the "Indiabulls Housing Finance Limited Employees Stock Option Scheme - 2013 or IHFL ESOS - 2013", 15,500,000 Stock Options representing an equal number of equity shares of face value of Rs. 2 each at an exercise price of Rs. 96 per share (against Rs. 95.70, which is the latest available closing market price on the National Stock Exchange of India Limited, as on July 18, 2022). These options shall vest on July 20, 2023 or thereafter, as may be decided by Nomination and Remuneration Committee of the Holding Company.

3. The Nomination and Remuneration Committee of the Holding Company has, at its meeting held on October 13, 2022, granted under the "Indiabulls Housing Finance Limited Employees Stock Option Scheme - 2013 or IHFL ESOS - 2013", 6,400,000 Stock Options representing an equal number of equity shares of face value of Rs. 2 each at an exercise price of Rs. 130 per share (against Rs. 129.70, which is the latest available closing market price on the National Stock Exchange of India Limited, as on October 12, 2022). These options shall vest on October 14, 2023 or thereafter, as may be decided by Nomination and Remuneration Committee of the Holding Company.

(iii) **Employee Stock Benefit Scheme 2019 ("Scheme")**

The Scheme has been adopted and approved pursuant to: (a) a resolution of the Board of Directors of INDIABULLS HOUSING FINANCE LIMITED at its meeting held on November 6, 2019; and (b) a special resolution of the shareholders' of the Company passed through postal ballot on December 23, 2019, result of which were declared on December 24, 2019.

This Scheme comprises:
a. INDIABULLS HOUSING FINANCE LIMITED Employees Stock Option Plan 2019
("ESOP Plan 2019")
b. INDIABULLS HOUSING FINANCE LIMITED Employees Stock Purchase Plan 2019
("ESP Plan 2019")
c. INDIABULLS HOUSING FINANCE LIMITED Stock Appreciation Rights Plan 2019
("SARs Plan 2019")

In accordance with the ESOP Regulations, the Company had set up Pragati Employee Welfare Trust(formerly known as Indiabulls Housing Finance Limited Employee Welfare Trust) (Trust) for the purpose of implementation of ESOP Scheme. The Scheme is administered through ESOP Trust, whereby shares held by the ESOP Trust are transferred to the employees, upon exercise of stock options as per the terms of the Scheme.

(All amount in Rs. in Crore, except for share data unless stated otherwise)

(iv) **(a) Relevant disclosures in respect of the ESOS / ESOP Schemes are as under:-**

Particulars	**IHFL-IBFSL Employees Stock Option – 2008**	**IHFL ESOS - 2013**	**IHFL ESOS - 2013**	**IHFL ESOS - 2013**	**IHFL ESOS - 2013**
Total Options under the Scheme	7,500,000	39,000,000	39,000,000	39,000,000	39,000,000
Total Options issued under the Scheme	7,500,000	10,500,000	10,500,000	12,500,000	10,000,000
Vesting Period and Percentage	Ten years,15% First year, 10% for next eight years and 5% in last year	Five years, 20% each year	Five years, 20% each year	Three years, 33.33% each year	Five years, 20% each year
First Vesting Date	8th December, 2009	12th October, 2015	12th August, 2018	5th October, 2021	10th March, 2020
Revised Vesting Period & Percentage	N.A..	N.A..	N.A..	N.A..	N.A..
Exercise Price (Rs.)	95.95	394.75	1,156.50	200.00	702.00
Exercisable Period	5 years from each vesting date	5 years from each vesting date	5 years from each vesting date	5 years from each vesting date	5 years from each vesting date
Outstanding at the beginning of the year(Nos.)	14,332	3,324,556	3,418,000	12,087,358	3,064,800
Options vested during the year (Nos.)	-	-	-	-	-
Exercised during the year (Nos.)	-	-	-	-	-
Expired during the year (Nos.)	-	-	-	-	-
Cancelled during the year	-	-	-	-	-
Lapsed during the year	3,375	3,324,556	3,418,000	12,087,358	3,064,800
Re-granted during the year	N.A..	N.A..	N.A..	N.A..	N.A..
Outstanding at the end of the year (Nos.)	10,957	-	-	-	-
Exercisable at the end of the year (Nos.)	10,957	-	-	-	-
Remaining contractual Life (Weighted Months)	7	-	-	-	-

N.A..- Not Applicable

Particulars	**IHFL-IBFSL Employees Stock Option – 2008 -Regrant**	**IHFL-IBFSL Employees Stock Option – 2008- Regrant**	**IHFL-IBFSL Employees Stock Option Plan – 2006 - Regrant**	**IHFL-IBFSL Employees Stock Option Plan II – 2006 -Regrant**	**IHFL ESOS - 2013**
Total Options under the Scheme	N.A..	N.A..	N.A..	N.A..	39,000,000
Total Options issued under the Scheme	N.A..	N.A..	N.A..	N.A..	10,800,000
Vesting Period and Percentage	N.A..	N.A..	N.A..	N.A..	One year, 100% in first year
First Vesting Date	31st December, 2010	16th July, 2011	27th August, 2010	27th August, 2010	27th April, 2023
Revised Vesting Period & Percentage	Ten years, 10% for every year	Ten years, 10% for every year	Ten years, 10% for every year	Ten years, 10% for every year	N.A..
Exercise Price (Rs.)	125.90	158.50	95.95	100.00	152.85
Exercisable Period	5 years from each vesting date	5 years from each vesting date	5 years from each vesting date	5 years from each vesting date	5 years from each vesting date
Outstanding at the beginning of the year(Nos.)	7,290	30,880	39,500	21,900	10,800,000
Options vested during the year (Nos.)	-	-	-	-	-
Exercised during the year (Nos.)	-	-	-	-	-
Expired during the year (Nos.)	-	-	-	-	-

Particulars	**IHFL-IBFSL Employees Stock Option – 2008 -Regrant**	**IHFL-IBFSL Employees Stock Option – 2008-Regrant**	**IHFL-IBFSL Employees Stock Option Plan – 2006 - Regrant**	**IHFL-IBFSL Employees Stock Option Plan II – 2006 -Regrant**	**IHFL ESOS - 2013**
Cancelled during the year	-	-	-	-	-
Lapsed during the year	6,750	-	-	-	700,000
Re-granted during the year	N.A..	N.A..	N.A..	N.A..	N.A..
Outstanding at the end of the year (Nos.)	540	30,880	39,500	21,900	10,100,000
Exercisable at the end of the year (Nos.)	540	30,880	39,500	21,900	-
Remaining contractual Life (Weighted Months)	9	22	17	17	61

N.A..- Not Applicable

Particulars	**IHFL ESOS - 2013**	**IHFL ESOS - 2013**
Total Options under the Scheme	39,000,000	39,000,000
Total Options issued under the Scheme	15,500,000	6,400,000
Vesting Period and Percentage	One year, 100% in first year	One year, 100% in first year
First Vesting Date	20th July, 2023	14th October, 2023
Revised Vesting Period & Percentage	N.A..	N.A..
Exercise Price (Rs.)	96	130
Exercisable Period	5 years from each vesting date	5 years from each vesting date
Outstanding at the beginning of the year(Nos.)	15,500,000	6,400,000
Regrant Addition		
Regrant Date		
Options vested during the year (Nos.)		
Exercised during the year (Nos.)		
Expired during the year (Nos.)		
Cancelled during the year		
Lapsed during the year	350,000	-
Re-granted during the year	N.A..	N.A..
Outstanding at the end of the year (Nos.)	15,150,000	6,400,000
Exercisable at the end of the year (Nos.)	-	-
Remaining contractual Life (Weighted Months)	64	66

N.A..- Not Applicable

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The details of the Fair value of the options as determined by an Independent firm of Chartered Accountants, for the respective plans using the Black-Scholes Merton Option Pricing Model:-

Particulars	IHFL - IBFSL Employees Stock Option – 2008 Regrant	IHFL - IBFSL Employees Stock Option – 2008 Regrant	IHFL - IBFSL Employees Stock Option – 2006- Regrant	IHFL - IBFSL Employees Stock Option Plan II – 2006- Regrant	IHFL - IBFSL Employees Stock Option – 2008 Regrant
Exercise price (Rs.)	125.90	158.50	95.95	100.00	153.65
Expected volatility*	1.00	1.00	0.76	0.76	1.00
Option Life (Weighted Average)	9.80 Years	9.80 Years	9.80 Years	9.80 Years	9.80 Years
Expected Dividends yield	3.19%	2.89%	4.69%	4.50%	2.98%
Weighted Average Fair Value (Rs.)	83.48	90.24	106.30	108.06	84.93
Risk Free Interest rate	7.59%	7.63%	7.50%	7.50%	7.63%

Particulars	IHFL - IBFSL Employees Stock Option – 2008	IHFL ESOS - 2013 (Grant 1)	IHFL ESOS - 2013 (Grant 2)	IHFL ESOS - 2013 (Grant 4)	IHFL - IBFSL Employees Stock Option – 2013
Exercise price (Rs.)	95.95	394.75	1,156.50	702.00	200.00
Expected volatility*	97.00%	46.30%	27.50%	33.90%	39.95%
Option Life (Weighted Average)	11 Years	5 Years	3 Years	3 Years	2 Years
Expected Dividends yield	4.62%	10.00%	5.28%	7.65%	0.00%
Weighted Average Fair Value (Rs.)	52.02	89.76	200.42	126.96	27.40
Risk Free Interest rate	6.50%	8.57%	6.51%	7.37%	5.92%

Particulars	IHFL - IBFSL Employees Stock Option – 2013	IHFL - IBFSL Employees Stock Option – 2013	IHFL - IBFSL Employees Stock Option – 2013
Exercise price (Rs.)	152.85	96.00	130.00
Expected volatility*	53.00%	53.00%	53.00%
Expected forfeiture percentage on each vesting date	Nil	Nil	Nil
Option Life (Weighted Average)	1 Year	1 Year	1 Year
Expected Dividends yield	0.00%	0.00%	0.00%
Weighted Average Fair Value (Rs.)	35.3	22.5	30.0
Risk Free Interest rate	5.47%	6.25%	6.25%

*The expected volatility was determined based on historical volatility data.

(All amount in Rs. in Crore, except for share data unless stated otherwise)

(b) The Group has established the “Pragati Employee Welfare Trust” (“Pragati – EWT”) (earlier known as Indiabulls Housing Finance Limited - Employees Welfare Trust” (IBH – EWT) (“Trust”) for the implementation and management of its employees benefit scheme viz. the “Indiabulls Housing Finance Limited - Employee Stock Benefit Scheme – 2019” (Scheme), for the benefit of the employees of the Holding Company and its subsidiaries.
Pursuant to Regulation 3(12) of the SEBI (Share Based Employee Benefits) Regulations, 2014, the shares in Trust have been appropriated towards the Scheme for grant of Share Appreciations Rights (SARs) to the employees of the Holding Company and its subsidiaries as permitted by SEBI. The Holding Company will treat these SARs as equity and accounting has been done accordingly. The other disclosures in respect of the SARs are as under:-

Particulars	**IHFL ESOS - 2019**
Total Options under the Scheme	17,000,000
Total Options issued under the Scheme	17,000,000
Vesting Period and Percentage	Three years,33.33% each year
First Vesting Date	10th October, 2021
Exercise Price (Rs.)	Rs. 225 First Year, Rs. 275 Second Year, Rs. 300 Third Year
Exercisable Period	5 years from each vesting date
Outstanding at the beginning of the year(Nos.)	17,000,000
Options vested during the year (Nos.)	5,666,667
Exercised during the year (Nos.)	-
Expired during the year (Nos.)	-
Cancelled during the year	-
Lapsed during the year	-
Re-granted during the year	-
Outstanding at the end of the year (Nos.)	17,000,000
Exercisable at the end of the year (Nos.)	11,333,333
Remaining contractual Life (Weighted Months)	54

The details of the Fair value of the options as determined by an Independent firm of Chartered Accountants, for the respective plans using the Black-Scholes Merton Option Pricing Model:-

Particulars	**IHFL ESOS - 2019**
Exercise price (Rs.)	Rs. 225 First Year, Rs. 275 Second Year, Rs. 300 Third Year
Expected volatility*	39.95%
Expected forfeiture percentage on each vesting date	Nil
Option Life (Weighted Average)	1 Year for first Vesting, 2 years for second Vesting and 3 years for third Vesting.
Expected Dividends yield	0.00%
Weighted Average Fair Value (Rs.)	9.25 for First Year, 13.20 for Second Year and 19.40 for third year
Risk Free Interest rate	5.92%

*The expected volatility was determined based on historical volatility data.

(v) 31,753,777 Equity Shares of Rs. 2 each (Previous Year : 22,008,616) are reserved for issuance towards Employees Stock options as granted.

(vi) The weighted average share price at the date of exercise of these options was Rs. N.A. per share(Previous Year Rs. 215.82 per share).

(vii) (a) During the year 2020-21, the Holding Company has issued 4.50% secured foreign currency convertible bonds due 2026 (‘FCCBs’) of USD 150 Million at par, convertible into fully paid-up equity shares of face value of 2/- each of the Holding Company at an initial conversion price of Rs.242 per equity share (“conversion price”), on or after April 21, 2021 and up to the close of business hours on February 20, 2026, at the option of the FCCB holders. FCCBs, which are not converted to equity shares during such specified period, will be redeemable on March 4, 2026. The Conversion price is subject to adjustment w.r.t issuance of bonus share, free issuance of shares, division, consolidation and reclassification of shares, declaration of dividend or any other condition as mentioned in offering circular, but cannot be below the floor price which is Rs.227.09.

Pursuant to the applicable provisions of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, and pursuant to receipt of notice for conversion of FCCBs, for a principle value USD 20,500,000, the Holding Company during the year 2021-22, issued and allotted 6,207,952 (Sixty Two Lakh Seven Thousand Nine Hundred and Fifty Two) Fully Paid Equity shares of face value INR 2/- each, (a) at a conversion price of INR 230.14 (including a premium of INR 228.14) per Equity Share for 157,700 Equity Shares under FCCB1, and (b) at a conversion price of INR 243.05 (including a premium of INR 241.05) per Equity Share for 60,50,252 Equity Shares under FCCB2, to the holder of such FCCBs. Consequent to the said allotment, the paid-up Equity Share Capital of the Holding Company stands increased to INR 937,143,008 divided into 468,571,504 Fully Paid Equity Shares of face value INR 2/- each and outstanding principal value of FCCBs, as listed at Singapore Exchange Securities Trading Limited under (a) FCCB1, ISIN XS2301133943, stands reduced from USD 150,000,000 to USD 149,500,000 and (b) FCCB2, ISIN XS2377720839, stands reduced from USD 165,000,000 to USD 145,000,000.

(b) Pursuant to the applicable provisions of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, and on receipt of notice for conversion of FCCBs, for a principal value USD 10,000,000, the Holding Company during the current financial year on April 18, 2022, issued and allotted 3,025,126 (Thirty Lakh Twenty Five Thousand One Hundred and Twenty Six) Fully Paid Equity shares of face value INR 2/- each, at a conversion price of INR 243.05 (including a premium of INR 241.05) per Equity Share, to the holder of such FCCBs. Consequent to the said allotment, the paid-up Equity Share Capital of the Holding Company stands increased to INR 943,193,260 divided into 471,596,630 Fully Paid Equity Shares of face value INR 2/- each and outstanding principal value of FCCBs, as listed at Singapore Exchange Securities Trading Limited under ISIN XS2377720839 stands reduced from USD 145,000,000 to USD 135,000,000.

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(All amount in Rs. in Crore, except for share data unless stated otherwise)

(22) Other equity

Particulars	As at March 31, 2023	As at March 31, 2022
Capital Reserve[1]		
Balance as per last Balance Sheet	13.92	13.92
Add: Additions during the year	-	-
Closing Balance	**13.92**	**13.92**
Capital Redemption Reserve[2]		
Balance as per last Balance Sheet	6.36	6.36
Add: Additions during the year	-	-
Closing Balance	**6.36**	**6.36**
Securities Premium Account[3]		
Balance as per last Balance Sheet	7,836.32	7,775.34
Add: Additions during the year on account of conversion of FCCBs / ESOPs	72.92	149.65
Add: Transfer from Stock compensation	-	0.13
Add: Additions during the year	1.03	-
	7,910.27	7,925.12
Less: Investment in Treasury Shares (Own Shares)[15]	-	88.80
Closing Balance	**7,910.27**	**7,836.32**
Debenture Premium Account[4]		
Balance as per last Balance Sheet	1.28	1.28
Add: Additions during the year	-	-
Closing Balance	**1.28**	**1.28**
Stock Compensation Adjustment[5]		
Balance as per last Balance Sheet	170.13	178.75
Add: Additions during the year	(1.53)	(8.49)
Less: Transferred to Share Premium account	-	0.13
Less: Utilised during the year	-	-
Closing Balance	**168.60**	**170.13**
Special Reserve u/s 36(1)(viii) of I Tax Act, 1961[6]		
Balance as per last Balance Sheet	225.46	225.46
Add: Additions during the year	-	-
Closing Balance	**225.46**	**225.46**
General Reserve[7]		
Balance as per last Balance Sheet	2,172.41	1,105.99
Add: Amount Transferred during the year	-	1,066.42
Closing Balance	**2,172.41**	**2,172.41**

(All amount in Rs. in Crore, except for share data unless stated otherwise)

Particulars	As at March 31, 2023	As at March 31, 2022
Reserve Fund		
Reserve (I)(As per Section 29C of the Housing Bank Act, 1987)[8]		
Balance As per last Balance Sheet	2,130.95	1,991.73
Add: Amount Transferred during the year	163.83	139.22
Closing Balance	**2,294.78**	**2,130.95**
Reserve (III) [8]		
Balance As per last Balance Sheet	2,178.00	2,178.00
Add: Amount Transferred during the year	-	-
Closing Balance	**2,178.00**	**2,178.00**
Additional Reserve[8]		
(U/s 29C of the National Housing Bank Act, 1987)		
Balance As per last Balance Sheet	525.00	825.00
Add: Additions during the year	610.00	525.00
Less: Amount withdrawn during the year	525.00	825.00
Closing Balance	**610.00**	**525.00**
Reserve Fund		
Reserve (II)[9]		
Balance As per last Balance Sheet	828.43	726.79
Add: Amount Transferred during the year	106.37	101.64
Less: Amount Utilised	-	-
Closing Balance	**934.80**	**828.43**
Debenture Redemption Reserve[10]		
Balance As per last Balance Sheet	154.76	1,221.18
Add: Additions during the year	-	-
Less: Amount Utilised	-	1,066.42
Closing Balance	**154.76**	**154.76**
Share based Payment reserve[5]		
Balance As per last Balance Sheet	8.17	8.79
Add: Additions during the year	(1.09)	(0.62)
Closing Balance	**7.08**	**8.17**
Foreign Currency Translation Reserve[13]		
Balance As per last Balance Sheet	0.02	0.02
Add: Additions during the year	-	-
Less: Amount Utilised	0.02	-
Closing Balance	**-**	**0.02**

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Particulars	As at March 31, 2023	As at March 31, 2022
Retained Earnings[11]		
Balance As per last Balance Sheet	1,427.13	997.03
Add: Additions during the year (including transfer from OCI to be recognised directly in retained earnings) from continuing operations	1,127.07	1,180.66
Add: Additions during the year (including transfer from OCI to be recognised directly in retained earnings) from discontinued operations	2.01	-
Add: Interim Dividend on Own Equity Shares @ Rs. 9/- per equity share[14]	-	15.30
Add: Additions during the year	0.02	-
Less: Amount utilised during the year	880.20	765.86
Closing Balance	**1,676.03**	**1,427.13**
Other Comprehensive Income[12]		
Balance As per last Balance Sheet	(1,093.39)	(1,210.85)
Less: Amount utilised during the year	11.17	117.46
Closing Balance	**(1,082.22)**	**(1,093.39)**
	17,271.53	**16,584.95**

(1) Capital reserve is created on receipt of non refundable debenture warrants exercise price.

(2) Capital redemption reserve is created on redemption of preference shares.

(3) Securities premium reserve is used to record the premium on issue of shares. The reserve can be utilised only for limited purposes such as issuance of bonus shares in accordance with the provisions of the Companies Act, 2013.

(4) Debenture premium account is used to record the premium on issue of debenture.

(5) Stock Compensation Adjustment is created as required by Ind AS 102 'Share Based Payments' on the Employee Stock Option Scheme operated by the Company for employees of the Group.

(6) This includes reserve created under section 36(1)(viii) of the Income Tax Act, 1961, by the Erstwhile Holding Company Indiabulls Financial Services Limited, which has been transferred to IBHFL under the Scheme of Arrangement during the year ended March 31, 2013.

(7) Under the erstwhile Companies Act 1956, general reserve was created through an annual transfer of net income at a specified percentage in accordance with applicable regulations. The purpose of these transfers was to ensure that if a dividend distribution in a given year is more than 10% of the paid-up capital of the Company for that year, then the total dividend distribution is less than the total distributable results for that year. Consequent to introduction of Companies Act 2013, the requirement to mandatorily transfer a specified percentage of the net profit to general reserve has been withdrawn. However, the amount previously transferred to the general reserve can be utilised only in accordance with the specific requirements of Companies Act, 2013.

(8) In terms of Section 29C of the National Housing Bank ("NHB") Act, 1987, the Holding Company is required to transfer at least 20% of its Profit after tax to a Reserve Fund before any dividend is declared. Transfer to a Reserve Fund in terms of Section 36(1)(viii) of the Income Tax Act, 1961 is also considered as an eligible transfer as transfer to Special Reserve under Section 29C of the National Housing Bank ("NHB") Act, 1987. The Holding Company has transferred an amount of Rs. Nil (Previous Year Rs. Nil) to reserve created in terms of Section 36(1)(viii) of the Income Tax Act, 1961 termed as "Reserve (III)" and also transferred an amount of Rs. 163.83 Crore (Previous Year Rs. 139.22 Crore) to the Reserve in terms of Section 29C of the National Housing Bank ("NHB") Act, 1987 as at the year end. Further an additional amount of Rs. 610.00 (Previous Year Rs. 525.00 Crore) has been set apart by way of transfer to Additional Reserve Fund in excess of the statutory minimum requirement as specified under Section 29C pursuant to Circular no. NHB(ND)/DRS/Pol-No. 03/2004-05 dated August 26, 2004 issued by the National Housing Bank. The additional amount so transferred may be utilised in the future for any business purpose.

(9) This includes reserve created under section 45-IC of the Reserve Bank of India Act 1934, by the Erstwhile Holding Company Indiabulls Financial Services Limited, which has been transferred to IBHFL under the Scheme of Arrangement during the year ended March 31, 2013.

(10) The Companies Act 2013 till August, 2019 required companies that issued debentures to create a debenture redemption reserve from annual profits until such debentures are redeemed. The Group was required to transfer a specified percentage (as provided in the Companies Act, 2013) of the outstanding redeemable debentures to debenture redemption reserve. The amounts credited to the debenture redemption reserve may not be utilised except to redeem debentures. On redemption of debentures, the amount may be transferred from debenture redemption reserve to General Reserve. The Ministry of Corporate Affairs (MCA) has amended the Companies (Share Capital and Debenture) Rules, 2014, doing away with creation of debenture redemption reserve by NBFCs/HFCs with respect to issue of non convertible debentures (NCDs). Vide the said amendment, now NBFCs/HFCs are required on or before 30 April of each year to invest or deposit in prescribed securities, a sum not less than 15 per cent of the debentures maturing during the year ending on March 31 of the next year. Accordingly, during the year ended March 31, 2022, the Group has transferred Rs. 1,066.42 crores to the General Reserve in respect of Debenture Redemption Reserve no longer required.

(11) Retained earnings represents the surplus in Profit and Loss Account and appropriations.

(12) Other comprehensive income includes fair value gain/(loss) on equity instruments and Derivative instruments in Cash flow hedge relationship.

(13) Reserve arising on conversion of Foreign currency in INR of wholly owned subsidiary.

(14) Interim dividend received by Pragati Employee Welfare Trust on equity shares of the Holding Company.

(15) Adjustment on account of amount invested in excess of face value on Nil Equity Shares (Previous Year 6,000,000 Equity Shares) of the Holding Company purchased from the open market during the year by Pragati Employee Welfare Trust for the purpose of allotment of SARs to the eligible employees.

(23) **Interest Income**	**Year ended March 31, 2023**		
	Interest income on securities classified at fair value through profit and loss	**On financial assets measured at Amortised cost**	**Total**
Interest on Loans	-	7,477.49	7,477.49
Interest on Pass Through Certificates / Bonds	49.39	-	49.39
Interest on deposits with Banks	-	149.59	149.59
Total	**49.39**	**7,627.08**	**7,676.47**

(All amount in Rs. in Crore, except for share data unless stated otherwise)

Interest Income	**Year ended March 31, 2022**		
	Interest income on securities classified at fair value through profit and loss	**On financial assets measured at Amortised cost**	**Total**
Interest on Loans	-	8,081.75	8,081.75
Interest on Pass Through Certificates / Bonds	323.63	-	323.63
Interest on deposits with Banks	-	177.15	177.15
Total	**323.63**	**8,258.90**	**8,582.53**

(24)	**Fees and Commission Income**	**Year ended March 31, 2023**	**Year ended March 31, 2022**
	Commission on Insurance	10.70	2.50
	Other Operating Income	42.24	24.83
	Income from Advisory Services	53.83	18.54
	Income from Service Fee	51.12	35.04
	Total	**157.89**	**80.91**

(25)	**Net gain on fair value changes**	**Year ended March 31, 2023**	**Year ended March 31, 2022**
	Net gain on financial instruments at fair value through profit or loss		
	(i) On trading portfolio		
	- Investments	(128.61)	(38.75)
	- Assets Held for Sale	541.11	212.00
	Total Net gain on fair value changes (A)	**412.50**	**173.25**
	Fair Value changes:		
	-Realised	525.13	204.12
	-Unrealised	(112.63)	(30.87)
	Total Net gain on fair value changes(B) to tally with (A)	**412.50**	**173.25**

(26)	**Other Income**	**Year ended March 31, 2023**	**Year ended March 31, 2022**
	Interest on Income tax Refund	0.05	5.02
	Miscellaneous Income	4.70	4.19
	Sundry Credit balances written back / Bad debt recovered	1.76	1.38
	Total	**6.51**	**10.59**

(27) Finance Costs	Year ended March 31, 2023	Year ended March 31, 2022
	On financial liabilities measured at Amortised cost	On financial liabilities measured at Amortised cost
Debt Securities	1,775.08	2,250.57
Borrowings (Other than Debt Securities)(1)	3,078.01	3,055.31
Subordinated Liabilities	403.79	418.93
Processing and other Fee	239.56	251.12
Bank Charges	19.17	20.39
FCNR Hedge Premium	120.88	245.30
Total	**5,636.49**	**6,241.62**

1) Includes premium on principal only swaps on foreign currency loans amounting to Rs. 88.91 Crore (Previous Year Rs.63.06 Crore).

2) Disclosure of Foreign Currency Exposures:-

Particulars	Foreign Currency	Year Ended March 31, 2023		
		Exchange Rate	Amount in Foreign Currency	Amount
I. Assets				
Receivables (trade & other)	N.A..	-	-	-
Other Monetary assets	N.A..	-	-	-
Total Receivables (A)	N.A..	-	-	-
Hedges by derivative contracts (B)	N.A..	-	-	-
Unhedged receivables (C=A-B)	N.A..	-	-	-
II. Liabilities				
Payables (trade & other)		-	-	-
Borrowings (ECB and Others)	USD	82.2169	65.45	5,381.10
Total Payables (D)	USD	82.2169	65.45	5,381.10
Hedges by derivative contracts (E)	USD	82.2169	65.45	5,381.10
Unhedged Payables F=D-E)	USD	82.2169	-	-

Indiabulls Housing Finance Limited Group
Notes to Consolidated Financial Statements for the year ended March 31, 2023
(All amount in Rs. in Crore, except for share data unless stated otherwise)

Particulars	Foreign Currency	Year Ended March 31, 2023		
		Exchange Rate	Amount in Foreign Currency	Amount
III. Contingent Liabilities and Commitments				
Contingent Liabilities	N.A..	-	-	-
Commitments	N.A..	-	-	-
Total (G)	N.A..	-	-	-
Hedges by derivative contracts(H)	N.A..	-	-	-
Unhedged Payables (I=G-H)	N.A..	-	-	-
Total unhedged FC Exposures (J=C+F+I)	N.A..	-	-	-

Note: For the above disclosure, Interest accrued on borrowings at respective year end has not been considered

Particulars	Foreign Currency	Year Ended March 31, 2022		
		Exchange Rate	Amount in Foreign Currency	Amount
I. Assets				
Receivables (trade & other)	N.A..	-	-	-
Other Monetary assets	N.A..	-	-	-
Total Receivables (A)	N.A..	-	-	-
Hedges by derivative contracts (B)	N.A..	-	-	-
Unhedged receivables (C=A-B)	N.A..	-	-	-
II. Liabilities				
Payables (trade & other)		-	-	-
Borrowings (ECB and Others)	USD	75.8071	96.45	7,311.59
Total Payables (D)	USD	75.8071	96.45	7,311.59
Hedges by derivative contracts (E)	USD	75.8071	96.45	7,311.59
Unhedged Payables F=D-E)	USD	75.8071	-	-
III. Contingent Liabilities and Commitments				
Contingent Liabilities	N.A..	-	-	-
Commitments	N.A..	-	-	-
Total (G)	N.A..	-	-	-
Hedges by derivative contracts(H)	N.A..	-	-	-
Unhedged Payables (I=G-H)	N.A..	-	-	-
Total unhedged FC Exposures (J=C+F+I)	N.A..	-	-	-

Note: For the above disclosure, Interest accrued on borrowings at respective year end has not been considered.

Indiabulls Housing Finance Limited Group
Notes to Consolidated Financial Statements for the year ended March 31, 2023
(All amount in Rs. in Crore, except for share data unless stated otherwise)

(28) Impairment on financial instruments	Year ended March 31, 2023	Year ended March 31, 2022
	On financial assets measured at Amortised cost	
ECL on Loans / Bad Debts Written Off (Net of Recoveries) [1]	666.00	463.72
Total	**666.00**	**463.72**

(1) ECL on loans / Bad Debts Written Off (Net of Recoveries) includes;

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
ECL on Loan Assets	820.44	519.72
Bad Debt /advances written off / Bad Debt Recovery*	(154.44)	(56.00)
Total	**666.00**	**463.72**

*Net of Bad Debt Recovery of Rs. 595.85 Crore (Previous Year Net of Bad Debt Recovery of Rs. 675.13 Crore).

(29) Employee Benefits Expenses[(i) & *]	Year ended March 31, 2023	Year ended March 31, 2022
Salaries and wages	553.07	453.95
Contribution to provident and other funds	6.64	5.24
Share Based Payments to employees	(2.62)	(9.12)
Staff welfare expenses	6.97	3.81
Provision for Gratuity, Compensated Absences and Superannuation Expense[1]	(49.29)	14.54
Total	**514.77**	**468.42**

(i) In respect of Indiabulls Asset Management Company Limited (IAMCL), a subsidiary company, managerial remuneration paid for the financial year ended March 31, 2023 in excess of the limits specified under Section 197 and 198 of the Companies Act, 2013 was approved by the members of IAMCL at their extra-ordinary general meeting held on October 31, 2022. Remuneration paid for the financial year ended March 31, 2022 in excess of the limits specified under Section 197 and 198 of the Companies Act, 2013 was approved by the members of IAMCL at their extra-ordinary general meeting held on May 06, 2022.

*Provision for employee benefits in the form of Gratuity and Compensated Absences in respect of two subsidiary companies which have a few employees during the year ended March 31, 2023, is determined on an accrual basis under the assumption that such benefits are payable at year end, as permitted under INDAS 19. Accordingly, such subsidiary companies have provided for Rs. 0.15 crore (Previous year Rs. 0.09 crore) on account of provision for gratuity and Rs. 0.02 crore (Previous year Rs. 0.03 crore) on account of provision for compensated absences on accrual basis in the Consolidated Balance Sheet as at March 31, 2023 and have provided for Rs. 0.06 crore (Previous year Rs. 0.00 crore) on account of provision for gratuity and provision for compensated absences on accrual basis in the Consolidated Statement of Profit and Loss for the year ended March 31, 2023.

(1) Employee Benefits – Provident Fund, ESIC, Gratuity and Compensated Absences disclosures as per Indian Accounting Standard (IndAS) 19 – Employee Benefits:

Contributions are made to Government Provident Fund and Family Pension Fund, ESIC and other statutory funds which cover all eligible employees under applicable Acts. Both the employees and the Company make predetermined contributions to the Provident Fund and ESIC. The contributions are normally based on a certain proportion of the employee's salary. The Group has recognised an amount of Rs. 6.64 Crore (Previous year Rs. 5.24 Crore) in the Statement of Profit and Loss towards Employers contribution for the above mentioned funds.

Provision for unfunded Gratuity and Compensated Absences for all employees is based upon actuarial valuations carried out at the end of every financial year. Major drivers in actuarial assumptions, typically, are years of service and employee compensation. Pursuant to the issuance of the Indian Accounting Standard (IndAS) 19 on 'Employee Benefits', commitments are actuarially determined using the 'Projected Unit Credit' Method. Gains and losses on changes in actuarial assumptions are accounted for in Statement of Profit and Loss for Compensated absences and for Gratuity in Other Comprehensive Income.

Indiabulls Housing Finance Limited Group
Notes to Consolidated Financial Statements for the year ended March 31, 2023
(All amount in Rs. in Crore, except for share data unless stated otherwise)

Disclosure in respect of Gratuity ,Compensated Absences and Superannuation:

Particulars	2022-2023	2021-2022	2022-2023	2021-2022	2022-2023	2021-2022
	Gratuity		Compensated Absences		Superannuation	
Reconciliation of liability recognised in the Balance Sheet:						
Present Value of commitments (as per Actuarial valuation)	56.23	51.78	17.62	16.57	-	60.92
Fair value of plan assets		-		-		-
Net liability in the Balance sheet (as per Actuarial valuation)	**56.23**	**51.78**	**17.62**	**16.57**	**-**	**60.92**
Movement in net liability recognised in the Balance Sheet:						
Net liability as at the beginning of the year	51.78	46.02	16.57	15.46	60.92	59.59
Amount (paid) during the year/Transfer adjustment	(6.81)	(4.87)	-	-	-	-
Net expenses recognised / (reversed) in the Statement of Profit and Loss	10.50	9.25	1.06	1.21	(60.92)	4.17
Actuarial changes arising from changes in Demographic assumptions	-	-	-	-	-	-
Actuarial changes arising from changes in financial assumptions	(0.95)	(2.42)	-	(0.01)	-	(1.18)
Experience adjustments	1.75	3.80	-	(0.09)	-	(1.66)
Non-financial liabilities in respect of discontinued operations	(0.04)	-	(0.01)	-		
Net liability as at the end of the year	**56.23**	**51.78**	**17.62**	**16.57**	**-**	**60.92**
Expenses recognised in the Statement of Profit and Loss:						
Current service cost	6.50	5.91	3.16	2.62	-	-
Past service cost	0.09	-	-	-	(60.92)	-
Interest Cost	3.91	3.34	1.25	1.12	-	4.17
Actuarial (gains) / losses	-	-	(3.35)	(2.53)	-	-
Expenses charged / (reversal) to the Statement of Profit and Loss	**10.50**	**9.25**	**1.06**	**1.21**	**(60.92)**	**4.17**
Return on Plan assets:						
Actuarial (gains) / losses	N.A..	N.A..	N.A..	N.A..	N.A..	N.A..
Actual return on plan assets	N.A..	N.A..	N.A..	N.A..	N.A..	N.A..
Reconciliation of defined-benefit commitments:						
Commitments as at the beginning of the year	51.78	46.02	16.57	15.46	60.92	59.59
Current service cost	6.50	5.91	3.16	2.62	-	-
Past service cost	0.09	-	-	-	(60.92)	-
Interest cost	3.91	3.34	1.25	1.12	-	4.17
(Paid benefits)	(6.81)	(4.87)	-	-	-	-
Actuarial (gains) / losses	-	-	(3.35)	(2.53)	-	-
Actuarial changes arising from changes in Demographic assumptions	-	-	-	-	-	-
Actuarial changes arising from changes in financial assumptions	(0.95)	(2.42)	-	(0.01)	-	(1.18)
Experience adjustments	1.75	3.80	-	(0.09)	-	(1.66)
Non-financial liabilities in respect of discontinued operations	(0.04)	-	(0.01)	-		
Commitments as at the end of the year	**56.23**	**51.78**	**17.62**	**16.57**	**-**	**60.92**
Reconciliation of Plan assets:						
Plan assets as at the beginning of the year	N.A..	N.A..	N.A..	N.A..	N.A..	N.A..
Contributions during the year	N.A..	N.A..	N.A..	N.A..	N.A..	N.A..
Paid benefits	N.A..	N.A..	N.A..	N.A..	N.A..	N.A..
Actuarial (gains) / losses	N.A..	N.A..	N.A..	N.A..	N.A..	N.A..
Plan assets as at the end of the year	N.A..	N.A..	N.A..	N.A..	N.A..	N.A..

N.A..- not applicable

The actuarial calculations used to estimate commitments and expenses in respect of unfunded Gratuity, Compensated absences and Superannuation (Pension & Medical coverage) are based on the following assumptions which if changed, would affect the commitment's size, funding requirements and expenses:

Particulars	**Gratuity (Unfunded)**		**Compensated Absences (Unfunded)**		**Superannuation (Unfunded)**	
	2022-2023	**2021-2022**	**2022-2023**	**2021-2022**	**2022-2023**	**2021-2022**
Discount Rate	7.38%	7.18%	7.38%	7.18%	N.A.	7.18%
Expected Return on plan assets	N.A.	N.A..	N.A.	N.A..	N.A.	N.A..
Expected rate of salary increase	5.00%	5.00%	5.00%	5.00%	0.00%	0.00%
Mortality	IALM (2012-14)	IALM (2012-14)	IALM (2012-14)	IALM (2012-14)	IALM (2012-14)	IALM (2012-14)
Retirement Age (Years)	60	60	60	60	60	60

N.A..- not applicable

The Group's best estimate of contributions expected to be paid during the annual period beginning after the Balance Sheet date, towards Gratuity, Compensated Absences and Superannuation is Rs. 12.64 Crore (Previous Year Rs. 11.21 Crore) Rs. 5.14 Crore (Previous Year Rs. 4.38 Crore) and Rs. Nil (Previous Year Rs. 4.37 Crore) respectively.

A quantitative sensitivity analysis for significant assumption is as shown below:

Gratuity

	March 31, 2023		**March 31, 2022**	
Assumptions	**Discount rate**			
Sensitivity Level	0.5% increase	0.5% decrease	0.5% increase	0.5% decrease
Impact on defined benefit obligation	(3.48)	3.36	(3.33)	3.21

Gratuity

	March 31, 2023		**March 31, 2022**	
Assumptions	**Future salary increases**			
Sensitivity Level	0.5% increase	0.5% decrease	0.5% increase	0.5% decrease
Impact on defined benefit obligation	3.42	(3.46)	3.26	(3.40)

Compensated Absences

	March 31, 2023		**March 31, 2022**	
Assumptions	**Discount rate**			
Sensitivity Level	0.5% increase	0.5% decrease	0.5% increase	0.5% decrease
Impact on defined benefit obligation	(1.05)	1.12	(1.01)	1.13

Compensated Absences

	March 31, 2023		**March 31, 2022**	
Assumptions	**Future salary increases**			
Sensitivity Level	0.5% increase	0.5% decrease	0.5% increase	0.5% decrease
Impact on defined benefit obligation	1.15	(1.06)	1.15	(1.02)

(All amount in Rs. in Crore, except for share data unless stated otherwise)

Superannuation

	March 31, 2023		March 31, 2022	
Assumptions	**Discount rate**			
Sensitivity Level	0.5% increase	0.5% decrease	0.5% increase	0.5% decrease
Impact on defined benefit obligation	-	-	(4.08)	4.02

Superannuation

	March 31, 2023		March 31, 2022	
Assumptions	**Future salary increases**			
Sensitivity Level	0.5% increase	0.5% decrease	0.5% increase	0.5% decrease
Impact on defined benefit obligation	-	-	-	-

The following payments are expected contributions to the defined benefit plan in future years:

	Gratuity		Compensated Absences		Superannuation	
Expected payment for future years	**March 31, 2023**	**March 31, 2022**	**March 31, 2023**	**March 31, 2022**	**March 31, 2023**	**March 31, 2022**
Within the next 12 months (next annual reporting period)	2.67	2.65	1.01	0.92	-	-
Between 1 and 2 years	0.99	0.98	0.32	0.32	-	-
Between 2 and 5 years	4.16	3.51	1.21	1.18	-	-
Between 5 and 6 years	1.34	1.24	0.36	0.38	-	-
Beyond 6 years	47.08	43.40	14.72	13.77	-	60.92
Total expected payments	**56.23**	**51.78**	**17.62**	**16.57**	**-**	**60.92**

(All amount in Rs. in Crore, except for share data unless stated otherwise)

(30) Other expenses	Year ended March 31, 2023	Year ended March 31, 2022
Rent	14.13	5.41
Rates & Taxes Expenses	2.01	2.78
Repairs and maintenance	25.28	18.81
Communication Costs	6.50	5.04
Membership Fee	1.07	0.32
Printing and stationery	2.88	1.77
Advertisement and publicity	10.68	9.94
Fund expenses	3.57	4.62
Audit Fee[1]	2.94	3.57
Legal and Professional charges[1]	73.13	45.90
Subscription charges	-	0.24
CSR expenses[2]	37.97	62.33
Travelling and Conveyance	11.60	5.84
Stamp Duty	0.93	1.05
Recruitment Expenses	0.79	0.53
Service Charges	-	0.01
Business Promotion	0.67	0.80
Loss on sale of Property, plant and equipment	-	0.02
Commission & Brokerage	3.94	4.92
Electricity and water	6.80	5.11
Director's fees, allowances and expenses	5.20	5.06
Miscellaneous Expenses	9.02	2.93
Total	**219.11**	**187.00**

(1) Fees paid to the auditors include:

	Year ended March 31, 2023	Year ended March 31, 2022
As auditor		
Audit Fee	2.94	3.57
Certification fee*	1.00	0.55
Others*	2.13	1.91
***Included in Legal and Professional Charges**	**6.07**	**6.03**

(2) Corporate Social Responsibility:-

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Gross amount required to be spent by the Group during the year	37.97	62.33
Amount spent during the year	37.97	62.33
Shortfall at the end of the year	-	-

Nature of CSR activities:	Promoting education, including special education and employment enhancing vocational skills especially among children, women, elderly (Saakshar Project)	Jan Swasthya Kalyan Vahika (JSK)- Mobile Medical Vans
	Ensuring environmental sustainability, ecological balance, Protection for Flora & Fauna, Animal Welfare etc. (Sankalp Project)	Indiabulls Foundation Charitable Clinics
	Maintaining quality of Soil, Air and Water (Clean Ganga project)	Community Health Check-up Camps
	Planting more than 10 Lakh trees across India with the support of community based organisations, Municipal Corporation and GMDA	IBF Scholarship Programme
	Integrated village development by ensuring inclusive community participation, Developing more than 200 villages PAN India, Development to happen which includes Health, Education, Livelihood, Environment (Sarvoday project)	COVID Care Relief Programme
		Free Distribution of Medicines including Health care Services

(All amount in Rs. in Crore, except for share data unless stated otherwise)

(31) Tax Expenses

The Group has recognised provision for Income Tax for the year ended March 31, 2023 and re-measured its Deferred Tax asset/liability basis the rate applicable to the respective entities in the Group. The major components of income tax expense for the year ended March 31, 2023 and March 31, 2022 are:

Profit or loss section	**Year ended March 31, 2023**	**Year ended March 31, 2022**
Current income tax (for Continued Operations):		
Current income tax charge	179.42	63.64
Adjustments in respect of current income tax of previous year	0.69	(1.16)
Deferred tax (for Continued Operations):		
Relating to origination and reversal of temporary differences	296.06	315.55
Income tax expense reported in the statement of profit or loss (for Continued Operations):	**476.17**	**378.03**

Reconciliation of tax expense and the accounting profit multiplied by India's domestic tax rate:

Particulars	**Year ended March 31, 2023**	**Year ended March 31, 2022**
Accounting profit before tax from continuing operations	1,603.85	1,555.77
Profit/(loss) before tax from a discontinued operation	2.34	-
Accounting profit before income tax	**1,606.19**	**1,555.77**
Tax at statutory Income Tax rate	469.78	398.44
Tax on Expenses / deductions Allowed/Disallowed in Income tax Act	6.72	(20.41)
Tax on Expenses allowed/disallowed in income Tax Act	9.77	2.64
Deduction u/s 36(i)(viii)	-	-
Net Addition/deduction u/s 36(i)(viia)	-	16.55
Income Exempt for Tax Purpose	72.70	(0.05)
Long Term Capital Gain on Sale of Investments	(76.37)	(45.71)
Others	0.62	6.16
Tax expenses (a)	476.50	378.03
Tax on Other comprehensive income (b)	0.53	32.20
Total tax expenses for the comprehensive income (a+b)	**477.03**	**410.23**

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Deferred Tax

The following table shows deferred tax recorded in the balance sheet and changes recorded in the Statement of Profit and Loss and Other Comprehensive Income:

Particulars	Deferred tax assets	Deferred tax liabilities	Income statement	OCI	Others
	As at March 31, 2023	As at March 31, 2023	Year ended March 31, 2023	Year ended March 31, 2023	Year ended March 31, 2023
Depreciation	62.75	-	12.02	-	-
Impairment allowance for financial assets	454.94	-	(292.28)	-	176.57
Fair value of financial instruments held for trading	17.68	0.05	15.37	-	-
Remeasurement gain / (loss) on defined benefit plan	18.53	-	(14.18)	0.20	-
Impact on Borrowings using effective rate of interest	-	21.73	5.93	-	-
Gain / loss on equity instrument designated at FVOCI	43.05	-	-	1.53	-
Derivative instruments in cash flow hedge relationship	120.16	-	-	(2.29)	-
Disallowance under section 35DD of the Income Tax Act,1961	-	-	-	-	-
Impact on Loans using Effective Rate of Interest	1.39	-	(1.39)	-	-
Provision for diminution in value of investment	-	-	(0.48)	-	-
Difference between accounting income and taxable income on investments	-	5.84	12.49	-	-
Provision for bad debts under section 36(1)(viia) of the Income Tax Act,1961	-	8.87	(5.99)	-	-
Share based payments	28.02	-	-	-	-
Impact on account of EIS and Servicing assets/liability	-	214.95	(55.22)	-	-
Right of use assets	0.17	-	0.07	-	-
Other temporary differences	-	58.96	27.60	-	-
Total	**746.69**	**310.40**	**(296.06)**	**(0.56)**	**176.57**

**For Discontinued Operations Refer Note 32*

Particulars	Deferred tax assets	Deferred tax liabilities	Income statement	OCI	Others
	As at March 31, 2022	As at March 31, 2022	Year ended March 31, 2022	Year ended March 31, 2022	Year ended March 31, 2022
Depreciation	50.73	-	12.55	-	-
Impairment allowance for financial assets	570.65	-	(465.68)	-	260.92
Fair value of financial instruments held for trading	2.21	0.40	4.71	-	-
Remeasurement gain / (loss) on defined benefit plan	32.53	-	2.44	(0.37)	-
Impact on Borrowings using effective rate of interest	-	27.66	7.76	-	-
Gain / loss on equity instrument designated at FVOCI	45.17	-	-	(11.45)	53.25
Derivative instruments in cash flow hedge relationship	122.46	-	-	(20.38)	-
Disallowance under section 35DD of the Income Tax Act,1961	-	-	-	-	-
Impact on Loans using Effective Rate of Interest	2.78	-	(3.56)	-	-
Provision for diminution in value of investment	0.48	-	-	-	-
Difference between accounting income and taxable income on investments	-	18.33	(11.12)	-	-
Provision for bad debts under section 36(1)(viia) of the Income Tax Act,1961	-	2.88	0.31	-	-
Share based payments	28.02	-	-	-	-
Impact on account of EIS and Servicing assets/liability	-	159.72	28.31	-	-
Right of use assets	0.09	-	0.05	-	-
Other temporary differences	-	90.90	108.68	-	(80.81)
Total	**855.12**	**299.89**	**(315.55)**	**(32.20)**	**233.36**

(32) Discontinued operations:

The Group had executed definitive transaction document with Nextbillion Technology Private Limited (hereinafter referred to as "Nextbillion"), to divest its entire stake in the business of managing mutual fund, being carried out by IAMCL & ITCL to Nextbillion. subject to necessary approvals, as may be required in this regard. The Group has received all necessary approvals in relation to the transaction and the Group has received the entire consideration of Rs.175.62 Crore on May 02, 2023 (the "Closing Date"). Consequent to the above, the Group does not have any control or shareholding in Indiabulls Asset Management Company Limited (IAMCL) and Indiabulls Trustee Company Limited (ITCL) subsequent to the Closing Date. Accordingly the financial information of these entities have been treated and disclosed as discontinued operations.

Analysis of profit from discontinued operations:

Particulars	**For the year ended March 31, 2023**
Interest Income	6.01
Fees and commission Income	0.85
Net gain on fair value changes	2.47
Total revenue from operations	**9.33**
Other Income	0.07
Total Income	**9.40**
Expenses	
Finance Costs	0.14
Employee Benefits Expenses	0.92
Depreciation, amortisation and impairment	-
Other expenses	6.00
Total Expenses	**7.06**
Profit before tax	**2.34**
Tax Expense:	
(1) Current Tax	0.63
(2) Deferred Tax Credit	(0.30)
Profit for the year from discontinued operations after tax	**2.01**

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Particulars	For the year ended March 31, 2023
Other comprehensive income from discontinued operations	
A (i) Items that will not be reclassified to the statement of profit or loss	
(a) Remeasurement gain on defined benefit plan	-
(b) Loss on equity instrument designated at FVOCI	(0.09)
(ii) Income tax impact on above	0.02
Total Other comprehensive loss from discontinued operations	**(0.07)**
Total comprehensive income from discontinued operations	**1.94**

Financial assets held for sale:	**As at March 31,2023**
Cash and cash equivalents	31.77
Trade Receivables	0.22
Investments	66.33
Other financial assets	4.96
Total Financial assets held for sale	**103.28**

Non-financial assets held for sale:	**As at March 31,2023**
Current tax assets (net)	0.08
Other Non- Financial Assets	0.14
Total Non-Financial assets held for sale	**0.22**
Total assets held for sale	**103.50**

Financial liabilities in respect of assets held for sale:	**As at March 31,2023**
(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	0.07
Total Financial liabilities in respect of assets held for sale	**0.07**

(All amount in Rs. in Crore, except for share data unless stated otherwise)

Non-financial liabilities in respect of assets held for sale:	**As at March 31,2023**
Current tax liabilities (net)	0.63
Provisions	0.06
Deferred tax liabilities (net)	0.76
Other Non-Financial Liabilities	3.84
Total Non-financial liabilities in respect of assets held for sale	**5.29**
Total liabilities in respect of assets held for sale	**5.36**

(33) Explanatory Notes

(i) Debentures (payable at par unless otherwise stated)(Secured unless otherwise stated) includes:*	**As at March 31, 2023**
9.70% Redeemable Non convertible Debentures of Face value Rs. 1000 each Redeemable on July 13, 2032	499.54
9.10 % Redeemable Non convertible Debentures of Face value Rs. 1,000,000 each Redeemable on January 15, 2029	699.55
9.30 % Redeemable Non convertible Debentures of Face value Rs. 1,000,000 each Redeemable on November 22, 2028	999.06
8.75% Redeemable Non convertible Debentures of Face value Rs. 1000 each Redeemable on September 25, 2028[(2)]	0.06
8.84% Redeemable Non convertible Debentures of Face value Rs. 1000 each Redeemable on September 25, 2028[(2)]	12.11
9.10% Redeemable Non convertible Debentures of Face value Rs. 1000 each Redeemable on September 25, 2028[(2)]	0.35
9.20% Redeemable Non convertible Debentures of Face value Rs. 1000 each Redeemable on September 25, 2028[(2)]	13.62
8.90 % Redeemable Non convertible Debentures of Face value Rs. 1,000,000 each Redeemable on August 4, 2028	1,024.03
9.25 % Redeemable Non convertible Debentures of Face value Rs. 1,000 each Redeemable on March 23, 2028	0.05
9.65 % Redeemable Non convertible Debentures of Face value Rs. 1,000 each Redeemable on March 23, 2028	22.59
9.71 % Redeemable Non convertible Debentures of Face value Rs. 1,000 each Redeemable on March 23, 2028	12.03
10.15 % Redeemable Non convertible Debentures of Face value Rs. 1,000 each Redeemable on March 23, 2028	9.83
8.43 % Redeemable Non convertible Debentures of Face value Rs. 1,000,000 each Redeemable on February 23, 2028	24.98
8.43 % Redeemable Non convertible Debentures of Face value Rs. 1,000,000 each Redeemable on February 22, 2028	3,054.63
10.30% Redeemable Non convertible Debentures of Face value Rs. 1000 each Redeemable on February 02, 2028	6.66
9.40% Redeemable Non convertible Debentures of Face value Rs. 1000 each Redeemable on February 02, 2028	0.01
9.85% Redeemable Non convertible Debentures of Face value Rs. 1000 each Redeemable on February 02, 2028	10.43
8.94 % Redeemable Non convertible Debentures of Face value Rs. 1,000 each Redeemable on December 28, 2027	0.16
9.39 % Redeemable Non convertible Debentures of Face value Rs. 1,000 each Redeemable on December 28, 2027	16.27
9.80 % Redeemable Non convertible Debentures of Face value Rs. 1,000 each Redeemable on December 28, 2027	9.77
8.70 % Redeemable Non convertible Debentures of Face value Rs. 1,000 each Redeemable on November 3, 2027	0.01
9.15 % Redeemable Non convertible Debentures of Face value Rs. 1,000 each Redeemable on November 3, 2027	5.82
9.55 % Redeemable Non convertible Debentures of Face value Rs. 1,000 each Redeemable on November 3, 2027	6.19
8.70 % Redeemable Non convertible Debentures of Face value Rs. 1,000 each Redeemable on September 28, 2027	0.33
9.05 % Redeemable Non convertible Debentures of Face value Rs. 1,000 each Redeemable on September 28, 2027	0.05
9.15 % Redeemable Non convertible Debentures of Face value Rs. 1,000 each Redeemable on September 28, 2027	12.88
9.55 % Redeemable Non convertible Debentures of Face value Rs. 1,000 each Redeemable on September 28, 2027	11.12
8.03 % Redeemable Non convertible Debentures of Face value Rs. 1,000,000 each Redeemable on September 8, 2027	1,448.89

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(i) Debentures (payable at par unless otherwise stated)(Secured unless otherwise stated) includes:*	**As at March 31, 2023**
8.43 % Redeemable Non convertible Debentures of Face value Rs. 1,000 each Redeemable on April 28, 2027	0.25
8.75 % Redeemable Non convertible Debentures of Face value Rs. 1,000 each Redeemable on April 28, 2027	0.02
8.89 % Redeemable Non convertible Debentures of Face value Rs. 1,000 each Redeemable on April 28, 2027	10.84
9.25 % Redeemable Non convertible Debentures of Face value Rs. 1,000 each Redeemable on April 28, 2027	10.32
8.43 % Redeemable Non convertible Debentures of Face value Rs. 1,000 each Redeemable on January 6, 2027	0.01
8.75 % Redeemable Non convertible Debentures of Face value Rs. 1,000 each Redeemable on January 6, 2027	0.25
8.89 % Redeemable Non convertible Debentures of Face value Rs. 1,000 each Redeemable on January 6, 2027	9.39
9.25 % Redeemable Non convertible Debentures of Face value Rs. 1,000 each Redeemable on January 6, 2027	9.52
4.50 % Foreign Currency Convertible Debentures of Face value $ 1,000 each Redeemable on September 28, 2026	1,100.10
8.65 % Redeemable Non convertible Debentures of Face value Rs. 1,000 each Redeemable on September 26, 2026	13.56
8.85 % Redeemable Non convertible Debentures of Face value Rs. 1,000 each Redeemable on September 26, 2026	980.37
9.00 % Redeemable Non convertible Debentures of Face value Rs. 1,000 each Redeemable on September 26, 2026	369.26
0.00 % Redeemable Non convertible Debentures of Face value Rs. 1,000 each Redeemable on September 26, 2026[(1)]	42.35
8.75 % Redeemable Non convertible Debentures of Face value Rs. 1,000 each Redeemable on September 24, 2026	121.08
8.89 % Redeemable Non convertible Debentures of Face value Rs. 1,000 each Redeemable on September 24, 2026	10.35
9.25 % Redeemable Non convertible Debentures of Face value Rs. 1,000 each Redeemable on September 24, 2026	13.85
9.00% Redeemable Non convertible Debentures of Face value Rs.1,000,000 each Redeemable on September 21, 2026[(1)]	416.09
8.90 % Redeemable Non convertible Debentures of Face value Rs. 1,000,000 each Redeemable on July 22, 2026	24.81
9.30 % Redeemable Non convertible Debentures of Face value Rs. 1,000,000 each Redeemable on June 30, 2026	197.65
9.00 % Redeemable Non convertible Debentures of Face value Rs. 1,000,000 each Redeemable on June 5, 2026	24.85
9.30 % Redeemable Non convertible Debentures of Face value Rs. 1,000,000 each Redeemable on May 29, 2026	24.76
9.30 % Redeemable Non convertible Debentures of Face value Rs. 1,000,000 each Redeemable on May 8, 2026	24.77
9.30 % Redeemable Non convertible Debentures of Face value Rs. 1,000,000 each Redeemable on April 29, 2026	205.39
9.30 % Redeemable Non convertible Debentures of Face value Rs. 1,000,000 each Redeemable on April 11, 2026	34.83
9.48 % Redeemable Non convertible Debentures of Face value Rs. 1,000 each Redeemable on March 23, 2026	5.23
9.90 % Redeemable Non convertible Debentures of Face value Rs. 1,000 each Redeemable on March 23, 2026	6.69
0.00 % Redeemable Non convertible Debentures of Face value Rs. 1,000 each Redeemable on March 23, 2026[(1)]	6.44
9.00 % Redeemable Non convertible Debentures of Face value Rs. 1,000,000 each Redeemable on March 13, 2026	24.85
4.50 % Redeemable Non convertible Debentures of Face value Rs. 1,000,000 each Redeemable on March 4, 2026	1,224.12
9.30 % Redeemable Non convertible Debentures of Face value Rs. 1,000,000 each Redeemable on February 7, 2026	49.86
10.05% Redeemable Non convertible Debentures of Face value Rs. 1000 each Redeemable on February 02, 2026	6.35
0.00% Redeemable Non convertible Debentures of Face value Rs. 1000 each Redeemable on February 02, 2026	7.09
9.61% Redeemable Non convertible Debentures of Face value Rs. 1000 each Redeemable on February 02, 2026	5.45
9.00 % Redeemable Non convertible Debentures of Face value Rs. 1,000,000 each Redeemable on December 31, 2025	9.95
9.30 % Redeemable Non convertible Debentures of Face value Rs. 1,000,000 each Redeemable on December 30, 2025	94.72
8.70 % Redeemable Non convertible Debentures of Face value Rs. 1,000 each Redeemable on December 28, 2025	0.01
9.05 % Redeemable Non convertible Debentures of Face value Rs. 1,000 each Redeemable on December 28, 2025	0.33
9.16 % Redeemable Non convertible Debentures of Face value Rs. 1,000 each Redeemable on December 28, 2025	7.21
9.55 % Redeemable Non convertible Debentures of Face value Rs. 1,000 each Redeemable on December 28, 2025	11.48
0.00 % Redeemable Non convertible Debentures of Face value Rs. 1,000 each Redeemable on December 28, 2025[(1)]	8.26
9.30 % Redeemable Non convertible Debentures of Face value Rs. 1,000,000 each Redeemable on November 20, 2025	169.23

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(i) Debentures (payable at par unless otherwise stated)(Secured unless otherwise stated) includes:*	**As at March 31, 2023**
8.94 % Redeemable Non convertible Debentures of Face value Rs. 1,000 each Redeemable on November 3, 2025	4.93
9.30 % Redeemable Non convertible Debentures of Face value Rs. 1,000 each Redeemable on November 3, 2025	6.93
0.00 % Redeemable Non convertible Debentures of Face value Rs. 1,000 each Redeemable on November 3, 2025[1]	3.82
8.47 % Redeemable Non convertible Debentures of Face value Rs. 1,000 each Redeemable on September 28, 2025	0.05
8.80 % Redeemable Non convertible Debentures of Face value Rs. 1,000 each Redeemable on September 28, 2025	0.02
8.94 % Redeemable Non convertible Debentures of Face value Rs. 1,000 each Redeemable on September 28, 2025	12.74
9.30 % Redeemable Non convertible Debentures of Face value Rs. 1,000 each Redeemable on September 28, 2025	15.84
0.00 % Redeemable Non convertible Debentures of Face value Rs. 1,000 each Redeemable on September 28, 2025[1]	7.55
10.00 % Redeemable Non convertible Debentures of Face value Rs. 1,000,000 each Redeemable on June 26, 2025	999.21
9.00 % Redeemable Non convertible Debentures of Face value Rs. 1,000,000 each Redeemable on May 19, 2025	24.88
8.20 % Redeemable Non convertible Debentures of Face value Rs. 1,000 each Redeemable on April 28, 2025	0.30
8.50 % Redeemable Non convertible Debentures of Face value Rs. 1,000 each Redeemable on April 28, 2025	0.17
8.66 % Redeemable Non convertible Debentures of Face value Rs. 1,000 each Redeemable on April 28, 2025	10.10
9.00 % Redeemable Non convertible Debentures of Face value Rs. 1,000 each Redeemable on April 28, 2025	21.87
0.00 % Redeemable Non convertible Debentures of Face value Rs. 1,000 each Redeemable on April 28, 2025[1]	6.76
9.25 % Redeemable Non convertible Debentures of Face value Rs. 1,000 each Redeemable on March 23, 2025	7.70
9.65 % Redeemable Non convertible Debentures of Face value Rs. 1,000 each Redeemable on March 23, 2025	8.03
0.00 % Redeemable Non convertible Debentures of Face value Rs. 1,000 each Redeemable on March 23, 2025[1]	6.35
9.80% Redeemable Non convertible Debentures of Face value Rs. 1000 each Redeemable on February 02, 2025	7.06
0.00% Redeemable Non convertible Debentures of Face value Rs. 1000 each Redeemable on February 02, 2025	3.48
0.00% Redeemable Non convertible Debentures of Face value Rs. 1000 each Redeemable on February 02, 2025	4.59
9.40% Redeemable Non convertible Debentures of Face value Rs. 1000 each Redeemable on February 02, 2025	7.50
8.12 % Redeemable Non convertible Debentures of Face value Rs. 1,000,000 each Redeemable on January 24, 2025	224.17
8.20 % Redeemable Non convertible Debentures of Face value Rs. 1,000 each Redeemable on January 6, 2025	0.10
8.50 % Redeemable Non convertible Debentures of Face value Rs. 1,000 each Redeemable on January 6, 2025	0.19
8.66 % Redeemable Non convertible Debentures of Face value Rs. 1,000 each Redeemable on January 6, 2025	8.70
9.00 % Redeemable Non convertible Debentures of Face value Rs. 1,000 each Redeemable on January 6, 2025	65.21
0.00 % Redeemable Non convertible Debentures of Face value Rs. 1,000 each Redeemable on January 6, 2025[1]	6.55
9.20 % Redeemable Non convertible Debentures of Face value Rs. 1,000,000 each Redeemable on December 31, 2024	24.89
8.57 % Redeemable Non convertible Debentures of Face value Rs. 1,000 each Redeemable on December 28, 2024	0.05
8.94 % Redeemable Non convertible Debentures of Face value Rs. 1,000 each Redeemable on December 28, 2024	12.24
8.90 % Redeemable Non convertible Debentures of Face value Rs. 1,000 each Redeemable on December 28, 2024	2.99
9.30 % Redeemable Non convertible Debentures of Face value Rs. 1,000 each Redeemable on December 28, 2024	12.35
0.00 % Redeemable Non convertible Debentures of Face value Rs. 1,000 each Redeemable on December 28, 2024[1]	6.55
9.20 % Redeemable Non convertible Debentures of Face value Rs. 1,000,000 each Redeemable on December 16, 2024	24.89
8.33 % Redeemable Non convertible Debentures of Face value Rs. 1,000 each Redeemable on November 3, 2024	0.05
8.70 % Redeemable Non convertible Debentures of Face value Rs. 1,000 each Redeemable on November 3, 2024	4.97
9.05 % Redeemable Non convertible Debentures of Face value Rs. 1,000 each Redeemable on November 3, 2024	6.33
0.00 % Redeemable Non convertible Debentures of Face value Rs. 1,000 each Redeemable on November 3, 2024[1]	5.22
8.33 % Redeemable Non convertible Debentures of Face value Rs. 1,000 each Redeemable on September 28, 2024	0.10
8.65 % Redeemable Non convertible Debentures of Face value Rs. 1,000 each Redeemable on September 28, 2024	3.81

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(i) Debentures (payable at par unless otherwise stated)(Secured unless otherwise stated) includes:*	**As at March 31, 2023**
8.70 % Redeemable Non convertible Debentures of Face value Rs. 1,000 each Redeemable on September 28, 2024	11.00
9.05 % Redeemable Non convertible Debentures of Face value Rs. 1,000 each Redeemable on September 28, 2024	13.92
0.00 % Redeemable Non convertible Debentures of Face value Rs. 1,000 each Redeemable on September 28, 2024[(1)]	10.62
8.20 % Redeemable Non convertible Debentures of Face value Rs. 1,000 each Redeemable on September 24, 2024	0.10
8.50 % Redeemable Non convertible Debentures of Face value Rs. 1,000 each Redeemable on September 24, 2024	138.34
8.66 % Redeemable Non convertible Debentures of Face value Rs. 1,000 each Redeemable on September 24, 2024	10.01
9.00 % Redeemable Non convertible Debentures of Face value Rs. 1,000 each Redeemable on September 24, 2024	20.23
0.00 % Redeemable Non convertible Debentures of Face value Rs. 1,000 each Redeemable on September 24, 2024[(1)]	10.15
8.75% Redeemable Non convertible Debentures of Face value Rs.1,000,000 each Redeemable on September 21, 2024[(1)]	0.27
10.15 % Redeemable Non convertible Debentures of Face value Rs. 1,000,000 each Redeemable on June 30, 2024	24.86
10.15 % Redeemable Non convertible Debentures of Face value Rs. 1,000,000 each Redeemable on June 5, 2024	24.88
8.35 % Redeemable Non convertible Debentures of Face value Rs. 1,000 each Redeemable on April 28, 2024	16.30
8.42 % Redeemable Non convertible Debentures of Face value Rs. 1,000 each Redeemable on April 28, 2024	9.08
8.75 % Redeemable Non convertible Debentures of Face value Rs. 1,000 each Redeemable on April 28, 2024	31.80
0.00 % Redeemable Non convertible Debentures of Face value Rs. 1,000 each Redeemable on April 28, 2024[(1)]	14.18
8.42 % Redeemable Non convertible Debentures of Face value Rs. 1,000 each Redeemable on January 5, 2024	7.51
8.75 % Redeemable Non convertible Debentures of Face value Rs. 1,000 each Redeemable on January 5, 2024	15.38
0.00 % Redeemable Non convertible Debentures of Face value Rs. 1,000 each Redeemable on January 5, 2024[(1)]	5.62
8.35 % Redeemable Non convertible Debentures of Face value Rs. 1,000 each Redeemable on January 5, 2024	153.86
10.20 % Redeemable Non convertible Debentures of Face value Rs. 1,000,000 each Redeemable on December 24, 2023	24.84
10.80 % Redeemable Non convertible Debentures of Face value Rs. 1,000,000 each Redeemable on November [illegible]	399.52
10.25 % Redeemable Non convertible Debentures of Face value Rs. 1,000,000 each Redeemable on October 8, 2023	24.91
8.66% Redeemable Non convertible Debentures of Face value Rs. 1000 each Redeemable on September 25, 2023[(2)]	20.67
8.90% Redeemable Non convertible Debentures of Face value Rs. 1000 each Redeemable on September 25, 2023[(2)]	0.91
9.00% Redeemable Non convertible Debentures of Face value Rs. 1000 each Redeemable on September 25, 2023[(2)]	74.93
8.05 % Redeemable Non convertible Debentures of Face value Rs. 1,000 each Redeemable on September 24, 2023	0.10
8.35 % Redeemable Non convertible Debentures of Face value Rs. 1,000 each Redeemable on September 24, 2023	278.64
8.42 % Redeemable Non convertible Debentures of Face value Rs. 1,000 each Redeemable on September 24, 2023	9.29
8.75 % Redeemable Non convertible Debentures of Face value Rs. 1,000 each Redeemable on September 24, 2023	157.10
0.00 % Redeemable Non convertible Debentures of Face value Rs. 1,000 each Redeemable on September 24, 2023[(1)]	8.35
11.25 % Redeemable Non convertible Debentures of Face value Rs. 1,000,000 each Redeemable on August 29, 2023	997.46
9.30 % Redeemable Non convertible Debentures of Face value Rs. 1,000,000 each Redeemable on July 28, 2023	203.64
9.05% Redeemable Non convertible Debentures of Face value Rs.1,000,000 each Redeemable on July 07, 2023[(1)]	39.95
9.35 % Redeemable Non convertible Debentures of Face value Rs. 1,000,000 each Redeemable on May 30, 2023	99.92
9.10 % Redeemable Non convertible Debentures of Face value Rs. 1,000,000 each Redeemable on May 18, 2023	1,026.59
9.10 % Redeemable Non convertible Debentures of Face value Rs. 1,000,000 each Redeemable on April 28, 2023	199.94
	18,837.07

(All amount in Rs. in Crore, except for share data unless stated otherwise)

(1) Redeemable at premium
*Debentures are secured against Immovable Property / Other financial Assets and pool of Current and Future Loan Receivables of the Company(Including Investments).

(i) Debentures (payable at par unless otherwise stated)(Secured unless otherwise stated) includes:*	**As at March 31, 2022**
9.10 % Redeemable Non convertible Debentures of Face value Rs. 1,000,000 each Redeemable on January 15, 2029	699.55
9.30 % Redeemable Non convertible Debentures of Face value Rs. 1,000,000 each Redeemable on November 22, 2028	999.06
8.75% Redeemable Non convertible Debentures of Face value Rs. 1000 each Redeemable on September 25, 2028	0.06
8.84% Redeemable Non convertible Debentures of Face value Rs. 1000 each Redeemable on September 25, 2028	12.07
9.10% Redeemable Non convertible Debentures of Face value Rs. 1000 each Redeemable on September 25, 2028	0.35
9.20% Redeemable Non convertible Debentures of Face value Rs. 1000 each Redeemable on September 25, 2028	13.58
8.90 % Redeemable Non convertible Debentures of Face value Rs. 1,000,000 each Redeemable on August 4, 2028	1,024.02
8.43 % Redeemable Non convertible Debentures of Face value Rs. 1,000,000 each Redeemable on February 23, 2028	24.98
8.43 % Redeemable Non convertible Debentures of Face value Rs. 1,000,000 each Redeemable on February 22, 2028	3,058.25
8.03 % Redeemable Non convertible Debentures of Face value Rs. 1,000,000 each Redeemable on September 8, 2027	1,448.89
8.75 % Redeemable Non convertible Debentures of Face value Rs. 1,000 each Redeemable on January 6, 2027	0.24
9.25 % Redeemable Non convertible Debentures of Face value Rs. 1,000 each Redeemable on January 6, 2027	9.38
8.43 % Redeemable Non convertible Debentures of Face value Rs. 1,000 each Redeemable on January 6, 2027	0.01
8.89 % Redeemable Non convertible Debentures of Face value Rs. 1,000 each Redeemable on January 6, 2027	9.25
4.50 % Foreign Currency Convertible Debentures of Face value $ 1,000 each Redeemable on September 28, 2026	1,082.04
8.65 % Redeemable Non convertible Debentures of Face value Rs. 1,000 each Redeemable on September 26, 2026	13.53
8.85 % Redeemable Non convertible Debentures of Face value Rs. 1,000 each Redeemable on September 26, 2026	978.16
9.00 % Redeemable Non convertible Debentures of Face value Rs. 1,000 each Redeemable on September 26, 2026	399.33
0.00 % Redeemable Non convertible Debentures of Face value Rs. 1,000 each Redeemable on September 26, 2026[1]	38.77
8.75 % Redeemable Non convertible Debentures of Face value Rs. 1,000 each Redeemable on September 24, 2026	120.17
9.25 % Redeemable Non convertible Debentures of Face value Rs. 1,000 each Redeemable on September 24, 2026	13.74
8.89 % Redeemable Non convertible Debentures of Face value Rs. 1,000 each Redeemable on September 24, 2026	10.27
8.90 % Redeemable Non convertible Debentures of Face value Rs. 1,000,000 each Redeemable on July 22, 2026	24.77
9.30 % Redeemable Non convertible Debentures of Face value Rs. 1,000,000 each Redeemable on June 30, 2026	197.10
9.00 % Redeemable Non convertible Debentures of Face value Rs. 1,000,000 each Redeemable on June 5, 2026	24.81
9.30 % Redeemable Non convertible Debentures of Face value Rs. 1,000,000 each Redeemable on May 29, 2026	24.71
9.30 % Redeemable Non convertible Debentures of Face value Rs. 1,000,000 each Redeemable on May 8, 2026	24.71
9.30 % Redeemable Non convertible Debentures of Face value Rs. 1,000,000 each Redeemable on April 29, 2026	204.97
9.30 % Redeemable Non convertible Debentures of Face value Rs. 1,000,000 each Redeemable on April 11, 2026	34.78
9.00 % Redeemable Non convertible Debentures of Face value Rs. 1,000,000 each Redeemable on March 13, 2026	24.81
4.50 % Foreign Currency Convertible Debentures of Face value $ 1,000 each Redeemable on March 4, 2026	1,123.19
9.30 % Redeemable Non convertible Debentures of Face value Rs. 1,000,000 each Redeemable on February 7, 2026	49.82
9.00 % Redeemable Non convertible Debentures of Face value Rs. 1,000,000 each Redeemable on December 31, 2025	9.93
9.30 % Redeemable Non convertible Debentures of Face value Rs. 1,000,000 each Redeemable on December 30, 2025	94.65
9.30 % Redeemable Non convertible Debentures of Face value Rs. 1,000,000 each Redeemable on November 20, 2025	169.03
10.00 % Redeemable Non convertible Debentures of Face value Rs. 1,000,000 each Redeemable on June 26, 2025	999.21
9.00 % Redeemable Non convertible Debentures of Face value Rs. 1,000,000 each Redeemable on May 19, 2025	24.83
8.12 % Redeemable Non convertible Debentures of Face value Rs. 1,000,000 each Redeemable on January 24, 2025	223.82
8.50 % Redeemable Non convertible Debentures of Face value Rs. 1,000 each Redeemable on January 6, 2025	0.19

Indiabulls Housing Finance Limited Group
Notes to Consolidated Financial Statements for the year ended March 31, 2023
(All amount in Rs. in Crore, except for share data unless stated otherwise)

(i) Debentures (payable at par unless otherwise stated)(Secured unless otherwise stated) includes:*	**As at March 31, 2022**
9.00 % Redeemable Non convertible Debentures of Face value Rs. 1,000 each Redeemable on January 6, 2025	64.14
0.00 % Redeemable Non convertible Debentures of Face value Rs. 1,000 each Redeemable on January 6, 2025[1]	5.91
8.20 % Redeemable Non convertible Debentures of Face value Rs. 1,000 each Redeemable on January 6, 2025	0.10
8.66 % Redeemable Non convertible Debentures of Face value Rs. 1,000 each Redeemable on January 6, 2025	8.56
9.20 % Redeemable Non convertible Debentures of Face value Rs. 1,000,000 each Redeemable on December 31, 2024	24.84
9.20 % Redeemable Non convertible Debentures of Face value Rs. 1,000,000 each Redeemable on December 16, 2024	24.84
8.50 % Redeemable Non convertible Debentures of Face value Rs. 1,000 each Redeemable on September 24, 2024	137.21
9.00 % Redeemable Non convertible Debentures of Face value Rs. 1,000 each Redeemable on September 24, 2024	20.07
0.00 % Redeemable Non convertible Debentures of Face value Rs. 1,000 each Redeemable on September 24, 2024[1]	9.24
8.20 % Redeemable Non convertible Debentures of Face value Rs. 1,000 each Redeemable on September 24, 2024	0.10
8.66 % Redeemable Non convertible Debentures of Face value Rs. 1,000 each Redeemable on September 24, 2024	9.93
10.15 % Redeemable Non convertible Debentures of Face value Rs. 1,000,000 each Redeemable on June 30, 2024	24.78
10.15 % Redeemable Non convertible Debentures of Face value Rs. 1,000,000 each Redeemable on June 5, 2024	24.79
8.35 % Redeemable Non convertible Debentures of Face value Rs. 1,000 each Redeemable on January 6, 2024	407.90
8.75 % Redeemable Non convertible Debentures of Face value Rs. 1,000 each Redeemable on January 6, 2024	15.11
0.00 % Redeemable Non convertible Debentures of Face value Rs. 1,000 each Redeemable on January 6, 2024[1]	5.08
8.05 % Redeemable Non convertible Debentures of Face value Rs. 1,000 each Redeemable on January 6, 2024	-
8.42 % Redeemable Non convertible Debentures of Face value Rs. 1,000 each Redeemable on January 6, 2024	7.38
10.20 % Redeemable Non convertible Debentures of Face value Rs. 1,000,000 each Redeemable on December 24, 2023	24.67
10.80 % Redeemable Non convertible Debentures of Face value Rs. 1,000,000 each Redeemable on November 21, 2023	399.52
10.25 % Redeemable Non convertible Debentures of Face value Rs. 1,000,000 each Redeemable on October 8, 2023	24.80
8.66% Redeemable Non convertible Debentures of Face value Rs. 1000 each Redeemable on September 25, 2023	20.56
8.90% Redeemable Non convertible Debentures of Face value Rs. 1000 each Redeemable on September 25, 2023	0.90
9.00% Redeemable Non convertible Debentures of Face value Rs. 1000 each Redeemable on September 25, 2023	74.53
8.35 % Redeemable Non convertible Debentures of Face value Rs. 1,000 each Redeemable on September 24, 2023	276.28
8.75 % Redeemable Non convertible Debentures of Face value Rs. 1,000 each Redeemable on September 24, 2023	155.77
0.00 % Redeemable Non convertible Debentures of Face value Rs. 1,000 each Redeemable on September 24, 2023[1]	7.61
8.05 % Redeemable Non convertible Debentures of Face value Rs. 1,000 each Redeemable on September 24, 2023	0.10
8.42 % Redeemable Non convertible Debentures of Face value Rs. 1,000 each Redeemable on September 24, 2023	9.21
11.25 % Redeemable Non convertible Debentures of Face value Rs. 1,000,000 each Redeemable on August 29, 2023	998.60
9.30 % Redeemable Non convertible Debentures of Face value Rs. 1,000,000 each Redeemable on July 28, 2023	203.02
9.05% Redeemable Non convertible Debentures of Face value Rs.1,000,000 each Redeemable on July 07, 2023	39.86
9.35 % Redeemable Non convertible Debentures of Face value Rs. 1,000,000 each Redeemable on May 30, 2023	99.79
9.10 % Redeemable Non convertible Debentures of Face value Rs. 1,000,000 each Redeemable on May 18, 2023	1,006.39
9.10 % Redeemable Non convertible Debentures of Face value Rs. 1,000,000 each Redeemable on April 28, 2023	199.94
10.00 % Redeemable Non convertible Debentures of Face value Rs. 1,000,000 each Redeemable on March 25, 2023	4.98
10.00 % Redeemable Non convertible Debentures of Face value Rs. 1,000,000 each Redeemable on March 19, 2023	99.11
10.00 % Redeemable Non convertible Debentures of Face value Rs. 1,000,000 each Redeemable on February 26, 2023	24.89
10.20 % Redeemable Non convertible Debentures of Face value Rs. 1,000,000 each Redeemable on January 16, 2023	34.73
10.00 % Redeemable Non convertible Debentures of Face value Rs. 1,000,000 each Redeemable on December 31, 2022	49.76
8.12 % Redeemable Non convertible Debentures of Face value Rs. 1,000,000 each Redeemable on December 29, 2022	997.10
10.00 % Redeemable Non convertible Debentures of Face value Rs. 1,000,000 each Redeemable on December 18, 2022	14.94

Indiabulls Housing Finance Limited Group
Notes to Consolidated Financial Statements for the year ended March 31, 2023
(All amount in Rs. in Crore, except for share data unless stated otherwise)

(i) Debentures (payable at par unless otherwise stated)(Secured unless otherwise stated) includes:*	As at March 31, 2022
9.30 % Redeemable Non convertible Debentures of Face value Rs. 1,000,000 each Redeemable on November 20, 2022	9.98
10.00 % Redeemable Non convertible Debentures of Face value Rs. 1,000,000 each Redeemable on November 19, 2022	14.94
7.77 % Redeemable Non convertible Debentures of Face value Rs. 1,000,000 each Redeemable on November 7, 2022	289.26
10.00 % Redeemable Non convertible Debentures of Face value Rs. 1,000,000 each Redeemable on November 6, 2022	14.94
7.82 % Redeemable Non convertible Debentures of Face value Rs. 1,000,000 each Redeemable on July 25, 2022	99.88
10.70 % Redeemable Non convertible Debentures of Face value Rs. 1,000,000 each Redeemable on July 6, 2022	19.98
10.95 % Redeemable Non convertible Debentures of Face value Rs. 1,000,000 each Redeemable on June 28, 2022	799.19
6.38 % Redeemable Non convertible Debentures of Face value $ 1,000 each Redeemable on May 28, 2022	2,649.13
9.07 % Redeemable Non convertible Debentures of Face value Rs. 1,000,000 each Redeemable on April 6, 2022	999.97
	23,665.34

(1) Redeemable at premium
*Debentures are secured against Immovable Property / Other financial Assets and pool of Current and Future Loan Receivables of the Group (Including Investments).

(ii) Term Loan from banks / ECBs includes as at March 31, 2023*:	As at March 31, 2023
Term Loan taken from Bank(s). These loans are repayable in monthly installment with moratorium period of 12 month from the date of disbursement. The balance tenure for these loans is 43 months (average) from the Balance Sheet.(1)	788.21
Term Loan taken from Bank. This loan is repayable in monthly installment from the date of disbursement. The balance tenure for this loan is 12 months from the Balance Sheet.(1)	99.19
Term Loan taken from Bank(s). These loans are repayable in quarterly installment with moratorium period of 3 months from the date of disbursement. The balance tenure for these loans is 48 months (average) from the Balance Sheet.(1)	1,338.94
Term Loan taken from Bank(s). These loans are repayable in quarterly installment with moratorium period of 6 month from the date of disbursement. The balance tenure for these loan sis 61 months (average) from the Balance Sheet.(1)	2,013.09
Term Loan taken from Bank(s). These loans are repayable in yearly installment with the moratorium period of 2 years from the date of disbursement. The balance tenure for these loans is 39 months (average) from the Balance Sheet.(1)	497.74
Term Loan taken from Bank(s). These loans are repayable in bullet at the end of the tenure from the date of disbursement. The balance tenure for these loans is 16 months (average) from the Balance Sheet.(1)	3,080.36
Term Loan taken from Bank(s). These loans are repayable in quarterly installment from the date of disbursement. The balance tenure for these loans is 38 months (average) from the Balance Sheet.(1),(2) & (3)	3,060.19
Term Loan taken from Bank. This loan is repayable in yearly installment with the moratorium period of 4 years from the date of disbursement. The balance tenure for this loan is 30 months from the Balance Sheet.(1)	337.98
Term Loan taken from Bank(s). These loans are repayable in yearly installment with the moratorium period of 3 years from the date of disbursement. The balance tenure for these loans is 4 months (average) from the Balance Sheet.(1)	437.44
Term Loan taken from Bank. This loan is repayable in half yearly installment with the moratorium period of 1 years from the date of disbursement. The balance tenure for this loan is 3 months from the Balance Sheet.(1)	124.99

(All amount in Rs. in Crore, except for share data unless stated otherwise)

(ii) Term Loan from banks / ECBs includes as at March 31, 2023*:	As at March 31, 2023
Term Loan taken from Bank. This loans is repayable in half yearly installment with the moratorium period of 6 months from the date of disbursement. The balance tenure for this loan is 36 months from the Balance Sheet.(1)	112.23
Term Loan taken from Bank. This loan is repayable in 6 monthly installment and thereafter quarterly installment from the date of disbursement. The balance tenure for this loan is 82 months from the Balance Sheet.(1)	508.66
Term Loans taken from financial institution. These loans are repayable in half yearly instalments. The average balance tenure for these loans is 13 months from the Balance Sheet date.	121.07
Term Loan taken from Bank. This loan is repayable in quarterly instalments with moratorium period of 3 month from the date of disbursement. The balance tenure for this loan is 3 months from the Balance Sheet date.	28.75
Term Loan taken from Banks. These loans are repayable in quarterly instalments from the date of disbursement. The average balance tenure for these loans is 39 months from the Balance Sheet date.	260.00
Term Loan taken from Banks. These loans are repayable in yearly instalments with the moratorium period of 3 years from the date of disbursement. The average balance tenure for these loans is 3 months from the Balance Sheet date.	75.00
Term Loan taken from Bank(s), These loans are repayable in quarterly instalment with moratorium period of 6 months from the date of disbursement. The average balance tenure for these loans is 48 months from the Balance Sheet date.	650.06
Term Loan taken from Other, This loan is repayable within 36 months from the date of disbursement of loan.	501.50
	14,035.40

(1) Linked to base rate / MCLR of respective lenders
(2) Linked to Libor
(3) Includes External commercial borrowings from banks.
*Secured by hypothecation of Loan Receivables(Current and Future) / Other financial Assets / Cash and Cash Equivalents of the Company(including investments).

(ii) Term Loan from banks / ECBs includes as at March 31, 2022*:	As at March 31, 2022
Term Loan taken from Bank(s). These loans are repayable in monthly installment with moratorium period of 12 month from the date of disbursement. The balance tenure for these loan is 50 months (average) from the Balance Sheet.(1)	624.55
Term Loan taken from Bank. This loan is repayable in half yearly installment after the moratorium of 3 years from the date of disbursement. The balance tenure for this loan is 9 months from the Balance Sheet.(1)	499.97
Term Loan taken from Bank(s). These loans are repayable in quarterly installment with moratorium period of 3 months from the date of disbursement. The balance tenure for these loan is 57 months (average) from the Balance Sheet.(1)	1,328.23
Term Loan taken from Bank. This loan is repayable in quarterly installment with moratorium period of 1 years from the date of disbursement. The balance tenure for this loan is 9 months from the Balance Sheet.(1)	312.38
Term Loan taken from Bank(s). These loans are repayable in quarterly installment with moratorium period of 6 month from the date of disbursement. The balance tenure for these loan is 66 months (average) from the Balance Sheet.(1)	2,327.26
Term Loan taken from Bank(s). These loans are repayable in yearly installment with the moratorium period of 2 years from the date of disbursement. The balance tenure for these loan is 29 months (average) from the Balance Sheet.(1)	930.02

(All amount in Rs. in Crore, except for share data unless stated otherwise)

(ii) Term Loan from banks / ECBs includes as at March 31, 2022*:	**As at March 31, 2022**
Term Loan taken from Bank(s). These loans are repayable in bullet at the end of the tenure from the date of disbursement. The balance tenure for these loan is 12 months (average) from the Balance Sheet.[(2)&(3)]	2,563.88
Term Loan taken from Bank. This loan is repayable in yearly installment after the moratorium period of 1 years from the date of disbursement. The balance tenure for this loan is 5 months from the Balance Sheet.[(1)]	333.33
Term Loan taken from Bank. This loan is repayable in monthly installment from the date of disbursement. The balance tenure for this loan is 3 months from the Balance Sheet.[(1)]	14.99
Term Loan taken from Bank(s). These loans are repayable in quarterly installment from the date of disbursement. The balance tenure for these loan is 47 months (average) from the Balance Sheet.[(1)]	3,415.43
Term Loan taken from Bank. This loan is repayable in half yearly installment from the date of disbursement. The balance tenure for this loan is 3 months from the Balance Sheet.[(1)]	65.62
Term Loan taken from Bank. This loan is repayable in yearly installment with the moratorium period of 4 years from the date of disbursement. The balance tenure for this loan is 42 months from the Balance Sheet.[(1)]	399.98
Term Loan taken from Bank(s). These loans are repayable in yearly installment with the moratorium period of 3 years from the date of disbursement. The balance tenure for these loan is 12 months (average) from the Balance Sheet.[(1)]	2,059.67
Term Loan taken from Bank(s). These loans are repayable in half yearly installment with the moratorium period of 1 years from the date of disbursement. The balance tenure for these loan is 13 months (average) from the Balance Sheet.[(1)]	624.82
Term Loan taken from Bank. This loan is repayable in half yearly installment with the moratorium period of 6 months from the date of disbursement. The balance tenure for this loan is 49 months from the Balance Sheet.[(1)]	149.64
Term Loans taken from financial institution. These loans are repayable in half yearly instalments. The average balance tenure for these loans is 25 months from the Balance Sheet date.	221.50
Term Loan taken from Bank. This loan is repayable in quarterly instalments with moratorium period of 3 month from the date of disbursement. The balance tenure for this loan is 15 months from the Balance Sheet date.	143.71
Term Loan taken from Banks. These loans are repayable in quarterly instalments from the date of disbursement. The average balance tenure for these loans is 51 months from the Balance Sheet date.	340.00
Term Loan taken from Banks. These loans are repayable in yearly instalments with the moratorium period of 3 years from the date of disbursement. The average balance tenure for these loans is 10 months from the Balance Sheet date.	464.97
Term Loan taken from Banks. These loans are repayable in yearly instalments with the moratorium period of 2 years from the date of disbursement. The average balance tenure for these loans is 8 months from the Balance Sheet date.	565.31
Term Loan taken from Bank(s), These loans are repayable in quarterly instalment with moratorium period of 6 months from the date of disbursement. The average balance tenure for these loans is 60 months from the Balance Sheet date.	229.24
Term Loan taken from Other, This loan is repayable within 36 months from the date of disbursement of loan.	454.70
	18,069.20

(1) Linked to base rate / MCLR of respective lenders
(2) Linked to Libor
(3) Includes External commercial borrowings from banks.
*Secured by hypothecation of Loan Receivables(Current and Future) / Other financial Assets / Cash and Cash Equivalents of the Group (including investments).

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Notes to Consolidated Financial Statements for the year ended March 31, 2023
(All amount in Rs. in Crore, except for share data unless stated otherwise)

(iii) Subordinated Debt	**As at March 31, 2023**
8.89 % Redeemable Non convertible Debentures of Face value Rs. 1,000 each Redeemable on December 24, 2028	0.00
9.35 % Redeemable Non convertible Debentures of Face value Rs. 1,000,000 each Redeemable on December 24, 2028	4.02
9.75 % Redeemable Non convertible Debentures of Face value Rs. 1,000 each Redeemable on December 24, 2028	2.73
8.80% Subordinated Debt of Face value of Rs.100,000 each Redeemable on May 2, 2028	97.80
8.85% Subordinated Debt of Face value of Rs.100,000 each Redeemable on March 28, 2028	4.61
8.85% Subordinated Debt of Face value of Rs. 100,000 each Redeemable on March 28, 2028	99.98
8.80 % Redeemable Non convertible Debentures of Face value Rs. 1,000 each Redeemable on March 27, 2028	1,474.51
8.45% Subordinated Debt of Face value of Rs. 100,000 each Redeemable on January 05, 2028	29.97
8.45% Subordinated Debt of Face value of Rs. 100,000 each Redeemable on November 30, 2027	39.32
10.65 % Redeemable Non convertible Debentures of Face value Rs. 1,000 each Redeemable on November 15, 2027	31.60
8.45% Subordinated Debt of Face value of Rs. 100,000 each Redeemable on November 08, 2027	58.98
8.35 % Redeemable Non convertible Debentures of Face value Rs. 1,000,000 each Redeemable on September 8, 2027	890.43
10.65 % Redeemable Non convertible Debentures of Face value Rs. 1,000 each Redeemable on June 30, 2027	48.23
10.25 % Redeemable Non convertible Debentures of Face value Rs. 1,000,000 each Redeemable on June 28, 2027	99.90
10.65 % Redeemable Non convertible Debentures of Face value Rs. 1,000,000 each Redeemable on June 5, 2027	107.01
8.79 % Redeemable Non convertible Debentures of Face value Rs. 1,000,000 each Redeemable on September 26, 2026	2.39
9.15 % Redeemable Non convertible Debentures of Face value Rs. 1,000,000 each Redeemable on September 26, 2026	193.27
9.00 % Redeemable Non convertible Debentures of Face value Rs. 1,000,000 each Redeemable on September 26, 2026	0.15
0.00 % Redeemable Non convertible Debentures of Face value Rs. 1,000 each Redeemable on September 26, 2026	1.66
9.30 % Redeemable Non convertible Debentures of Face value Rs. 1,000 each Redeemable on June 29, 2026	603.95
10.00 % Redeemable Non convertible Debentures of Face value Rs. 1,000,000 each Redeemable on August 3, 2025	164.02
10.10 % Redeemable Non convertible Debentures of Face value Rs. 1,000,000 each Redeemable on July 21, 2025	8.14
9.70 % Redeemable Non convertible Debentures of Face value Rs. 1,000,000 each Redeemable on March 17, 2025	4.98
8.35 % Redeemable Non convertible Debentures of Face value Rs. 1,000,000 each Redeemable on September 6, 2024	99.92
10.85 % Redeemable Non convertible Debentures of Face value Rs. 1,000,000 each Redeemable on July 17, 2024	9.95
10.80 % Redeemable Non convertible Debentures of Face value Rs. 1,000,000 each Redeemable on December 23, 2023	19.88
10.85 % Redeemable Non convertible Debentures of Face value Rs. 1,000,000 each Redeemable on October 24, 2023	4.98
10.85 % Redeemable Non convertible Debentures of Face value Rs. 1,000,000 each Redeemable on September 27, 2023	24.89
10.10 % Redeemable Non convertible Debentures of Face value Rs. 1,000,000 each Redeemable on September 23, 2023	24.90
9.90 % Redeemable Non convertible Debentures of Face value Rs. 1,000,000 each Redeemable on June 3, 2023	124.81
9.80 % Redeemable Non convertible Debentures of Face value Rs. 1,000,000 each Redeemable on May 23, 2023	19.96
	4,296.94

(1) Redeemable at premium

Indiabulls Housing Finance Limited Group
Notes to Consolidated Financial Statements for the year ended March 31, 2023
(All amount in Rs. in Crore, except for share data unless stated otherwise)

(iii) Subordinated Debt	**As at March 31, 2022**
8.89 % Redeemable Non convertible Debentures of Face value Rs. 1,000 each Redeemable on December 24, 2028	-
9.25 % Redeemable Non convertible Debentures of Face value Rs. 1,000 each Redeemable on December 24, 2028	-
9.35 % Redeemable Non convertible Debentures of Face value Rs. 1,000 each Redeemable on December 24, 2028	3.99
9.75 % Redeemable Non convertible Debentures of Face value Rs. 1,000 each Redeemable on December 24, 2028	2.71
8.80% Subordinated Debt of Face value of Rs. 100,000 each Redeemable on May 2, 2028	97.46
8.85% Subordinated Debt of Face value of Rs. 100,000 each Redeemable on March 28, 2028	4.55
8.85% Subordinated Debt of Face value of Rs. 100,000 each Redeemable on March 28, 2028	100.00
8.80 % Redeemable Non convertible Debentures of Face value Rs. 1,000,000 each Redeemable on March 27, 2028	1,470.44
8.45% Subordinated Debt of Face value of Rs. 100,000 each Redeemable on January 05, 2028	29.97
8.45% Subordinated Debt of Face value of Rs. 100,000 each Redeemable on November 30, 2027	39.21
10.65 % Redeemable Non convertible Debentures of Face value Rs. 1,000,000 each Redeemable on November 15, 2027	31.45
8.45% Subordinated Debt of Face value of Rs. 100,000 each Redeemable on November 08, 2027	58.81
8.35 % Redeemable Non convertible Debentures of Face value Rs. 1,000,000 each Redeemable on September 8, 2027	888.86
10.65 % Redeemable Non convertible Debentures of Face value Rs. 1,000,000 each Redeemable on June 30, 2027	47.99
10.25 % Redeemable Non convertible Debentures of Face value Rs. 1,000,000 each Redeemable on June 28, 2027	99.90
10.65 % Redeemable Non convertible Debentures of Face value Rs. 1,000,000 each Redeemable on June 5, 2027	106.48
8.79 % Redeemable Non convertible Debentures of Face value Rs. 1,000 each Redeemable on September 26, 2026	2.39
9.15 % Redeemable Non convertible Debentures of Face value Rs. 1,000 each Redeemable on September 26, 2026	192.84
9.00 % Redeemable Non convertible Debentures of Face value Rs. 1,000 each Redeemable on September 26, 2026	0.15
0.00 % Redeemable Non convertible Debentures of Face value Rs. 1,000 each Redeemable on September 26, 2026[(1)]	1.52
9.30 % Redeemable Non convertible Debentures of Face value Rs. 1,000,000 each Redeemable on June 29, 2026	602.62
10.00 % Redeemable Non convertible Debentures of Face value Rs. 1,000,000 each Redeemable on August 3, 2025	163.73
10.10 % Redeemable Non convertible Debentures of Face value Rs. 1,000,000 each Redeemable on July 21, 2025	8.14
9.70 % Redeemable Non convertible Debentures of Face value Rs. 1,000,000 each Redeemable on March 17, 2025	4.97
8.35 % Redeemable Non convertible Debentures of Face value Rs. 1,000,000 each Redeemable on September 6, 2024	99.92
10.85 % Redeemable Non convertible Debentures of Face value Rs. 1,000,000 each Redeemable on July 17, 2024	9.92
10.80 % Redeemable Non convertible Debentures of Face value Rs. 1,000,000 each Redeemable on December 23, 2023	19.77
10.85 % Redeemable Non convertible Debentures of Face value Rs. 1,000,000 each Redeemable on October 24, 2023	4.97
10.85 % Redeemable Non convertible Debentures of Face value Rs. 1,000,000 each Redeemable on September 27, 2023	24.76
10.10 % Redeemable Non convertible Debentures of Face value Rs. 1,000,000 each Redeemable on September 23, 2023	24.77
9.90 % Redeemable Non convertible Debentures of Face value Rs. 1,000,000 each Redeemable on June 3, 2023	124.24
9.80 % Redeemable Non convertible Debentures of Face value Rs. 1,000,000 each Redeemable on May 23, 2023	19.79
10.10 % Redeemable Non convertible Debentures of Face value Rs. 1,000,000 each Redeemable on March 28, 2023	24.88
10.10 % Redeemable Non convertible Debentures of Face value Rs. 1,000,000 each Redeemable on March 6, 2023	19.81
10.10 % Redeemable Non convertible Debentures of Face value Rs. 1,000,000 each Redeemable on February 18, 2023	24.79
10.65 % Redeemable Non convertible Debentures of Face value Rs. 1,000,000 each Redeemable on January 30, 2023	9.96
10.10 % Redeemable Non convertible Debentures of Face value Rs. 1,000,000 each Redeemable on January 14, 2023	24.80
10.20 % Redeemable Non convertible Debentures of Face value Rs. 1,000,000 each Redeemable on December 4, 2022	19.94
10.65 % Redeemable Non convertible Debentures of Face value Rs. 1,000,000 each Redeemable on November 15, 2022	1.09
10.30 % Redeemable Non convertible Debentures of Face value Rs. 1,000,000 each Redeemable on October 31, 2022	24.87
10.30 % Redeemable Non convertible Debentures of Face value Rs. 1,000,000 each Redeemable on October 22, 2022	39.80
10.30 % Redeemable Non convertible Debentures of Face value Rs. 1,000,000 each Redeemable on October 9, 2022	34.82

(iii) Subordinated Debt	**As at March 31, 2022**
10.65 % Redeemable Non convertible Debentures of Face value Rs. 1,000,000 each Redeemable on June 5, 2022	14.95
	4,526.03

(1) Redeemable at premium

(iv) disclosure of investing and financing activity that do not require cash and cash equivalent*:

Particulars	**Year Ended March 31, 2023**	**Year Ended March 31, 2022**
Property, plant and equipment and intangible assets	(32.94)	(42.44)
Investments in subsidiaries and other long-term Investments	(173.27)	(50.74)
Right-of-use assets	94.81	55.35
Borrowings**	186.34	13.55

* Includes non cash movements such as effective interest rate on borrowings and investment, fair value adjustment on investment etc.

** Represents debt securities, borrowings (other than debt securities) and subordinated liabilities.

(v) During the year, the Holding Company has bought back non-convertible debenture having face value of Rs. 1,269.60 Crores (Previous Year Rs. 182.70 crores), thereby earning loss of Rs. 0.00 Crores (Previous Year profit Rs. 1.59 crores) which is clubbed under net gain on derecognition of financial instruments under amortized cost category.

(vi) The Citizens Whistle Blower Forum has filed a Public Interest Litigation ("PIL") before the Delhi High Court wherein certain allegations have been made against the Indiabulls group. The Company has vehemently denied the frivolous allegations that have been made without basic research or inquiry. The company has also filed a perjury application wherein notice has been issued. The Management has concluded that the allegations made in the Writ Petition has no merit and no impact on the consolidated financial statements. The matter is sub judice and pending with the Delhi High Court.

(vii) The Holding Company does not have any charges which are yet to be registered with the Registrar of Companies beyond the statutory period. In some cases, the Holding Company has fully redeemed certain secured debentures and External Commercial Borrowing aggregating to Rs. 7,671.93 Crores in respect of which the Holding Company is in the process of preparation and submission of necessary forms for satisfaction of such charges and expects to complete the process in due course and in respect of subsidiary companies, there are no charges or satisfaction yet to be registered with Registrar of Companies beyond the statutory period during the year ended March 31, 2023 (Previous year Rs. Nil) except in respect of wholly owned subsidiary, Indiabulls Commercial Credit Limited (ICCL), ICCL did not have any charges or satisfaction of charges which were yet to be registered with the Registrar of Companies beyond the statutory period except in one case, in respect of a term loan from a bank which was repaid in full by ICCL on December 3, 2022, ICCL was awaiting the No-Dues certificate from the lender bank. Subsequent to the year end on April 25, 2023, ICCL has submitted the satisfaction of the charge in respect of such loan with the office of Registrar of Companies – NCT Delhi & Haryana, immediately upon receipt of the No-Dues certificate from the lender bank.

(viii) Major classes of assets held for sale as at March 31, 2023 are as below:

Description	**As at March 31, 2023**	**As at March 31, 2022**
Residential	1,829.86	2,092.73
Commercial	510.28	888.82
Total	**2,340.14**	**2,981.55**

(ix) The Holding Company is mainly engaged in the housing finance and mortgage-backed lending business, and all other activities revolve around this main business of the Holding Company. Further, all activities are conducted within India and as such there is no separate reportable segment, as per the Ind AS 108 - "Operating Segments" specified under Section 133 of the Act.

As an outcome of its asset-light business model, which has gained significant traction in the last two years, the Holding Company retains on its balance sheet only a small portion of the housing loans disbursed by it. Consequently, in its present structure, the Holding Company does not meet the Principal Business Criteria for Housing Finance Companies as laid out in para 5.3 of the Master Direction – Non Banking Financial Company – Housing Finance Company ("NBFC-HFC") (Reserve Bank) Directions, 2021 ("Master Directions"). With its long-term commitment to the asset-light business model, the Holding Company has confirmed to the RBI that it is working on a plan for reorganization of the Holding Company structure, and submitted to the RBI a board-approved plan to this effect. Subject to the requisite regulatory and statutory approvals, the reorganisation plan would entail consolidation of the Holding Company's various entities into a larger NBFC-ICC. The RBI has given the Holding Company time till September 30, 2023, to implement the board-approved plan for conversion of the Company into a Non-Banking Financial Company – Investment and Credit Company (NBFC-ICC). The Holding Company has been advised by the National Housing Bank [NHB] to continue compliance with the Master Directions and other circulars issued by RBI as applicable to HFCs, and the Supervisory circulars issued by NHB.

(34) Contingent Liability and Commitments:

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

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

(a) Demand pending under the Income Tax Act,1961

(i) In respect of Subsidiary Company, For Rs. 0.82 Crore with respect to FY 2007-08 (Year ended March 31, 2022 Rs. Nil) against disallowances under Income Tax Act,1961, against which appeal is pending before Hon'ble Jurisdictional High Court.

(ii) In respect of Subsidiary Company, For Rs. 1.17 Crores with respect to FY 2007-08 (Year ended March 31, 2022 Rs. 1.17 Crores) against disallowances under Income Tax Act,1961 against which appeal is pending before CIT (Appeals).

(iii) In respect of Holding Company, For Rs. 1.23 Crores with respect to FY 2008-09 (Year ended March 31, 2022 Rs. 1.23 Crores) against disallowances under Income Tax Act,1961, against which the appeal is pending before Hon'ble Supreme Court.

(iv) In respect of Holding Company, For Rs. 1.27 Crores with respect to FY 2010-11 (Year ended March 31, 2022 Rs. 1.27 Crores) against disallowances under Income Tax Act, 1961, against which the department has filed appeal before Hon'ble Jurisdictional High Court.

(v) In respect of Holding Company, For Rs. Nil with respect to FY 2010-11 (Year ended March 31, 2022 Rs. 0.05 Crore) against disallowances under Income Tax Act,1961 against which appeal is pending before ITAT.

(vi) In respect of Holding Company, For Rs. Nil with respect to FY 2010-11 (Year ended March 31, 2022 Rs. 0.05 Crore) against disallowances under Income Tax Act,1961 against which appeal is pending before CIT (Appeals).
(vii) In respect of Subsidiary Company, For Rs. 1.75 Crores with respect to FY 2011-12 (Year ended March 31, 2022 Rs. 1.75 Crores) against disallowances under Income Tax Act,1961,against which the appeal is pending before Hon'ble Jurisdictional High Court.
(viii) In respect of Holding Company, For Rs. Nil Crore with respect to FY 2011-12 (Year ended March 31, 2022 Rs. 0.00 Crore) against disallowances under Income Tax Act,1961 against which appeal is pending before ITAT.
(ix) In respect of Holding Company, For Rs. Nil with respect to FY 2011-12 (Year ended March 31, 2022 Rs. 0.00 Crore) against disallowances under Income Tax Act,1961 against which departmental appeal is pending before ITAT.
(x) In respect of Holding Company, For Rs. 0.11 Crore with respect to FY 2012-13 (Year ended March 31, 2022 Rs. 0.11 Crore) against disallowances under Income Tax Act,1961 against which departmental appeal is pending before ITAT.

(xi) In respect of Holding Company, For Rs. 14.16 Crores with respect to FY 2013-14 (Year ended March 31, 2022 Rs. 14.16 Crores) against disallowances under Income Tax Act,1961 against which departmental appeal is pending before ITAT.

(xii) In respect of Holding Company, For Rs. 13.81 Crores with respect to FY 2014-15 (Year ended March 31, 2022 Rs. 13.81 Crores) against disallowances under Income Tax Act,1961 against which departmental appeal is pending before ITAT.

(xiii) In respect of Holding Company, For Rs. 20.54 Crores with respect to FY 2015-16 (Year ended March 31, 2022 Rs. 20.54 Crores) against disallowances under Income Tax Act,1961 against which departmental appeal is pending before ITAT.

(xiv) In respect of Holding Company, For Rs. 48.66 Crores with respect to FY 2016-17 (Year ended March 31, 2022 Rs. 48.66 Crores) against disallowances under Income Tax Act,1961 against which departmental appeal is pending before ITAT.

(xv) In respect of Holding Company, For Rs. 9.65 Crores with respect to FY 2017-18 (Year ended March 31, 2022 Rs. 166.75 Crores) against disallowances under Income Tax Act,1961 against which appeal is pending before ITAT.

(xvi) In respect of Holding Company, For Rs. 1.30 Crores with respect to FY 2017-18 (Year ended March 31, 2022 Rs. 1.30 Crores) against disallowances under Income Tax Act,1961 against which appeal is pending before CIT (Appeals).

(xvii) In respect of Subsidiary Company, For Rs. 38.48 Crores with respect to FY 2017-18 (Year ended March 31, 2022 Rs. Nil) against disallowances under Income Tax Act,1961 against which appeal is pending before CIT (Appeals).

(xviii) In respect of Holding Company, For Rs. 57.24 Crores with respect to FY 2018-19 (Year ended March 31, 2022 Rs. 57.24) against disallowances under Income Tax Act,1961 against which appeal is pending before CIT (Appeals).
(xix) In respect of Holding Company, For Rs. 28.04 Crores with respect to FY 2019-20 (Year ended March 31, 2022 Rs. 28.04 Crores) against disallowances under Income Tax Act,1961 against which appeal is pending before CIT (Appeals).

(xx) In respect of Subsidiary Company, For Rs. 0.08 Crores with respect to FY 2019-20 (Year ended March 31, 2022 Rs. 0.08 Crores) against disallowances under Income Tax Act,1961 against which appeal is pending before CIT (Appeals).

(xxi) In respect of Subsidiary Company, For Rs. 0.29 Crores with respect to FY 2019-20 (Year ended March 31, 2022 Rs. 0.29 Crores) against disallowances under Income Tax Act,1961 against which appeal is pending before CIT (Appeals).

(xxii) In respect of Subsidiary Company, For Rs. 6.72 Crores with respect to FY 2019-20 (Year ended March 31, 2022 Rs. Nil) against disallowances under Income Tax Act,1961 against which appeal is pending before CIT (Appeals).

(xxiii) In respect of Holding Company, For Rs. 0.23 Crores with respect to FY 2020-21 (Year ended March 31, 2022 Rs. 0.23 Crores) against disallowances under Income Tax Act,1961 against which appeal is pending before CIT (Appeals).

(xxiv) In respect of Holding Company, For Rs. 0.58 Crores with respect to FY 2020-21 (Year ended March 31, 2022 Rs. Nil) against disallowances under Income Tax Act,1961 against which appeal is pending before CIT (Appeals).
(b)(i) Demand pending u/s of 25, 55 , 56 & 61 of The Rajasthan Value Added Tax Act, 2003 (Including interest & Penalty) has been waived in favour of the Holding Company with respect to FY 2007-08 to FY 2012-13 (Previous Year Rs. 1.45 Crore) under the Amnesty Scheme-2022 brought by Commercial Tax Department, Rajasthan opted by the company with the non-refund of tax, interest and penalty for Rs. (0.62+0.21) Crore (Previous Year Rs. 0.62+0.21 Crore) which were paid under protest by the Holding Company and appeal pending before Rajasthan High Court has been withdrawn by the Holding Company to comply with the conditions of Amnesty Scheme-22
(ii) Demand pending u/s 73 of CGST Act, 2017 for Rs.0.08 Crore (Previous year Rs. Nil) (including Interest & Penalty) with respect to FY 2018-19 against which appeal has been filed before Joint Commissioner (Appeals). The Holding Company has paid tax as a pre-deposit of Rs. 0.00 Crore (Previous Year N.A) required for the purpose of filing an appeal under GST law. The appeal is pending before the Appellate Authority.
(iii) The Holding Company has filed an appeal before the Commissioner (Appeals-II) under section 85 of the Finance Act, 1994 (32 of 1994), against the order in original no. 08/VS/JC/CGST/DSC/2022-23 dated 15.11.2022 passed by Joint Commissioner, CGST, Delhi South Commissionerate, Bhikaji Cama Place, New Delhi-110066 for disputed amount w.r.t. penalty u/s 78 for Rs. 0.51 Crore (Previous Year N.A) and penalty u/s 77 for Rs. 0.00 Crore(Previous Year N.A). In compliance of section 35F of Central Excise Act, 1944, the Holding Company has paid an amount of Rs. 0.04 Crore (Previous Year N.A.) as pre-deposit amount for filing an appeal. The appeal has since been decided in favour of Holding Company with Nil Demand after balance sheet date vide order no 01/2023-24 dated 11th April 2023 .of Commissioner (Appeals-II). However, statutory period for filing the appeal by the Service Tax department against the order of Commissioner (Appeals-II) has not yet expired.

(c) Capital commitments for acquisition of fixed assets at various branches as at March 31, 2023 (net of capital advances paid) Rs. 23.83 Crores (Rs. 32.63 Crore as at March 31, 2022).
(d) Corporate guarantees provided to Unique Identification Authority of India for Aadhaar verification of loan applications for Rs. 0.25 Crore (Year ended March 31, 2022 Rs. 0.25 Crore).
(e) Bank guarantees provided against court case for Rs. 0.05 Crore (March 31, 2022 Rs. 0.05 Crore).

(35) Segment Reporting:

The Group is mainly engaged in the housing finance and mortgage-backed lending business, and all other activities revolve around this main business of the Company. Further, all activities are conducted within India and as such there is no separate reportable segment, as per the Ind AS 108 - "Operating Segments" specified under Section 133 of the Act.

(36) Disclosures in respect of Related Parties as per Indian Accounting Standard (IndAS) – 24 'Related Party Disclosures'.

(a) Detail of related party

Nature of relationship	**Related party**
Key Management Personnel	Mr. Subhash Sheoratan Mundra, Non Executive Chairman, Independent Director
	Mr. Sameer Gehlaut, Non - Executive Director till March 14, 2022
	Mr. Gagan Banga, Vice Chairman/ Managing Director & CEO
	Mr. Ashwini Omprakash Kumar, Non -Executive Non-independent Director from December 31, 2022 till March 30, 2023, Deputy Managing Director till December 31, 2022
	Mr. Ajit Kumar Mittal, Non -Executive Non-independent Director from April 26, 2022 till May 22, 2023, Executive Director till April 26 , 2022
	Mr. Sachin Chaudhary, Executive Director
	Mr. Shamsher Singh Ahlawat, Independent Director till September 28, 2021
	Mr. Prem Prakash Mirdha, Independent Director till September 28, 2021
	Justice Gyan Sudha Misra, Independent Director
	Mr. Achutan Siddharth, Independent Director
	Mr. Dinabandhu Mohapatra, Independent Director
	Mr. Satish Chand Mathur, Independent Director
	Mr. Bishnu Charan Patnaik, Non - Executive Director from April 26, 2022
	Mr. Mukesh Kumar Garg, Chief Financial Officer
	Mr. Amit Jain, Company Secretary

(b) Significant transactions with related parties:

Nature of Transactions	**Year ended March 31, 2023**	**Year ended March 31, 2022**
Finance		
Other receipts and payments		
Salary / Remuneration (Consolidated)		
-Key Management Personnel	32.50	31.09
Total	**32.50**	**31.09**
Salary / Remuneration (Short-term employee benefits)		
-Key Management Personnel	27.67	27.43
Total	**27.67**	**27.43**

Indiabulls Housing Finance Limited Group
Notes to Consolidated Financial Statements for the year ended March 31, 2023
(All amount in Rs. in Crore, except for share data unless stated otherwise)

Nature of Transactions	Year ended March 31, 2023	Year ended March 31, 2022
Salary / Remuneration (Share-based payments)		
-Key Management Personnel	(0.61)	(2.23)
Total	**(0.61)**	**(2.23)**
Salary / Remuneration (Post-employment benefits)		
-Key Management Personnel	0.77	1.38
Total	**0.77**	**1.38**
Salary / Remuneration (Others)		
-Key Management Personnel	4.67	4.51
Total	**4.67**	**4.51**

(c) Outstanding balance:

Nature of Transactions	Year ended March 31, 2023	Year ended March 31, 2022
Nil		

(d) Statement of Partywise transactions during the Year:

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Salary / Remuneration (Short-term employee benefits) **Remuneration to Directors**		
– Gagan Banga	10.51	10.55
– Ajit Kumar Mittal	-	1.34
– Ashwini Omprakash Kumar	3.59	4.87
– Sachin Chaudhary	6.61	4.92
– Mukesh Kumar Garg	6.18	4.86
– Amit Jain	0.78	0.89
Total	**27.67**	**27.43**
Salary / Remuneration (Share-based payments)		
– Gagan Banga	1.15	0.21
– Ajit Kumar Mittal	(0.15)	(0.06)
– Ashwini Omprakash Kumar	(3.66)	(1.13)
– Sachin Chaudhary	1.17	(0.89)
– Mukesh Kumar Garg	0.75	(0.39)
– Amit Jain	0.13	0.03
Total	**(0.61)**	**(2.23)**

(All amount in Rs. in Crore, except for share data unless stated otherwise)

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Salary / Remuneration (Post-employment benefits)		
– Sameer Gehlaut	-	1.33
– Gagan Banga	0.08	0.01
– Ajit Kumar Mittal	-	(0.07)
– Ashwini Omprakash Kumar	0.08	-
– Sachin Chaudhary	0.45	0.09
– Mukesh Kumar Garg	0.08	0.00
– Amit Jain	0.08	0.02
Total	**0.77**	**1.38**
Salary / Remuneration (Others)		
– Achuthan Siddharth	0.85	0.82
– Dinabandhu Mohapatra	0.70	0.67
– Shamsher Singh Ahlawat	-	0.03
– Prem Prakash Mirdha	-	0.03
– Justice Gyan Sudha Misra	0.60	0.57
– Satish Chand Mathur	0.35	0.32
– B. C. Patnaik	0.07	-
– Subhash Sheoratan Mundra	2.10	2.07
Total	**4.67**	**4.51**

(37) (a) The consolidated financial statements include the financial statements of the Company and its subsidiaries. Indiabulls Housing Finance Limited is the ultimate parent of the Group.
Significant subsidiaries of the Company are:

Name of Subsidiary*	Country of incorporation	% equity interest	% equity interest
		31-03-2023	31-03-2022
1. Indiabulls Collection Agency Limited	India	100%	100%
2. Ibulls Sales Limited	India	100%	100%
3. Indiabulls Insurance Advisors Limited	India	100%	100%
4. Nilgiri Investmart Services Limited (Previously known as Nilgiri Financial Consultants Limited)	India	100%	100%
5. Indiabulls Capital Services Limited	India	100%	100%
6. Indiabulls Commercial Credit Limited	India	100%	100%
7. Indiabulls Advisory Services Limited	India	100%	100%
8. Indiabulls Asset Holding Company Limited	India	100%	100%
9. Indiabulls Asset Management Company Limited(Refer Note 32)	India	100%	100%
10. Indiabulls Trustee Company Limited(Refer Note 32)	India	100%	100%
11. Indiabulls Holdings Limited#	India	100%	100%
12. Indiabulls Investment Management Limited (Previously known as Indiabulls Venture Capital Management Company Limited)	India	100%	100%
13. Indiabulls Asset Management Mauritius&	Mauritius	0%	100%

*Does not include ICCL Lender Repayment Trust and Pragati Employees Welfare Trust being these are in the nature of trust and the holding company along with its subsidiaries does not have any equity interest therein.

#Indiabulls Holdings Limited, on January 27, 2023, has suo-moto filed an application under Section 248(2) of the Companies Act, 2013, for striking off the name of Indiabulls Holdings Limited from the register of companies maintained by the RoC.

&On July 18, 2022, Indiabulls Asset Management Mauritius Limited was declared defunct by respective authorities in the country of incorporation.

The Company has given Corporate counter guarantees of Rs. 381.07 Crore (Previous Year Rs. 561.50 Crore) to third parties on behalf of its wholly owned subsidiary namely Indiabulls Commercial Credit Limited to avail Loan facilities from Financial Institutions.

Indiabulls Housing Finance Limited Group
Notes to Consolidated Financial Statements for the year ended March 31, 2023
(All amount in Rs. in Crore, except for share data unless stated otherwise)

(37) (b) Additional information pursuant to para 2 of general instructions for the preparation of consolidated financial statements

Name of the entity in the Group	Net assets .i.e. total assets minus total liabilities				Share in profit or loss				Share in other comprehensive income				Share in total comprehensive income			
	March 31, 2023		March 31, 2022		March 31, 2023		March 31, 2022		March 31, 2023		March 31, 2022		March 31, 2023		March 31, 2022	
	As % of consolidated net assets	Amount (Rs. in Crores)	As % of consolidated net assets	Amount (Rs. in Crores)	As % of consolidated profit or loss	Amount (Rs. in Crores)	As % of consolidated profit or loss	Amount (Rs. in Crores)	As % of consolidated other comprehensive income	Amount (Rs. in Crores)	As % of consolidated other comprehensive income	Amount (Rs. in Crores)	As % of total comprehensive income	Amount (Rs. in Crores)	As % of total comprehensive income	Amount (Rs. in Crores)
Parent																
Indiabulls Housing Finance Limited	55.48%	9,599.46	49.40%	8,209.11	20.11%	227.21	9.00%	105.95	98.77%	10.43	100.07%	120.46	20.84%	237.64	17.44%	226.41
Subsidiaries																
Indian																
1. Indiabulls Collection Agency Limited	0.14%	24.22	0.14%	23.35	0.08%	0.86	0.04%	0.50	0.00%	-	0.00%	-	0.08%	0.86	0.04%	0.50
2. Ibulls Sales Limited	0.06%	10.27	0.06%	10.03	0.02%	0.25	-0.03%	(0.37)	0.00%	-	0.07%	0.08	0.02%	0.25	-0.02%	(0.29)
3. Indiabulls Insurance Advisors Limited	0.03%	5.76	0.03%	5.58	0.02%	0.18	0.01%	0.09	0.00%	-	0.00%	-	0.02%	0.18	0.01%	0.09
4. Nilgiri Investmart Services Limited (Previously known as Nilgiri Financial Consultants Limited)	0.13%	22.80	0.14%	22.63	0.01%	0.16	0.00%	(0.05)	0.00%	-	0.00%	-	0.01%	0.16	0.00%	(0.05)
5. Indiabulls Capital Services Limited	0.08%	13.41	0.08%	13.20	0.02%	0.20	0.01%	0.06	0.00%	-	0.00%	-	0.02%	0.20	0.00%	0.06
6. Indiabulls Commercial Credit Limited	46.06%	7,969.20	51.44%	8,547.17	80.99%	914.99	93.78%	1,104.53	1.61%	0.17	-0.12%	(0.14)	80.26%	915.16	85.08%	1,104.39
7. Indiabulls Advisory Services Limited	0.05%	8.26	0.05%	7.97	0.03%	0.30	0.01%	0.16	0.00%	-	0.00%	-	0.03%	0.30	0.01%	0.16
8. Indiabulls Asset Holding Company Limited	0.00%	0.05	0.00%	0.04	0.00%	-	0.00%	-	0.00%	-	0.00%	-	0.00%	-	0.00%	-
9. Indiabulls Asset Management Company Limited	-0.04%	(6.82)	1.41%	234.20	-0.15%	(1.74)	0.98%	11.54	-0.66%	(0.07)	-0.02%	(0.02)	-0.16%	(1.81)	0.89%	11.52
10. Indiabulls Trustee Company Limited	0.00%	0.30	0.00%	0.50	-0.02%	(0.21)	0.00%	(0.01)	0.00%	-	0.00%	-	-0.02%	(0.21)	0.00%	(0.01)
11. Indiabulls Holdings Limited	0.00%	-	0.00%	0.10	0.00%	(0.01)	0.00%	-	0.00%	-	0.00%	-	0.00%	(0.01)	0.00%	-
12. Indiabulls Investment Management Limited (Previously known as Indiabulls Venture Capital Management Company Limited)	1.03%	178.29	0.04%	7.02	3.17%	35.81	0.00%	0.03	0.28%	0.03	0.00%	-	3.14%	35.84	0.00%	0.03
13. Pragati Employees Welfare Trust (Previously known as Indiabulls Housing Finance Limited - Employees Welfare Trust)	-3.02%	(521.78)	-2.80%	(464.67)	-4.28%	(48.31)	-3.79%	(44.68)	0.00%	-	0.00%	-	-4.24%	(48.31)	-3.44%	(44.68)
14. Indiabulls Asset Management Mauritius	0.00%	-	0.00%	-	0.00%	-	0.00%	(0.01)	0.00%	-	0.00%	-	0.00%	-	0.00%	(0.01)
Total	**100.00%**	**17,303.42**	**100.00%**	**16,616.23**	**100.00%**	**1,129.69**	**100.00%**	**1,177.74**	**100.00%**	**10.56**	**100.00%**	**120.38**	**100.00%**	**1,140.25**	**100.00%**	**1,298.12**

(All amount in Rs. in Crore, except for share data unless stated otherwise)

(38) (1) Earnings Per Equity Share (For Continuing Operations)

Earnings Per Equity Share (EPS) as per Indian Accounting Standard (IndAS)-33 "Earnings Per Share",:

The basic earnings per share is computed by dividing the net profit attributable to Equity Shareholders for the year by the weighted average number of Equity Shares outstanding during the year. Diluted earnings per share are computed using the weighted average number of Equity Shares and also the weighted average number of Equity Shares that could have been issued on the conversion of all dilutive potential Equity Shares. The dilutive potential Equity Shares are adjusted for the proceeds receivable, had the shares been actually issued at fair value.

Dilutive potential Equity Shares are deemed converted as of the beginning of the year, unless they have been issued at a later date. The number of Equity Shares and potential diluted Equity Shares are adjusted for potential dilutive effect of Employee Stock Option Plan as appropriate.

Particulars	**Year ended March 31, 2023**	**Year ended March 31, 2022**
Profit available for Equity Shareholders (Rs.)	1,127.68	1,177.74
Weighted average number of Shares used in computing Basic Earnings per Equity Share (Nos.)	448,455,734	445,822,725
Add: Potential number of Equity share that could arise on exercise of Employee Stock Options (Nos.)	2,503,078	1,253,208
Weighted average number of shares used in computing Diluted Earnings per Equity Share (Nos.)	450,958,811	447,075,934
Face Value of Equity Shares - (Rs.)	2.00	2.00
Basic Earnings Per Equity Share - (Rs.)	25.15	26.42
Diluted Earnings Per Equity Share - (Rs.)	25.01	26.34

(All amount in Rs. in Crore, except for share data unless stated otherwise)

(2) Earnings Per Equity Share (For Discontinued Operations)

Earnings Per Equity Share (EPS) as per Indian Accounting Standard (IndAS)-33 "Earnings Per Share",:

The basic earnings per share is computed by dividing the net profit attributable to Equity Shareholders for the year by the weighted average number of Equity Shares outstanding during the year. Diluted earnings per share are computed using the weighted average number of Equity Shares and also the weighted average number of Equity Shares that could have been issued on the conversion of all dilutive potential Equity Shares. The dilutive potential Equity Shares are adjusted for the proceeds receivable, had the shares been actually issued at fair value.

Dilutive potential Equity Shares are deemed converted as of the beginning of the year, unless they have been issued at a later date. The number of Equity Shares and potential diluted Equity Shares are adjusted for potential dilutive effect of Employee Stock Option Plan as appropriate.

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Profit available for Equity Shareholders (Rs.)	2.01	N.A.
Weighted average number of Shares used in computing Basic Earnings per Equity Share (Nos.)	448,455,734	N.A.
Add: Potential number of Equity share that could arise on exercise of Employee Stock Options (Nos.)	2,503,078	N.A.
Weighted average number of shares used in computing Diluted Earnings per Equity Share (Nos.)	450,958,811	N.A.
Face Value of Equity Shares - (Rs.)	2.00	N.A.
Basic Earnings Per Equity Share - (Rs.)	0.04	N.A.
Diluted Earnings Per Equity Share - (Rs.)	0.04	N.A.

(39) Fair value measurement

39.1 Valuation principles

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

In order to show how fair values have been derived, financial instruments are classified based on a hierarchy of valuation techniques.

39.2 Valuation governance

The Group's process to determine fair values is part of its periodic financial close process. The Audit Committee exercises the overall supervision over the methodology and models to determine the fair value as part of its overall monitoring of financial close process and controls. The responsibility of ongoing measurement resides with business units . Once submitted, fair value estimates are also reviewed and challenged by the Risk and Finance functions.

(All amount in Rs. in Crore, except for share data unless stated otherwise)

39.3 Assets and liabilities by fair value hierarchy

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

	As at March 31, 2023			
	Level 1	Level 2	Level 3	Total
Assets measured at fair value on a recurring basis				
Derivative financial instruments				
Forward contracts	-	2.41	-	2.41
Interest rate swaps	-	20.31	-	20.31
Currency swaps	-	143.60	-	143.60
Currency options	-	-	-	-
Total derivative financial instruments	**-**	**166.32**	**-**	**166.32**
Financial investment measured at FVTPL				
Government Debt Securities	-	-	-	-
Debt Securities	-	919.41	-	919.41
Mutual Funds	141.02	3,883.52	-	4,024.54
Commercial Papers	-	123.39	-	123.39
Total Financial investment measured at FVTPL	**141.02**	**4,926.32**	**-**	**5,067.34**
Financial investments measured at FVOCI				
Mutual Funds	-	302.89	-	302.89
Total Financial investments measured at FVOCI	**-**	**302.89**	**-**	**302.89**
Total assets measured at fair value on a recurring basis	**141.02**	**5,395.53**	**-**	**5,536.55**
Liabilities measured at fair value on a recurring basis				
Derivative financial instruments				
Forward contracts		14.82		14.82
Interest rate swaps		-		-
Currency swaps		-		-
Total derivative financial instruments	**-**	**14.82**	**-**	**14.82**
Total financial liabilities measured at fair value	**-**	**14.82**	**-**	**14.82**

(All amount in Rs. in Crore, except for share data unless stated otherwise)

	As at March 31, 2022			
	Level 1	**Level 2**	**Level 3**	**Total**
Assets measured at fair value on a recurring basis				
Derivative financial instruments				
Forward contracts	-	2.93	-	2.93
Interest rate swaps	-	-	-	-
Currency swaps	-	146.19	-	146.19
Currency options	-	-	-	-
Total derivative financial instruments	**-**	**149.12**	**-**	**149.12**
Financial investment measured at FVTPL				
Government Debt Securities	-	508.65	-	508.65
Debt Securities	-	584.20	-	584.20
Mutual Funds	327.12	4,024.67	-	4,351.79
Commercial Papers	-	98.84	-	98.84
Total Financial investment measured at FVTPL	**327.12**	**5,216.36**	**-**	**5,543.48**
Financial investments measured at FVOCI				
Equities	-	2.14	-	2.14
Total Financial investments measured at FVOCI	**-**	**2.14**	**-**	**2.14**
Total assets measured at fair value on a recurring basis	**327.12**	**5,367.62**	**-**	**5,694.74**
Liabilities measured at fair value on a recurring basis				
Derivative financial instruments				
Forward contracts	-	101.60	-	101.60
Interest rate swaps	-	21.11	-	21.11
Currency swaps	-	-	-	-
Total derivative financial instruments	**-**	**122.71**	**-**	**122.71**
Total financial liabilities measured at fair value	**-**	**122.71**	**-**	**122.71**

39.4 Valuation techniques

Debt securities, Commercial papers and government debt securities
Fair value of these instruments is derived based on the indicative quotes of price and yields prevailing in the market as at reporting date and are classified as Level 2.

Equity instruments
Equity instruments in non-listed entities are initially recognised at transaction price and re-measured and valued on a case-by-case and classified as Level 2. Fair value is the price of recent transaction as there has not been a significant lapse of time since the last transaction took place.

Mutual Funds
Open ended mutual funds are valued at NAV declared by respective fund house and are classified under Level 1.

(All amount in Rs. in Crore, except for share data unless stated otherwise)

Interest rate swaps, Currency swaps and Forward rate contracts

The fair value of Interest rate swaps is calculated as the present value of estimated cash flows based on observable yield curves. The fair value of Forward foreign exchange contracts and currency swaps is determined using observable foreign exchange rates and yield curves at the balance sheet date.

39.5 There have been no transfers between Level 1, Level 2 and Level 3 for the year ended March 31, 2023 and March 31, 2022.

39.6 Fair value of financial instruments not measured at fair value

Set out below is a comparison, by class, of the carrying amounts and fair values of the Group's financial instruments that are not carried at fair value in the financial statements. This table does not include the fair values of non–financial assets and non–financial liabilities.

	March 31, 2023				
	Carrying Value	Fair Value			
		Level 1	Level 2	Level 3	Total
Financial Assets:					
Cash and cash equivalent	3,697.64	-	-	-	*
Bank balances other than cash and cash equivalent	1,534.59	-	-	-	*
Trade Receivables	28.42	-	-	-	*
Loans and advances:	55,831.30	-	-	-	*
Investments – at amortised cost:	-	-	-	-	-
Other Financial assets:	2,998.27	-	-	-	*
Total financial assets	**64,090.22**	**-**	**-**	**-**	**-**
Financial Liabilities:					
Trade payables	3.53	-	-	-	*
Debt securities	18,837.07	-	18,422.16	-	18,422.16
Borrowing other than debt securities	29,169.46	-	-	-	*
Subordinated Liabilities	4,396.94	-	4,474.42	-	4,474.42
Other financial liabilities	4,705.75	-	-	-	*
Total financial liabilities	**57,112.75**	**-**	**22,896.58**	**-**	**22,896.58**

(All amount in Rs. in Crore, except for share data unless stated otherwise)

	March 31, 2022				
	Carrying Value	Fair Value			
		Level 1	Level 2	Level 3	Total
Financial Assets:					
Cash and cash equivalent	7,986.04	-	-	-	*
Bank balances other than cash and cash equivalent	1,666.81	-	-	-	*
Trade Receivables	9.26	-	-	-	*
Loans and advances:	59,950.19	-	-	-	*
Investments – at amortised cost:	-	-	-	-	-
Other Financial assets:	1,034.27	-	-	-	*
Total financial assets	**70,646.57**	**-**	**-**	**-**	**-**
Financial Liabilities:					
Trade payables	0.66	-	-	-	*
Debt securities	23,665.34	-	24,393.03	-	24,393.03
Borrowing other than debt securities	33,067.99	-	-	-	*
Subordinated Liabilities	4,626.03	-	4,977.00	-	4,977.00
Other financial liabilities	2,880.22	-	-	-	*
Total financial liabilities	**64,240.24**	**-**	**29,370.03**	**-**	**29,370.03**

39.7 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 Group's financial statements. These fair values were calculated for disclosure purposes only. The below methodologies and assumptions relate only to the instruments in the above tables.

Debt Securities & Subordinated liabilities

These includes Subordinated debt, secured debentures, unsecured debentures. The fair values of such liabilities are estimated using a discounted cash flow model based on contractual cash flows using actual or estimated yields and discounting by yields incorporating the credit risk. These instrument are classified in Level 2.

Investments - at amortised cost

These includes Government Securities and Corporate Bonds which are held for maturity. Fair value of these instruments is derived based on the indicative quotes of price and are classified under level 2.

***Assets and Liabilities other than above**

The carrying value of assets and liabilities other than investments at amortised cost, debt securities and subordinated liabilities represents a reasonable approximation of fair value.

(40) Transfers of financial assets

Transfers of financial assets that are not derecognised in their entirety

Securitisations: The Group uses securitisations 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 securitised assets since the Group retains substantial risks and rewards.

The table below outlines the carrying amounts and fair values of all financial assets transferred that are not derecognised in their entirety and associated liabilities.

	As at March 31, 2023	As at March 31, 2022
	INR (in crores)	INR (in crores)
Securitisations		
Carrying amount of transferred assets measured at amortised cost	23,250.72	20,293.34
Carrying amount of associated liabilities	(8,114.20)	(7,291.05)

The carrying amount of above assets and liabilities is a reasonable approximation of fair value

Transfers of financial assets that are derecognised in their entirety

The Group has elected to apply the de-recognition provisions of Ind AS 109 prospectively from the date of transition to Ind AS. Thus, Pre-transition securitisation deals continues to be de-recognised in their entirety.

The table below outlines details for each type of continued involvement relating to transferred assets derecognised in their entirety.

	Carrying amount of continuing involvement in statement of financial position		Fair value of continuing involvement		Maximum exposure to loss
	Balance with banks	Liabilities	Balance with banks	Liabilities	
Type of continuing involvement					
Securitisation					
March 31, 2023	NIL	-	NIL	-	NIL
March 31, 2022	281.64	-	281.64	-	281.64

Assignment Deals

During the year ended 31st March 2023, the Group has sold some loans and advances measured at amortised cost 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 derecognised.

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 Group’s business model remains to hold the assets for collecting contractual cash flows.

The table below summarises the carrying amount of the derecognised financial assets measured at amortised cost and the gain/(loss) on derecognition, per type of asset.

Loans and advances measured at amortised cost	**For the year ended March 31, 2023**	**For the year ended March 31, 2022**
Carrying amount of derecognised financial assets	4,118.55	2,627.79
Gain/(loss) from derecognition (for the respective financial year)	472.42	148.78

Since the group transferred the above financial asset in a transfer that qualified for derecognition in its entirety therefore the whole of the interest spread (over the expected life of the asset) is recognised on the date of derecognition itself as interest-only strip receivable ("Receivables on assignment of loan") and correspondingly recognised as profit on derecognition of financial asset.

(All amount in Rs. in Crore, except for share data unless stated otherwise)

Transfers of financial assets that are not derecognised in their entirety

During the year ended 31st March 2022, the Group has sold some loans and advances measured at amortised cost as per assignment deals, as a source of finance. As per the terms of the respective deals, 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 not being met, the assets have not been derecognised in their entirety.

The table below summarises the carrying amount of such financial assets and their associated liabilities.

Loans and advances measured at amortised cost	**For the year ended March 2023**	**For the year ended March 2022**
	Amount	
Carrying amount of transferred assets measured at amortised cost	720.04	1,003.74
Carrying amount of associated liabilities	(899.88)	(1,038.99)

The carrying amount of above assets and liabilities is a reasonable approximation of fair value.

(41) Capital management-

For the purpose of the Group’s capital management, capital includes issued equity capital, share premium and all other equity reserves attributable to the equity holders of the Group. The primary objective of the Group’s capital management is to maximise the shareholder value. The Holding Company monitors capital using a capital adequacy ratio as prescribed by the NHB guidelines and ICCL monitors capital using a capital adequacy ratio as prescribed by the RBI guidelines.

(42) Risk Management

Introduction and risk profile

Indiabulls Housing Finance Limited (IBHFL) is a housing finance company in India and is regulated by the National Housing Bank (NHB) and Indiabulls Commercial Credit Limited (ICCL) (wholly owned subsidiary of IBHFL) is a non banking finance company in India and is regulated by the Reserve Bank of India (RBI). In view of the intrinsic nature of operations, the Group is exposed to a variety of risks, which can be broadly classified as credit risk, market risk, liquidity risk and operational risk. It is also subject to various regulatory risks.

Risk management structure and policies

As a lending institution, Group is exposed to various risks that are related to lending business and operating environment. The Principal Objective in Group 's risk management processes is to measure and monitor the various risks that Group is subject to and to follow policies and procedures to address such risks. Group 's risk management framework is driven by Board and its subcommittees including the Audit Committee, the Asset Liability Management Committee and the Risk Management Committee. Group gives due importance to prudent lending practices and have implemented suitable measures for risk mitigation, which include verification of credit history from credit information bureaus, personal verification of a customer’s business and residence, technical and legal verifications, conservative loan to value, and required term cover for insurance. The major types of risk Group face in businesses are liquidity risk, credit risk, interest rate risk and equity price risk.

Indiabulls Housing Finance Limited Group
Notes to Consolidated Financial Statements for the year ended March 31, 2023
(All amount in Rs. in Crore, except for share data unless stated otherwise)

(A) Liquidity risk
Liquidity risk is the potential for loss to the Group arising from either its inability to meet its obligations or to fund increases in assets as they fall due without incurring unacceptable cost or losses.

The Group manages liquidity risk by maintaining sufficient cash and cash equivalents (including marketable securities) to meet its obligations at all times. It also ensures having access to funding through an adequate amount of committed credit lines. The Group’s treasury department is responsible for liquidity and funding as well as settlement management. In addition, processes and policies related to such risks are overseen by senior management and the management regularly monitors the position of cash and cash equivalents vis-à-vis projections. Assessment of maturity profiles of financial assets and financial liabilities including debt financing plans and maintenance of Balance Sheet liquidity ratios are considered while reviewing the liquidity position.

The table below summarises the maturity profile of the undiscounted cash flows of the Group's financial liabilities. In FY2022-23 'Upto one month borrowings from banks and others' includes repo borrowings of Rs. Nil (Previous Year Rs. 522.52 Crore) with specific collateral of investments in government securities:

March 31, 2023	Upto One month	Over one months to 2 years	2 years to 5 years	more than 5 years	Total
Borrowings from Banks & Others	5,501.79	24,704.86	24,580.21	6,517.68	61,304.54
Lease liability recognised under Ind AS 116	11.09	93.71	143.93	56.86	305.59
Trade Payables	3.53	-	-	-	3.53
Amount payable on Assigned Loans	2,080.78	-	-	-	2,080.78
Other liabilities	581.48	449.19	16.35	-	1,047.02
Temporary Overdrawn Balances as per books	1.91	-	-	-	1.91
Unclaimed Dividends	3.39	-	-	-	3.39
Derivatives	0.27	14.55	-	-	14.82
Foreign Currency Forward payable	-	269.16	321.24	-	590.40
Undrawn Loan Commitments	30.00	1,055.54	-	-	1,085.54
Servicing liability on assigned loans	1.45	28.10	19.53	4.00	53.08
	8,215.69	**26,615.11**	**25,081.26**	**6,578.54**	**66,490.60**

March 31, 2022	Upto One month	Over one months to 2 years	2 years to 5 years	more than 5 years	Total
Borrowings from Banks & Others	4,750.46	34,256.02	19,167.77	17,705.89	75,880.14
Lease liability recognised under Ind AS 116	2.49	54.12	103.40	37.99	198.00
Trade Payables	-	0.44	0.22	-	0.66
Amount payable on Assigned Loans	902.65	-	-	-	902.65
Other liabilities	216.18	47.42	-	-	263.60
Temporary Overdrawn Balances as per books	0.04	-	-	-	0.04
Unclaimed Dividends	4.03	-	-	-	4.03
Derivatives	(0.49)	97.85	-	-	97.36
Foreign Currency Forward payable	-	410.31	128.66	-	538.97
Undrawn Loan Commitments	90.00	1,560.86	-	-	1,650.86
Servicing liability on assigned loans	3.00	50.24	32.01	3.19	88.44
	5,968.36	**36,477.26**	**19,432.05**	**17,747.07**	**79,624.75**

(All amount in Rs. in Crore, except for share data unless stated otherwise)

(B) Credit Risk

Credit Risk arises from the potential that an obligor is either unwilling to perform on an obligation or its ability to perform such obligation is impaired resulting in economic loss to the Group. Group's Credit Risk Management framework is categorized into following main components:

- Board and senior management oversight
- Organization structure
- Systems and procedures for identification, acceptance, measurement, monitoring and controlling risks.

It is the overall responsibility of the board appointed Risk Management Committee to approve the Group's credit risk strategy and lending policies relating to credit risk and its management. The policies are based on the Group's overall business strategy and the same is reviewed periodically.

The Board of Directors constituted Risk Management Committee keeps an active watch on emerging risks the Group is exposed to. The Risk Management Committee defines loan sanctioning authorities, including process of vetting by credit committees for various types/values of loans. The RMC approves credit policies, reviews regulatory requirements, and also periodically reviews large ticket loans and overdue accounts from this pool.

The Risk Management Committee approves the 'Credit Authority Matrix' that defines the credit approval hierarchy and the approving authority for each group of approving managers/ committees in the hierarchy.

To maintain credit discipline and to enunciate credit risk management and control process there is a separate Risk Management department independent of loan origination function. The Risk Management department performs the function of Credit policy formulation, credit limit setting, monitoring of credit exceptions / exposures and review /monitoring of documentation.

Derivative financial Instruments

Credit risk arising from derivative financial instruments is, at any time, limited to those with positive fair values, as recorded on the balance sheet. With gross–settled derivatives, the Group is also exposed to a settlement risk, being the risk that the Group honours its obligation, but the counterparty fails to deliver the counter value.

Analysis of risk concentration

The Group's concentrations of risk for loans are managed by counterparty and type of loan (i.e. Housing and Non-Housing as defined by NHB). Housing and Non housing loans are given to both individual and corporate borrowers. The table below shows the concentration of risk by type of loan.

	March 31, 2023	March 31, 2022
Housing	28,548.72	33,383.71
Non Housing	27,282.58	26,566.48

The Group's concentrations of risk (for financial assets other than loans and advances) are managed by industry sector.

The following table shows the risk concentration by industry for the financial assets (other than loans) of the Group:-

March 31, 2023	Financial services	Government*	Others	Total
Financial asset				
Cash and cash equivalents	3,697.64	-	-	3,697.64
Bank balance other than Cash and cash equivalents	1,534.59	-	-	1,534.59
Derivative financial instruments	166.32	-	-	166.32
Receivables	28.42	-	-	28.42
Investments	5,360.23	-	10.00	5,370.23
Other financial assets	2,998.27	-	-	2,998.27

* Government sector includes exposure to Central Government, State Governments, Government Corporations and Government Companies.

(All amount in Rs. in Crore, except for share data unless stated otherwise)

March 31, 2022	Financial services	Government	Others	Total
Financial asset				
Cash and cash equivalents	7,986.04	-	-	7,986.04
Bank balance other than Cash and cash equivalents	1,666.81	-	-	1,666.81
Derivative financial instruments	149.12	-	-	149.12
Receivables	9.26	-	-	9.26
Investments	4,880.01	508.65	156.96	5,545.62
Other financial assets	1,034.27	-	-	1,034.27

(C) 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 Group's exposure to market risk is primarily on account of interest rate risk and Foreign exchange risk.

(i) Interest Rate Risk:-

Interest rate risk arises when there is a mismatch between positions, which are subject to interest rate adjustment within a specified period. The Group's lending, funding and investment activities give rise to interest rate risk. The immediate impact of variation in interest rate is on the Group's net interest income, while a long term impact is on the Group's net worth since the economic value of the assets, liabilities and off-balance sheet exposures are affected. While assessing interest rate risks, signals given to the market by RBI and government departments from time to time and the financial industry's reaction to them shall be continuously monitored.

Due to the very nature of housing finance, the Group is exposed to moderate to higher Interest Rate Risk. This risk has a major impact on the balance sheet as well as the income statement of the Group. Interest Rate Risk arises due to:

i) Changes in Regulatory or Market Conditions affecting the interest rates
ii) Short term volatility
iii) Prepayment risk translating into a reinvestment risk
iv) Real interest rate risk.

In short run, change in interest rate affects Group's earnings (measured by NII or NIM) and in long run it affects Market Value of Equity (MVE) or net worth. It is essential for the Group to not only quantify the interest rate risk but also to manage it proactively. The Group mitigates its interest rate risk by keeping a balanced portfolio of fixed and variable rate loans and borrowings. Further Group carries out Earnings at risk analysis and maturity gap analysis at quarterly intervals to quantify the risk.

Interest Rate sensitivity

The following table demonstrates the sensitivity to a reasonably possible change in interest rates (all other variables being constant) of the Group's statement of profit and loss:

Particulars	Basis Points	Effect on Profit / Loss and Equity for the year 2022-23	Effect on Profit / Loss and Equity for the year 2021-22
Borrowings*			
Increase in basis points	+25	112.30	88.89
Decrease in basis points	-25	(112.30)	(88.89)
Advances			
Increase in basis points	+25	142.01	154.56
Decrease in basis points	-25	(142.01)	(154.56)
Investments			
Increase in basis points	+25	0.03	0.03
Decrease in basis points	-25	(0.03)	(0.03)

*The impact of borrowings is after considering the impact on derivatives contracts entered to hedge the interest rate fluctuation on borrowings.

(ii) Foreign currency risk

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 Group's exposure to the risk of changes in foreign exchange rates relates primary to the foreign currency borrowings taken from banks through the FCNR route and External Commercial Borrowings (ECB).

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

(iii) Equity Price Risk

Equity price risk is the risk that the fair value of equities decreases as the result of changes in the level of equity indices and individual stocks. The non–trading equity price risk exposure arises from equity securities classified as FVOCI. A 10 per cent increase in the value of the company's FVOCI equities at March 31, 2023 would have increased equity by Rs. Nil (Previous Year Rs. 0.46 Crore). An equivalent decrease would have resulted in an equivalent but opposite impact.

(D) Operational Risk

Operational risk is the risk of loss resulting from inadequate or failed internal processes, people and system or from external events. Operational risk is associated with human error, system failures and inadequate procedures and controls. It is the risk of loss arising from the potential that inadequate information system; technology failures, breaches in internal controls, fraud, unforeseen catastrophes, or other operational problems may result in unexpected losses or reputation problems. Operational risk exists in all products and business activities.

The Group recognizes that operational risk event types that have the potential to result in substantial losses includes Internal fraud, External fraud, employment practices and workplace safety, clients, products and business practices, business disruption and system failures, damage to physical assets, and finally execution, delivery and process management.
The Group cannot expect to eliminate all operational risks, but it endeavours to manage these risks through a control framework and by monitoring and responding to potential risks. Controls include effective segregation of duties, access, authorisation and reconciliation procedures, staff education and assessment processes, such as the use of internal audit.

(43) Leases

Company is a Lessee

(a) The Group has lease contracts for various office premises used in its operations. Leases of office premises generally have lease terms between 1 to 12 years. The Group's obligations under its leases are secured by the lessor's title to the leased assets. Generally, the Group is restricted from assigning and subleasing the leased assets.
The Group also has certain leases of office premises with lease terms of 12 months or less. The Group applies the 'short-term lease' recognition exemptions for these leases.

(b) Leases are shown as follows in the Group balance sheet and profit & loss account

Set out below are the carrying amounts of right-of-use assets recognised and the movements during the period:

Particulars	Building - Office Premises	Total
Opening balance as at 1 April 2021	118.64	118.64
Additions	92.62	92.62
Deletion (Termination/Modification during the period)	(2.32)	(2.32)
Depreciation expense	34.95	34.95
Closing net carrying balance 31 March 2022	**173.99**	**173.99**
Additions	154.38	154.38
Deletion (Termination/Modification during the period)	(10.19)	(10.19)
Depreciation expense	49.38	49.38
Closing net carrying balance 31 March 2023	**268.80**	**268.80**

Set out below are the carrying amounts of lease liabilities (included under Borrowings (Other than Debt Securities)) and the movements during the period:

Particulars	Amount Rs. In Crore
Opening balance as at 1 April 2021	**139.85**
Additions	92.62
Deletion (Termination/Modification during the period)	(1.90)
Accretion of interest	14.37
Payments	(46.94)
Amount recognised in Consolidated Statement of Profit & Loss for changes in lease payments on account of rent concession	-
As at 31 March 2022	**198.00**
Additions	154.37
Deletion (Termination/Modification during the period)	(11.08)
Accretion of interest	25.58
Payments	(61.28)
Amount recognised in Consolidated Statement of Profit & Loss for changes in lease payments on account of rent concession	-
As at 31 March 2023	**305.59**
Current	42.89
Non-current	262.70

(c) Amounts recognized in the Statement of Profit and Loss

Particulars	**For the year ended FY 2022-23 Amount Rs. In Crore**	**For the year ended FY 2021-22 Amount Rs. In Crore**
Depreciation expense of right-of-use assets	49.38	34.95
Interest expense on lease liabilities	25.58	14.37
Gain on termination/modification of leases	(0.89)	0.42
Amount recognised in Consolidated Statement of Profit & Loss for changes in lease payments on account of rent concession	(0.40)	-
Expense relating to short-term leases (included in other expenses)	14.13	5.41
Total amount recognised in Statement of profit and loss	**87.80**	**55.15**

The Group had total cash outflows for leases of Rs. 61.28 crores in FY 2021-22 (Previous Year Rs. 46.94 crores).

(44) The Group has not entered into any transactions with companies struck off under Section 248 of the Companies Act, 2013 or Section 560 of the Companies Act, 1956 during the year ended March 31, 2023 and March 31, 2022.

(45) The Group has not been declared a wilful defaulter by any bank or financial institution or other lender during the year ended March 31, 2023 and year ended March 31, 2022.

(46) The Group has not traded or invested in crypto currency or virtual currency during the financial years ended March 31, 2023 and March 31, 2022.

(47) During the year ended March 31, 2023, the Holding Company has withdrawn additional special reserve created under section 29C of the National Housing Bank Act 1987 / the Master Direction – Non-Banking Financial Company – Housing Finance Company (Reserve Bank) Directions, 2021 [earlier: NHB circular no. NHB (ND)/DRS/Pol-No.03/2004-05 dated August 26, 2004] for an amount of Rs. 525 crores in respect of impairment of financial instruments net off related tax impact.

(48) The Group has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding (whether recorded in writing or otherwise) that the Intermediaries shall;

(a) 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

(b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.

(49) The Group has not received any funds from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall;
(a) 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
(b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.

(50) The Group did not enter into any transactions which are not recorded in the books of accounts and has been surrendered or disclosed as income during the year ended March 31, 2023 in the tax assessments under the Income Tax Act, 1961 (Previous year Rs. Nil).

(51) There are no proceedings initiated or pending against the Group for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) during the years ended March 31, 2023 and March 31, 2022.

(52) Previous Year’s figures have been regrouped / reclassified wherever necessary to correspond with the current year’s classification / disclosures.

The accompanying Notes are integral part of the consolidated financial statements

For and on behalf of the Board of Directors

Gagan Banga	Sachin Chaudhary	Mukesh Garg	Amit Jain	Pinank Shah
Vice Chairman / Managing Director & CEO	Whole Time Director	Chief Financial Officer	Company Secretary	Deputy Chief Financial Officer
DIN : 00010894	DIN : 02016992	New Delhi	Gurugram	Mumbai
Mumbai	Gurugram			

May 22, 2023

S.N. Dhawan & CO LLP
Chartered Accountants
2nd Floor, Plot No. 421, Sector - 18
Phase IV, Udyog Vihar, Gurugram
Haryana - 122016

Arora & Choudhary Associates
Chartered Accountants
8/28, Second Floor, WEA,
Abdul Aziz Road, Karol Bagh,
New Delhi - 110005

INDEPENDENT AUDITOR'S REPORT

To the Members of Indiabulls Housing Finance Limited

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the accompanying Consolidated Financial Statements of Indiabulls Housing Finance Limited ("the Holding Company") and its subsidiaries (the Holding Company and its subsidiaries together are referred to as "the Group"), which comprise the Consolidated Balance Sheet as at 31 March 2022, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flows for the year then ended, and a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the Consolidated Financial Statements").

In our opinion and to the best of our information and according to the explanations given to us, and based on the consideration of reports of the other auditors on separate financial statements of the subsidiaries referred to in the Other Matters section below, the aforesaid Consolidated Financial Statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, and other accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at 31 March 2022, of consolidated profit, consolidated other comprehensive income, consolidated changes in equity and its consolidated cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under Section 143(10) of the Act. Our responsibilities under those Standards are further described in the *Auditor's Responsibilities for the Audit of the Consolidated Financial Statements* section of our report. We are independent of the Group in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ("the ICAI") together with the ethical requirements that are relevant to our audit of the Consolidated Financial Statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence we have obtained, and the audit evidence obtained by the other auditors in terms of their reports referred to in sub-para (a) and (b) of the Other Matters paragraph below is sufficient and appropriate to provide a basis for our audit opinion on the Consolidated Financial Statements.

Emphasis of Matter

1. We draw attention to Note 44(1) of the accompanying Consolidated Financial Statements which describes the uncertainties relating to the impact of COVID-19 pandemic on the Holding Company's operations and financial metrics, including the expected credit losses. Our conclusion is not modified in respect of this matter.

Emphasis of Matter (continued)

2. We draw attention to Note 48 of the accompanying Consolidated Financial Statements which states that the Holding Company has debited additional special reserve created under section 29 C as per the Master Direction – Non-Banking Financial Company – Housing Finance Company (Reserve Bank) Directions, 2021 issued by the Reserve Bank of India [read with erstwhile NHB circular no. NHB (ND)/DRS/Pol-No.03/2004-05 dated August 26, 2004] for an amount of Rs. 825 crores in respect of impairment loss on financial instruments net of related tax impact instead of debiting the same to the Statement of Profit and Loss. Our conclusion is not modified in respect of this matter.

3. In respect of Component Indiabulls Commercial Credit Limited, as reported by component auditors, we draw attention to Note 44 (2) of the accompanying Consolidated Financial Statements which describes the effects of uncertainties relating to the COVID-19 pandemic outbreak on the subsidiary Company's operations, that are dependent upon future developments, and the impact thereof on the subsidiary Company's estimates of impairment of loans to customers outstanding as at March 31, 2022. Our conclusion is not modified in respect of this matter.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the Consolidated Financial Statements of the current year. These matters were addressed in the context of our audit of the Consolidated Financial Statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

A. Key audit matter of the Holding Company

Key audit matters	**How our audit addressed the key audit matter**
Impairment of financial instruments (including provision for expected credit losses) (as described in note 9 of the Consolidated Financial Statements)	
Ind AS 109 requires the Holding Company to provide for impairment of its financial assets using the expected credit loss ('ECL') approach involving an estimation of probability of loss on the financial assets over their life, considering reasonable and supportable information about past events, current conditions and forecasts of future economic conditions which could impact the credit quality of the Holding company loans and advances. In the process, a significant degree of judgement has been applied by the management in respect of following matters: • The Holding company has various loan products divided into Corporate loan portfolio and Retail loan portfolio. Retail loans are grouped into different categories on the basis of homogeneity and thereby expected to demonstrate similar credit characteristics. Corporate loan portfolio is assessed on a case-to-case basis. • Estimation of losses in respect of loans or groups of loans which had no/ minimal defaults in the past.	• Our audit procedures included considering the Holding Company's accounting policies for impairment of loan receivables and assessing compliance with the policies in terms of Ind AS 109. • Tested the assumptions used by the Holding Company for grouping and staging of loan portfolio into various categories and default buckets for determining the PD. • Tested the operating effectiveness of the controls for staging of loans based on their past-due status. Tested a sample of performing (stage 1) loans to assess whether any loss indicators were present requiring them to be classified under stage 2 or 3. • Performed inquiries with the Holding Company's management and its risk management function to assess the impact of CoVID-19.

• Staging of loans and estimation of behavioural life.	
Key audit matters	**How our audit addressed the key audit matter**
Impairment of financial instruments (including provision for expected credit losses) (as described in note 9 of the Consolidated Financial Statements) (Continued) • Management overlay for macro-economic factors and estimation of their impact on the credit quality. • The Holding company has developed models that derive key assumptions used within the provision calculation such as probability of default (PD). • The Holding company has used LGD rates based on past experience and industry practice. • The output of these models is then applied to the provision calculation with other information including the exposure at default (EAD). **Additional considerations on account of CoVID-19** Reserve Bank of India (RBI) has announced restructuring 2.0 in order to grant relief to the borrowers. The Holding company has recorded a management overlay as part of its ECL, to reflect among other things the impact of Novel Coronavirus (CoVID-19) pandemic and macro-economic factors. In accordance with the guidance in Ind AS 109, the management overlay estimate takes into account reasonably and supportable information without incurring significant cost. The actual credit losses for the next 12 months could be significantly different than the ECL estimates prepared by the Holding Company depending upon the impact and duration of the pandemic and various regulatory and policy measures announced by the Government. Given the high degree of management's judgement involved in estimation of ECL, it is an area of material uncertainty and a key audit matter.	• Tested the arithmetical accuracy of computation of ECL provision performed by the Holding Company in spreadsheets. • Compared the disclosures included in the Ind AS financial statements in respect of expected credit losses with the requirements of Ind AS 107 and 109. Reviewed specific disclosures made in the standalone financial statements with regards to the impact of CoVID-19 on ECL estimation. • Assessed specific disclosures made in the Standalone Financial Statements with regards to the impact of Covid-19 on ECL estimations.

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B. Key Audit Matters of Subsidiary Company – Indiabulls Commercial Credit Limited ('ICCL") as reported by the auditors of ICCL

Key Audit Matters	Auditor's Response
a) Impairment of Loans (expected credit loss - ECL) (Refer note 9 to the Consolidated Financial Statements) In accordance with the requirements of Ind AS 109, the Subsidiary Company is required to provide for impairment of its financial assets using the expected credit loss ('ECL') approach which involves an estimation of the probability of loss on the financial assets over their life, considering reasonable and supportable information about past events, current conditions and forecasts of future economic conditions which could impact the credit quality of the subsidiary Company's loans and advances. In the process, a significant degree of judgement has been applied by the management in respect of following matters: (i) Classification and staging of loan portfolio, and estimation of behavioural life. (ii) Estimation of losses in respect of those classes of loans which had no or minimal historical defaults. (iii) Management overlay for macro-economic factors and the impact of CoVID -19 pandemic and estimation of their impact on the credit quality of the loans. In accordance with the guidance in Ind AS 109, the management overlay estimate takes into account reasonably and supportable information without incurring significant cost. The actual credit losses for the next 12 months could be significantly different than the ECL estimates prepared by the subsidiary Company depending upon the impact and duration of the pandemic and various regulatory and policy measures announced by the Government. (iv) Further, the subsidiary Company has restructured loans on account of COVID-19 related regulatory measures. This has resulted in increased management estimation over determination of provision for such restructured loans. (v) The disclosures (including disclosures prescribed by RBI) regarding the subsidiary Company's application of Ind AS 109 are key to explaining the key judgements and material inputs to the Ind AS 109 ECL results.	Principal Audit Procedures • Read and assessed the Company's accounting policies for the process of estimation of impairment of financial assets and whether such policy was in accordance with the requirements of Ind AS 109 and the governance framework approved by the Board of Directors pursuant to the applicable Reserve Bank of India guidelines/directions. • Evaluated the appropriateness of the Company's assumptions used by the Company for grouping and staging of loan portfolio into various categories and default buckets and their appropriateness for determining the probability of default (PD) and loss-given default (LGD) rates. • Tested the operating effectiveness of the controls for application of the staging criteria. Assessed the additional considerations applied by the Management for staging of loans. • Performed tests (on sample basis) to verify the completeness and accuracy of the input data used to determine the PD and LGD rates and agreed such data with the underlying books of accounts and records. • Performed inquiries with the Company's management to assess the impact of COVID-19 on the current economic environment and business activities of the Company. • Tested the arithmetical accuracy of calculation of the provision for ECL performed by the Company. • Tested assumptions used by the management in determining the overlay for macro-economic factors (including CoVID-19 pandemic)

Key Audit Matters	**Auditor's Response**
a) Impairment of Loans (expected credit loss - ECL) (Refer note 9 to the Consolidated Financial Statements) (continued) The subsidiary Company has developed a financial model that derives key assumptions used within the provision calculation such as probability of default (PD) and loss given default (LGD). The output of such model is then applied to the calculation for the provision for expected credit loss calculation with other information including the exposure at default (EAD). Given the high degree of management's judgement involved in estimation of ECL, it is an area of material uncertainty and a key audit matter.	Principal Audit Procedures (continued) • Tested key controls and details over restructuring process in respect of eligibility, approval and modification of terms. • Assessed the appropriateness and sufficiency of disclosures in the Financial Statements in respect of provision for EC.
b) De-recognition of financial assets (Refer Notes 9 and 40 to the Consolidated Financial Statements) The subsidiary Company has, during the year ended March 31, 2022, assigned loans amounting to Rs. 1,742.65 crores for managing its funding requirements and recorded net income of Rs. 19.07 crores in the Statement of Profit and Loss. In accordance with Ind AS 109, de-recognition of financial assets (loans) transferred by the subsidiary Company through assignment is based on the 'risk and reward' model and a 'control' model. In case de-recognition criteria are met, the financial assets assigned are de-recognized and difference between carrying value and consideration including the present value of interest payments that it would not give up (excess interest spread (EIS) receivable) is recognized as income in the Statement of Profit and Loss for the year. The subsidiary Company also records a servicing asset and servicing liability at their fair value for the right retained for servicing the financial asset for the service contract and the related costs to be incurred. The assessment of derecognition criteria being met involves significant judgements and furthermore the measurement of the related EIS receivable income, servicing asset and liability requires significant estimates to be made with respect to the discount rate, expected portfolio life, prepayment and foreclosures. Given the complexity and the volume of such transactions the same has been considered a key audit matter.	Principal audit procedures • Assessed (on sample basis) assignment agreements to evaluate whether the de-recognition criteria have been met. • Assessed the significant estimates and judgments, including the discount rate and expected remaining life of the portfolio transferred used by the Company for computation of excess interest spread receivable, servicing asset and servicing liability. • Tested the arithmetical accuracy of computation of the excess interest spread receivable, servicing asset and servicing liability. • Assessed the disclosures included in the Financial Statements with respect to de-recognition in accordance with the requirements of Ind AS 109 and Ind AS 107.

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

The Holding Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Board's report and Management Discussion & Analysis (MD&A) report, but does not include the Consolidated Financial Statements, Standalone Financial Statements and our auditor's reports thereon. The Board's report and Management Discussion & Analysis (MD&A) report is expected to be made available to us after the date of this auditor's report.

Our opinion on the Consolidated Financial Statements does not cover the other information and we will not express any form of assurance conclusion thereon.

In connection with our audit of the Consolidated Financial Statements, our responsibility is to read the other information identified above when it becomes available, compare with the financial statements of subsidiaries to the extent it relates to these entities and, in doing so, consider whether the other information is materially inconsistent with the Consolidated Financial Statements or our knowledge obtained during the course of our audit, or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement therein, we are required to report that fact.

Management's Responsibility for the Consolidated Financial Statements

The Holding Company's Board of Directors is responsible for the preparation and presentation of these Consolidated Financial Statements in term of the requirements of the Act, that give a true and fair view of the consolidated financial position, consolidated financial performance (including other comprehensive income), consolidated cash flows and consolidated statement of changes in equity of the Group in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards specified under Section 133 of the Act. The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the Consolidated Financial Statements, the respective Board of Directors of the companies included in the Group are responsible for assessing the ability of the Group 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 Group or to cease operations, or has no realistic alternative but to do so.

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

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

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

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

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

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

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

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

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

- The respective joint auditors obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group of which the respective joint auditors are the independent auditors and whose financial information the respective joint auditors have audited, to express an opinion on the Consolidated Financial Statements. The respective joint auditors are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the Consolidated Financial Statements of which the respective joint auditors are the independent auditors. For the other entities included in the Consolidated Financial Statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements (Continued)

The respective joint auditors communicate with those charged with governance of the Holding Company and such other entities included in the Consolidated Financial Statements of which either of the joint auditors or one of the joint auditors, jointly with other auditors, are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that are identified during the audit.

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

Other Matters

a. We did not audit the financial statements and other financial information, in respect of fourteen subsidiaries, whose financial statements include total assets of Rs.13,486.96 crores as at 31 March 2022, total revenues of Rs.1,865.87 crores and net cash outflows amounting to Rs. 1,498.59 crores for the year ended on that date, as considered in the Consolidated Financial Statements. These financial statements and other financial information have been audited by other auditors whose reports have been furnished to us by the Management and our opinion on the Consolidated Financial Statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries and our report in terms of sub-section (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries is based solely on the reports of the other auditors.

b. We did not audit the financial statements of one subsidiary, whose un-audited financial statements and other un-audited financial information reflects total assets of Rs. Nil as at 31 March 2022, total revenues of Rs.0.01 crores and net cash outflows amounting to Rs. Nil for the year ended on that date, as considered in the Consolidated Financial Statements. These unaudited financial statements have been furnished to us by the Management and our opinion on the Consolidated Financial Statements, in so far as it relates to the amounts and disclosures included in respect of this subsidiary, and our report in terms of sub-section (3) of Section 143 of the Act in so far as it relates to the aforesaid subsidiary, is based solely on such unaudited financial statements and unaudited other financial information. In our opinion and according to the information and explanations given to us by the Management, these financial statements and other financial information are not material to the Group.

Our opinion on the Consolidated Financial Statements above, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors and the financial statements and other financial information certified by the Management.

c. The Consolidated Financial Statements for the year ended March 31, 2021 were audited by the predecessor auditor whose audit report dated May 19, 2021 expressed an unmodified opinion on those Consolidated Financial Statements.

Our opinion is not modified in respect of the above matter.

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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, based on the comments in the auditors' reports of the Holding Company and subsidiaries incorporated in India, we report hereunder the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable:

(xxi) Qualifications or adverse remarks by the respective auditors of the subsidiary companies incorporated in India and included in the Group, in the Companies (Auditor's Report) Order (CARO) reports of such subsidiary companies included in the Consolidated Financial Statements, are given below*:

S.no	Name	CIN	Holding Company/ Subsidiary/ Associate/ Joint Venture	Clause number of the CARO report which is qualified or adverse
1.	Indiabulls Housing Finance Limited	L65922DL2005PLC136029	Holding Company	i(c) iii(c) iii(d) xvi(a)
2.	Indiabulls Commercial Credit Limited	U65923DL2006PLC150632	Subsidiary	iii(c) iii(d) vii(a)
3.	Indiabulls Investment Management Limited (formerly known as Indiabulls Venture Capital Management Company Limited)	U65100HR2010PLC095390	Subsidiary	iii(c) xvii
4.	Indiabulls Insurance Advisors Limited	U72200DL2002PLC114257	Subsidiary	iii(c)
5.	Nilgiri Investmart Services Limited (formerly Nilgiri Financial Consultants Limited)	U72200DL2005PLC143654	Subsidiary	xvii
6.	Indiabulls Trustee company Limited	U65991DL2008PLC176626	Subsidiary	xvii
7.	Indiabulls Capital Services Limited	U65993DL2005PLC134948	Subsidiary	iii(c)
8.	Indiabulls Holdings Limited	U74140DL2010PLC201275	Subsidiary	iii(c) xvii
9.	Indiabulls Advisory Services Limited	U51101DL2006PLC155168	Subsidiary	iii(c)
10.	Ibulls Sales Limited	U67100DL2006PLC154666	Subsidiary	xvii
11.	Indiabulls Asset Holding Company Limited	U74900DL2007PLC164760	Subsidiary	xvii

* In respect of two trusts and one foreign subsidiary, which have been considered as subsidiaries in accordance with the applicable Indian Accounting Standard as prescribed, reporting under the Companies (Auditor's Report) Order, 2020 is not applicable. Further, in respect of one subsidiary company, no qualifications or adverse comments has been reported by its respective auditors in CARO.

2. As required by Section 143(3) of the Act based on our audit and on the consideration of reports of the other auditors on separate financial statements and the other financial information of subsidiaries, as noted in the 'Other Matters' paragraph, we report, to the extent applicable, that:

Report on Other Legal and Regulatory Requirements (Continued)

a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid Consolidated Financial Statements.

b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid Consolidated Financial Statements have been kept so far as it appears from our examination of those books and the reports of the other auditors.

c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Statement of Cash Flows and Consolidated Statement of Changes in Equity dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the Consolidated Financial Statements.

d) In our opinion, the aforesaid Consolidated Financial Statements comply with the Indian Accounting Standards specified under Section 133 of the Act.

e) On the basis of the written representations received from the directors of the Holding Company as on 31 March 2022 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors of its subsidiaries in India, none of the directors of the Group companies incorporated in India is disqualified as on 31 March 2022 from being appointed as a director in terms of Section 164 (2) of the Act.

f) With respect to the adequacy of internal financial controls with reference to financial statements of companies incorporated in India and included in the Group, and the operating effectiveness of such controls, refer to our separate report in Annexure A.

g) In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Holding Company to its directors during the year is in accordance with the provisions of Section 197of the Act. In respect of the component, Indiabulls Asset Management Company Limited, as reported by the component's auditors, in our opinion and according to the information and explanations given to us, the subsidiary Company has taken requisite approvals in the extra ordinary general meeting of its members on May 06, 2022, in respect of remuneration paid to a Whole Time Director during the year ended March 31, 2022 which was in excess of the limit laid down under Section 197 of the Act.

h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditor's) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the report of the other auditors on separate financial statements of the subsidiaries incorporated in India and whose financial statements have been audited under the Act, as noted in the 'Other matters' paragraph:

   (i) The Consolidated Financial Statements disclose the impact of pending litigations on the consolidated financial position of the Group, – Refer Note 34 (a & b) to the Consolidated Financial Statements.

   (ii) Provision has been made in the Consolidated Financial Statements, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts – Refer Note 7 to the Consolidated Financial Statements in respect of such items as it relates to the Group.

Report on Other Legal and Regulatory Requirements (Continued)

(iii) There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Group except in the case of holding company, where an amount of Rs.2,280 which has been deposited subsequent to the year ended March 31, 2022 on April 27, 2022.

(iv) (a). On the basis of the representations received from the directors of the Holding Company as on 31 March 2022 and the reports of the statutory auditors of its subsidiaries incorporated in India, whose financial statements have been audited under the Act, to the best of their knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Holding Company or any such subsidiaries to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Holding Company or any of such subsidiaries ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(b) On the basis of the representations received from the directors of the Holding Company as on 31 March 2022 and the reports of the statutory auditors of its subsidiaries incorporated in India, whose financial statements have been audited under the Act, to the best of their knowledge and belief, no funds have been received by the Holding Company or any of such subsidiaries from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Holding Company or any of such subsidiaries shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances performed by us and that performed by the auditors of the subsidiaries which are companies incorporated in India whose financial statements have been audited under the Act, nothing has come to our or other auditors' notice that has caused us or other auditors to believe that the representations under sub-clause (i) and (ii) of Rule 11(e) contain any material misstatement.

(v) The interim dividend declared and paid for previous year by the Holding Company is in accordance with Section 123 of the Act.

For S.N. Dhawan & CO.LLP
Chartered Accountants
Firm's Registration No.: 000050N/ N500045

Rahul Singhal
Partner
Membership No.: 096570
UDIN: 22096570AJJZJW8648

Place: Gurugram
Date: May 20, 2022

For Arora & Choudhary Associates
Chartered Accountants
Firm's registration No. 003870N

Vijay K Choudhary
Partner
Membership No. 081843
UDIN: 22081843AJIPOK6215

Place: New Delhi
Date: May 20, 2022

Annexure A

Independent Auditor's report on the Internal Financial Controls with reference to the consolidated financial statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

In conjunction with our audit of the Consolidated Financial Statements of Indiabulls Housing Finance Limited (hereinafter referred to as the "Holding Company") as of and for the year ended 31 March 2022, we have audited the internal financial controls with reference to financial statements of the Holding Company and its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group"), which are companies incorporated in India, as of that date.

Management's Responsibility for Internal Financial Controls

The respective Board of Directors of the Companies included in the Group, which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls based on the internal financial control with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India. 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 the Group's business, including adherence to the respective group's policies, the safeguarding of the Group's 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.

Auditors' Responsibility

Our responsibility is to express an opinion on the Holding Company's internal financial controls with reference to Consolidated Financial Statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the Institute of Chartered Accountants of India (" the ICAI") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls, both issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements were established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to the consolidated financial statements included obtaining an understanding of internal financial controls with reference to the consolidated financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors in terms of their reports referred to in the Other Matter(s) paragraph below is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls system with reference to the consolidated financial statements of the Group, as aforesaid.

Meaning of Internal Financial Controls with reference to Financial Statements

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

Inherent Limitations of Internal Financial Controls with reference to Financial Statements

Because of the inherent limitations of internal financial controls with reference to Financial Statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to financial statements to future periods are subject to the risk that the internal financial controls with reference to financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Group, which are companies incorporated in India, have, in all material respects, adequate internal financial controls system with reference to the consolidated financial statements and such internal financial controls with reference to the consolidated financial statements were operating effectively as at 31 March 2022, based on the internal financial control with reference to the consolidated 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.

Other Matters

Our aforesaid report under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls with reference to financial statements in so far as it relates to twelve subsidiaries, which are companies incorporated in India, is based on the corresponding reports of the auditors of such companies incorporated in India.

For S.N. Dhawan & CO LLP
Chartered Accountants
Firm's Registration No.: 000050N/ N500045

Rahul Singhal
Partner
Membership No.: 096570
UDIN: 22096570AJJZJW8648

Place: Gurugram
Date: May 20, 2022

For Arora & Choudhary Associates
Chartered Accountants
Firm's registration No. 003870N

Vijay K Choudhary
Partner
Membership No. 081843
UDIN: 22081843AJIPOK6215

Place: New Delhi
Date: May 20, 2022

Indiabulls Housing Finance Limited
Consolidated Balance Sheet as at March 31, 2022
(All amount in Rs. in Crore, except for share data unless stated otherwise)

Particulars	Note No.	As at March 31, 2022	As at March 31, 2021
ASSETS			
Financial Assets			
Cash and cash equivalents	5	7,986.04	13,124.16
Bank balance other than Cash and cash equivalents	6	1,666.81	3,879.72
Derivative financial instruments	7	149.12	154.13
Receivables			
i) Trade Receivables	8	9.26	23.79
ii) Other Receivables		-	-
Loans	9	59,950.19	65,407.25
Investments	10	5,545.62	6,146.01
Other financial assets	11	1,034.27	1,181.02
Total Financial assets		**76,341.31**	**89,916.08**
Non- Financial Assets			
Current tax assets (net)		1,161.83	583.82
Deferred tax assets (net)	32	555.55	670.78
Property, plant and equipment	12	67.02	82.80
Goodwill on Consolidation		57.83	57.83
Other Intangible assets	12	28.26	36.14
Right-of-use Assets	43	173.99	118.64
Other Non- Financial Assets	13	605.98	387.60
Assets Held for Sale	33(x)	2,981.55	1,385.34
Total Non-Financial assets		**5,632.01**	**3,322.95**
Total Assets		**81,973.32**	**93,239.03**
LIABILITIES AND EQUITY			
LIABILITIES			
Financial Liabilities			
Derivative financial instruments	7	122.71	289.22
Payables			
(I) Trade Payables	14		
(i) total outstanding dues of micro enterprises and small enterprises		-	-
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises		0.66	1.22
Debt Securities	15	23,665.34	30,219.07
Borrowings (Other than Debt Securities)	16	33,067.99	33,908.25
Subordinated liabilities	17	4,626.03	4,678.11
Other financial liabilities	18	2,880.22	7,287.16
Total Financial Liabilities		**64,362.95**	**76,383.03**
Non-Financial Liabilities			
Current tax liabilities (net)		151.76	144.55
Provisions	19	135.09	124.80
Deferred tax liabilities (net)	32	0.32	1.16
Other Non-Financial Liabilities	20	649.14	451.63
Total Non-Financial Liabilities		**936.31**	**722.14**
Equity			
Equity share capital	21	89.11	89.07
Other equity	22	16,584.95	16,044.79
Total Equity		**16,674.06**	**16,133.86**
Total Liabilities and Equity		**81,973.32**	**93,239.03**

The accompanying Notes are integral part of the consolidated financial statements

In terms of our report of even date attached

For S. N. Dhawan & CO LLP Chartered Accountants Firm registration No. 000050N/N500045	For Arora & Choudhary Associates Chartered Accountants Firm Registration No. 003870N	**For and on behalf of the Board of Directors**	
Rahul Singhal Partner Membership Number: 096570 Gurugram	Vijay K Choudhary Partner Membership No. 081843 New Delhi	Gagan Banga Vice Chairman / Managing Director & CEO DIN : 00010894 Mumbai	Ashwini Omprakash Kumar Whole Time Director DIN : 03341114 Mumbai
		Mukesh Garg Chief Financial Officer New Delhi	Amit Jain Company Secretary Gurugram
May 20, 2022	May 20, 2022	May 20, 2022	

Indiabulls Housing Finance Limited
Consolidated Statement of profit and loss for the year ended March 31, 2022
(All amount in Rs. in Crore, except for share data unless stated otherwise)

Particulars	Note No.	Year ended March 31, 2022	Year ended March 31, 2021
Revenue from operations			
Interest Income	23	8,582.53	9,721.96
Dividend Income	24	-	0.17
Fees and commission Income	25	80.91	94.02
Net gain on fair value changes	26	173.25	-
Net gain on derecognition of financial instruments under amortised cost category		146.62	111.27
Total revenue from operations		**8,983.31**	**9,927.42**
Other Income	27	10.59	102.70
Total Income		**8,993.90**	**10,030.12**
Expenses			
Finance Costs	28	6,241.62	6,939.38
Net loss on fair value changes	26	-	36.95
Impairment on financial instruments	29	463.72	919.89
Employee Benefits Expenses	30	468.42	252.54
Depreciation, amortisation and impairment	12 & 43(c)	77.37	96.70
Other expenses	31	187.00	223.00
Total Expenses		**7,438.13**	**8,468.46**
Profit before tax		**1,555.77**	**1,561.66**
Tax Expense:			
(1) Current Tax	32	62.48	62.84
(2) Deferred Tax Charge	32	315.55	297.23
Profit for the year attributable to the Shareholders of the Company		**1,177.74**	**1,201.59**
Other Comprehensive Income			
A (i) Items that will not be reclassified to the statement of profit or loss			
(a) Remeasurement gain on defined benefit plan		1.46	13.19
(b) Gain / (Loss) on equity instrument designated at FVOCI[Refer Note 10(2)&(3)]		70.13	(685.19)
(ii) Income tax impact on above		(11.82)	153.45
B (i) Items that will be reclassified to the statement of profit or loss			
(a) Derivative instruments in Cash flow hedge relationship		80.99	(244.82)
(ii) Income tax impact on above		(20.38)	61.62
Total Other comprehensive Income / (loss) (A+B)		**120.38**	**(701.75)**
Total Comprehensive Income for the Year		**1,298.12**	**499.84**
Earnings per equity share			
Basic (Rs.)	38	26.42	27.72
Diluted (Rs.)	38	26.34	27.72
Nominal value per share (Rs.)		2.00	2.00

The accompanying Notes are integral part of the consolidated financial statements

In terms of our report of even date attached

For S. N. Dhawan & CO LLP
Chartered Accountants
Firm registration No. 000050N/N500045

Rahul Singhal
Partner

Membership Number: 096570
Gurugram

May 20, 2022

For Arora & Choudhary Associates
Chartered Accountants
Firm Registration No. 003870N

Vijay K Choudhary
Partner

Membership No. 081843
New Delhi

May 20, 2022

For and on behalf of the Board of Directors

Gagan Banga
Vice Chairman / Managing Director & CEO
DIN : 00010894
Mumbai

Ashwini Omprakash Kumar
Whole Time Director
DIN : 03341114
Mumbai

Mukesh Garg
Chief Financial Officer
New Delhi

Amit Jain
Company Secretary
Gurugram

May 20, 2022

Indiabulls Housing Finance Limited
Consolidated Cash Flow Statement for the year ended March 31, 2022
(All amount in Rs. in Crore, except for share data unless stated otherwise)

		Year ended March 31, 2022	Year ended March 31, 2021
A	**Cash flows from operating activities :**		
	Profit before tax	1,555.77	1,561.66
	Adjustments to reconcile profit before tax to net cash flows:		
	Employee Stock Compensation	(9.12)	(7.09)
	Change in Provision for Gratuity, Compensated Absences and Superannuation Expense	9.63	(58.36)
	Impairment on Financial Instruments (Including Bad debt)	1,138.86	1,264.14
	Interest Income	(8,582.52)	(9,721.96)
	Dividend Income	-	(0.17)
	Loss / (Profit) on Lease termination	0.42	(8.61)
	Interest Expense	5,305.14	6,472.91
	Depreciation, amortisation and impairment	77.37	96.70
	Provision for Diminution in value of Investment	-	(636.61)
	Loss on sale of Property, plant and equipment	0.02	3.48
	Unrealised loss on valuation of Investments	30.87	23.92
	Operating Loss before working capital changes	(473.56)	(1,009.99)
	Working Capital Changes		
	Trade Receivables, Other Financial and non Financial Assets	32.00	615.59
	Loans	3,648.24	4,500.82
	Trade Payables, other financial and non Financial Liabilities	(3,978.31)	668.11
	Net Cash (used in) / from operations	(771.63)	4,774.53
	Interest received on loans	7,647.67	8,438.41
	Interest paid on borrowings	(5,629.69)	(6,404.41)
	Income taxes paid (Net)	(589.17)	279.97
	Net cash flow from operating activities	**657.18**	**7,088.50**
B	**Cash flows from investing activities :**		
	Purchase of Property, plant and equipment and other intangible assets	(20.04)	(34.35)
	Sale of Property, plant and equipment	1.25	5.38
	Decrease / (Increase) in Capital Advances	26.91	(13.32)
	Proceeds from / (Investments in) deposit accounts	2,212.91	(2,405.66)
	(Purchase) / Sale of Investments (Net)	(1,046.57)	5,200.31
	Dividend Received	-	0.17
	Interest received on Investments	474.48	350.56
	Investments in Subsidiary / Other Investments	-	-
	Net cash flow from investing activities	**1,648.94**	**3,103.09**
C	**Cash flows from financing activities :**		
	Proceeds from Issue of Equity Share (Including Securities Premium)	0.22	662.31
	Distribution of Equity Dividends	15.16	(416.62)
	Repayment of loans (Net)	(524.73)	(7,783.84)
	Repayment of Secured Debentures (including Conversion) (Net)	(6,479.85)	(2,508.26)
	Repayment of Subordinated Debt (Net)	(64.09)	-
	Payment of Lease liabilities	(46.95)	(49.79)
	Repayment of Working capital loans (Net)	(344.00)	(535.82)
	Net cash used in financing activities	**(7,444.24)**	**(10,632.02)**
D	**Net Decrease in cash and cash equivalents (A+B+C)**	**(5,138.12)**	**(440.43)**
E	**Cash and cash equivalents at the beginning of the year**	**13,124.16**	**13,564.59**
F	**Cash and cash equivalents at the end of the year (D + E)** (Refer Note 5)	**7,986.04**	**13,124.16**

The accompanying Notes are integral part of the consolidated financial statements

Note:

1. The above Consolidated Cash Flow Statement has been prepared under the "Indirect Method" as set out in Indian Accounting Standard (IndAS) - 7 on 'Statement of Cash Flows'.
2. For disclosure of investing and financing activity that do not require cash and cash equivalent (Refer note 33(iv)).

In terms of our report of even date attached

For S. N. Dhawan & CO LLP
Chartered Accountants
Firm registration No. 000050N/N500045

Rahul Singhal
Partner

Membership Number: 096570
Gurugram

May 20, 2022

For Arora & Choudhary Associates
Chartered Accountants
Firm Registration No. 003870N

Vijay K Choudhary
Partner

Membership No. 081843
New Delhi

May 20, 2022

For and on behalf of the Board of Directors

Gagan Banga
Vice Chairman / Managing Director & CEO
DIN : 00010894
Mumbai

Ashwini Omprakash Kumar
Whole Time Director

DIN : 03341114
Mumbai

Mukesh Garg
Chief Financial Officer
New Delhi

Amit Jain
Company Secretary
Gurugram

May 20, 2022

Indiabulls Housing Finance Limited

Consolidated statement of changes in equity for the year ended March 31, 2022

(All amount in Rs. in Crore, except for share data unless stated otherwise)

a. Equity Share Capital:	**Numbers**	**Amount**
Equity shares of INR 2 each issued, subscribed and fully paid		
At March 31, 2020	419,174,091	83.83
Changes in Equity Share Capital due to prior period errors	-	-
Restated balance as at April 01, 2020	**419,174,091**	**83.83**
Add: Issued during Financial Year 2020-21	34,774,811	6.96
Less: Investment in Treasury Shares (Own Shares) during the FY 2020-21	8,600,000	1.72
At March 31, 2021	**445,348,902**	**89.07**
Changes in Equity Share Capital due to prior period errors	-	-
Restated balance as at April 01, 2021	**445,348,902**	**89.07**
Add: Issued during Financial Year 2021-22	6,222,602	1.24
Less: Investment in Treasury Shares (Own Shares) during the FY 2021-22	6,000,000	1.20
At March 31, 2022	**445,571,504**	**89.11**

Indiabulls Housing Finance Limited
Consolidated statement of changes in equity for the year ended March 31, 2022
(All amount in Rs. in Crore, except for share data unless stated otherwise)

b. Other Equity*:

	Reserve & Surplus															Other Comprehensive Income		
	Capital Reserve	Capital Redemption Reserve	Securities Premium Account	Stock Compensation Adjustment Reserve	General Reserve	Special Reserve U/s 36(I)(viii) of the Income Tax Act, 1961 Refer Note 22(6)	Reserve (I) As per section 29C of the Housing Bank Act, 1987 Refer Note 22(8)	Reserve (II) Refer Note 22(9)	Reserve (III) Refer Note 22(8)	Additional Reserve Fund (U/s 29C of the National Housing Bank Act, 1987 Refer Note 22(8)	Debenture Redemption Reserve	Debenture Premium Account	Share based Payment reserve	Foreign Currency Translation Reserve	Retained earnings	Equity instruments through other comprehensive income	Cash flow hedge reserve	Total
Balance at 1 April, 2020	**13.92**	**6.36**	**7,261.01**	**188.50**	**1,105.99**	**173.92**	**1,780.04**	**698.98**	**2,178.00**	**-**	**1,221.18**	**1.28**	**6.13**	**0.02**	**1,317.72**	**(261.56)**	**(237.67)**	**15,453.82**
Profit for the year	-	-	-	-	-	-	-	-	-	-	-	-	-	-	1,201.59	-	-	**1,201.59**
Other Comprehensive Income	-	-	-	-	-	-	-	-	-	-	-	-	-	-	9.87	(528.42)	(183.20)	**(701.75)**
Total comprehensive income	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**1,211.46**	**(528.42)**	**(183.20)**	**499.84**
Add: Transferred / Addition during the year	-	-	675.92	(9.75)	-	51.54	211.69	27.81	-	825.00	-	-	2.66	-	-	-	-	**1,784.87**
Less: Investment in Treasury Shares (Own Shares)	-	-	141.03	-	-	-	-	-	-	-	-	-	-	-	-	-	-	**141.03**
Less: Adjusted / Utilised during the year	-	-	20.56	-	-	-	-	-	-	-	-	-	-	-	-	-	-	**20.56**
Appropriations:-																		
Interim Dividend paid on Equity Shares @ Rs. 9 Per Share	-	-	-	-	-	-	-	-	-	-	-	-	-	-	416.11	-	-	**416.11**
Transferred to Reserve I (Special Reserve U/s 29C of the NHB Act, 1987)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	211.69	-	-	**211.69**
Transferred to Additional Reserve (U/s 29C of the National Housing Bank Act, 1987)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	825.00	-	-	**825.00**
Transferred to Special Reserve u/s 36(1)(viii) of the Income Tax Act, 1961	-	-	-	-	-	-	-	-	-	-	-	-	-	-	51.54	-	-	**51.54**
Transferred to Reserve I (Special Reserve U/s 45IC of the Reserve Bank of India	-	-	-	-	-	-	-	-	-	-	-	-	-	-	27.81	-	-	**27.81**
Total Appropriations	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**1,532.15**	**-**	**-**	**1,532.15**
At 31 March 2021	**13.92**	**6.36**	**7,775.34**	**178.75**	**1,105.99**	**225.46**	**1,991.73**	**726.79**	**2,178.00**	**825.00**	**1,221.18**	**1.28**	**8.79**	**0.02**	**997.03**	**(789.98)**	**(420.87)**	**16,044.79**
Profit for the year	-	-	-	-	-	-	-	-	-	-	-	-	-	-	1,177.74	-	-	**1,177.74**
Other Comprehensive Income	-	-	-	-	-	-	-	-	-	-	-	-	-	-	2.92	56.85	60.61	**120.38**
Total comprehensive income	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**1,180.66**	**56.85**	**60.61**	**1,298.12**
Add: Transferred / Addition during the year	-	-	-	(8.49)	1,066.42	-	139.22	101.64	-	525.00	-	-	(0.62)	-	-	-	-	**1,823.17**
Add: during the year on Account of ESOPs	-	-	0.22	-	-	-	-	-	-	-	-	-	-	-	-	-	-	**0.22**
Add: during the year on account of conversion of FCCB	-	-	149.43	-	-	-	-	-	-	-	-	-	-	-	-	-	-	**149.43**
Add: Transfer from Stock Compensation Adjustment A/c	-	-	0.13	-	-	-	-	-	-	-	-	-	-	-	-	-	-	**0.13**
Less: Investment in Treasury Shares (Own Shares)	-	-	88.80	-	-	-	-	-	-	-	-	-	-	-	-	-	-	**88.80**

Indiabulls Housing Finance Limited
Consolidated statement of changes in equity for the year ended March 31, 2022
(All amount in Rs. in Crore, except for share data unless stated otherwise)

b. Other Equity*:

	Reserve & Surplus															Other Comprehensive Income		Total
	Capital Reserve	Capital Redemption Reserve	Securities Premium Account	Stock Compensation Adjustment Reserve	General Reserve	Special Reserve U/s 36(I)(viii) of the Income Tax Act, 1961 Refer Note 22(6)	Reserve (I) As per section 29C of the Housing Bank Act, 1987 Refer Note 22(8)	Reserve (II) Refer Note 22(9)	Reserve (III) Refer Note 22(8)	Additional Reserve Fund (U/s 29C of the National Housing Bank Act, 1987 Refer Note 22(8)	Debenture Redemption Reserve	Debenture Premium Account	Share based Payment reserve	Foreign Currency Translation Reserve	Retained earnings	Equity instruments through other comprehensive income	Cash flow hedge reserve	
Less: Transferred to Securities Premium A/c	-	-	-	0.13	-	-	-	-	-	-	-	-	-	-	-	-	-	**0.13**
Less: Adjusted / Utilised during the year	-	-	-	-	-	-	-	-	-	825.00	1,066.42	-	-	-	-	-	-	**1,891.42**
Appropriations:-																		
Interim Dividend received on Own Equity Shares @ Rs. 9/- per equity share	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(15.30)	-	-	**(15.30)**
Transferred to Reserve I (Special Reserve U/s 29C of the NHB Act, 1987)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	139.22	-	-	**139.22**
Transferred to Additional Reserve (U/s 29C of the National Housing Bank Act, 1987)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	525.00	-	-	**525.00**
Transferred to Reserve I (Special Reserve U/s 45IC of the Reserve Bank of India	-	-	-	-	-	-	-	-	-	-	-	-	-	-	101.64	-	-	**101.64**
Total Appropriations	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**750.56**	**-**	**-**	**750.56**
At 31 March 2022	**13.92**	**6.36**	**7,836.32**	**170.13**	**2,172.41**	**225.46**	**2,130.95**	**828.43**	**2,178.00**	**525.00**	**154.76**	**1.28**	**8.17**	**0.02**	**1,427.13**	**(733.13)**	**(360.26)**	**16,584.95**

*There are no changes in accounting policy/prior period errors in other equity during the year and previous year.

The accompanying Notes are integral part of the consolidated financial statements

In terms of our report of even date attached

For S. N. Dhawan & CO LLP
Chartered Accountants
Firm registration No. 000050N/N500045

For Arora & Choudhary Associates
Chartered Accountants
Firm Registration No. 003870N

For and on behalf of the Board of Directors

Rahul Singhal
Partner
Membership Number: 096570
Gurugram
May 20, 2022

Vijay K Choudhary
Partner
Membership No. 081843
New Delhi
May 20, 2022

Gagan Banga
Vice Chairman / Managing Director & CEO
DIN : 00010894
Mumbai
May 20, 2022

Ashwini Omprakash Kumar
Whole Time Director
DIN : 03341114
Mumbai

Mukesh Garg
Chief Financial Officer
New Delhi

Amit Jain
Company Secretary
Gurugram

1 Corporate information

Indiabulls Housing Finance Limited ('the Company' or 'the Holding Company') is a public limited company domiciled in India with its registered office at Building No. 27, 5th Floor, KG Marg, New Delhi-110001. The Company together with its subsidiaries (collectively, 'the Group') is primarily engaged in the business to provide finance and to undertake all lending and finance to any person or persons, co-operative society, association of persons, body of individuals, companies, institutions, firms, builders, developers, contractors, tenants and others either at interest or without and/or with or without any security for construction, erection, building, repair, remodeling, development, improvement, purchase of houses, apartments, flats, bungalows, rooms, huts, townships and/or other buildings, other finance and real estate of all descriptions or convenience there on and to equip the same or part thereof with all or any amenities or conveniences, drainage facility, electric, telephonic, television, and other installations, either in total or part thereof and /or to purchase any free hold or lease hold lands, estate or interest in any property and such other activities as may be permitted.

The Board of Directors of Indiabulls Housing Finance Limited (100% subsidiary of "IBFSL") and Indiabulls Financial Services Limited ("IBFSL", "Erstwhile Holding Company") at their meeting held on April 27, 2012 had approved the Scheme of Arrangement involving the reverse merger of IBFSL with the Company in terms of the provisions of Sections 391 to 394 of the Companies Act, 1956 (the "Scheme of Arrangement"). The Appointed Date of the proposed merger fixed under the Scheme of Arrangement was April 1, 2012. The Hon'ble High Court of Delhi, vide its Order dated December 12, 2012, received by the Company on February 8, 2013, approved the Scheme of Arrangement. In terms of the Court approved Scheme of Arrangement, with the filing of the copy of the Order, on March 8, 2013, with the office of ROC, NCT of Delhi & Haryana (the Effective Date), IBFSL, as a going concern, stands amalgamated with IBHFL with effect from the Appointed Date, being April 1, 2012.

Indiabulls Financial Services Limited ("IBFSL") was incorporated on January 10, 2000 as a Private Limited Company. On March 30, 2001, the Company was registered under Section 45-IA of the Reserve Bank of India (RBI) Act, 1934 to carry on the business of a Non-Banking Financial Company. The Company was converted into a public limited Company pursuant to Section 44 of the Companies Act, 1956 on February 03, 2004.

2 (i) Basis of preparation

The consolidated financial statements of the Group have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 (as amended from time to time).

The consolidated financial statements have been prepared on a historical cost basis, except for fair value through other comprehensive income (FVOCI) instruments, derivative financial instruments, other financial assets held for trading and financial assets and liabilities designated at fair value through profit or loss (FVTPL), all of which have been measured at fair value. Further the carrying values of recognised assets and liabilities that are hedged items in fair value hedges, and otherwise carried at amortised cost, are adjusted to record changes in fair value attributable to the risks that are being hedged. The consolidated financial statements are presented in Indian Rupees (INR) and all values are rounded to the nearest Crores, except when otherwise indicated.

(ii) Presentation of financial statements

The Group presents its balance sheet in order of liquidity. Financial assets and financial liabilities are generally reported gross in the balance sheet. They are only offset and reported net when, in addition to having an unconditional legally enforceable right to offset the recognised amounts without being contingent on a future event, the parties also intend to settle on a net basis in all of the following circumstances:

A. The normal course of business
B. The event of default
C. The event of insolvency or bankruptcy of the Group and/or its counterparties.

3 Basis of consolidation

The consolidated financial statements comprise the financial statements of the Company and its subsidiaries as at March 31, 2022 including controlled structured entities. The Group consolidates a subsidiary when it controls it. Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee.

Generally, there is a presumption that a majority of voting rights result in control. To support this presumption and when the Group has less than a majority of the voting or similar rights of an investee, the Group considers all relevant facts and circumstances in assessing whether it has power over an investee, including:

(i) The contractual arrangement with the other vote holders of the investee

(ii) Rights arising from other contractual arrangements

(iii) The Group's voting rights and potential voting rights

(iv) The size of the Group's holding of voting rights relative to the size and dispersion of the holdings of the other voting rights holders.

The Group re-assesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control. Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. Assets, liabilities, income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated financial statements from the date the Group gains control until the date the Group ceases to control the subsidiary.

Consolidated financial statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances.

The financial statements of all entities used for the purpose of consolidation are drawn up to same reporting date as that of the parent company, i.e., year ended on March 31.

Consolidation procedure:

a. Combine like items of assets, liabilities, equity, income, expenses and cash flows of the parent with those of its subsidiaries. For this purpose, income and expenses of the subsidiary are based on the amounts of the assets and liabilities recognised in the consolidated financial statements at the acquisition date.

b. Offset (eliminate) the carrying amount of the parent's investment in each subsidiary and the parent's portion of equity of each subsidiary.

c. Eliminate in full intragroup assets and liabilities, equity, income, expenses and cash flows relating to transactions between entities of the Group (profits or losses resulting from intragroup transactions that are recognised in assets, such as inventory and PPE, are eliminated in full). Intragroup losses may indicate an impairment that requires recognition in the consolidated financial statements. Ind AS 12 Income Taxes applies to temporary differences that arise from the elimination of profits and losses resulting from intragroup transactions.

Profit or loss and each component of OCI are attributed to the equity holders of the parent of the Group and to the non-controlling interests, even if this results in the non-controlling interests having a deficit balance.

When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies in line with the Group's accounting policies. All intra-group assets, liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

If the Group loses control over a subsidiary, it:

(i) Derecognises the assets (including goodwill) and liabilities of the subsidiary

(ii) Derecognises the carrying amount of any non-controlling interests

(iii) Derecognises the cumulative translation differences recorded in equity

(iv) Recognises the fair value of the consideration received

(v) Recognises the fair value of any investment retained

(vi) Recognises any surplus or deficit in profit or loss.

(vii) Reclassifies the parent's share of components previously recognised in OCI to profit or loss or retained earnings, as appropriate, as would be required if the Group had directly disposed of the related assets or liabilities

A change in the ownership interest of a subsidiary, without loss of control, is accounted for as an equity transaction.

4 Significant accounting policies

4.1 Significant accounting judgements, estimates and assumptions

The preparation of Consolidated financial statements in conformity with Ind AS requires the management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and the disclosure of contingent liabilities, at the end of the reporting period. Although these estimates are based on the management's best knowledge of current events and actions, uncertainty about these assumptions and estimates could result in the outcomes requiring a material adjustment to the carrying amounts of assets or liabilities in future periods

A. Impairment loss on financial assets

The measurement of impairment losses across all categories of financial assets except assets valued at FVTPL, enquires judgement, in particular, the estimation of the amount and timing of future cash flows and collateral values when determining impairment losses and 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.

The Group's expected credit loss (ECL) calculations are outputs of complex models with a number of underlying assumptions regarding the choice of variable inputs and their interdependencies. Elements of the ECL models that are considered accounting judgements and estimates include:

• The Group's model, which assigns Probability of Defaults (PDs)
• The Group's criteria for assessing if there has been a significant increase in credit risk and so allowances for financial assets should be measured on a Long Term ECL (LTECL) basis
• The segmentation of financial assets when their ECL is assessed on a collective basis
• Development of ECL models, including the various formulas and the choice of inputs
• Determination of associations between macroeconomic scenarios and, economic inputs, and the effect on PDs, Exposure at Default (EADs) and Loss Given Default (LGDs)
• Selection of forward-looking macroeconomic scenarios and their probability weightings, to derive the economic inputs into the ECL models.

B. Business Model Assumption

Classification and measurement of financial assets depends on the results of the Solely Payment of Principal and Interest (SPPI) and the business model test. The Group determines the business model at a level that reflects how groups of financial assets are managed together to achieve a particular business objective. This assessment includes judgement reflecting all relevant evidence including how the performance of the assets is evaluated and their performance measured, the risks that affect the performance of the assets and how these are managed and how the managers of the assets are compensated. The Group monitors financial assets measured at amortised cost that are de-recognised 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 Group's continuous assessment of whether the business model for which the remaining financial assets are held continues to be appropriate and if it is not appropriate whether there has been a change in business model and so a prospective change to the classification of those assets.

C. Defined employee benefit assets and liabilities

The cost of the defined benefit gratuity plan and other post-employment benefits and the present value of the gratuity obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

D. Share Based Payments

Estimating fair value for share-based payment transactions requires determination of the most appropriate valuation model, which is dependent on the terms and conditions of the grant. This estimate also requires determination of the most appropriate inputs to the valuation model including the expected life of the share option, volatility and dividend yield and making assumptions about them.

E. Fair value measurement

When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the DCF model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments.

F. Effective interest rate method

The Group's EIR methodology, recognises interest income using a rate of return that represents the best estimate of a constant rate of return over the expected behavioural life of loans and recognises the effect of potentially different interest rates charged at various stages and other characteristics of the product life cycle. This estimation, by nature, requires an element of judgement regarding the expected behaviour and life-cycle of the instruments, as well expected changes to the Group's base rate and other fee income/expense that are integral parts of the instrument.

4.2 Cash and cash equivalents

Cash and cash equivalent comprises cash in hand, demand deposits and time deposits held with bank, debit balance in cash credit account

4.3 Recognition of income and expense

a) Interest income

The Group earns revenue primarily from giving loans. Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Group and the revenue can be reliably measured. Interest revenue is recognized using the effective interest method (EIR). The effective interest method calculates the amortized cost of a financial instrument and allocates the interest income. The effective interest rate is the rate that discounts estimated future cash payments or receipts through the expected life of the financial instrument or, when appropriate, a shorter period, to the gross carrying amount of the financial asset or liability. The calculation takes into account all contractual terms of the financial instrument (for example, prepayment options) and includes any fees or incremental costs that are directly attributable to the instrument and are an integral part of the EIR, but not future credit losses.

The Group recognises interest income by applying the EIR to the gross carrying amount of financial assets other than credit-impaired assets. When a financial asset becomes credit-impaired and is, therefore, regarded as 'Stage 3', the Group recognises the interest to the extent recoverable. If the financial assets cures and is no longer credit-impaired, the Group reverts to recognising interest income

b) Interest expense

Interest expense includes issue costs that are initially recognized as part of the carrying value of the financial liability and amortized over the expected life using the effective interest method. These include fees and commissions payable to arrangers and other expenses such as external legal costs, provided these are incremental costs that are directly related to the issue of a financial liability.

c) Other charges and other interest

Additional interest and Overdue interest is recognised on realisation basis.

d) Commission on Insurance Policies

Commission on insurance policies sold is recognised when the Group under its agency code sells the insurance policies and when the same is accepted by the principal insurance Company.

e) Income from Advisory Services

Income from Advisory Services includes investment management fees from the mutual fund and portfolio management services which is charged as a percentage of the Assets Under Management (AUM) and is recognised on accrual basis.

f) Dividend income

Dividend income is recognized when the Group's right to receive the payment is established, it is probable that the economic benefits associated with the dividend will flow to the entity and the amount of the dividend can be measured reliably. This is generally when shareholders approve the dividend.

4.4 Foreign currency

The Group's financial statements are presented in Indian Rupees (INR) which is also the Group's functional currency.

Transactions in foreign currencies are initially recorded by the Group at their respective functional currency spot rates at the date the transaction first qualifies for recognition.

Foreign currency denominated monetary assets and liabilities are translated at the functional currency spot rates of exchange at the reporting date and exchange gains and losses arising on settlement and restatement are recognized in the statement of profit and loss.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined. The gain or loss arising on translation of non-monetary items measured at fair value is treated in line with the recognition of the gain or loss on the change in fair value of the item (i.e., translation differences on items whose fair value gain or loss is recognized in OCI or profit or loss are also recognized in OCI or profit or loss, respectively).

4.5 Leases

The Group assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

Company as a lessee:

The Group applies a single recognition and measurement approach for all leases, except for short-term leases (generally leases upto 12 months). The Group recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

Right-of-use assets
The Group recognises right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets, as follows:

• Office Premises – 1-12 Years

The right-of-use assets are also subject to impairment. Refer to the accounting policies in Note 4.8 Impairment of non-financial assets.

Lease Liability

At the commencement date of the lease, the Group recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments less any lease incentives receivable. The lease payments also include payments of penalties for terminating the lease, if the lease term reflects the Group exercising the option to terminate. Variable lease payments that do not depend on an index or a rate are recognised as expenses in the period in which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the Group uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments or a change in the assessment of an option to purchase the underlying asset.

Short-term leases and leases of low-value assets

The Group applies the short-term lease recognition exemption to its short-term leases (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option).

Determining the lease term of contracts with renewal and termination options – Group as lessee

The Group determines the lease term as the non-cancellable term of the lease, together with any periods covered by an option to extend the lease if it is reasonably certain to be exercised, or any periods covered by an option to terminate the lease, if it is reasonably certain not to be exercised.

Leases - Estimating the incremental borrowing rate

The Group cannot readily determine the interest rate implicit in the lease, therefore, it uses its incremental borrowing rate (IBR) to measure lease liabilities. The IBR is the rate of interest that the Group would have to pay to borrow over a similar term, and with a similar security, the funds necessary to obtain an asset of a similar value to the right-of-use asset in a similar economic environment. The IBR therefore reflects what the Group 'would have to pay', which requires estimation when no observable rates are available or when they need to be adjusted to reflect the terms and conditions of the lease.

4.6 Property, plant and equipment (PPE) and Intangible assets

PPE

PPE are stated at cost (including incidental expenses directly attributable to bringing the asset to its working condition for its intended use) less accumulated depreciation and impairment losses, if any. Cost comprises the purchase price and any attributable cost of bringing the asset to its working condition for its intended use. Subsequent expenditure related to PPE is capitalized only when it is probable that future economic benefits associated with these will flow to the Group and the cost of item can be measured reliably. Other repairs and maintenance costs are expensed off as and when incurred.

An item of property, plant and equipment and any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on de-recognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the statement of profit and loss when the asset is derecognised.

Intangible assets

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses.

4.7 Depreciation and amortization

Depreciation

Depreciation on PPE is provided on straight-line method as per the useful life prescribed in Schedule II to the Companies Act, 2013, except for Vehicles.

Vehicles are amortised on a straight line basis over a period of five years from the date when the assets are available for use. The life has been assessed based on past usage experience and considering the change in technology.

Depreciation on additions to PPE is provided on a pro-rata basis from the date the asset is put to use. Leasehold improvements are amortised over the period of Lease. Depreciation on sale / deduction from PPE is provided for up to the date of sale / deduction, as the case may be.

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate

Amortization

Intangible assets consisting of Software are amortised on a straight line basis over a period of four years from the date when the assets are available for use.

The amortisation period and the amortisation method for these softwares with a finite useful life are reviewed at least at each financial year-end.

4.8 Impairment of non-financial assets

The carrying amount of assets is reviewed at each balance sheet date if there is any indication of impairment based on internal/external factors. An impairment loss is recognised wherever the carrying amount of an asset exceeds its recoverable amount. The recoverable amount is the greater of the assets, net selling price and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and risks specific to the asset. In determining net selling price, recent market transactions are taken into account, if available. If no such transactions can be identified, an appropriate valuation model is used.

After impairment, depreciation is provided on the revised carrying amount of the asset over its remaining useful life.

4.9 Provisions, Contingent Liability and Contingent Assets

A provision is recognised when the Group has a present obligation as a result of past events and it is probable that an outflow of resources will be required to settle the obligation in respect of which a reliable estimate can be made. Provisions are determined based on the best estimate required to settle the obligation at the balance sheet date. Contingent liability is disclosed for (1) Possible obligations which will be confirmed only by future events not wholly within the control of the Group or (2) Present obligations arising from past events where it is not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount of the obligation cannot be made. Contingent Assets are not recognised in the financial statements.

4.10 Retirement and other employee benefits

Retirement benefit in the form of provident fund and Employee State Insurance Scheme is a defined contribution scheme. The Group has no obligation, other than the contribution payable to the provident fund and Employee State Insurance scheme. The Group recognizes contribution payable to the provident fund and Employee State Insurance scheme as an expense, when an employee renders the related service. If the contribution payable to the scheme for service received before the balance sheet date exceeds the contribution already paid, the deficit payable to the scheme is recognized as a liability after deducting the contribution already paid. If the contribution already paid exceeds the contribution due for services received before the balance sheet date, then excess is recognized as an asset to the extent that the pre-payment will lead to, for example, a reduction in future payment or a cash refund.

The Group has unfunded defined benefit plans Gratuity plan and Compensated absences plan for all eligible employees, the liability for which is determined on the basis of actuarial valuation at each year end. Separate actuarial valuation is carried out for each plan using the projected unit credit method. Superannuation (Pension & Medical coverage) payable to a Director on retirement is also actuarially valued at the end of the year using the Projected Unit Credit Method.

Remeasurements, comprising of actuarial gains and losses, the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability), are recognised immediately in the balance sheet with a corresponding debit or credit to retained earnings through other comprehensive income in the period in which they occur. Remeasurements are not reclassified to profit or loss in subsequent periods.

4.11 Taxes

Tax expense comprises current and deferred tax.

Current income tax

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities in accordance with Income tax Act, 1961, Income Computation and Disclosure Standards and other applicable tax laws. The tax rates and tax laws used to compute the amount are those that are enacted at the reporting date.

Current income tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Current tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

Deferred tax

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Deferred tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

4.12 Earning per share

Basic earnings per share are calculated by dividing the net profit or loss for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the period. Partly paid equity shares are treated as a fraction of an equity share to the extent that they are entitled to participate in dividends relative to a fully paid equity share during the reporting year.

For the purpose of calculating diluted earnings per share, the net profit or loss for the year attributable to equity shareholders and the weighted average number of shares outstanding (net of treasury shares) during the period are adjusted for the effects of all dilutive potential equity shares.

4.13 Share based payments

Equity-settled share based payments to employees and others providing similar services are measured at the fair value of the equity instruments at the grant date.

The fair value determined at the grant date of the equity-settled share based payments is expensed on a straight line basis over the vesting period, based on the Group`s estimate of equity instruments that will eventually vest, with a corresponding increase in equity. At the end of each reporting period, the Group revises its estimate of the number of equity instruments expected to vest. The impact of the revision of the original estimates, if any, is recognised in Statement of Profit and Loss such that the cumulative expenses reflects the revised estimate, with a corresponding adjustment to the Stock Compensation Adjustment Reserve.

The dilutive effect of outstanding options is reflected as additional share dilution in the computation of diluted earnings per share.

4.14 Financial instruments

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

4.14.1 Financial Assets

4.14.1.1 Initial recognition and measurement

Financial assets, with the exception of loans and advances to customers, are initially recognised on the trade date, i.e., the date that the Group becomes a party to the contractual provisions of the instrument. Loans and advances to customers are recognised when funds are disbursed to the customers. The classification of financial instruments at initial recognition depends on their purpose and characteristics and the management's intention when acquiring them. All financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset.

4.14.1.2 Classification and Subsequent measurement

For purposes of subsequent measurement, financial assets are classified in four categories:

• Debt instruments at amortised cost
• Debt instruments at fair value through other comprehensive income (FVTOCI)
• Debt instruments and equity instruments at fair value through profit or loss (FVTPL)
• Equity instruments measured at fair value through other comprehensive income (FVTOCI)

4.14.1.3 Debt instruments at amortised costs

A 'debt instrument' is measured at the amortised cost if both the following conditions are met:

• The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

Business model: The business model reflects how the Group manages the assets in order to generate cash flows. That is, where the Group's objective is solely to collect the contractual cash flows from the assets, the same is measured at amortized cost or where the Group's objective is to collect both the contractual cash flows and cash flows arising from the sale of assets, the same is measured at fair value through other comprehensive income (FVTOCI). If neither of these is applicable (e.g. financial assets are held for trading purposes), then the financial assets are classified as part of 'other' business model and measured at FVPL.

SPPI: Where the business model is to hold assets to collect and earn contractual cash flows (i.e. measured at amortized cost), the Group assesses whether the financial instruments' cash flows represent solely payments of principal and interest (the 'SPPI test'). In making this assessment, the Group considers whether the contractual cash flows are consistent with a basic lending arrangement i.e. interest includes only consideration for the time value of money, credit risk, other basic lending risks and a profit margin that is consistent with a basic lending arrangement. Where the contractual terms introduce exposure to risk or volatility that are inconsistent with a basic lending arrangement, the related financial asset is classified and measured at fair value through profit or loss. The amortized cost, as mentioned above, is computed using the effective interest rate method.

After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method less impairment. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in interest income in the statement of profit or loss. The losses arising from impairment are recognised in the statement of profit and loss.

4.14.1.4 Debt instruments at FVOCI

A 'debt instrument' is classified as at the FVTOCI if both of the following criteria are met:
The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets, and The asset's contractual cash flows represent SPPI.

Debt instruments included within the FVTOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognized in the other comprehensive income (OCI). However, the Group recognizes interest income, impairment losses & reversals and foreign exchange gain or loss in the Statement of Profit & Loss. On derecognition of the asset, cumulative gain or loss previously recognised in OCI is reclassified from the equity to Statement of profit and loss. Interest earned whilst holding FVTOCI debt instrument is reported as interest income using the EIR method.

4.14.1.5 Debt instruments at FVTPL

FVTPL is a residual category for debt instruments. Any debt instrument, which does not meet the criteria for categorization as at amortized cost or as FVTOCI, is classified as at FVTPL.

In addition, the Group may elect to designate a debt instrument, which otherwise meets amortized cost or FVTOCI criteria, as at FVTPL. However, such election is allowed only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as 'accounting mismatch'). Debt instruments included within the FVTPL category are measured at fair value with all changes recognized in the Statement of profit and loss.

4.14.1.6 Equity Investments

All equity investments in scope of Ind AS 109 are measured at fair value. Equity instruments which are held for trading classified as at FVTPL. For all other equity instruments, the Group may make an irrevocable election to present in other comprehensive income subsequent changes in the fair value. The Group makes such election on an instrument-by- instrument basis. The classification is made on initial recognition and is irrevocable.
If the Group decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognized in the Other Comprehensive Income. There is no recycling of the amounts from Other Comprehensive Income to Statement of Profit &Loss, even on sale of investment. However, the Group may transfer the cumulative gain or loss within equity.

Equity instruments included within the FVTPL category are measured at fair value with all changes recognized in the Statement of profit and loss

4.14.2 Financial Liabilities

4.14.2.1 Initial recognition and measurement

Financial liabilities are classified and measured at amortised cost or FVTPL. A financial liability is classified as at FVTPL if it is classified as held-for trading or it is designated as on initial recognition. All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

The Group's financial liabilities include trade and other payables, borrowings including bank overdrafts and derivative financial instruments.

4.14.2.2 Borrowings

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit and loss. This category generally applies to borrowings.

4.14.3 Derivative financial instruments

The Group holds derivatives to mitigate the risk of changes in exchange rates on foreign currency exposures as well as interest fluctuations. The counterparty for these contracts is generally a bank. Derivatives that are not designated a hedge are categorized as financial assets or financial liabilities, at fair value through profit or loss. Such derivatives are recognized initially at fair value and attributable transaction costs are recognized in net profit in the Statement of Profit and Loss when incurred. Subsequent to initial recognition, these derivatives are measured at fair value through profit or loss and the resulting gains or losses are included in Statement of Profit and Loss.

4.14.4 Reclassification of financial assets and liabilities

The Group doesn't reclassify its financial assets subsequent to their initial recognition, apart from the exceptional circumstances in which the Group acquires, disposes of, or terminates a business line. Financial liabilities are never reclassified.

4.14.5 De recognition of financial assets and liabilities

4.14.5.1 Financial Assets

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is de-recognised when the rights to receive cash flows from the financial asset have expired. The Group also de-recognised the financial asset if it has transferred the financial asset and the transfer qualifies for de recognition.

The Group has transferred the financial asset if, and only if, either:

• It has transferred its contractual rights to receive cash flows from the financial asset
Or
• It retains the rights to the cash flows, but has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement

Pass-through arrangements are transactions whereby the Group retains the contractual rights to receive the cash flows of a financial asset (the 'original asset'), but assumes a contractual obligation to pay those cash flows to one or more entities (the 'eventual recipients'), when all of the following three conditions are met:
• The Group has no obligation to pay amounts to the eventual recipients unless it has collected equivalent amounts from the original asset, excluding short-term advances with the right to full recovery of the amount lent plus accrued interest at market rates.
• The Group cannot sell or pledge the original asset other than as security to the eventual recipients.
• The Group has to remit any cash flows it collects on behalf of the eventual recipients without material delay.

In addition, the Group is not entitled to reinvest such cash flows, except for investments in cash or cash equivalents including interest earned, during the period between the collection date and the date of required remittance to the eventual recipients.

A transfer only qualifies for derecognition if either:
• The Group has transferred substantially all the risks and rewards of the asset
Or
• The Group has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.
The Group considers control to be transferred if and only if, the transferee has the practical ability to sell the asset in its entirety to an unrelated third party and is able to exercise that ability unilaterally and without imposing additional restrictions on the transfer.

When the Group has neither transferred nor retained substantially all the risks and rewards and has retained control of the asset, the asset continues to be recognised only to the extent of the Group's continuing involvement, in which case, the Group also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Group has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration the Group could be required to pay.

If continuing involvement takes the form of a written or purchased option (or both) on the transferred asset, the continuing involvement is measured at the value the Group would be required to pay upon repurchase. In the case of a written put option on an asset that is measured at fair value, the extent of the entity's continuing involvement is limited to the lower of the fair value of the transferred asset and the option exercise price. The profit or loss on derecognition is recognised in the Statement of profit and loss.

Derecognition due to modification of terms and conditions

The Group de-recognizes a financial asset, when the terms and conditions have been renegotiated to the extent that, substantially, it becomes a new loan, with the difference recognised as a derecognition gain or loss, to the extent that an impairment loss has not already been recorded. The newly recognised loans are classified as Stage 1 for ECL measurement purposes, unless the new loan is deemed to be Purchase Oriented Credit Impaired ("POCI":)

If the modification does not result in cash flows that are substantially different, the modification does not result in derecognition. Based on the change in cash flows discounted at the original EIR, the Group records a modification gain or loss, to the extent that an impairment loss has not already been recorded.

4.14.5.2 Financial Liabilities

A financial liability is derecognised when the obligation under the liability is discharged, cancelled or expires. Where an existing financial liability is replaced by another from the same lender on substantially different terms or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a derecognition of the original liability and the recognition of a new liability. The difference between the carrying value of the original financial liability and the consideration paid is recognised in profit or loss.

4.15 Impairment of financial assets

4.15.1 Overview of the ECL principles
The Group is recording the allowance for expected credit losses for all loans and other debt financial assets not held at FVTPL, together with loan commitments and financial guarantee contracts, (in this section all referred to as 'financial instruments'). Equity instruments are not subject to impairment under IND AS 109.

The ECL allowance is based on:

a) 12 months' expected credit loss (12mECL) where there is no significant increase in credit risk since origination and

b) on the the credit losses expected to arise over the life of the asset (the lifetime expected credit loss or LTECL)

The 12mECL is the portion of LTECL that represents the ECL that results from default events on a financial instrument that are possible within the 12 months after the reporting date.

Both LTECL and 12mECL are calculated on individual and collective basis, depending on the nature of the underlying portfolio of financial instruments. The Group has established a policy to perform an assessment, at the end of each reporting period, of whether a financial instrument's credit risk has increased significantly since initial recognition.
Based on the above process, the Company groups its loans into Stage 1, Stage 2, Stage 3, as described below:

Stage 1 : When loans are first recognised, the Company recognises an allowance based on 12mECL. Stage 1 loans also include facilities where the credit risk has improved and the loan has been reclassified from Stage 2 or Stage 3.
Stage 2: When a loan has shown a significant increase in credit risk since origination, the company records an allowance for the LTECL. Stage 2 loans also include facilities, where the credit risk has improved and the loan has been reclassified from Stage 3.
Stage 3: Loans considered credit-impaired. The Company records an allowance for the LTECL.

4.15.2 The calculation of ECLs

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

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

• PD - The Probability of Default is an estimate of the likelihood of default over a given time horizon. A default may only happen at a certain time over the assessed period, if the facility has not been previously derecognised and is still in the portfolio.
• EAD - The Exposure at Default is an exposure at a default date.
• LGD - The Loss Given Default is an estimate of the loss arising in the case where a default occurs at a given time. It is based on the difference between the contractual cash flows due and those that the lender would expect to receive, including from the realisation of any collateral. It is usually expressed as a percentage of the EAD.

The mechanics of the ECL method are summarised below:
Stage 1: The 12mECL is calculated as the portion of LTECL that represent the ECL that result from default events on a financial instrument that are possible within the 12 months after the reporting date. The Group calculates the 12mECL allowance based on the expectation of a default occurring in the 12 months following the reporting date. These expected 12-month default probabilities are applied to an EAD and multiplied by the expected LGD.
Stage 2: When a loan has shown a significant increase in credit risk since origination, the Company records an allowance for the LTECL. The mechanics are similar to those explained above, but PDs and LGDs are estimated over the lifetime of the instrument.
Stage 3: For loans considered credit-impaired , the Company recognizes the lifetime expected credit losses for these loans. The method is similar to that for Stage 2 assets, with the PD set at 100%.

Loan commitments: When estimating LTECL for undrawn loan commitments, the Company estimates the expected portion of the loan commitment that will be drawn down over its expected life. The ECL is then based on the present value of the expected shortfalls in cash flows if the loan is drawn down. The expected cash shortfalls are discounted at an approximation to the expected EIR on the loan.

For loan commitments, the ECL is recognised within Provisions.

4.15.3 Forward looking information

While estimating the expected credit losses, the Group reviews macro-economic developments occurring in the economy and market it operates in. On a periodic basis, the Group analyses if there is any relationship between key economic trends like GDP, Property Price Index, Unemployment rates, Benchmark rates set by the Reserve Bank of India, inflation etc. with the estimate of PD, LGD determined by the Group based on its internal data. While the internal estimates of PD, LGD rates by the Group may not be always reflective of such relationships, temporary overlays are embedded in the methodology to reflect such macro-economic trends reasonably.

4.15.4 Write-offs

Financial assets are written off partially or in their entirety when the recovery of amounts due is considered unlikely. If the amount to be written off is greater than the accumulated loss allowance, the difference is first treated as an addition to the allowance that is then applied against the gross carrying amount. Any subsequent recoveries are credited to Statement of Profit and Loss.

4.16 Fair value measurement

The Group measures financial instruments, such as, derivatives at fair value at each balance sheet date using valuation techniques.
Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

In the principal market for the asset or liability, or
In the absence of a principal market, in the most advantageous market for the asset or liability

The principal or the most advantageous market must be accessible by the Group.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

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

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities
Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Group determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period

4.17 Dividend

The Group recognises a liability to make cash distributions to equity holders when the distribution is authorised and the distribution is no longer at the discretion of the Group. Final dividends on shares are recorded as a liability on the date of approval by the shareholders and interim dividends are recorded as a liability on the date of declaration by the Group's Board of Directors.

4.18 Hedging

The Group makes use of derivative instruments to manage exposures to interest rate and foreign currency. In order to manage particular risks, the Group applies hedge accounting for transactions that meet specified criteria.
At the inception of a hedge relationship, the Group formally designates and documents the hedge relationship to which the Group wishes to apply hedge accounting and the risk management objective and strategy for undertaking the hedge. The documentation includes the Group's risk management objective and strategy for undertaking hedge, the hedging/ economic relationship, the hedged item or transaction, the nature of the risk being hedged, hedge ratio and how the entity will assess the effectiveness of changes in the hedging instrument's fair value in offsetting the exposure to changes in the hedged item's fair value or cash flows attributable to the hedged risk. Such hedges are expected to be highly effective in achieving offsetting changes in fair value or cash flows and are assessed on an ongoing basis to determine that they actually have been highly effective throughout the financial reporting periods for which they were designated.
Hedges that meet the strict criteria for hedge accounting are accounted for, as described below:

4.18.1 Fair value hedges

Fair value hedges hedge the exposure to changes in the fair value of a recognised asset or liability or an unrecognised firm commitment, or an identified portion of such an asset, liability or firm commitment, that is attributable to a particular risk and could affect profit or loss.

For designated and qualifying fair value hedges, the cumulative change in the fair value of a hedging derivative is recognised in the statement of profit and loss in net gain on fair value changes. Meanwhile, the cumulative change in the fair value of the hedged item attributable to the risk hedged is recorded as part of the carrying value of the hedged item in the balance sheet and is also recognised in the statement of profit and loss in net gain on fair value changes.

The Group classifies a fair value hedge relationship when the hedged item (or group of items) is a distinctively identifiable asset or liability hedged by one or a few hedging instruments. The financial instruments hedged for interest rate risk in a fair value hedge relationships fixed rate debt issued and other borrowed funds.

If the hedging instrument expires or is sold, terminated or exercised, or where the hedge no longer meets the criteria for hedge accounting, the hedge relationship is discontinued prospectively. If the relationship does not meet hedge effectiveness criteria, the Group discontinues hedge accounting from the date on which the qualifying criteria are no longer met. For hedged items recorded at amortised cost, the accumulated fair value hedge adjustment to the carrying amount of the hedged item on termination of the hedge accounting relationship is amortised over the remaining term of the original hedge using the recalculated EIR method by recalculating the EIR at the date when the amortisation begins. If the hedge item is derecognised, the unamortised fair value adjustment is recognised immediately in the statement of profit and loss.

4.18.2 Cash flow hedges

A cash flow hedge is a hedge of the exposure to variability in cash flows that is attributable to a particular risk associated with a recognised asset or liability (such as all or some future interest payments on variable rate debt) or a highly probable forecast transaction and could affect profit or loss.

For designated and qualifying cash flow hedges, the effective portion of the cumulative gain or loss on the hedging instrument is initially recognised directly in OCI within equity (cash flow hedge reserve). The ineffective portion of the gain or loss on the hedging instrument is recognised immediately in the profit and loss statement.

When the hedged cash flow affects the statement of profit and loss, the effective portion of the gain or loss on the hedging instrument is recorded in the corresponding income or expense line of the statement of profit and loss. When the forecast transaction subsequently results in the recognition of a non-financial asset or a non-financial liability, the gains and losses previously recognised in OCI are reversed and included in the initial cost of the asset or liability.

When a hedging instrument expires, is sold, terminated, exercised, or when a hedge no longer meets the criteria for hedge accounting, any cumulative gain or loss that has been recognised in OCI at that time re-mains in OCI and is recognised when the hedged forecast transaction is ultimately recognised in the statement of profit and loss. When a forecast transaction is no longer expected to occur, the cumulative gain or loss that was reported in OCI is immediately transferred to the statement of profit and loss.

4.18.3 Cost of hedging

The Group also may separate forward element and the spot element of a forward contract and designate as the hedging instrument only the change in the value of the spot element of a forward contract. Similarly currency basis spread may be separated and excluded from the designation of a financial instrument as the hedging instrument.

When an entity separates the forward element and the spot element of a forward contract and designates as the hedging instrument only the change in the value of the spot element of the forward contract, or when an entity separates the foreign currency basis spread from a financial instrument and excludes it from the designation of that financial instrument as the hedging instrument, such amount is recognised in Other Comprehensive Income and accumulated as a separate component of equity under Cost of hedging reserve. These amounts are reclassified to the statement of profit or loss account as a reclassification adjustment in the same period or periods during which the hedged cash flows affect profit or loss.

4.19. Assets held for Sale

In the course of its business activities, the Group acquires and holds certain assets (residential / commercial) for sale. The Group is committed to sell these assets and such assets and the carrying amounts of such assets will be recovered principally through the sale of these assets.

In accordance with Ind AS 105 , assets held for sale are measured on the reporting date at the lower of carrying value or fair value less costs to sell. The Group does not charge depreciation on such assets. Fair value of such assets is determined based on independent valuations conducted by specialists.

4.20 Recent accounting 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 1st, 2022, as below:

Ind AS 103 – Business Combinations – 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 Group does not expect the amendment to have any significant impact in its financial statements.

Ind AS 16 – Property, Plant and Equipment – 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 company is preparing the asset for its intended use. Instead, an entity will recognise such sales proceeds and related cost in profit or loss. The Group does not expect the amendments to have any impact in its recognition of its property, plant and equipment in its financial statements.

Ind AS 37 – Provisions, Contingent Liabilities and Contingent Assets – Onerous Contracts - Costs of Fulfilling a Contract

The amendments specify that 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

labour, materials) or an allocation of other costs that relate directly to fulfilling contracts. The amendment is essentially a clarification and the Group does not expect the amendment to have any significant impact in its financial statements.

Ind AS 109 – Financial Instruments – 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 derecognise a financial liability. The Group does not expect the amendment to have any significant impact in its financial statements.

(5)	**Cash and cash equivalents**	**As at March 31, 2022**	**As at March 31, 2021**
	Cash-on-Hand	3.93	5.23
	Cheques-on-Hand	49.50	-
	Balance with banks		
	In Current accounts#	4,341.41	9,117.77
	Bank Deposits	3,591.20	4,001.16
	Total	**7,986.04**	**13,124.16**

includes Rs. 4.03 Crore (Previous Year Rs. 4.17 Crore) in designated unclaimed dividend accounts.

(6)	**Bank Balance other than cash and cash equivalents**	**As at March 31, 2022**	**As at March 31, 2021**
	Balances with banks to the extent held as margin money or security against the borrowings, guarantees, other commitments[(1)]	1,666.81	3,879.72
	Total	**1,666.81**	**3,879.72**

(1) Deposits accounts with bank are held as Margin Money/ are under lien / in the name of respective counterparties with whom the Group has entered into assignment deals. The Group has the complete beneficial interest on the income earned from these deposits.

(7) Derivative financial instruments

Part I	**As at March 31, 2022**			
	Notional amounts	**Fair value assets**	**Notional amounts**	**Fair value liabilities**
Currency Derivatives:				
- Forward Contracts	726.24	2.93	4,693.05	101.60
- Currency swaps	1,516.73	146.19	-	-
- Currency options	-	-	-	-
(i)	**2,242.97**	**149.12**	**4,693.05**	**101.60**
Interest rate derivatives - Interest Rate Swaps	-	-	2,182.90	21.11
(ii)	**-**	**-**	**2,182.90**	**21.11**
Total derivative financial instruments (i)+(ii)	**2,242.97**	**149.12**	**6,875.95**	**122.71**

(All amount in Rs. in Crore, except for share data unless stated otherwise)

Part II	As at March 31, 2022			
	Notional amounts	**Fair value assets**	**Notional amounts**	**Fair value liabilities**
Included in above are derivatives held for hedging and risk management purposes as follows:				
Fair value hedging:				
Interest rate derivatives	-	-	-	-
(i)	**-**	**-**	**-**	**-**
Cash flow hedging:				
- Forward Contracts	726.24	2.93	4,693.05	101.60
-Currency swaps	1,516.73	146.19	-	-
-Currency options	-	-	-	-
-Interest rate derivatives	-	-	2,182.90	21.11
(ii)	**2,242.97**	**149.12**	**6,875.95**	**122.71**
Undesignated derivatives (iii)	-	-	-	-
Total derivative financial instruments (i)+(ii)+(iii)	**2,242.97**	**149.12**	**6,875.95**	**122.71**

Part I	As at March 31, 2021			
	Notional amounts	**Fair value assets**	**Notional amounts**	**Fair value liabilities**
Currency Derivatives:				
- Forward Contracts	-	-	5,450.40	158.98
-Currency swaps	1,859.73	154.13	-	-
-Currency options	-	-	-	-
(i)	**1,859.73**	**154.13**	**5,450.40**	**158.98**
Interest rate derivatives - Interest Rate Swaps	-	-	2,182.90	130.24
(ii)	**-**	**-**	**2,182.90**	**130.24**
Total derivative financial instruments (i)+(ii)	**1,859.73**	**154.13**	**7,633.30**	**289.22**

Part II	As at March 31, 2021			
	Notional amounts	**Fair value assets**	**Notional amounts**	**Fair value liabilities**
Included in above are derivatives held for hedging and risk management purposes as follows:				
Fair value hedging:				
Interest rate derivatives	-	-	-	-
(i)	**-**	**-**	**-**	**-**
Cash flow hedging:				
- Forward Contracts	-	-	5,450.40	158.98
-Currency swaps	1,859.73	154.13	-	-
- Currency options	-	-	-	-
-Interest rate derivatives	-	-	2,182.90	130.24
(ii)	**1,859.73**	**154.13**	**7,633.30**	**289.22**
Undesignated derivatives (iii)	**-**	**-**	**-**	**-**
Total derivative financial instruments (i)+(ii)+(iii)	**1,859.73**	**154.13**	**7,633.30**	**289.22**

(All amount in Rs. in Crore, except for share data unless stated otherwise)

7.1 Hedging activities and derivatives

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

7.1.1 Derivatives not designated as hedging instruments

The Group uses interest rate swaps to manage its interest rate risk arising from INR denominated borrowings . The interest rate swaps are not designated in a hedging relationship and are entered into for periods consistent with exposure of the underlying transactions.

7.1.2 Derivatives designated as hedging instruments

a. Cash flow hedges

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

The Group is exposed to interest rate risk arising from its foreign currency borrowings amounting to $ 320,000,000 (Previous Year $ 520,000,000). Interest on the borrowing is payable at a floating rate linked to USD LIBOR. The Group economically hedged the interest rate risk arising from the debt with a 'receive floating pay fixed' interest rate swap ('swap').

The Group uses Interest Rate Swaps (IRS) Contracts (Floating to Fixed) to hedge its risks associated with interest rate fluctuations relating interest rate risk arising from foreign currency loans / external commercial borrowings. The Group designates such IRS contracts in a cash flow hedging relationship by applying the hedge accounting principles as per IND AS 109. These IRS contracts are stated at fair value at each reporting date. Changes in the fair value of these IRS contracts tha are designated and effective as hedges of future cash flows are recognised directly in "Cash Flow Hedge Reserve" under Reserves and surplus and the ineffective portion is recognised immediately in the Statement of Profit and Loss. Hedge accounting is discontinued when the hedging instrument expires or is sold, terminated, or exercised, or no longer qualifies for hedge accounting.

The Group also hedges foreign currency risk arising from its fixed rate foreign currency bond by entering into the Forward Contracts and Principal Only Swaps. There is an economic relationship between the hedged item and the hedging instrument as the terms of the Forward contracts/Principal Only Swaps match that of the foreign currency borrowing (notional amount, interest payment dates, principal repayment date etc.). The Group has established a hedge ratio of 1:1 for the hedging relationships as the underlying risk of the Forward contracts/Cross currency swap are identical to the hedged risk components.

	As At March 31, 2022			
	Notional amount	Carrying amount	Line item in the statement of financial position	Change in fair value used for measuring ineffectiveness for the year
The impact of hedging instruments (Net)	9,118.92	26.41	Derivative Financial Asset/ (Liability)	80.99

	As At March 31, 2021			
	Notional amount	Carrying amount	Line item in the statement of financial position	Change in fair value used for measuring ineffectiveness for the year
The impact of hedging instruments (Net)	9,493.03	(135.09)	Derivative Financial Asset/ (Liability)	(244.82)

(All amount in Rs. in Crore, except for share data unless stated otherwise)

	Change in fair value	Cash flow hedge reserve (Gross of Income Tax) as at March 31 , 2022	Cost of hedging as at March 31 , 2022	Cash flow hedge reserve (Gross of Income Tax) as at March 31 , 2021	Cost of hedging as at March 31 , 2021
The impact of hedging item	80.99	(486.56)	-	(567.55)	-

March, 31, 2022	Total hedging gain / (loss) recognised in OCI	Ineffective-ness recognised in profit or (loss)	Line item in the statement of profit and loss
Effect of Cash flow hedge	80.99	0.25	Finance cost

March, 31, 2021	Total hedging gain / (loss) recognised in OCI	Ineffective-ness recognised in profit or (loss)	Line item in the statement of profit and loss
Effect of Cash flow hedge	(244.82)	0.35	Finance cost

b Fair value hedge

The Group uses IRS instruments to convert a proportion of its fixed rate debt to floating rates in order to hedge the interest rate risk arising, principally, from issue of non-convertible debentures. Group designates these as fair value hedges of interest rate risk. Changes in the fair values of derivatives designated as fair value hedges and changes in fair value of the related hedged item are recognised directly in the Statement of Profit and Loss thus ineffective portion being recognised in the Statement of Profit and Loss.

(8)

Trade Receivables	As at March 31, 2022	As at March 31, 2021
Receivables considered good - Unsecured	9.26	23.79
Receivables which have significant increase in credit risk	-	-
Receivables – credit impaired	-	-
Total	**9.26**	**23.79**

Trade Receivables ageing schedule as at March 31, 2022

Particulars	Less than 6 Months	6 months to 1 Year	1-2 Years	2-3 Years	>3 Years	Total
(i) Undisputed Trade receivables considered good	6.35	2.72	0.13	0.02	0.04	**9.26**
(ii) Undisputed Trade receivables considered doubtful	-	-	-	-	-	-
(iii) Disputed Trade receivables considered good	-	-	-	-	-	-
(iv) Disputed Trade receivables considered doubtful	-	-	-	-	-	-

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(All amount in Rs. in Crore, except for share data unless stated otherwise)

Trade Receivables ageing schedule as at March 31, 2021

Particulars	Less than 6 Months	6 months to 1 Year	1-2 Years	2-3 Years	>3 Years	Total
(i) Undisputed Trade receivables considered good	17.65	3.21	0.02	2.02	0.89	**23.79**
(ii) Undisputed Trade receivables considered doubtful	-	-	-	-	-	**-**
(iii) Disputed Trade receivables considered good	-	-	-	-	-	**-**
(iv) Disputed Trade receivables considered doubtful	-	-	-	-	-	**-**

(9)

Loans	**As at March 31, 2022**	**As at March 31, 2021**
Term Loans (Net of Assignment)[(1) to (3)*]	61,589.26	67,862.00
Less: Impairment loss allowance	1,639.07	2,454.75
Total (A) Net	**59,950.19**	**65,407.25**
Secured by tangible assets and intangible assets[(2) & (3)]	58,481.02	64,308.70
Unsecured	3,108.24	3,553.30
Less: Impairment loss allowance	1,639.07	2,454.75
Total (B) Net	**59,950.19**	**65,407.25**

Loans	**As at March 31, 2022 Amortised Cost**	**As at March 31, 2021 Amortised Cost**
(C) (I) Loans in India		
Others	61,589.26	67,862.00
Less: Impairment loss allowance	1,639.07	2,454.75
Total (C)(I) Net	**59,950.19**	**65,407.25**
(C) (II)Loans outside India	-	-
Less: Impairment loss allowance	-	-
Total (C)(II) Net	**-**	**-**
Total C (I) and C (II)	**59,950.19**	**65,407.25**

(1) Term Loans (Net of Assignment):	**As at March 31 , 2022**	**As at March 31 , 2021**
Total Term Loans	72,211.13	80,740.94
Less: Loans Assigned	12,878.47	14,693.83
	59,332.66	**66,047.11**
Add: Interest Accrued on Loans[#@]	2,256.60	1,814.89
Term Loans (Net of Assignment)	**61,589.26**	**67,862.00**

*Includes credit substitutes

includes redemption premium accrued on zero coupon bond for Rs 1,154.10 Crore (Previous year Rs. 398.23 crore), which will become due and payable upon maturity only. The accounting of the redemption premium shall in no way whatsoever, be considered as the credit of the premium to the account of the Group nor create an enforceable right in favour of the Group on any date prior to redemption.

@ includes interest accrued on units of AIF amounting to Rs. 376.14 Crore (Previous year Rs. 116.13 Crore), which will become due and payable upon maturity only.

(All amount in Rs. in Crore, except for share data unless stated otherwise)

(2) Secured Loans and Other Credit Facilities given to customers are secured / partly secured by :
(a) Equitable mortgage of property and / or
(b) Pledge of shares / debentures, units, other securities, assignment of life insurance policies and / or
(c) Hypothecation of assets and / or
(d) Company guarantees and / or
(e) Personal guarantees and / or
(f) Negative lien and / or Undertaking to create a security.

(3) Impairment allowance for loans and advances to customers
Group's Analytics Department has designed and operates its Internal Rating Model. The model is tested and calibrated periodically. The model grades loans on a four-point grading scale, and incorporates both quantitative as well as qualitative information on the loans and the borrowers. The model uses historical empirical data to arrive at factors that are indicative of future credit risk and segments the portfolio on the basis of combinations of these parameters into smaller homogenous portfolios from the perspective of credit behaviour. Some of the factors that the internal risk based model may consider are:
a) Loan to value
b) Type of collateral
c) Cash-flow and income assessment of the borrower
d) Interest and debt service cover
e) Repayment track record of the borrower
f) Vintage i.e. months on books and number of paid EMIs
g) Project progress in case of project finance

In addition to information specific to the borrower and the performance of the loan, the model may also utilise supplemental external information that could affect the borrower's behaviour. The model is also calibrated to incorporate external inputs such as GDP growth rate, unemployment rate and factors specific to the sector/industry of the borrower.

The Internal Rating Model is dynamic and is calibrated periodically; the choice of parameters and division into smaller homogenous portfolios is thus also dynamic.

The table below shows the credit quality and the maximum exposure to credit risk based on the Group's internal credit rating system and year-end stage classification*.

Risk Categorization	**March 31, 2022**			
	Stage 1	**Stage 2**	**Stage 3**	**Total**
Very Good	30,417.60	270.27	-	30,687.87
Good	8,290.57	12,974.00	-	21,264.57
Average	-	5,061.76	-	5,061.76
Non-performing	-	-	2,318.46	2,318.46
Grand Total	**38,708.17**	**18,306.03**	**2,318.46**	**59,332.66**

Risk Categorization	**March 31, 2021**			
	Stage 1	**Stage 2**	**Stage 3**	**Total**
Very Good	36,481.55	-	-	36,481.55
Good	5,378.08	19,590.26	-	24,968.34
Average	-	2,450.48	-	2,450.48
Non-performing	-	-	2,146.74	2,146.74
Grand Total	**41,859.63**	**22,040.74**	**2,146.74**	**66,047.11**

*The above table does not include the amount of interest accrued but not due in all the years.

An analysis of changes in the ECL allowances in relation to Loans & advances is, as follows:

Particulars	March 31, 2022			
	Stage 1	Stage 2	Stage 3	Total
ECL allowance opening balance	**559.84**	**1,038.70**	**859.79**	**2,458.33**
ECL on assets added/ change in ECL estimates	540.78	1,309.78	1,169.38	3,019.94
Assets derecognised or repaid (including write offs/ Write back)	(633.87)	(1,806.48)	(1,393.15)	(3,833.50)
Transfers from Stage 1	(158.45)	104.01	54.44	-
Transfers from Stage 2	11.58	(275.94)	264.36	-
Transfers from Stage 3	0.15	0.36	(0.51)	-
ECL allowance closing balance#	**320.03**	**370.43**	**954.31**	**1,644.77**

The decrease in total ECL during the year is due to overall decrease in loan portfolio and certain loans which became non performing being written off.
#Includes ECL on undrawn loan commitments for Rs. 5.70 Crore

Particulars	March 31, 2021			
	Stage 1	Stage 2	Stage 3	Total
ECL allowance opening balance	**552.20**	**2,631.27**	**557.67**	**3,741.14**
ECL on assets added/ change in ECL estimates	362.67	331.76	292.60	987.03
Assets derecognised or repaid (including write offs/ Write back)	(45.68)	(1,774.21)	(449.95)	(2,269.84)
Transfers from Stage 1	(324.55)	196.86	127.69	-
Transfers from Stage 2	15.19	(347.33)	332.14	-
Transfers from Stage 3	0.01	0.35	(0.36)	-
ECL allowance closing balance	**559.84**	**1,038.70**	**859.79**	**2,458.33**

The decrease in total ECL during the year is due to overall decrease in loan portfolio and certain loans which became non performing being written off.
#Includes ECL on undrawn loan commitments for Rs. 3.58 Crore

4. Impairment assessment

The Group’s impairment assessment and measurement approach is set out in the notes below. It should be read in conjunction with the Summary of significant accounting policies.

4 (i) Probability of default

The Group considers a loan as defaulted and classified it as Stage 3 (credit-impaired) for ECL calculations typically when the borrowers become 90 days past due on contract payments.

Classification of loans into Stage 2 is done on a conservative basis and typically accounts where contractual repayments are more than 30 days past due are classified in Stage 2. Accounts usually go over 30 days past due owing to temporary mismatch in timing of borrower’s or his/her business’ underlying cashflows, and are usually quickly resolved. The Group may also classify a loan in Stage 2 if there is significant deterioration in the loans collateral, deterioration in the financial condition of the borrower or an assessment that adverse market conditions may have a disproportionately detrimental effect on the loan repayment. Thus as a part of the qualitative assessment of whether an instrument is in default, the Group also considers a variety of instances that may indicate delay in or non-repayment of the loan. When such event occurs, the Group carefully considers whether the event should result in treating the borrower as defaulted and therefore assessed as Stage 3 for ECL calculations or whether Stage 2 is appropriate.

It is the Group’s policy to consider a financial instrument as ‘cured’ and therefore re-classified out of Stage 3 when none of the default criteria are present. The decision whether to classify an asset as Stage 2 or Stage 1 once cured depends on the updated credit grade once the account is cured, and whether this indicates there has been a significant reduction in credit risk.

4 (ii) Internal rating model and PD Estimation process

Group's Analytics Department has designed and operates its Internal Rating Model that factors in both quantitative as well as qualitative information on the loans and the borrowers. Both Lifetime ECL and 12 months ECL are calculated either on individual basis or a collective basis, depending on the nature of the underlying loan portfolio. In addition to information specific to the borrower and the performance of the loan, the model may also utilise supplemental external information that could affect the borrower’s behaviour. The model is also calibrated to incorporate external inputs such as GDP growth rate, unemployment rate and factors specific to the sector/industry of the borrower.

4 (iii) Exposure at default

The outstanding balance as at the reporting date is considered as EAD by the Group. Considering that PD determined above factors in amount at default, there is no separate requirement to estimate EAD.

4 (iv) Loss given default

The Group uses historical loss data for identified homogenous pools for the purpose of calculating LGD. The estimated recovery cash flows are discounted such that the LGD calculation factors in the NPV of the recoveries.

4 (v) Significant increase in credit risk

The internal rating model evaluates the loans on an ongoing basis. The rating model also assesses if there has been a significant increase in credit risk since the previously assigned risk grade One key factor that indicates significant increase in credit risk is when contractual payments are more than 30 days past due.

5. Inputs to the ECL model for forward looking economic scenarios

The internal rating model also provides for calibration to reflect changes in macroeconomic parameters and industry specific factors.

6. Collateral

The Group is in the business of extending secured loans mainly backed by mortgage of property (residential or commercial).

In addition to the above mentioned collateral, the Group holds other types of collateral and credit enhancements, such as cross-collateralisation on other assets of the borrower, share pledge, guarantees of parent/holding companies, personal guarantees of promoters/proprietors, hypothecation of receivables via escrow account, hypothecation of receivables in other bank accounts etc.

In its normal course of business, the Group does not physically repossess properties or other assets, but recovery efforts are made on delinquent loans through on-rolls collection executives, along with legal means to recover due loan repayments. Once contractual loan repayments are more than 90 days past due, repossession of property may be initiated under the provisions of the SARFAESI Act 2002. Re-possessed property is disposed of in the manner prescribed in the SARFAESI act to recover outstanding debt.

The Group did not hold any financial instrument for which no loss allowance is recognised because of collateral as at March 31, 2022. There was no change in the Group’s collateral policy during the year.

7. As at the year end the Group has undrawn loan commitments (after applying credit conversion factor) of Rs. 825.43 Crore (Previous Year Rs. 1,045.90 Crore).

(10) Investments

Investments	As at March 31, 2022			
	At amortised cost	At fair value		Total
		Through other comprehensive income	Through profit or loss	
Mutual funds and Debt Funds	-	-	4,351.79	4,351.79
Government Securities	-	-	508.65	508.65
Debt Securities	-	-	584.20	584.20
Equity Instruments	-	2.14	-	2.14
Commercial Papers	-	-	98.84	98.84
Total gross (A)	**-**	**2.14**	**5,543.48**	**5,545.62**
Overseas Investments	-	-	-	-
Investments in India	-	2.14	5,543.48	5,545.62
Total (B)	**-**	**2.14**	**5,543.48**	**5,545.62**
Total (A) to tally with (B)	-	-	-	-
Less: Allowance for Impairment loss (C)	-	-	-	-
Total Net D = (A) -(C)	**-**	**2.14**	**5,543.48**	**5,545.62**

Investments	As at March 31, 2021			
	Amortised Cost	At fair value		Total
		Through other comprehensive income	Through profit or loss	
Mutual funds and Debt Funds	-	-	4,293.71	4,293.71
Government Securities	-	-	943.40	943.40
Debt Securities	-	-	581.81	581.81
Equity Instruments	-	228.29	-	228.29
Commercial Papers	-	-	98.80	98.80
Total gross (A)	**-**	**228.29**	**5,917.72**	**6,146.01**
Overseas Investments	-	213.88	-	213.88
Investments in India	-	14.41	5,917.72	5,932.13
Total (B)	**-**	**228.29**	**5,917.72**	**6,146.01**
Total (A) to tally with (B)	-	-	-	-
Less: Allowance for Impairment loss (C)	-	-	-	-
Total Net D = (A) -(C)	**-**	**228.29**	**5,917.72**	**6,146.01**

(1) On December 13, 2010 the Erstwhile Holding Company (IBFSL) had sold 26% shares held by it in Indian Commodity Exchange Limited (ICEX) to Reliance Exchange Next Limited (R-Next) for a total consideration of Rs. 47.35 Crore against a proportionate cost of Rs. 26.00 Crore. As a result thereof, the stake of IBFSL in ICEX reduced from 40% to 14% and the same was reclassified as a long term investment from the earlier classification of being an Associate. MMTC Limited (MMTC) filed a petition before the National Company Law Tribunal (NCLT) (Earlier known as Company Law Board)) against ICEX, R-Next and IBFSL alleging that the transfer is null and void in terms of the Shareholders Agreement in view of the Forward Markets Commission (FMC) guidelines. IBFSL contends that such view of MMTC is based on the old FMC guidelines and without considering the amended FMC Guidelines dated June 17, 2010 wherein the transfer norms were relaxed. IBFSL had filed its objections on maintainability of the petition which is pending adjudication before the NCLT.

(2) During the current financial year ended March 31, 2022, the Group has sold 11,500,000 Equity Shares of Indian Commodity Exchange Limited for a total consideration of Rs. 2.85 Crores at a loss of Rs. 4.05 Crores. Subsequent to the year ended March 31, 2022, the Group has sold 18,500,000 Equity Shares of Indian Commodity Exchange Limited for a total consideration of Rs. 1.85 Crore. With this, the Group had sold its entire stake in Indian Commodity Exchange Limited.

(3) During the current financial year the Group has sold 4,985,000 nos. of Equity shares held of Oaknorth Holdings Limited for a consideration of Rs. 293.42 crores and realised a gain of Rs. 253.03 crores. With this, the Group has sold its entire stake in Oaknorth Holdings Limited.

(4) Investment in mutual funds of Rs. 237.70 crores (March 31, 2021 Rs. 125.74 crores) under lien / provided as credit enhancement in respect of securitisation deal for loans.

(11)	**Other financial assets**	**As at March 31, 2022**	**As at March 31, 2021**
	Security Deposits	49.10	37.46
	Interest only Strip receivable	723.05	858.19
	Interest Accrued on Deposit accounts / Margin Money	128.92	102.62
	Interest Accrued on investment	3.70	-
	Margin Money on Derivative Contracts	86.11	101.33
	Other Receivable	43.39	81.42
	Total	**1,034.27**	**1,181.02**

12. Property, plant and equipment and intangible assets

Note 12.1 Property, plant and equipment

	Leasehold Improvements	Computers and printers	Furniture and fixtures	Motor vehicles	Office equipment	Land*	Building [1]	Total
Cost								
At April 1, 2020	64.27	66.03	30.94	105.84	24.92	0.42	14.60	307.02
Additions	1.68	0.37	0.99	0.46	0.36	-	-	3.86
Disposals	6.35	0.93	1.54	14.39	1.33	-	-	24.54
At March 31, 2021	**59.60**	**65.47**	**30.39**	**91.91**	**23.95**	**0.42**	**14.60**	**286.34**
Additions	2.31	0.47	1.46	8.46	0.54	-	-	**13.24**
Disposals	0.71	0.45	0.35	7.30	0.32	-	-	**9.13**
At March 31, 2022	**61.20**	**65.49**	**31.50**	**93.07**	**24.17**	**0.42**	**14.60**	**290.45**
Depreciation								
At April 1, 2020	27.94	53.92	16.47	69.81	17.55	-	0.66	186.35
Charge for the year	5.56	8.47	2.35	13.56	2.68	-	0.25	32.87
Disposals	2.90	0.87	0.70	10.20	1.01	-	-	15.68
At March 31, 2021	**30.60**	**61.52**	**18.12**	**73.17**	**19.22**	**-**	**0.91**	**203.54**
Charge for the year	9.31	3.47	2.31	10.26	2.14	-	0.24	27.73
Disposals	0.38	0.45	0.19	6.53	0.29	-	-	7.84
At March 31, 2022	**39.53**	**64.54**	**20.24**	**76.90**	**21.07**	**-**	**1.15**	**223.43**
Net Block								
At March 31, 2021	**29.00**	**3.95**	**12.27**	**18.74**	**4.73**	**0.42**	**13.69**	**82.80**
At March 31, 2022	**21.67**	**0.95**	**11.26**	**16.17**	**3.10**	**0.42**	**13.45**	**67.02**

Note 12.2 Other Intangible assets

	Software	Total
Gross block		
At April 1, 2020	59.50	59.50
Purchase	30.49	30.49
Disposals	-	-
At March 31, 2021	89.99	89.99
Purchase	6.81	6.81
Disposals	-	-
At March 31, 2022	**96.80**	**96.80**
Amortization		
At April 1, 2020	41.44	41.44
Charge for the year	12.41	12.41
At March 31, 2021	**53.85**	**53.85**
Charge for the year	14.69	14.69
At March 31, 2022	**68.54**	**68.54**
Net block		
At March 31, 2021	**36.14**	**36.14**
At March 31, 2022	**28.26**	**28.26**

*Mortgaged as Security against Secured Non Convertible Debentures (Refer Note 15)

(1) Flat costing Re. 0.31 Crore (Previous Year Re. 0.31 Crore) Mortgaged as Security against Secured Non Convertible Debentures (Refer Note 15)

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(13) Other non financial assets	As at March 31, 2022	As at March 31, 2021
Capital Advance Tangible Assets	10.65	40.06
Capital Advance In-Tangible Assets	2.72	0.21
Others including Prepaid Expenses, GST input Credit and Employee advances	592.61	347.33
Total	**605.98**	**387.60**

(14) Trade Payables	As at March 31, 2022	As at March 31, 2021
(a) Total outstanding dues of micro enterprises and small enterprises*; and	-	-
(b) Total outstanding dues of creditors other than micro enterprises and small enterprises	0.66	1.22
	0.66	**1.22**

* Disclosures under the Micro, Small and Medium Enterprises Development Act, 2006:
(a) An amount of Nil and Nil was due and outstanding to suppliers as at the end of the accounting year on account of Principal and Interest respectively.
(b) No interest was paid during the year in terms of section 16 of the Micro, Small and Medium Enterprises Development Act, 2006 and no amount was paid to the supplier beyond the appointed day.
(c) No amount of interest is due and payable for the period of delay in making payment but without adding the interest specified under the Micro, Small and Medium Enterprises Development Act, 2006
(d) No interest was accrued and unpaid at the end of the accounting year.
(e) No further interest remaining due and payable even in the succeeding years for the purpose of disallowance of a deductible expenditure under section 23 of the Micro, Small and Medium Enterprises Development Act, 2006.

The above information regarding Micro, Small and Medium Enterprises has been determined to the extent such parties have been identified on the basis of information available with the Group. This has been relied upon by the Auditors.

Trade Payables ageing schedule as at March 31, 2022

Particulars	<1 Year	1-2 Year	2-3 Year	>3 Year	Total
(i) MSME	-	-	-	-	-
(ii) Others	0.40	0.04	-	0.22	**0.66**
(iii) Disputed dues – MSME	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-

Trade Payables ageing schedule as at March 31, 2021

Particulars	<1 Year	1-2 Year	2-3 Year	>3 Year	Total
(i) MSME	-	-	-	-	-
(ii) Others	0.80	0.42	-	-	**1.22**
(iii) Disputed dues – MSME	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-

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(15)	Debt Securities	As at March 31, 2022	As at March 31, 2021
		At Amortised Cost	
	Secured		
	Liability Component of Compound Financial Instrument*(Refer Note 33(i))	2,205.23	1,091.99
	Debentures*(Refer Note 33(i))	21,460.11	29,127.08
	Total gross (A)	**23,665.34**	**30,219.07**
	Debt securities in India	18,808.38	26,563.32
	Debt securities outside India	4,856.96	3,655.75
	Total (B) to tally with (A)	**23,665.34**	**30,219.07**

*Secured against Immovable Property / Other financial Assets and pool of Current and Future Loan Receivables of the Group, Including Investments

(16)	Borrowings other than debt securities* (1)	As at March 31, 2022	As at March 31, 2021
		At Amortised Cost	
	Secured		
	Term Loans from bank and others*(Refer Note 33(ii))	15,198.17	18,741.25
	External Commercial borrowings (ECB)*(Refer Note 33(ii))	2,416.33	3,802.19
	Repo Borrowing@	515.79	-
	From banks- Cash Credit Facility*	1,125.96	2,365.00
	From banks- Working Capital Loan*	4,829.00	5,173.00
	Securitisation Liability*	8,330.04	3,322.26
	Unsecured		
	Loan from others	454.70	364.70
	Lease Liability	198.00	139.85
	Total gross (A)	**33,067.99**	**33,908.25**
	Borrowings in India	30,651.66	30,106.06
	Borrowings outside India (ECB)	2,416.33	3,802.19
	Total (B) to tally with (A)	**33,067.99**	**33,908.25**

*Secured by hypothecation of Loan Receivables (Current and Future) / Other financial Assets / Cash and Cash Equivalents of the Group including investments.
(1) There is no continuing default in the repayment of the aforesaid loans or interest as at the balance sheet date.
@ Secured against Government Securities

(17)	Subordinated liabilities	As at March 31, 2022	As at March 31, 2021
		At Amortised Cost	
	-10.60% Non convertible Subordinated Perpetual Debentures*	100.00	100.00
	-Subordinate Debt(Refer Note 33(iii))	4,526.03	4,578.11
	Total gross (A)	**4,626.03**	**4,678.11**
	Subordinated Liabilities in India	4,626.03	4,678.11
	Subordinated Liabilities outside India	-	-
	Total (B) to tally with (A)	**4,626.03**	**4,678.11**

*Call Option exercisable at the end of 10 years from the date of allotment only with the prior approval of the concerned regulatory authority.

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Notes to Consolidated Financial Statements for the year ended March 31, 2022
(All amount in Rs. in Crore, except for share data unless stated otherwise)

(18) Other financial liabilities (at amortised cost)	As at March 31, 2022	As at March 31, 2021
Interest accrued but not due on borrowings	1,082.49	1,480.54
Foreign Currency Forward premium payable	538.97	646.16
Amount payable on Assigned Loans	902.65	1,045.67
Other liabilities	263.60	256.38
Temporary Overdrawn Balances as per books	0.04	3,327.04
Unclaimed Dividends[1]	4.03	4.17
Proposed Interim Dividend	-	416.11
Servicing liability on assigned loans	88.44	111.09
Total	**2,880.22**	**7,287.16**

(1) In respect of amounts as mentioned under Section 124 of the Companies Act, 2013, there were no dues (Previous Year Rs. Nil) required to be credited to the Investor Education and Protection Fund as on March 31, 2022, except in the Holding Company, an amount of Rs. 2,280 (Rupees Two thousand two hundred Eighty only) which were issued to certain shareholders against revalidation cases for the payment of unpaid/unclaimed interim dividend could not be encashed by them and were again credited back to the Holding Company's unpaid dividend account. The same has been deposited subsequent to the year end to Investor Education and Protection fund.

(19) Provisions	As at March 31, 2022	As at March 31, 2021
Provision for employee benefits (Refer Note 30)		
Provision for Compensated absences	16.60	15.48
Provision for Gratuity	51.87	46.15
Provision for Superannuation	60.92	59.59
Provisions for Loan Commitments	5.70	3.58
Total	**135.09**	**124.80**

(20) Other Non-financial Liabilities	As at March 31, 2022	As at March 31, 2021
Statutory Dues Payable and other non financial liabilities	649.14	451.63
Total	**649.14**	**451.63**

(21) Equity share capital

Details of authorised, issued, subscribed and paid up share capital

	As at March 31, 2022	As at March 31, 2021
Authorised share Capital		
3,000,000,000 (March 31, 2021 3,000,000,000) Equity Shares of face value Rs. 2 each	600.00	600.00
1,000,000,000 (March 31, 2021 1,000,000,000) Preference Shares of face value Rs.10 each	1,000.00	1,000.00
	1,600.00	**1,600.00**

	As at March 31, 2022	As at March 31, 2021
Issued , Subscribed & Paid up capital		
Issued and Subscribed Capital		
445,571,504 (March 31, 2021 - 445,348,902) Equity Shares of Rs. 2/- each	89.11	89.07
Called-Up and Paid Up Capital		
Fully Paid-Up		
445,571,504 (March 31, 2021 - 445,348,902) Equity Shares of Rs. 2/- each		
Terms / Rights attached to Share		
The Company has only one class of Equity Shares of face value Rs. 2 each (Previous Year Rs. 2 each) fully paid up. Each holder of Equity Shares is entitled to one vote per share. The final dividend proposed by the Board of Directors, if any, is subject to the approval of the Shareholders in the ensuing Annual General Meeting, if applicable.		
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. The distribution will be in proportion to the number of Equity Shares held by the Shareholders.		
Total	**89.11**	**89.07**

(i) As at March 31, 2022 567,505 (Previous Year 617,505) GDR's were outstanding and were eligible for conversion into Equity Shares. The Company does not have information with respect to holders of these GDR's. Holders of Global Depository Receipts (GDRs) will be entitled to receive dividends, subject to the terms of the Deposit Agreement, to the same extent as the holders of Equity Shares, less the fees and expenses payable under such Deposit Agreement and any Indian tax applicable to such dividends. Holders of GDRs will not have voting rights with respect to the Deposited Shares. The GDRs may not be transferred to any person located in India including Indian residents or ineligible investors except as permitted by Indian laws and regulations.

The reconciliation of equity shares outstanding at the beginning and at the end of the reporting period.

Name of the shareholder	As at March 31, 2022		As at March 31, 2021	
	No. of shares	Rs. In Crores	No. of shares	Rs. In Crores
Equity Share at the beginning of year	445,348,902	89.07	419,174,091	83.83
Add:				
Equity Share Allotted during the period				
ESOP exercised during the year (Refer note (iv))	14,650	-	-	-
Issue during the year (Refer note vii & viii)	6,207,952	1.24	34,774,811	6.96
Less: Investment in Treasury Shares (Own Shares) during the FY 2021-22 (Refer Note 22(15))	6,000,000	1.20	8,600,000	1.72
Equity share at the end of period	**445,571,504**	**89.11**	**445,348,902**	**89.07**

Details of shareholders holding more than 5% shares in the Company

Name of the shareholder	As at March 31, 2022	
	No. of shares	% of holding
Promoter		
Inuus Infrastructure Private Limited	27,943,325	5.96%
Non - Promoters		
Life Insurance Corporation Of India	41,451,766	8.85%
Total	**69,395,091**	**14.81%**

(All amount in Rs. in Crore, except for share data unless stated otherwise)

Details of shareholders holding more than 5% shares in the Company

Name of the shareholder	As at March 31, 2021	
	No. of shares	% of holding
Promoter		
Inuus Infrastructure Private Limited	82,943,325	17.94%
Non - Promoters		
Life Insurance Corporation Of India	45,823,723	9.91%
Total	**128,767,048**	**27.85%**

As per records of the Company, including its register of shareholders/ members and other declarations received from shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial ownerships of shares.

Shares held by Promoters at the end of the Financial Year 2022

Promoter Name*	No. of Shares		% of Total Shares		% change during the year
	31-03-2021	31-03-2022	31-03-2021	31-03-2022	
Sameer Gehlaut	17,251,482	500,000	3.73	0.11	(3.62)
Inuus Infrastructure Private Limited	82,943,325	27,943,325	17.94	5.96	(11.98)
Sameer Gehlaut IBH Trust	N.A. (Refer Note 1)	16,751,482	N.A. (Refer Note 1)	3.58	3.58
Total	**100,194,807**	**45,194,807**	**21.67**	**9.65**	**(12.03)**

Note 1: Become part of Promoter Group during the FY 2021-22

Shares held by Promoters at the end of the Financial Year 2021

Promoter Name	No. of Shares		% of Total Shares		% change during the year
	31-03-2020	31-03-2021	31-03-2020	31-03-2021	
Sameer Gehlaut	14,851,481 (Refer Note 2)	17,251,482	3.47	3.73	0.26
Inuus Infrastructure Private Limited	82,943,325	82,943,325	19.40	17.94	(1.46)
Total	**97,794,806**	**100,194,807**	**22.87**	**21.67**	**(1.20)**

Note 2: Of the 2,300,000 equity shares in the Company acquired by Mr. Sameer Gehlaut on 26th March, 2020 from open market, one share short received in payout got credited to his demat account subsequent to 31st March, 2020. In addition, 2,400,000 equity shares in the Company acquired by him on 31st March, 2020 from open market, got credited to his demat account subsequent to 31st March, 2020. Hence, 2,400,001 equity shares are not included in his shareholding as on 31st March, 2020.

*During the current year, Mr. Sameer Gehlaut (the Promoter) resigned from the office of Non-Executive Director of the Company. The Company also received requests from currently belonging to the ‘Promoter and Promoter Group’ category of the Company (“Outgoing Promoters”), for their reclassification from ‘Promoter and Promoter Group’ to ‘Public’ category, which shall be subject to all requisite approvals.

(ii) **Employees Stock Options Schemes:**

Grants During the Year:

There have been no new grants during the year.

(All amount in Rs. in Crore, except for share data unless stated otherwise)

(iii) **Employee Stock Benefit Scheme 2019 ("Scheme")**

The Scheme has been adopted and approved pursuant to: (a) a resolution of the Board of Directors of INDIABULLS HOUSING FINANCE LIMITED at its meeting held on November 6, 2019; and (b) a special resolution of the shareholders' of the Group passed through postal ballot on December 23, 2019, result of which were declared on December 24, 2019.

This Scheme comprises:
a. INDIABULLS HOUSING FINANCE LIMITED Employees Stock Option Plan 2019 ("ESOP Plan 2019")
b. INDIABULLS HOUSING FINANCE LIMITED Employees Stock Purchase Plan 2019 ("ESP Plan 2019")
c. INDIABULLS HOUSING FINANCE LIMITED Stock Appreciation Rights Plan 2019 ("SARs Plan 2019")

In accordance with the ESOP Regulations, the Group had set up Pragati Employee Welfare Trust(formerly known as Indiabulls Housing Finance Limited Employee Welfare Trust) (Trust) for the purpose of implementation of ESOP Scheme. The Scheme is administered through ESOP Trust, whereby shares held by the ESOP Trust are transferred to the employees, upon exercise of stock options as per the terms of the Scheme.

(iv) **(a) The other disclosures in respect of the ESOS / ESOP Schemes are as under:-**

Particulars	**IHFL-IBFSL Employees Stock Option Plan II – 2006**	**IHFL-IBFSL Employees Stock Option – 2008**	**IHFL ESOS - 2013**	**IHFL ESOS - 2013**
Total Options under the Scheme	720,000	7,500,000	39,000,000	39,000,000
Total Options issued under the Scheme	720,000	7,500,000	10,500,000	10,500,000
Vesting Period and Percentage	Four years,25% each year	Ten years,15% First year, 10% for next eight years and 5% in last year	Five years, 20% each year	Five years, 20% each year
First Vesting Date	1st November, 2008	8th December, 2009	12th October, 2015	12th August, 2018
Revised Vesting Period & Percentage	Nine years,11% each year for 8 years and 12% during the 9th year	N.A.	N.A.	N.A.
Exercise Price (Rs.)	100.00	95.95	394.75	1,156.50
Exercisable Period	5 years from each vesting date	5 years from each vesting date	5 years from each vesting date	5 years from each vesting date
Outstanding at the beginning of the year (Nos.)	1,152	15,597	3,696,756	5,453,100
Options vested during the year (Nos.)	-	-	-	-
Exercised during the year (Nos.)	-	50	-	-
Expired during the year (Nos.)	-	-	-	-
Cancelled during the year	-	-	-	-
Lapsed during the year	1,152	1,215	372,200	2,035,100
Re-granted during the year	-	-	-	N.A.
Outstanding at the end of the year (Nos.)	-	14,332	3,324,556	3,418,000
Exercisable at the end of the year (Nos.)	-	14,332	3,324,556	1,709,000
Remaining contractual Life (Weighted Months)	N.A.	16	24	40

N.A - Not Applicable

Indiabulls Housing Finance Limited
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Particulars	IHFL ESOS - 2013	IHFL ESOS - 2013	IHFL-IBFSL Employees Stock Option – 2008 -Regrant	IHFL-IBFSL Employees Stock Option – 2008-Regrant
Total Options under the Scheme	39,000,000	39,000,000	N.A.	N.A.
Total Options issued under the Scheme	12,500,000	10,000,000	N.A.	N.A.
Vesting Period and Percentage	Three years, 33.33% each year	Five years, 20% each year	N.A.	N.A.
First Vesting Date	5th October, 2021	10th March, 2020	31st December, 2010	16th July, 2011
Revised Vesting Period & Percentage	N.A.	N.A.	Ten years, 10% for every year	Ten years, 10% for every year
Exercise Price (Rs.)	200.00	702.00	125.90	158.50
Exercisable Period	5 years from each vesting date	5 years from each vesting date	5 years from each vesting date	5 years from each vesting date
Outstanding at the beginning of the year (Nos.)	12,087,358	4,885,800	10,890	38,880
Options vested during the year (Nos.)	4,029,119	-	-	-
Exercised during the year (Nos.)	-	-	3,600	8,000
Expired during the year (Nos.)	-	-	-	-
Cancelled during the year	-	-	-	-
Lapsed during the year	-	1,821,000	-	-
Re-granted during the year	N.A	N.A	N.A	N.A
Outstanding at the end of the year (Nos.)	12,087,358	3,064,800	7,290	30,880
Exercisable at the end of the year (Nos.)	4,029,119	-	7,290	30,880
Remaining contractual Life (Weighted Months)	66	77	34	33

N.A - Not Applicable

Particulars	IHFL-IBFSL Employees Stock Option Plan – 2006 - Regrant	IHFL-IBFSL Employees Stock Option – 2008 - Regrant	IHFL-IBFSL Employees Stock Option Plan II – 2006 -Regrant
Total Options under the Scheme	N.A.	N.A.	N.A.
Total Options issued under the Scheme	N.A.	N.A.	N.A.
Vesting Period and Percentage	N.A.	N.A.	N.A.
First Vesting Date	27th August, 2010	11th January, 2012	27th August, 2010
Revised Vesting Period & Percentage	Ten years, 10% for every year	Ten years, 10% for every year	Ten years, 10% for every year
Exercise Price (Rs.)	95.95	153.65	100.00
Exercisable Period	5 years from each vesting date	5 years from each vesting date	5 years from each vesting date
Outstanding at the beginning of the year(Nos.)	39,500	3,000	21,900
Options vested during the year (Nos.)	-	-	-
Exercised during the year (Nos.)	-	3,000	-
Expired during the year (Nos.)	-	-	-
Cancelled during the year	-	-	-
Lapsed during the year	-	-	-
Re-granted during the year	N.A.	N.A.	N.A.
Outstanding at the end of the year (Nos.)	39,500	-	21,900

Indiabulls Housing Finance Limited
Notes to Consolidated Financial Statements for the year ended March 31, 2022
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Particulars	IHFL-IBFSL Employees Stock Option Plan – 2006 - Regrant	IHFL-IBFSL Employees Stock Option – 2008 - Regrant	IHFL-IBFSL Employees Stock Option Plan II – 2006 -Regrant
Exercisable at the end of the year (Nos.)	39,500	-	21,900
Remaining contractual Life (Weighted Months)	29	N.A.	29

N.A - Not Applicable

The details of the Fair value of the options as determined by an Independent firm of Chartered Accountants, for the respective plans using the Black-Scholes Merton Option Pricing Model:-

Particulars	IHFL - IBFSL Employees Stock Option – 2008 Regrant	IHFL - IBFSL Employees Stock Option – 2008 Regrant	IHFL - IBFSL Employees Stock Option – 2006- Regrant	IHFL - IBFSL Employees Stock Option Plan II – 2006- Regrant	IHFL - IBFSL Employees Stock Option – 2008 Regrant
Exercise price (Rs.)	125.90	158.50	95.95	100.00	153.65
Expected volatility*	99.61%	99.60%	75.57%	75.57%	99.60%
Option Life (Weighted Average)	9.80 Years	9.80 Years	9.80 Years	9.80 Years	9.80 Years
Expected Dividends yield	3.19%	2.89%	4.69%	4.50%	2.98%
Weighted Average Fair Value (Rs.)	83.48	90.24	106.3	108.06	84.93
Risk Free Interest rate	7.59%	7.63%	7.50%	7.50%	7.63%

Particulars	IHFL - IBFSL Employees Stock Option – 2008	IHFL ESOS - 2013 (Grant 1)	IHFL ESOS - 2013 (Grant 2)	IHFL ESOS - 2013 (Grant 3)	IHFL ESOS - 2013 (Grant 4)
Exercise price (Rs.)	95.95	394.75	1,156.50	1,200.40	702.00
Expected volatility*	97.00%	46.30%	27.50%	27.70%	33.90%
Option Life (Weighted Average)	11 Years	5 Years	3 Years	3 Years	3 Years
Expected Dividends yield	4.62%	10.00%	5.28%	5.08%	7.65%
Weighted Average Fair Value (Rs.)	52.02	89.76	200.42	226.22	126.96
Risk Free Interest rate	6.50%	8.57%	6.51%	7.56%	7.37%

Particulars	IHFL - IBFSL Employees Stock Option – 2013
Exercise price (Rs.)	200.00
Expected volatility*	39.95%
Expected forfeiture percentage on each vesting date	Nil
Option Life (Weighted Average)	2 Years
Expected Dividends yield	0.00%
Weighted Average Fair Value (Rs.)	27.4
Risk Free Interest rate	5.92%

*The expected volatility was determined based on historical volatility data.

(All amount in Rs. in Crore, except for share data unless stated otherwise)

(b) The Group has established the "Pragati Employee Welfare Trust" ("Pragati – EWT") (earlier known as Indiabulls Housing Finance Limited - Employees Welfare Trust" (IBH – EWT) ("Trust") for the implementation and management of its employees benefit scheme viz. the "Indiabulls Housing Finance Limited - Employee Stock Benefit Scheme – 2019" (Scheme), for the benefit of the employees of the Company and its subsidiaries.
Pursuant to Regulation 3(12) of the SEBI (Share Based Employee Benefits) Regulations, 2014, the shares in Trust have been appropriated towards the Scheme for grant of Share Appreciations Rights (SARs) to the employees of the Company and its subsidiaries as permitted by SEBI. The company will treat these SARs as equity and accounting has been done accordingly. The other disclosures in respect of the SARs are as under:-

Particulars	**IHFL ESOS - 2019**
Total Options under the Scheme	17,000,000
Total Options issued under the Scheme	17,000,000
Vesting Period and Percentage	Three years,33.33% each year
First Vesting Date	10th October, 2021
Exercise Price (Rs.)	Rs. 225 First Year, Rs. 275 Second Year, Rs. 300 Third Year
Exercisable Period	5 years from each vesting date
Outstanding at the beginning of the year(Nos.)	17,000,000
Options vested during the year (Nos.)	5,666,667
Exercised during the year (Nos.)	-
Expired during the year (Nos.)	-
Cancelled during the year	-
Lapsed during the year	-
Re-granted during the year	-
Outstanding at the end of the year (Nos.)	17,000,000
Exercisable at the end of the year (Nos.)	5,666,667
Remaining contractual Life (Weighted Months)	66

The details of the Fair value of the options as determined by an Independent firm of Chartered Accountants, for the respective plans using the Black-Scholes Merton Option Pricing Model:-

Particulars	**IHFL - IBFSL Employees Stock Option – 2019**
Exercise price (Rs.)	Rs. 225 First Year, Rs. 275 Second Year, Rs. 300 Third Year
Expected volatility*	39.95%
Expected forfeiture percentage on each vesting date	Nil
Option Life (Weighted Average)	1 Year for 1st Vesting, 2 years for 2nd Vesting and 3 years for 3rd Vesting
Expected Dividends yield	0.00%
Weighted Average Fair Value (Rs.)	9.25 for First Year, 13.20 for Second Year and 19.40 for third year
Risk Free Interest rate	5.92%

*The expected volatility was determined based on historical volatility data.

(v) 22,008,616 Equity Shares of Rs. 2 each (Previous Year : 26,253,933) are reserved for issuance towards Employees Stock options as granted.

(vi) The weighted average share price at the date of exercise of these options was Rs. 215.82 per share(Previous Year Rs. N.A. per share)

(vii) During the financial year 2020-21, the Company under the provisions of Chapter VI of Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended, and Sections 42 and 62 of the Companies Act, 2013, as amended, including the rules made thereunder, has concluded Qualified Institutions Placement (QIP), by issuing 34,774,811 equity shares at a price of Rs. 196.37 per equity share aggregating Rs. 682.87 Crores, on September 15, 2020. Share issue expenses amounting to Rs. 20.56 Crores (incurred in respect of this issuance) has been adjusted against the Securities Premium Account.

(viii) (a) Pursuant to the applicable provisions of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, and pursuant to receipt of notice for conversion of FCCBs, for a principle value USD 20,500,000, the Company during the current financial year, issued and allotted 6,207,952 (Sixty Two Lakh Seven Thousand Nine Hundred and Fifty Two) Fully Paid Equity shares of face value INR 2/- each, (a) at a conversion price of INR 230.14 (including a premium of INR 228.14) per Equity Share for 157,700 Equity Shares under FCCB1, and (b) at a conversion price of INR 243.05 (including a premium of INR 241.05) per Equity Share for 60,50,252 Equity Shares under FCCB2, to the holder of such FCCBs. Consequent to the said allotment, the paid-up Equity Share Capital of the Company stands increased to INR 937,143,008 divided into 468,571,504 Fully Paid Equity Shares of face value INR 2/- each and outstanding principal value of FCCBs, as listed at Singapore Exchange Securities Trading Limited under (a) FCCB1, ISIN XS2301133943, stands reduced from USD 150,000,000 to USD 149,500,000 and (b) FCCB2, ISIN XS2377720839, stands reduced from USD 165,000,000 to USD 145,000,000.

(b) During the current financial year, the Company has issued 4.50% secured foreign currency convertible bonds due 2026 ('FCCBs') of USD 165 Million, convertible into fully paid-up equity shares of face value of 2/- each of the Company at an initial conversion price of Rs. 243.05 per equity share ("conversion price"), on and after November 08, 2021 up to the close of business on the 10th day prior to the Maturity Date, at the option of the FCCB holders. FCCBs, which are not converted to equity shares during such specified period, will be redeemable on September 28, 2026. The Conversion price is subject to adjustment w.r.t issuance of bonus share, free issuance of shares, division, consolidation and reclassification of shares, declaration of dividend or any other condition as mentioned in offering circular, but cannot be below the floor price which is Rs. 231.48.

(22) Other equity

Particulars	As at March 31, 2022	As at March 31, 2021
Capital Reserve[1]		
Balance as per last Balance Sheet	13.92	13.92
Add: Additions during the year	-	-
Closing Balance	**13.92**	**13.92**
Capital Redemption Reserve[2]		
Balance as per last Balance Sheet	6.36	6.36
Add: Additions during the year	-	-
Closing Balance	**6.36**	**6.36**
Securities Premium Account[3]		
Balance as per last Balance Sheet	7,775.34	7,261.01
Add: Additions during the year on account of shares issued under Qualified Institutional Placement	-	675.92
Add: Additions during the year on account of ESOPs / conversion of FCCBs	149.65	-
Add: Transfer from Stock compensation	0.13	-
	7,925.12	7,936.93
Less: Share issue expenses written off	-	20.56
Less: Investment in Treasury Shares (Own Shares)[15]	88.80	141.03
Closing Balance	**7,836.32**	**7,775.34**
Debenture Premium Account[4]		
Balance as per last Balance Sheet	1.28	1.28
Add: Additions during the year on account	-	-
Closing Balance	**1.28**	**1.28**

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(All amount in Rs. in Crore, except for share data unless stated otherwise)

Particulars	As at March 31, 2022	As at March 31, 2021
Stock Compensation Adjustment[5]		
Balance as per last Balance Sheet	178.75	188.50
Add: Additions during the year	(8.49)	(9.75)
Less: Transferred to Share Premium account	0.13	-
Less: Utilised during the year	-	-
Closing Balance	**170.13**	**178.75**
Special Reserve u/s 36(1)(viii) of I Tax Act, 1961[6]		
Balance as per last Balance Sheet	225.46	173.92
Add: Additions during the year	-	51.54
Closing Balance	**225.46**	**225.46**
General Reserve[7]		
Balance as per last Balance Sheet	1,105.99	1,105.99
Add: Amount Transferred during the year	1,066.42	-
Closing Balance	**2,172.41**	**1,105.99**
Reserve Fund		
Reserve (I)(As per Section 29C of the Housing Bank Act, 1987)[8]		
Balance As per last Balance Sheet	1,991.73	1,780.04
Add: Amount Transferred during the year	139.22	211.69
Closing Balance	**2,130.95**	**1,991.73**
Reserve (III) [8]		
Balance As per last Balance Sheet	2,178.00	2,178.00
Add: Amount Transferred during the year	-	-
Closing Balance	**2,178.00**	**2,178.00**
Additional Reserve[8]		
(U/s 29C of the National Housing Bank Act, 1987)		
Balance As per last Balance Sheet	825.00	-
Add: Additions during the year	525.00	825.00
Less: Amount utilised during the year	825.00	-
Closing Balance	**525.00**	**825.00**
Reserve Fund		
Reserve (II)[9]		
Balance As per last Balance Sheet	726.79	698.98
Add: Amount Transferred during the year	101.64	27.81
Less: Amount Utilised	-	-
Closing Balance	**828.43**	**726.79**

(All amount in Rs. in Crore, except for share data unless stated otherwise)

Particulars	As at March 31, 2022	As at March 31, 2021
Debenture Redemption Reserve (10)		
Balance As per last Balance Sheet	1,221.18	1,221.18
Add: Additions during the year	-	-
Less: Amount Utilised	1,066.42	-
Closing Balance	**154.76**	**1,221.18**
Share based Payment reserve (5)		
Balance As per last Balance Sheet	8.79	6.13
Add: Additions during the year	(0.62)	2.66
Closing Balance	**8.17**	**8.79**
Foreign Currency Translation Reserve (13)		
Balance As per last Balance Sheet	0.02	0.02
Add: Additions during the year	-	-
Closing Balance	**0.02**	**0.02**
Retained Earnings (11)		
Balance As per last Balance Sheet	997.03	1,317.72
Add: Additions during the year (including transfer from OCI to be recognised directly in retained earnings)	1,180.66	1,211.46
Add: Interim Dividend on Own Equity Shares @ Rs. 9/- per equity share (14)	15.30	-
Less: Amount utilised during the year	765.86	1,532.15
Closing Balance	**1,427.13**	**997.03**
Other Comprehensive Income (12)		
Balance As per last Balance Sheet	(1,210.85)	(499.23)
Less: Amount utilised during the year	117.46	(711.62)
Closing Balance	**(1,093.39)**	**(1,210.85)**
	16,584.95	**16,044.79**

(1) Capital reserve is created on receipt of non refundable debenture warrants exercise price.

(2) Capital redemption reserve is created on redemption of preference shares.

(3) Securities premium reserve is used to record the premium on issue of shares. The reserve can be utilised only for limited purposes such as issuance of bonus shares in accordance with the provisions of the Companies Act, 2013.

(4) Debenture premium account is used to record the premium on issue of debenture.

(5) Stock Compensation Adjustment is created as required by Ind AS 102 ‘Share Based Payments’ on the Employee Stock Option Scheme operated by the Company for employees of the Group.

(6) This includes reserve created under section 36(1)(viii) of the Income Tax Act, 1961, by the Erstwhile Holding Company Indiabulls Financial Services Limited, which has been transferred to IBHFL under the Scheme of Arrangement during the year ended March 31, 2013.

(7) Under the erstwhile Companies Act 1956, general reserve was created through an annual transfer of net income at a specified percentage in accordance with applicable regulations. The purpose of these transfers was to ensure that if a dividend distribution in a given year is more than 10% of the paid-up capital of the Company for that year, then the total dividend distribution is less than the total distributable results for that year. Consequent to introduction of Companies Act 2013, the requirement to mandatorily transfer a specified percentage of the net profit to general reserve has been withdrawn. However, the amount previously transferred to the general reserve can be utilised only in accordance with the specific requirements of Companies Act, 2013.

(8) In terms of Section 29C of the National Housing Bank ("NHB") Act, 1987, the Holding Company is required to transfer at least 20% of its Profit after tax to a Reserve Fund before any dividend is declared. Transfer to a Reserve Fund in terms of Section 36(1)(viii) of the Income Tax Act, 1961 is also considered as an eligible transfer as transfer to Special Reserve under Section 29C of the National Housing Bank ("NHB") Act, 1987. The Holding Company has transferred an amount of Rs. Nil (Previous Year Rs. Nil) to reserve created in terms of Section 36(1)(viii) of the Income Tax Act, 1961 termed as "Reserve (III)" and also transferred an amount of Rs. 139.22 Crore (Previous Year Rs. 211.69 Crore) to the Reserve in terms of Section 29C of the National Housing Bank ("NHB") Act, 1987 as at the year end. Further an additional amount of Rs. 525.00 (Previous Year Rs. 825.00 Crore) has been set apart by way of transfer to Additional Reserve Fund in excess of the statutory minimum requirement as specified under Section 29C pursuant to Circular no. NHB(ND)/DRS/Pol-No. 03/2004-05 dated August 26, 2004 issued by the National Housing Bank. The additional amount so transferred may be utilised in the future for any business purpose.

(9) This includes reserve created under section 45-IC of the Reserve Bank of India Act 1934, by the Erstwhile Holding Company Indiabulls Financial Services Limited, which has been transferred to IBHFL under the Scheme of Arrangement during the year ended March 31, 2013.

(10) The Companies Act 2013 till August, 2019 required companies that issued debentures to create a debenture redemption reserve from annual profits until such debentures are redeemed. The Group was required to transfer a specified percentage (as provided in the Companies Act, 2013) of the outstanding redeemable debentures to debenture redemption reserve. The amounts credited to the debenture redemption reserve may not be utilised except to redeem debentures. On redemption of debentures, the amount may be transferred from debenture redemption reserve to General Reserve. The Ministry of Corporate Affairs (MCA) has amended the Companies (Share Capital and Debenture) Rules, 2014, doing away with creation of debenture redemption reserve by NBFCs/HFCs with respect to issue of non convertible debentures (NCDs). Vide the said amendment, now NBFCs/HFCs are required on or before 30 April of each year to invest or deposit in prescribed securities, a sum not less than 15 per cent of the debentures maturing during the year ending on March 31 of the next year. Accordingly, during the year ended March 31, 2022, the Group has transferred Rs. 1,066.42 crores to the General Reserve in respect of Debenture Redemption Reserve no longer required.

(11) Retained earnings represents the surplus in Profit and Loss Account and appropriations.

(12) Other comprehensive income includes fair value gain/(loss) on equity instruments and Derivative instruments in Cash flow hedge relationship.

(13) Reserve arising on conversion of Foreign currency in INR of wholly owned subsidiary.

(14) Interim dividend received by Pragati Employee Welfare Trust on equity shares of the Holding Company.

(15) Adjustment on account of amount invested in excess of face value on 6,000,000 Equity Shares (Previous Year 8,600,000 Equity Shares) of the Holding Company purchased from the open market during the year by Pragati Employee Welfare Trust for the purpose of allotment of SARs to the eligible employees.

		Year ended March 31, 2022		
(23)	**Interest Income**	**Interest income on securities classified at fair value through profit and loss**	**On financial assets measured at Amortised cost**	**Total**
	Interest on Loans	-	8,081.75	8,081.75
	Interest on Pass Through Certificates / Bonds	323.63	-	323.63
	Interest on deposits with Banks	-	177.15	177.15
	Total	**323.63**	**8,258.90**	**8,582.53**

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Interest Income	Year ended March 31, 2021		
	Interest income on securities classified at fair value through profit and loss	On financial assets measured at Amortised cost	Total
Interest on Loans	-	9,374.78	9,374.78
Interest on Pass Through Certificates / Bonds	111.12	5.97	117.09
Interest on deposits with Banks	-	230.09	230.09
Total	**111.12**	**9,610.84**	**9,721.96**

(24)

Dividend Income	Year ended March 31, 2022	Year ended March 31, 2021
Dividend Income on Mutual Funds/Shares	-	0.17
Total	**-**	**0.17**

(25)

Fees and Commission Income	Year ended March 31, 2022	Year ended March 31, 2021
Commission on Insurance	2.50	0.87
Other Operating Income	24.83	22.75
Income from Advisory Services	18.54	37.65
Income from Service Fee	35.04	32.75
Total	**80.91**	**94.02**

(26)

Net gain/ (loss) on fair value changes	Year ended March 31, 2022	Year ended March 31, 2021
Net gain/ (loss) on financial instruments at fair value through profit or loss		
(i) On trading portfolio		
- Investments	173.25	(36.95)
Total Net gain/(loss) on fair value changes (A)	**173.25**	**(36.95)**
Fair Value changes:		
-Realised	204.12	(13.02)
-Unrealised	(30.87)	(23.93)
Total Net gain/(loss) on fair value changes(B) to tally with (A)	**173.25**	**(36.95)**

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(27)

Other Income	**Year ended March 31, 2022**	**Year ended March 31, 2021**
Interest on Income tax Refund	5.02	70.61
Miscellaneous Income	4.19	15.56
Sundry Credit balances written back/ Bad debt recovered	1.38	16.53
Total	**10.59**	**102.70**

(28)

Finance Costs	**Year ended March 31, 2022**	**Year ended March 31, 2021**
	On financial liabilities measured at Amortised cost	**On financial liabilities measured at Amortised cost**
Debt Securities	2,250.57	2,871.00
Borrowings (Other than Debt Securities)(1)	3,055.31	3,262.20
Subordinated Liabilities	418.93	446.18
Processing and other Fee	251.12	143.37
Bank Charges	20.39	24.07
FCNR Hedge Premium	245.30	192.56
Total	**6,241.62**	**6,939.38**

1) Includes premium on principal only swaps on foreign currency loans amounting to Rs. 63.06 Crore (Previous Year Rs. 78.58 Crore).

2) Disclosure of Foreign Currency Exposures:-

Particulars	**Foreign Currency**	**Year Ended March 31, 2022**		
		Exchange Rate	**Amount in Foreign Currency**	**Amount**
I. Assets				
Receivables (trade & other)	N.A.	-	-	-
Other Monetary assets	N.A.	-	-	-
Total Receivables (A)	N.A.	-	-	-
Hedges by derivative contracts (B)	N.A.	-	-	-
Unhedged receivables (C=A-B)	N.A.	-	-	-
II. Liabilities				
Payables (trade & other)		-	-	-
Borrowings (ECB and Others)	USD	75.8071	96.45	7,311.59
Total Payables (D)	USD	75.8071	96.45	7,311.59
Hedges by derivative contracts (E)	USD	75.8071	96.45	7,311.59
Unhedged Payables F=D-E)	USD	75.8071	-	-

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Particulars	Foreign Currency	Year Ended March 31, 2022		
		Exchange Rate	Amount in Foreign Currency	Amount
III. Contingent Liabilities and Commitments				
Contingent Liabilities	N.A.	-	-	-
Commitments	N.A.	-	-	-
Total (G)	N.A.	-	-	-
Hedges by derivative contracts(H)	N.A.	-	-	-
Unhedged Payables (I=G-H)	N.A.	-	-	-
Total unhedged FC Exposures (J=C+F+I)	N.A.	-	-	-

Note: For the above disclosure, Interest accrued on borrowings at respective year end has not been considered

Particulars	Foreign Currency	Year Ended March 31, 2021		
		Exchange Rate	Amount in Foreign Currency	Amount
I. Assets				
Receivables (trade & other)	N.A.	-	-	-
Other Monetary assets	N.A.	-	-	-
Total Receivables (A)	N.A.	-	-	-
Hedges by derivative contracts (B)	N.A.	-	-	-
Unhedged receivables (C=A-B)	N.A.	-	-	-
II. Liabilities				
Payables (trade & other)		-	-	-
Borrowings (ECB and Others)	USD	73.5047	102.00	7,497.48
Total Payables (D)	USD	73.5047	102.00	7,497.48
Hedges by derivative contracts (E)	USD	73.5047	102.00	7,497.48
Unhedged Payables F=D-E)	USD	73.5047	-	-

Particulars	Foreign Currency	Year Ended March 31, 2021		
		Exchange Rate	Amount in Foreign Currency	Amount
III. Contingent Liabilities and Commitments				
Contingent Liabilities	N.A.	-	-	-
Commitments	N.A.	-	-	-
Total (G)	N.A.	-	-	-
Hedges by derivative contracts(H)	N.A.	-	-	-
Unhedged Payables (I=G-H)	N.A.	-	-	-
Total unhedged FC Exposures (J=C+F+I)	N.A.	-	-	-

Note: For the above disclosure, Interest accrued on borrowings at respective year end has not been considered.

(29)	Impairment on financial instruments	Year ended March 31, 2022	Year ended March 31, 2021
		On financial assets measured at Amortised cost	
	ECL on Loans / Bad Debts Written Off (Net of Recoveries) (1)	463.72	919.89
	Total	**463.72**	**919.89**

(1) ECL on loans / Bad Debts Written Off (Net of Recoveries) includes;

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
ECL on Loan Assets	519.72	810.39
Bad Debt /advances written off / Bad Debt Recovery*	(56.00)	109.50
Total	**463.72**	**919.89**

*Net of Bad Debt Recovery of Rs. 675.13 Crore (Previous Year Net of Bad Debt Recovery of Rs. 344.24 Crore).

(30)	Employee Benefits Expenses (i) & *	Year ended March 31, 2022	Year ended March 31, 2021
	Salaries and wages	453.95	303.89
	Contribution to provident and other funds	5.24	4.44
	Share Based Payments to employees	(9.12)	(7.09)
	Staff welfare expenses	3.81	2.01
	Provision for Gratuity, Compensated Absences and Superannuation Expense(1)	14.54	(50.71)
	Total	**468.42**	**252.54**

(i) In respect of Indiabulls Asset Management Company Limited, a subsidiary company, managerial remuneration paid for the financial year ended March 31, 2022, in excess of the limits specified under Section 197 and 198 of the Companies Act, 2013 was approved by the members of such subsidiary Company at their extra-ordinary general meeting held on May 06, 2022.

*Provision for employee benefits in the form of Gratuity and Compensated Absences in respect of two subsidiary companies which have a few employees during the year ended March 31, 2022, is determined on an accrual basis under the assumption that such benefits are payable at year end, as permitted under INDAS 19. Accordingly, such subsidiary companies have provided for Rs. 0.09 crore (Previous year Rs. 0.13 crore) on account of provision for gratuity and Rs. 0.03 crore (Previous year Rs. 0.02 crore) on account of provision for compensated absences on accrual basis in the Consolidated Balance Sheet as at March 31, 2022 and have provided for Rs. 0.00 crore (Previous year Rs. 0.00 crore) on account of provision for gratuity and provision for compensated absences on accrual basis in the Consolidated Statement of Profit and Loss for the year ended March 31, 2022.

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(1) Employee Benefits – Provident Fund, ESIC, Gratuity and Compensated Absences disclosures as per Indian Accounting Standard (IndAS) 19 – Employee Benefits:

Contributions are made to Government Provident Fund and Family Pension Fund, ESIC and other statutory funds which cover all eligible employees under applicable Acts. Both the employees and the Company make predetermined contributions to the Provident Fund and ESIC. The contributions are normally based on a certain proportion of the employee's salary. The Group has recognised an amount of Rs. 5.24 Crore (Previous year Rs. 4.44 Crore) in the Statement of Profit and Loss towards Employers contribution for the above mentioned funds.

Provision for unfunded Gratuity and Compensated Absences for all employees is based upon actuarial valuations carried out at the end of every financial year. Major drivers in actuarial assumptions, typically, are years of service and employee compensation. Pursuant to the issuance of the Indian Accounting Standard (IndAS) 19 on 'Employee Benefits', commitments are actuarially determined using the 'Projected Unit Credit' Method. Gains and losses on changes in actuarial assumptions are accounted for in Statement of Profit and Loss for Compensated absences and for Gratuity in Other Comprehensive Income.

Disclosure in respect of Gratuity ,Compensated Absences and Superannuation:

Particulars	**2021-2022**	**2020-2021**	**2021-2022**	**2020-2021**	**2021-2022**	**2020-2021**
	Gratuity		**Compensated Absences**		**Superannuation**	
Reconciliation of liability recognised in the Balance Sheet:						
Present Value of commitments (as per Actuarial valuation)	51.78	46.02	16.57	15.46	60.92	59.59
Fair value of plan assets	-	-	-	-	-	-
Net liability in the Balance sheet (as per Actuarial valuation)	**51.78**	**46.02**	**16.57**	**15.46**	**60.92**	**59.59**
Movement in net liability recognised in the Balance Sheet:						
Net liability as at the beginning of the year	46.02	56.15	15.46	21.68	59.59	114.76
Amount (paid) during the year/Transfer adjustment	(4.87)	(7.62)	-	-	-	-
Net expenses recognised / (reversed) in the Statement of Profit and Loss	9.25	8.62	1.21	(5.94)	4.17	(53.12)
Actuarial changes arising from changes in Demographic assumptions	-	-	-	-	-	-
Actuarial changes arising from changes in financial assumptions	(2.42)	(6.05)	(0.01)	(0.04)	(1.18)	(1.31)
Experience adjustments	3.80	(5.08)	(0.09)	(0.24)	(1.66)	(0.74)
Net liability as at the end of the year	**51.78**	**46.02**	**16.57**	**15.46**	**60.92**	**59.59**
Expenses recognised in the Statement of Profit and Loss:						
Current service cost	5.91	5.56	2.62	2.47	-	2.87
Past service cost	-	-	-	-	-	(63.79)
Interest Cost	3.34	3.06	1.12	1.08	4.17	7.80
Actuarial (gains) / losses	-	-	(2.53)	(9.49)	-	-
Expenses charged / (reversal) to the Statement of Profit and Loss	**9.25**	**8.62**	**1.21**	**(5.94)**	**4.17**	**(53.12)**
Return on Plan assets:						
Actuarial (gains) / losses	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
Actual return on plan assets	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.

Particulars	2021-2022	2020-2021	2021-2022	2020-2021	2021-2022	2020-2021
	Gratuity		Compensated Absences		Superannuation	
Reconciliation of defined-benefit commitments:						
Commitments as at the beginning of the year	46.02	56.15	15.46	21.68	59.59	114.76
Current service cost	5.91	5.56	2.62	2.47	-	2.87
Past service cost	-	-	-	-	-	(63.79)
Interest cost	3.34	3.06	1.12	1.08	4.17	7.80
(Paid benefits)	(4.87)	(7.62)	-	-	-	-
Actuarial (gains) / losses	-	-	(2.53)	(9.49)	-	-
Actuarial changes arising from changes in Demographic assumptions	-	-	-	-	-	-
Actuarial changes arising from changes in financial assumptions	(2.42)	(6.05)	(0.01)	(0.04)	(1.18)	(1.31)
Experience adjustments	3.80	(5.08)	(0.09)	(0.24)	(1.66)	(0.74)
Commitments as at the end of the year	**51.78**	**46.02**	**16.57**	**15.46**	**60.92**	**59.59**
Reconciliation of Plan assets:						
Plan assets as at the beginning of the year	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
Contributions during the year	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
Paid benefits	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
Actuarial (gains) / losses	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
Plan assets as at the end of the year	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.

N.A - not applicable

The actuarial calculations used to estimate commitments and expenses in respect of unfunded Gratuity, Compensated absences and Superannuation (Pension & Medical coverage) are based on the following assumptions which if changed, would affect the commitment's size, funding requirements and expenses:

Particulars	Gratuity (Unfunded)		Compensated Absences (Unfunded)		Superannuation (Unfunded)	
	2021-2022	2020-2021	2021-2022	2020-2021	2021-2022	2020-2021
Discount Rate	7.18%	6.79%	7.18%	6.79%	7.18%	7.00%
Expected Return on plan assets	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
Expected rate of salary increase	5.00%	5.00%	5.00%	5.00%	0.00%	0.00%
Mortality	IALM (2012-14)	IALM (2012-14)	IALM (2012-14)	IALM (2012-14)	IALM (2012-14)	IALM (2012-14)
Retirement Age (Years)	60	60	60	60	60	60

N.A - not applicable

The Group's best estimate of contributions expected to be paid during the annual period beginning after the Balance Sheet date, towards Gratuity, Compensated Absences and Superannuation is Rs. 11.21 Crore (Previous Year Rs. 9.35 Crore) Rs. 4.38 Crore (Previous Year Rs. 3.62 Crore) and Rs. 4.37 Crore (Previous Year Rs. 4.05 Crore) respectively.

A quantitative sensitivity analysis for significant assumption is as shown below:

Gratuity

	March 31, 2022		March 31, 2021	
Assumptions	Discount rate			
Sensitivity Level	0.5% increase	0.5% decrease	0.5% increase	0.5% decrease
Impact on defined benefit obligation	(3.33)	3.21	(2.92)	3.19

(All amount in Rs. in Crore, except for share data unless stated otherwise)

Gratuity

	March 31, 2022		March 31, 2021	
Assumptions	Future salary increases			
Sensitivity Level	0.5% increase	0.5% decrease	0.5% increase	0.5% decrease
Impact on defined benefit obligation	3.26	(3.40)	3.24	(2.99)

Leave Encashment

	March 31, 2022		March 31, 2021	
Assumptions	Discount rate			
Sensitivity Level	0.5% increase	0.5% decrease	0.5% increase	0.5% decrease
Impact on defined benefit obligation	(1.01)	1.13	(0.99)	1.07

Leave Encashment

	March 31, 2022		March 31, 2021	
Assumptions	Future salary increases			
Sensitivity Level	0.5% increase	0.5% decrease	0.5% increase	0.5% decrease
Impact on defined benefit obligation	1.15	(1.02)	1.10	(1.00)

Superannuation

	March 31, 2022		March 31, 2021	
Assumptions	Discount rate			
Sensitivity Level	0.5% increase	0.5% decrease	0.5% increase	0.5% decrease
Impact on defined benefit obligation	(4.08)	4.02	(4.08)	4.02

Superannuation

	March 31, 2022		March 31, 2021	
Assumptions	Future salary increases			
Sensitivity Level	0.5% increase	0.5% decrease	0.5% increase	0.5% decrease
Impact on defined benefit obligation	-	-	-	-

The following payments are expected contributions to the defined benefit plan in future years:

	Gratuity		Leave Encashment		Superannuation	
Expected payment for future years	**March 31, 2022**	**March 31, 2021**	**March 31, 2022**	**March 31, 2021**	**March 31, 2022**	**March 31, 2021**
Within the next 12 months (next annual reporting period)	2.65	2.42	0.92	0.85	-	-
Between 1 and 2 years	0.98	0.78	0.32	0.27	-	-
Between 2 and 5 years	3.51	2.95	1.18	1.17	-	-
Between 5 and 6 years	1.24	0.86	0.38	0.26	-	-
Beyond 6 years	43.40	39.01	13.77	12.91	60.92	59.59
Total expected payments	**51.78**	**46.02**	**16.57**	**15.46**	**60.92**	**59.59**

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(31) Other expenses	Year ended March 31, 2022	Year ended March 31, 2021
Rent	5.41	7.53
Rates & Taxes Expenses	2.78	1.85
Repairs and maintenance	18.81	17.04
Communication Costs	5.04	6.80
Membership Fee	0.32	0.30
Printing and stationery	1.77	1.22
Advertisement and publicity	9.94	4.22
Fund expenses	4.62	10.18
Audit Fee(1)	3.57	3.07
Legal and Professional charges(1)	45.90	60.74
Subscription charges	0.24	0.74
CSR expenses(2)	62.33	83.23
Director's fees	0.14	0.19
Travelling and Conveyance	5.84	2.23
Stamp Duty	1.05	4.13
Recruitment Expenses	0.53	0.01
Service Charges	0.01	0.01
Business Promotion	0.80	0.26
Loss on sale of Property, plant and equipment	0.02	3.48
Commission & Brokerage	4.92	6.21
Electricity and water	5.11	4.84
Miscellaneous Expenses	7.85	4.72
Total	**187.00**	**223.00**

(1) Fees paid to the auditors include:

	Year ended March 31, 2022	Year ended March 31, 2021
As auditor		
Audit Fee	3.57	3.07
Certification fee*	0.55	2.06
Others*	1.91	-
***Included in Legal and Professional Charges**	**6.03**	**5.13**

(2) Corporate Social Responsibility:-

Particulars	**For the year ended March 31, 2022**	**For the year ended March 31, 2021**
Gross amount required to be spent by the company during the year	62.33	83.23
Amount spent during the year	62.33	83.23
Shortfall at the end of the year	-	-

Nature of CSR activities:	Jan Swasthya Kalyan Vahika (JSK)- Mobile Medical Vans	Jan Swasthya Kalyan Vahika (JSK)- Mobile Medical Vans
	Indiabulls Foundation Charitable Clinics	Indiabulls Foundation Charitable Clinics
	Community Health Check-up Camps	Nutrition – Poshtik Ahar
	IBF Scholarship Programme	Sanitation- Kumud
	COVID Care Relief Programme	Renewable Energy Projects- Solar Energy
	Free Distribution of Medicines including Health care Services	Water Wheel Projects
		Community Health Check-up Camps
		IBF Scholarship Programme
		Sports Excellence Programme
		HDFC Cancer Fund
		Free Distribution of Medicines including Health care Services

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(32) Tax Expenses

The Group has recognised provision for Income Tax for the year ended March 31, 2022 and re-measured its Deferred Tax asset/liability basis the rate applicable to the respective entities in the Group. The major components of income tax expense for the year ended March 31, 2022 and March 31, 2021 are:

Profit or loss section	**Year ended March 31, 2022**	**Year ended March 31, 2021**
Current income tax:		
Current income tax charge	63.64	63.93
Adjustments in respect of current income tax of previous year	(1.16)	(1.09)
Deferred tax:		
Relating to origination and reversal of temporary differences	315.55	297.23
Income tax expense reported in the statement of profit or loss	**378.03**	**360.07**

Reconciliation of tax expense and the accounting profit multiplied by India's domestic tax rate for March 31, 2022:

Particulars	**Year ended March 31, 2022**	**Year ended March 31, 2021**
Accounting profit before tax from continuing operations	1,555.77	1,561.66
Profit/(loss) before tax from a discontinued operation	-	-
Accounting profit before income tax	**1,555.77**	**1,561.66**
Tax at statutory Income Tax rate	398.44	397.76
Tax on Expenses / deductions Allowed/Disallowed in Income tax Act	(20.41)	(37.69)
Tax on Expenses allowed/disallowed in income Tax Act	2.64	(44.83)
Deduction u/s 36(i)(viii)	-	(12.97)
Net Addition/deduction u/s 36(i)(viia)	16.55	19.38
Income Exempt for Tax Purpose	(0.05)	(0.10)
Long Term Capital Gain on Sale of Investments	(45.71)	(0.80)
Others	6.16	1.63
Tax expenses (a)	378.03	360.07
Tax on Other comprehensive income (b)	32.20	(215.07)
Total tax expenses for the comprehensive income (a+b)	**410.23**	**145.00**

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Deferred Tax
The following table shows deferred tax recorded in the balance sheet and changes recorded in the Statement of Profit and Loss and Other Comprehensive Income:

Particulars	Deferred tax assets	Deferred tax liabilities	Income statement	OCI	Others
	As at March 31, 2022	As at March 31, 2022	Year ended March 31, 2022	Year ended March 31, 2022	Year ended March 31, 2022
Depreciation	50.73	-	12.55	-	-
Impairment allowance for financial assets	570.65	-	(465.68)	-	260.92
Fair value of financial instruments held for trading	2.21	0.40	4.71	-	-
Remeasurement gain / (loss) on defined benefit plan	32.53	-	2.44	(0.37)	-
Impact on Borrowings using effective rate of interest	-	27.66	7.76	-	-
Gain / loss on equity instrument designated at FVOCI	45.17	-	-	(11.45)	53.25
Derivative instruments in cash flow hedge relationship	122.46	-	-	(20.38)	-
Disallowance under section 35DD of the Income Tax Act,1961	-	-	-	-	-
Impact on Loans using Effective Rate of Interest	2.78	-	(3.56)	-	-
Provision for diminution in value of investment	0.48	-	-	-	-
Difference between accounting income and taxable income on investments	-	18.33	(11.12)	-	-
Provision for bad debts under section 36(1)(viia) of the Income Tax Act,1961	-	2.88	0.31	-	-
Share based payments	28.02	-	-	-	-
Impact on account of EIS and Servicing assets/liability	-	159.72	28.31	-	-
Right of use assets	0.09	-	0.05	-	-
Other temporary differences	-	90.90	108.68	-	(80.81)
Total	**855.12**	**299.89**	**(315.55)**	**(32.20)**	**233.36**

Particulars	Deferred tax assets	Deferred tax liabilities	Income statement	OCI
	As at March 31, 2021	As at March 31, 2021	Year ended March 31, 2021	Year ended March 31, 2021
Depreciation	38.19	0.01	12.79	-
Impairment allowance for financial assets	780.48	-	(316.70)	-
Fair value of financial instruments held for trading	-	7.94	(62.23)	-
Remeasurement gain / (loss) on defined benefit plan	30.43	-	(14.77)	(3.32)
Impact on Borrowings using effective rate of interest	-	35.42	25.36	-
Gain / loss on equity instrument designated at FVOCI	-	(3.36)	-	156.77
Derivative instruments in Cash flow hedge relationship	142.84	-	-	61.62
Impact on Loans using Effective Rate of Interest	6.34	-	(7.73)	-
Provision for diminution in value of investment	0.48	-	(0.05)	-
Difference between accounting income and taxable income on investments	-	7.21	9.77	-
Provision for bad debts under section 36(1)(viia) of the Income Tax Act,1961	-	3.19	(1.00)	-
Share based payments	28.02	-	-	-
Impact on account of EIS and Servicing assets/liability	-	188.03	62.92	-
Right of use assets	0.04	-	(0.05)	-
Other temporary differences	-	118.76	(5.55)	-
Total	**1,026.82**	**357.20**	**(297.23)**	**215.07**

(All amount in Rs. in Crore, except for share data unless stated otherwise)

(33) Explanatory Notes

(i) Debentures (payable at par unless otherwise stated)(Secured unless otherwise stated) includes:*	**As at March 31, 2022**
9.10 % Redeemable Non convertible Debentures of Face value Rs. 1,000,000 each Redeemable on January 15, 2029	699.55
9.30 % Redeemable Non convertible Debentures of Face value Rs. 1,000,000 each Redeemable on November 22, 2028	999.06
8.75% Redeemable Non convertible Debentures of Face value Rs. 1000 each Redeemable on September 25, 2028	0.06
8.84% Redeemable Non convertible Debentures of Face value Rs. 1000 each Redeemable on September 25, 2028	12.07
9.10% Redeemable Non convertible Debentures of Face value Rs. 1000 each Redeemable on September 25, 2028	0.35
9.20% Redeemable Non convertible Debentures of Face value Rs. 1000 each Redeemable on September 25, 2028	13.58
8.90 % Redeemable Non convertible Debentures of Face value Rs. 1,000,000 each Redeemable on August 4, 2028	1,024.02
8.43 % Redeemable Non convertible Debentures of Face value Rs. 1,000,000 each Redeemable on February 23, 2028	24.98
8.43 % Redeemable Non convertible Debentures of Face value Rs. 1,000,000 each Redeemable on February 22, 2028	3,058.25
8.03 % Redeemable Non convertible Debentures of Face value Rs. 1,000,000 each Redeemable on September 8, 2027	1,448.89
8.75 % Redeemable Non convertible Debentures of Face value Rs. 1,000 each Redeemable on January 6, 2027	0.24
9.25 % Redeemable Non convertible Debentures of Face value Rs. 1,000 each Redeemable on January 6, 2027	9.38
8.43 % Redeemable Non convertible Debentures of Face value Rs. 1,000 each Redeemable on January 6, 2027	0.01
8.89 % Redeemable Non convertible Debentures of Face value Rs. 1,000 each Redeemable on January 6, 2027	9.25
4.50 % Foreign Currency Convertible Debentures of Face value $ 1,000 each Redeemable on September 28, 2026	1,082.04
8.65 % Redeemable Non convertible Debentures of Face value Rs. 1,000 each Redeemable on September 26, 2026	13.53
8.85 % Redeemable Non convertible Debentures of Face value Rs. 1,000 each Redeemable on September 26, 2026	978.16
9.00 % Redeemable Non convertible Debentures of Face value Rs. 1,000 each Redeemable on September 26, 2026	399.33
0.00 % Redeemable Non convertible Debentures of Face value Rs. 1,000 each Redeemable on September 26, 2026[1]	38.77
8.75 % Redeemable Non convertible Debentures of Face value Rs. 1,000 each Redeemable on September 24, 2026	120.17
9.25 % Redeemable Non convertible Debentures of Face value Rs. 1,000 each Redeemable on September 24, 2026	13.74
8.89 % Redeemable Non convertible Debentures of Face value Rs. 1,000 each Redeemable on September 24, 2026	10.27
8.90 % Redeemable Non convertible Debentures of Face value Rs. 1,000,000 each Redeemable on July 22, 2026	24.77
9.30 % Redeemable Non convertible Debentures of Face value Rs. 1,000,000 each Redeemable on June 30, 2026	197.10
9.00 % Redeemable Non convertible Debentures of Face value Rs. 1,000,000 each Redeemable on June 5, 2026	24.81
9.30 % Redeemable Non convertible Debentures of Face value Rs. 1,000,000 each Redeemable on May 29, 2026	24.71
9.30 % Redeemable Non convertible Debentures of Face value Rs. 1,000,000 each Redeemable on May 8, 2026	24.71
9.30 % Redeemable Non convertible Debentures of Face value Rs. 1,000,000 each Redeemable on April 29, 2026	204.97
9.30 % Redeemable Non convertible Debentures of Face value Rs. 1,000,000 each Redeemable on April 11, 2026	34.78
9.00 % Redeemable Non convertible Debentures of Face value Rs. 1,000,000 each Redeemable on March 13, 2026	24.81
4.50 % Foreign Currency Convertible Debentures of Face value $ 1,000 each Redeemable on March 4, 2026	1,123.19
9.30 % Redeemable Non convertible Debentures of Face value Rs. 1,000,000 each Redeemable on February 7, 2026	49.82
9.00 % Redeemable Non convertible Debentures of Face value Rs. 1,000,000 each Redeemable on December 31, 2025	9.93
9.30 % Redeemable Non convertible Debentures of Face value Rs. 1,000,000 each Redeemable on December 30, 2025	94.65
9.30 % Redeemable Non convertible Debentures of Face value Rs. 1,000,000 each Redeemable on November 20, 2025	169.03
10.00 % Redeemable Non convertible Debentures of Face value Rs. 1,000,000 each Redeemable on June 26, 2025	999.21
9.00 % Redeemable Non convertible Debentures of Face value Rs. 1,000,000 each Redeemable on May 19, 2025	24.83
8.12 % Redeemable Non convertible Debentures of Face value Rs. 1,000,000 each Redeemable on January 24, 2025	223.82
8.50 % Redeemable Non convertible Debentures of Face value Rs. 1,000 each Redeemable on January 6, 2025	0.19
9.00 % Redeemable Non convertible Debentures of Face value Rs. 1,000 each Redeemable on January 6, 2025	64.14
0.00 % Redeemable Non convertible Debentures of Face value Rs. 1,000 each Redeemable on January 6, 2025[1]	5.91

(All amount in Rs. in Crore, except for share data unless stated otherwise)

(i) Debentures (payable at par unless otherwise stated)(Secured unless otherwise stated) includes:*	**As at March 31, 2022**
8.20 % Redeemable Non convertible Debentures of Face value Rs. 1,000 each Redeemable on January 6, 2025	0.10
8.66 % Redeemable Non convertible Debentures of Face value Rs. 1,000 each Redeemable on January 6, 2025	8.56
9.20 % Redeemable Non convertible Debentures of Face value Rs. 1,000,000 each Redeemable on December 31, 2024	24.84
9.20 % Redeemable Non convertible Debentures of Face value Rs. 1,000,000 each Redeemable on December 16, 2024	24.84
8.50 % Redeemable Non convertible Debentures of Face value Rs. 1,000 each Redeemable on September 24, 2024	137.21
9.00 % Redeemable Non convertible Debentures of Face value Rs. 1,000 each Redeemable on September 24, 2024	20.07
0.00 % Redeemable Non convertible Debentures of Face value Rs. 1,000 each Redeemable on September 24, 2024(1)	9.24
8.20 % Redeemable Non convertible Debentures of Face value Rs. 1,000 each Redeemable on September 24, 2024	0.10
8.66 % Redeemable Non convertible Debentures of Face value Rs. 1,000 each Redeemable on September 24, 2024	9.93
10.15 % Redeemable Non convertible Debentures of Face value Rs. 1,000,000 each Redeemable on June 30, 2024	24.78
10.15 % Redeemable Non convertible Debentures of Face value Rs. 1,000,000 each Redeemable on June 5, 2024	24.79
8.35 % Redeemable Non convertible Debentures of Face value Rs. 1,000 each Redeemable on January 6, 2024	407.90
8.75 % Redeemable Non convertible Debentures of Face value Rs. 1,000 each Redeemable on January 6, 2024	15.11
0.00 % Redeemable Non convertible Debentures of Face value Rs. 1,000 each Redeemable on January 6, 2024(1)	5.08
8.05 % Redeemable Non convertible Debentures of Face value Rs. 1,000 each Redeemable on January 6, 2024	-
8.42 % Redeemable Non convertible Debentures of Face value Rs. 1,000 each Redeemable on January 6, 2024	7.38
10.20 % Redeemable Non convertible Debentures of Face value Rs. 1,000,000 each Redeemable on December 24, 2023	24.67
10.80 % Redeemable Non convertible Debentures of Face value Rs. 1,000,000 each Redeemable on November 21, 2023	399.52
10.25 % Redeemable Non convertible Debentures of Face value Rs. 1,000,000 each Redeemable on October 8, 2023	24.80
8.66% Redeemable Non convertible Debentures of Face value Rs. 1000 each Redeemable on September 25, 2023	20.56
8.90% Redeemable Non convertible Debentures of Face value Rs. 1000 each Redeemable on September 25, 2023	0.90
9.00% Redeemable Non convertible Debentures of Face value Rs. 1000 each Redeemable on September 25, 2023	74.53
8.35 % Redeemable Non convertible Debentures of Face value Rs. 1,000 each Redeemable on September 24, 2023	276.28
8.75 % Redeemable Non convertible Debentures of Face value Rs. 1,000 each Redeemable on September 24, 2023	155.77
0.00 % Redeemable Non convertible Debentures of Face value Rs. 1,000 each Redeemable on September 24, 2023(1)	7.61
8.05 % Redeemable Non convertible Debentures of Face value Rs. 1,000 each Redeemable on September 24, 2023	0.10
8.42 % Redeemable Non convertible Debentures of Face value Rs. 1,000 each Redeemable on September 24, 2023	9.21
11.25 % Redeemable Non convertible Debentures of Face value Rs. 1,000,000 each Redeemable on August 29, 2023	998.60
9.30 % Redeemable Non convertible Debentures of Face value Rs. 1,000,000 each Redeemable on July 28, 2023	203.02
9.05% Redeemable Non convertible Debentures of Face value Rs.1,000,000 each Redeemable on July 07, 2023	39.86
9.35 % Redeemable Non convertible Debentures of Face value Rs. 1,000,000 each Redeemable on May 30, 2023	99.79
9.10 % Redeemable Non convertible Debentures of Face value Rs. 1,000,000 each Redeemable on May 18, 2023	1,006.39
9.10 % Redeemable Non convertible Debentures of Face value Rs. 1,000,000 each Redeemable on April 28, 2023	199.94
10.00 % Redeemable Non convertible Debentures of Face value Rs. 1,000,000 each Redeemable on March 25, 2023	4.98
10.00 % Redeemable Non convertible Debentures of Face value Rs. 1,000,000 each Redeemable on March 19, 2023	99.11
10.00 % Redeemable Non convertible Debentures of Face value Rs. 1,000,000 each Redeemable on February 26, 2023	24.89
10.20 % Redeemable Non convertible Debentures of Face value Rs. 1,000,000 each Redeemable on January 16, 2023	34.73
10.00 % Redeemable Non convertible Debentures of Face value Rs. 1,000,000 each Redeemable on December 31, 2022	49.76
8.12 % Redeemable Non convertible Debentures of Face value Rs. 1,000,000 each Redeemable on December 29, 2022	997.10

(All amount in Rs. in Crore, except for share data unless stated otherwise)

(i) Debentures (payable at par unless otherwise stated)(Secured unless otherwise stated) includes:*	**As at March 31, 2022**
10.00 % Redeemable Non convertible Debentures of Face value Rs. 1,000,000 each Redeemable on December 18, 2022	14.94
9.30 % Redeemable Non convertible Debentures of Face value Rs. 1,000,000 each Redeemable on November 20, 2022	9.98
10.00 % Redeemable Non convertible Debentures of Face value Rs. 1,000,000 each Redeemable on November 19, 2022	14.94
7.77 % Redeemable Non convertible Debentures of Face value Rs. 1,000,000 each Redeemable on November 7, 2022	289.26
10.00 % Redeemable Non convertible Debentures of Face value Rs. 1,000,000 each Redeemable on November 6, 2022	14.94
7.82 % Redeemable Non convertible Debentures of Face value Rs. 1,000,000 each Redeemable on July 25, 2022	99.88
10.70 % Redeemable Non convertible Debentures of Face value Rs. 1,000,000 each Redeemable on July 6, 2022	19.98
10.95 % Redeemable Non convertible Debentures of Face value Rs. 1,000,000 each Redeemable on June 28, 2022	799.19
6.38 % Redeemable Non convertible Debentures of Face value $ 1,000 each Redeemable on May 28, 2022	2,649.13
9.07 % Redeemable Non convertible Debentures of Face value Rs. 1,000,000 each Redeemable on April 6, 2022	999.97
	23,665.34

(1) Redeemable at premium
*Debentures are secured against Immovable Property / Other financial Assets and pool of Current and Future Loan Receivables of the Group (Including Investments).

(i) Debentures (payable at par unless otherwise stated)(Secured unless otherwise stated) includes:*	**As at March 31, 2021**
9.10 % Redeemable Non convertible Debentures of Face value Rs. 1,000,000 each Redeemable on January 15, 2029	699.55
9.30 % Redeemable Non convertible Debentures of Face value Rs. 1,000,000 each Redeemable on November 22, 2028	999.06
8.75% Redeemable Non convertible Debentures of Face value Rs. 1000 each Redeemable on September 25, 2028	0.06
8.84% Redeemable Non convertible Debentures of Face value Rs. 1000 each Redeemable on September 25, 2028	12.03
9.10% Redeemable Non convertible Debentures of Face value Rs. 1000 each Redeemable on September 25, 2028	0.34
9.20% Redeemable Non convertible Debentures of Face value Rs. 1000 each Redeemable on September 25, 2028	13.53
8.90 % Redeemable Non convertible Debentures of Face value Rs. 1,000,000 each Redeemable on August 4, 2028	1,024.00
8.43 % Redeemable Non convertible Debentures of Face value Rs. 1,000,000 each Redeemable on February 23, 2028	24.97
8.43 % Redeemable Non convertible Debentures of Face value Rs. 1,000,000 each Redeemable on February 22, 2028	3,059.04
8.03 % Redeemable Non convertible Debentures of Face value Rs. 1,000,000 each Redeemable on September 8, 2027	1,448.89
8.65 % Redeemable Non convertible Debentures of Face value Rs. 1,000,000 each Redeemable on September 26, 2026	13.51
8.85 % Redeemable Non convertible Debentures of Face value Rs. 1,000,000 each Redeemable on September 26, 2026	976.13
9.00 % Redeemable Non convertible Debentures of Face value Rs. 1,000,000 each Redeemable on September 26, 2026	398.50
0.00 % Redeemable Non convertible Debentures of Face value Rs. 1,000,000 each Redeemable on September 26, 2026(1)	35.50
8.90 % Redeemable Non convertible Debentures of Face value Rs. 1,000,000 each Redeemable on July 22, 2026	24.73
9.30 % Redeemable Non convertible Debentures of Face value Rs. 1,000,000 each Redeemable on June 30, 2026	196.61
9.00 % Redeemable Non convertible Debentures of Face value Rs. 1,000,000 each Redeemable on June 5, 2026	24.78
9.30 % Redeemable Non convertible Debentures of Face value Rs. 1,000,000 each Redeemable on May 29, 2026	24.65
9.30 % Redeemable Non convertible Debentures of Face value Rs. 1,000,000 each Redeemable on May 8, 2026	24.66
9.30 % Redeemable Non convertible Debentures of Face value Rs. 1,000,000 each Redeemable on April 29, 2026	204.59
9.30 % Redeemable Non convertible Debentures of Face value Rs. 1,000,000 each Redeemable on April 11, 2026	34.74
9.00 % Redeemable Non convertible Debentures of Face value Rs. 1,000,000 each Redeemable on March 13, 2026	24.77

Indiabulls Housing Finance Limited
Notes to Consolidated Financial Statements for the year ended March 31, 2022
(All amount in Rs. in Crore, except for share data unless stated otherwise)

(i) Debentures (payable at par unless otherwise stated)(Secured unless otherwise stated) includes:*	As at March 31, 2021
4.50 % Redeemable Non convertible Debentures of Face value $ 1,000 each Redeemable on March 4, 2026	1,091.99
9.30 % Redeemable Non convertible Debentures of Face value Rs. 1,000,000 each Redeemable on February 7, 2026	49.79
9.00 % Redeemable Non convertible Debentures of Face value Rs. 1,000,000 each Redeemable on December 31, 2025	9.92
9.30 % Redeemable Non convertible Debentures of Face value Rs. 1,000,000 each Redeemable on December 30, 2025	94.59
9.30 % Redeemable Non convertible Debentures of Face value Rs. 1,000,000 each Redeemable on November 20, 2025	168.85
10.00 % Redeemable Non convertible Debentures of Face value Rs. 1,000,000 each Redeemable on June 26, 2025	999.21
9.00 % Redeemable Non convertible Debentures of Face value Rs. 1,000,000 each Redeemable on May 19, 2025	24.79
8.12 % Redeemable Non convertible Debentures of Face value Rs. 1,000,000 each Redeemable on January 24, 2025	223.49
9.20 % Redeemable Non convertible Debentures of Face value Rs. 1,000,000 each Redeemable on December 31, 2024	24.80
9.20 % Redeemable Non convertible Debentures of Face value Rs. 1,000,000 each Redeemable on December 16, 2024	24.80
10.15 % Redeemable Non convertible Debentures of Face value Rs. 1,000,000 each Redeemable on June 30, 2024	24.71
10.15 % Redeemable Non convertible Debentures of Face value Rs. 1,000,000 each Redeemable on June 5, 2024	24.72
10.20 % Redeemable Non convertible Debentures of Face value Rs. 1,000,000 each Redeemable on December 24, 2023	24.52
10.80 % Redeemable Non convertible Debentures of Face value Rs. 1,000,000 each Redeemable on November 21, 2023	399.52
10.25 % Redeemable Non convertible Debentures of Face value Rs. 1,000,000 each Redeemable on October 8, 2023	24.70
8.66% Redeemable Non convertible Debentures of Face value Rs. 1000 each Redeemable on September 25, 2023	20.45
8.90% Redeemable Non convertible Debentures of Face value Rs. 1000 each Redeemable on September 25, 2023	0.90
9.00% Redeemable Non convertible Debentures of Face value Rs. 1000 each Redeemable on September 25, 2023	74.17
11.25 % Redeemable Non convertible Debentures of Face value Rs. 1,000,000 each Redeemable on August 29, 2023	998.60
9.30 % Redeemable Non convertible Debentures of Face value Rs. 1,000,000 each Redeemable on July 28, 2023	248.10
9.05% Redeemable Non convertible Debentures of Face value Rs.1,000,000 each Redeemable on July 07, 2023	39.79
8.85 % Redeemable Non convertible Debentures of Face value Rs. 1,000,000 each Redeemable on June 5, 2023	99.62
9.35 % Redeemable Non convertible Debentures of Face value Rs. 1,000,000 each Redeemable on May 30, 2023	99.67
9.10 % Redeemable Non convertible Debentures of Face value Rs. 1,000,000 each Redeemable on May 18, 2023	988.24
9.10 % Redeemable Non convertible Debentures of Face value Rs. 1,000,000 each Redeemable on April 28, 2023	199.94
10.00 % Redeemable Non convertible Debentures of Face value Rs. 1,000,000 each Redeemable on March 25, 2023	4.96
10.00 % Redeemable Non convertible Debentures of Face value Rs. 1,000,000 each Redeemable on March 19, 2023	98.29
10.00 % Redeemable Non convertible Debentures of Face value Rs. 1,000,000 each Redeemable on February 26, 2023	24.79
10.20 % Redeemable Non convertible Debentures of Face value Rs. 1,000,000 each Redeemable on January 16, 2023	34.45
10.00 % Redeemable Non convertible Debentures of Face value Rs. 1,000,000 each Redeemable on December 31, 2022	49.52
8.12 % Redeemable Non convertible Debentures of Face value Rs. 1,000,000 each Redeemable on December 29, 2022	994.26
10.00 % Redeemable Non convertible Debentures of Face value Rs. 1,000,000 each Redeemable on December 18, 2022	14.88
9.30 % Redeemable Non convertible Debentures of Face value Rs. 1,000,000 each Redeemable on November 20, 2022	9.96
10.00 % Redeemable Non convertible Debentures of Face value Rs. 1,000,000 each Redeemable on November 19, 2022	14.87
7.77 % Redeemable Non convertible Debentures of Face value Rs. 1,000,000 each Redeemable on November 7, 2022	288.43

(All amount in Rs. in Crore, except for share data unless stated otherwise)

(i) Debentures (payable at par unless otherwise stated)(Secured unless otherwise stated) includes:*	**As at March 31, 2021**
10.00 % Redeemable Non convertible Debentures of Face value Rs. 1,000,000 each Redeemable on November 6, 2022	14.88
7.82 % Redeemable Non convertible Debentures of Face value Rs. 1,000,000 each Redeemable on July 25, 2022	99.71
10.70 % Redeemable Non convertible Debentures of Face value Rs. 1,000,000 each Redeemable on July 6, 2022	19.98
10.95 % Redeemable Non convertible Debentures of Face value Rs. 1,000,000 each Redeemable on June 28, 2022	799.19
6.38 % Redeemable Non convertible Debentures of Face value $ 1,000 each Redeemable on May 28, 2022	2,563.76
9.07 % Redeemable Non convertible Debentures of Face value Rs. 1,000,000 each Redeemable on April 6, 2022	999.97
10.75 % Redeemable Non convertible Debentures of Face value Rs. 1,000,000 each Redeemable on April 3, 2022	124.99
9.07 % Redeemable Non convertible Debentures of Face value Rs. 1,000,000 each Redeemable on March 30, 2022	264.97
9.00 % Redeemable Non convertible Debentures of Face value Rs. 1,000,000 each Redeemable on March 29, 2022	623.74
9.07 % Redeemable Non convertible Debentures of Face value Rs. 1,000,000 each Redeemable on March 22, 2022	159.99
9.07 % Redeemable Non convertible Debentures of Face value Rs. 1,000,000 each Redeemable on March 21, 2022	599.98
10.15 % Redeemable Non convertible Debentures of Face value Rs. 1,000,000 each Redeemable on February 27, 2022	499.81
9.00 % Redeemable Non convertible Debentures of Face value Rs. 1,000,000 each Redeemable on January 3, 2022	149.53
9.58 % Redeemable Non convertible Debentures of Face value Rs. 1,000,000 each Redeemable on December 31, 2021	62.37
9.00 % Redeemable Non convertible Debentures of Face value Rs. 1,000,000 each Redeemable on December 30, 2021	248.50
9.00 % Redeemable Non convertible Debentures of Face value Rs. 1,000,000 each Redeemable on December 24, 2021	323.57
9.00 % Redeemable Non convertible Debentures of Face value Rs. 1,000,000 each Redeemable on December 10, 2021	199.97
10.70 % Redeemable Non convertible Debentures of Face value Rs. 1,000,000 each Redeemable on November 22, 2021	99.88
8.00 % Redeemable Non convertible Debentures of Face value Rs. 1,000,000 each Redeemable on October 22, 2021	29.98
8.75 % Redeemable Non convertible Debentures of Face value Rs. 1000 each Redeemable on September 26, 2021	2,344.55
8.90 % Redeemable Non convertible Debentures of Face value Rs. 1,000,000 each Redeemable on September 26, 2021	914.19
0.00 % Redeemable Non convertible Debentures of Face value Rs. 1,000,000 each Redeemable on September 26, 2021(1)	10.92
Redeemable (at premium) Non convertible Debentures of Face value Rs. 1000 each Redeemable on September 25, 2021	0.09
Redeemable (at premium) Non convertible Debentures of Face value Rs. 1000 each Redeemable on September 25, 2021	23.57
8.80% Redeemable Non convertible Debentures of Face value Rs. 1000 each Redeemable on September 25, 2021	899.03
8.90% Redeemable Non convertible Debentures of Face value Rs. 1000 each Redeemable on September 25, 2021	18.80
10.65 % Redeemable Non convertible Debentures of Face value Rs. 1,000,000 each Redeemable on September 7, 2021	499.34
8.80 % Redeemable Non convertible Debentures of Face value Rs. 1,000,000 each Redeemable on August 11, 2021	9.99
8.00 % Redeemable Non convertible Debentures of Face value Rs. 1,000,000 each Redeemable on July 9, 2021	109.92
10.75% Redeemable Non convertible Debentures of Face value Rs. 1,000,000 each Redeemable on June 29, 2021	-
8.40 % Redeemable Non convertible Debentures of Face value Rs. 1,000,000 each Redeemable on June 22, 2021	211.26
8.39 % Redeemable Non convertible Debentures of Face value Rs. 1,000,000 each Redeemable on June 15, 2021	213.99
9.00 % Redeemable Non convertible Debentures of Face value Rs. 1,000,000 each Redeemable on June 7, 2021	14.98
9.00 % Redeemable Non convertible Debentures of Face value Rs. 1,000,000 each Redeemable on May 29, 2021	9.99
9.30 % Redeemable Non convertible Debentures of Face value Rs. 1,000,000 each Redeemable on May 21, 2021	24.98
9.30 % Redeemable Non convertible Debentures of Face value Rs. 1,000,000 each Redeemable on May 10, 2021	24.98
9.30 % Redeemable Non convertible Debentures of Face value Rs. 1,000,000 each Redeemable on April 12, 2021	24.99
0.00 % Redeemable Non convertible Debentures of Face value Rs. 1,000,000 each Redeemable on April 8, 2021(1)	124.80
8.03 % Redeemable Non convertible Debentures of Face value Rs. 1,000,000 each Redeemable on April 6, 2021	75.00
	30,219.07

(1) Redeemable at premium
*Redeemable Non-Convertible Debentures are secured against Immovable Property / Other financial Assets and pool of Current and Future Loan Receivables of the Group (Including Investments).

(All amount in Rs. in Crore, except for share data unless stated otherwise)

(ii) Term Loan from banks includes as at March 31, 2022*:	**As at March 31, 2022**
Term Loan taken from Bank(s). These loans are repayable in monthly installment with moratorium period of 12 month from the date of disbursement. The balance tenure for these loan is 50 months (average) from the Balance Sheet.[1]	624.55
Term Loan taken from Bank. This loan is repayable in half yearly installment after the moratorium of 3 years from the date of disbursement. The balance tenure for this loan is 9 months from the Balance Sheet.[1]	499.97
Term Loan taken from Bank(s). These loans are repayable in quarterly installment with moratorium period of 3 months from the date of disbursement. The balance tenure for these loan is 57 months (average) from the Balance Sheet.[1]	1,328.23
Term Loan taken from Bank. This loan is repayable in quarterly installment with moratorium period of 1 years from the date of disbursement. The balance tenure for this loan is 9 months from the Balance Sheet.[1]	312.38
Term Loan taken from Bank(s). These loans are repayable in quarterly installment with moratorium period of 6 month from the date of disbursement. The balance tenure for these loan is 66 months (average) from the Balance Sheet.[1]	2,327.26
Term Loan taken from Bank(s). These loans are repayable in yearly installment with the moratorium period of 2 years from the date of disbursement. The balance tenure for these loan is 29 months (average) from the Balance Sheet.[1]	930.02
Term Loan taken from Bank(s). These loans are repayable in bullet at the end of the tenure from the date of disbursement. The balance tenure for these loan is 12 months (average) from the Balance Sheet.[(2)&(3)]	2,563.88
Term Loan taken from Bank. This loan is repayable in yearly installment after the moratorium period of 1 years from the date of disbursement. The balance tenure for this loan is 5 months from the Balance Sheet.[1]	333.33
Term Loan taken from Bank. This loan is repayable in monthly installment from the date of disbursement. The balance tenure for this loan is 3 months from the Balance Sheet.[1]	14.99
Term Loan taken from Bank(s). These loans are repayable in quarterly installment from the date of disbursement. The balance tenure for these loan is 47 months (average) from the Balance Sheet.[1]	3,415.43
Term Loan taken from Bank. This loan is repayable in half yearly installment from the date of disbursement. The balance tenure for this loan is 3 months from the Balance Sheet.[1]	65.62
Term Loan taken from Bank. This loan is repayable in yearly installment with the moratorium period of 4 years from the date of disbursement. The balance tenure for this loan is 42 months from the Balance Sheet.[1]	399.98
Term Loan taken from Bank(s). These loans are repayable in yearly installment with the moratorium period of 3 years from the date of disbursement. The balance tenure for these loan is 12 months (average) from the Balance Sheet.[1]	2,059.67
Term Loan taken from Bank(s). These loans are repayable in half yearly installment with the moratorium period of 1 years from the date of disbursement. The balance tenure for these loan is 13 months (average) from the Balance Sheet.[1]	624.82
Term Loan taken from Bank. This loan is repayable in half yearly installment with the moratorium period of 6 months from the date of disbursement. The balance tenure for this loan is 49 months from the Balance Sheet.[1]	149.64
Term Loans taken from financial institution. These loans are repayable in half yearly instalments. The average balance tenure for these loans is 25 months from the Balance Sheet date.	221.50
Term Loan taken from Bank. This loan is repayable in quarterly instalments with moratorium period of 3 month from the date of disbursement. The balance tenure for this loan is 15 months from the Balance Sheet date.	143.71
Term Loan taken from Banks. These loans are repayable in quarterly instalments from the date of disbursement. The average balance tenure for these loans is 51 months from the Balance Sheet date.	340.00
Term Loan taken from Banks. These loans are repayable in yearly instalments with the moratorium period of 3 years from the date of disbursement. The average balance tenure for these loans is 10 months from the Balance Sheet date.	464.97
Term Loan taken from Banks. These loans are repayable in yearly instalments with the moratorium period of 2 years from the date of disbursement. The average balance tenure for these loans is 8 months from the Balance Sheet date.	565.31
Term Loan taken from Bank(s), These loans are repayable in quarterly instalment with moratorium period of 6 months from the date of disbursement. The average balance tenure for these loans is 60 months from the Balance Sheet date.	229.24

(All amount in Rs. in Crore, except for share data unless stated otherwise)

(ii) Term Loan from banks includes as at March 31, 2022*:	**As at March 31, 2022**
Term Loan taken from Other, This loan is repayable within 36 months from the date of disbursement of loan.	454.70
	18,069.20

(1) Linked to base rate / MCLR of respective lenders
(2) Linked to Libor
(3) Includes External commercial borrowings from banks.
*Secured by hypothecation of Loan Receivables(Current and Future) / Other financial Assets / Cash and Cash Equivalents of the Group (including investments).

(ii) Term Loan from banks includes as at March 31, 2021*:	**As at March 31, 2021**
Term Loan taken from Bank. This loan is repayable in monthly installment with moratorium period of 12 month from the date of disbursement. The balance tenure for this loan is 52 months from the Balance Sheet.[1]	523.79
Term Loan taken from Bank. This loan is repayable in half yearly installment after the moratorium of 3 years from the date of disbursement. The balance tenure for this loan is 22 months from the Balance Sheet.[1]	999.94
Term Loan taken from Bank(s), These loans are repayable in quarterly installment with moratorium period of 1 years from the date of disbursement. These loan are secured by hypothecation of loan receivables of the company. The balance tenure for these loans is 11 months(average) from the Balance Sheet.[1]	942.43
Term Loan taken from Bank(s). These loans are repayable in quarterly installment with moratorium period of 6 month from the date of disbursement. The balance tenure for these loans is 61 months(average) from the Balance Sheet.[1]	1,642.28
Term Loan taken from Bank(s). These loans are repayable in yearly installment with the moratorium period of 2 years from the date of disbursement. The balance tenure for these loans is 18 months(average) from the Balance Sheet.[1]	1,997.72
Term Loan taken from Bank(s). These loans are repayable in bullet at the end of the tenure from the date of disbursement. The balance tenure for these loans is 20 months(average) from the Balance Sheet.[(2) & (3)]	3,802.19
Term Loan taken from Bank. This loan is repayable in yearly instalment after the moratorium period of 1 years from the date of disbursement. The balance tenure for this loan is 17 months from the Balance Sheet.[1]	666.67
Term Loan taken from Bank(s). These loans are repayable in monthly instalment from the date of disbursement. The balance tenure for these loans is 14 months(average) from the Balance Sheet.[1]	73.32
Term Loan taken from Bank(s). These loans are repayable in quarterly instalment from the date of disbursement. The balance tenure for these loans is 57 months(average) from the Balance Sheet.[1]	1,618.24
Term Loan taken from Bank(s). These loans are repayable in half yearly instalment from the date of disbursement. The balance tenure for these loans is 9 months(average) from the Balance Sheet.[1]	221.87
Term Loan taken from Bank. This loan is repayable in yearly installment with the moratorium period of 4 years from the date of disbursement. The balance tenure for this loan is 54 months from the Balance Sheet.[1]	399.97
Term Loan taken from Bank(s). These loans are repayable in yearly installment with the moratorium period of 3 years from the date of disbursement. The balance tenure for these loans is 20 months(average) from the Balance Sheet.[1]	3,599.84
Term Loan taken from Bank(s), These loans are repayable in half yearly installment with the moratorium period of 1 years from the date of disbursement. The balance tenure for these loans is 14 months(average) from the Balance Sheet.[1]	1,549.37
Term Loan taken from Bank. This loan is repayable in half yearly installment with the moratorium period of 1.5 years from the date of disbursement. The balance tenure for this loan is 9 months from the Balance Sheet.[1]	699.80
Term Loan taken from Bank(s), These loans are repayable in Monthly instalment from the date of disbursement. The average balance tenure for these loans is 3 months from the Balance Sheet date.	60.08

(All amount in Rs. in Crore, except for share data unless stated otherwise)

(ii) Term Loan from banks includes as at March 31, 2021*:	**As at March 31, 2021**
Term Loans taken from financial institution. These loans are repayable in half yearly instalments. The average balance tenure for these loans is 37 months from the Balance Sheet date.	851.00
Term Loan taken from Bank. This loan is repayable in quarterly instalments with moratorium period of 3 month from the date of disbursement. The balance tenure for this loan is 27 months from the Balance Sheet date.	258.67
Term Loan taken from Banks. These loans are repayable in quarterly instalments from the date of disbursement. The average balance tenure for these loans is 33 months from the Balance Sheet date.	215.35
Term Loan taken from Banks. These loans are repayable in yearly instalments with the moratorium period of 3 years from the date of disbursement. The average balance tenure for these loans is 19 months from the Balance Sheet date.	879.92
Term Loan taken from Banks. These loans are repayable in yearly instalments with the moratorium period of 2 years from the date of disbursement. The average balance tenure for these loans is 15 months from the Balance Sheet date.	1,265.91
Term Loan taken from Bank(s), These loans are repayable in quarterly instalment with moratorium period of 6 months from the date of disbursement. The average balance tenure for these loans is 72 months from the Balance Sheet date.	275.08
Term Loan taken from Other, This loan is repayable within 36 months from the date of disbursement of loan.	364.70
	22,908.14

(1) Linked to base rate / MCLR of respective lenders
(2) Linked to Libor
(3) Includes External commercial borrowings from banks.
*Secured by hypothecation of Loan Receivables (Current and Future) / Other financial Assets / Cash and Cash Equivalents of the Group (including investments).

(iii) Subordinated Debt	**As at March 31, 2022**
8.89 % Redeemable Non convertible Debentures of Face value Rs. 1,000 each Redeemable on December 24, 2028	0.00
9.25 % Redeemable Non convertible Debentures of Face value Rs. 1,000 each Redeemable on December 24, 2028	0.00
9.35 % Redeemable Non convertible Debentures of Face value Rs. 1,000 each Redeemable on December 24, 2028	3.99
9.75 % Redeemable Non convertible Debentures of Face value Rs. 1,000 each Redeemable on December 24, 2028	2.71
8.80% Subordinated Debt of Face value of Rs. 100,000 each Redeemable on May 2, 2028	97.46
8.85% Subordinated Debt of Face value of Rs. 100,000 each Redeemable on March 28, 2028	4.55
8.85% Subordinated Debt of Face value of Rs. 100,000 each Redeemable on March 28, 2028	100.00
8.80 % Redeemable Non convertible Debentures of Face value Rs. 1,000,000 each Redeemable on March 27, 2028	1,470.44
8.45% Subordinated Debt of Face value of Rs. 100,000 each Redeemable on January 05, 2028	29.97
8.45% Subordinated Debt of Face value of Rs. 100,000 each Redeemable on November 30, 2027	39.21
10.65 % Redeemable Non convertible Debentures of Face value Rs. 1,000,000 each Redeemable on November 15, 2027	31.45
8.45% Subordinated Debt of Face value of Rs. 100,000 each Redeemable on November 08, 2027	58.81
8.35 % Redeemable Non convertible Debentures of Face value Rs. 1,000,000 each Redeemable on September 8, 2027	888.86
10.65 % Redeemable Non convertible Debentures of Face value Rs. 1,000,000 each Redeemable on June 30, 2027	47.99
10.25 % Redeemable Non convertible Debentures of Face value Rs. 1,000,000 each Redeemable on June 28, 2027	99.90
10.65 % Redeemable Non convertible Debentures of Face value Rs. 1,000,000 each Redeemable on June 5, 2027	106.48
8.79 % Redeemable Non convertible Debentures of Face value Rs. 1,000 each Redeemable on September 26, 2026	2.39
9.15 % Redeemable Non convertible Debentures of Face value Rs. 1,000 each Redeemable on September 26, 2026	192.84
9.00 % Redeemable Non convertible Debentures of Face value Rs. 1,000 each Redeemable on September 26, 2026	0.15
0.00 % Redeemable Non convertible Debentures of Face value Rs. 1,000 each Redeemable on September 26, 2026(1)	1.52
9.30 % Redeemable Non convertible Debentures of Face value Rs. 1,000,000 each Redeemable on June 29, 2026	602.62

Indiabulls Housing Finance Limited
Notes to Consolidated Financial Statements for the year ended March 31, 2022
(All amount in Rs. in Crore, except for share data unless stated otherwise)

(iii) Subordinated Debt	As at March 31, 2022
10.00 % Redeemable Non convertible Debentures of Face value Rs. 1,000,000 each Redeemable on August 3, 2025	163.73
10.10 % Redeemable Non convertible Debentures of Face value Rs. 1,000,000 each Redeemable on July 21, 2025	8.14
9.70 % Redeemable Non convertible Debentures of Face value Rs. 1,000,000 each Redeemable on March 17, 2025	4.97
8.35 % Redeemable Non convertible Debentures of Face value Rs. 1,000,000 each Redeemable on September 6, 2024	99.92
10.85 % Redeemable Non convertible Debentures of Face value Rs. 1,000,000 each Redeemable on July 17, 2024	9.92
10.80 % Redeemable Non convertible Debentures of Face value Rs. 1,000,000 each Redeemable on December 23, 2023	19.77
10.85 % Redeemable Non convertible Debentures of Face value Rs. 1,000,000 each Redeemable on October 24, 2023	4.97
10.85 % Redeemable Non convertible Debentures of Face value Rs. 1,000,000 each Redeemable on September 27, 2023	24.76
10.10 % Redeemable Non convertible Debentures of Face value Rs. 1,000,000 each Redeemable on September 23, 2023	24.77
9.90 % Redeemable Non convertible Debentures of Face value Rs. 1,000,000 each Redeemable on June 3, 2023	124.24
9.80 % Redeemable Non convertible Debentures of Face value Rs. 1,000,000 each Redeemable on May 23, 2023	19.79
10.10 % Redeemable Non convertible Debentures of Face value Rs. 1,000,000 each Redeemable on March 28, 2023	24.88
10.10 % Redeemable Non convertible Debentures of Face value Rs. 1,000,000 each Redeemable on March 6, 2023	19.81
10.10 % Redeemable Non convertible Debentures of Face value Rs. 1,000,000 each Redeemable on February 18, 2023	24.79
10.65 % Redeemable Non convertible Debentures of Face value Rs. 1,000,000 each Redeemable on January 30, 2023	9.96
10.10 % Redeemable Non convertible Debentures of Face value Rs. 1,000,000 each Redeemable on January 14, 2023	24.80
10.20 % Redeemable Non convertible Debentures of Face value Rs. 1,000,000 each Redeemable on December 4, 2022	19.94
10.65 % Redeemable Non convertible Debentures of Face value Rs. 1,000,000 each Redeemable on November 15, 2022	1.09
10.30 % Redeemable Non convertible Debentures of Face value Rs. 1,000,000 each Redeemable on October 31, 2022	24.87
10.30 % Redeemable Non convertible Debentures of Face value Rs. 1,000,000 each Redeemable on October 22, 2022	39.80
10.30 % Redeemable Non convertible Debentures of Face value Rs. 1,000,000 each Redeemable on October 9, 2022	34.82
10.65 % Redeemable Non convertible Debentures of Face value Rs. 1,000,000 each Redeemable on June 5, 2022	14.95
	4,526.03

(1) Redeemable at premium

(iii) Subordinated Debt	As at March 31, 2021
8.80% Subordinated Debt of Face value of Rs.100,000 each Redeemable on May 2, 2028	97.18
8.85% Subordinated Debt of Face value of Rs.100,000 each Redeemable on March 28, 2028	4.50
8.85% Subordinated Debt of Face value of Rs. 100,000 each Redeemable on March 28, 2028	100.00
8.80 % Redeemable Non convertible Debentures of Face value Rs. 1,000,000 each Redeemable on March 27, 2028	1,466.08
8.45% Subordinated Debt of Face value of Rs. 100,000 each Redeemable on January 05, 2028	29.96
8.45% Subordinated Debt of Face value of Rs. 100,000 each Redeemable on November 30, 2027	39.11
10.65 % Redeemable Non convertible Debentures of Face value Rs. 1,000,000 each Redeemable on November 15, 2027	31.31
8.45% Subordinated Debt of Face value of Rs. 100,000 each Redeemable on November 08, 2027	58.66
8.35 % Redeemable Non convertible Debentures of Face value Rs. 1,000,000 each Redeemable on September 8, 2027	887.41
10.65 % Redeemable Non convertible Debentures of Face value Rs. 1,000,000 each Redeemable on June 30, 2027	47.77
10.25 % Redeemable Non convertible Debentures of Face value Rs. 1,000,000 each Redeemable on June 28, 2027	99.90
10.65 % Redeemable Non convertible Debentures of Face value Rs. 1,000,000 each Redeemable on June 5, 2027	106.02
8.79 % Redeemable Non convertible Debentures of Face value Rs. 1,000 each Redeemable on September 26, 2026	2.38

(All amount in Rs. in Crore, except for share data unless stated otherwise)

(iii) Subordinated Debt	As at March 31, 2021
9.15 % Redeemable Non convertible Debentures of Face value Rs. 1,000 each Redeemable on September 26, 2026	192.44
9.00 % Redeemable Non convertible Debentures of Face value Rs. 1,000 each Redeemable on September 26, 2026	0.15
0.00 % Redeemable Non convertible Debentures of Face value Rs. 1,000 each Redeemable on September 26, 2026[1]	1.39
9.30 % Redeemable Non convertible Debentures of Face value Rs. 1,000,000 each Redeemable on June 29, 2026	601.40
10.00 % Redeemable Non convertible Debentures of Face value Rs. 1,000,000 each Redeemable on August 3, 2025	163.47
10.10 % Redeemable Non convertible Debentures of Face value Rs. 1,000,000 each Redeemable on July 21, 2025	8.14
9.70 % Redeemable Non convertible Debentures of Face value Rs. 1,000,000 each Redeemable on March 17, 2025	4.97
8.35 % Redeemable Non convertible Debentures of Face value Rs. 1,000,000 each Redeemable on September 6, 2024	99.92
10.85 % Redeemable Non convertible Debentures of Face value Rs. 1,000,000 each Redeemable on July 17, 2024	9.89
10.80 % Redeemable Non convertible Debentures of Face value Rs. 1,000,000 each Redeemable on December 23, 2023	19.66
10.85 % Redeemable Non convertible Debentures of Face value Rs. 1,000,000 each Redeemable on October 24, 2023	4.95
10.85 % Redeemable Non convertible Debentures of Face value Rs. 1,000,000 each Redeemable on September 27, 2023	24.64
10.10 % Redeemable Non convertible Debentures of Face value Rs. 1,000,000 each Redeemable on September 23, 2023	24.65
9.90 % Redeemable Non convertible Debentures of Face value Rs. 1,000,000 each Redeemable on June 3, 2023	123.74
9.80 % Redeemable Non convertible Debentures of Face value Rs. 1,000,000 each Redeemable on May 23, 2023	19.63
10.10 % Redeemable Non convertible Debentures of Face value Rs. 1,000,000 each Redeemable on March 28, 2023	24.78
10.10 % Redeemable Non convertible Debentures of Face value Rs. 1,000,000 each Redeemable on March 6, 2023	19.63
10.10 % Redeemable Non convertible Debentures of Face value Rs. 1,000,000 each Redeemable on February 18, 2023	24.57
10.65 % Redeemable Non convertible Debentures of Face value Rs. 1,000,000 each Redeemable on January 30, 2023	9.92
10.10 % Redeemable Non convertible Debentures of Face value Rs. 1,000,000 each Redeemable on January 14, 2023	24.59
10.20 % Redeemable Non convertible Debentures of Face value Rs. 1,000,000 each Redeemable on December 4, 2022	19.80
10.65 % Redeemable Non convertible Debentures of Face value Rs. 1,000,000 each Redeemable on November 15, 2022	1.09
10.30 % Redeemable Non convertible Debentures of Face value Rs. 1,000,000 each Redeemable on October 31, 2022	24.70
10.30 % Redeemable Non convertible Debentures of Face value Rs. 1,000,000 each Redeemable on October 22, 2022	39.56
10.30 % Redeemable Non convertible Debentures of Face value Rs. 1,000,000 each Redeemable on October 9, 2022	34.62
10.65 % Redeemable Non convertible Debentures of Face value Rs. 1,000,000 each Redeemable on June 5, 2022	14.82
11.00 % Redeemable Non convertible Debentures of Face value Rs. 1,000,000 each Redeemable on March 30, 2022	14.85
11.85 % Redeemable Non convertible Debentures of Face value Rs. 1,000,000 each Redeemable on February 22, 2022	19.88
11.85 % Redeemable Non convertible Debentures of Face value Rs. 1,000,000 each Redeemable on January 31, 2022	35.98
	4,578.11

(1) Redeemable at premium

(iv) disclosure of investing and financing activity that do not require cash and cash equivalent*:

Particulars	Year Ended March 31, 2022	Year Ended March 31, 2021
Property, plant and equipment and intangible assets	(42.44)	(48.76)
Investments in subsidiaries and other long-term Investments	(50.74)	(215.23)
Right-of-use assets	55.35	(134.65)
Equity share capital including securities premium	-	-
Borrowings**	13.55	8.66

* Includes non cash movements such as effective interest rate on borrowings and investment, fair value adjustment on investment etc.

** Represents debt securities, borrowings (other than debt securities) and subordinated liabilities.

(v) During the year, the Holding Company has bought back non-convertible debenture having face value of Rs. 182.70 Crores (Previous Year Rs. 3,588.62 crores), thereby earning a loss of Rs. 1.59 Crores (Previous Year profit Rs.15.93 crores) which is clubbed under net gain on derecognition of financial instruments under amortized cost category.

(vi) The Citizens Whistle Blower Forum has filed a Public Interest Litigation ("PIL") before the Delhi High Court wherein certain allegations have been made against the Indiabulls group. The Company has vehemently denied the frivolous allegations that have been made without basic research or inquiry. The company has also filed a perjury application wherein notice has been issued. The Management has concluded that the allegations made in the Writ Petition has no merit and no impact on the consolidated financial statements. The matter is sub judice and pending with the Delhi High Court.

(vii) The Holding Company along with its wholly owned subsidiary companies i.e. Indiabulls Asset Management Company Limited (IAMCL) and Indiabulls Trustee Company Limited, Trustee of IAMCL, (ITCL) has executed definitive transaction document with Nextbillion Technology Private Limited (hereinafter referred to as "Nextbillion"), to divest its entire stake in the business of managing mutual fund, being carried out by IAMCL & ITCL to Nextbillion at an aggregate purchase consideration of INR 175 crores (including cash and cash equivalents of INR 100 Crore, as on closing date) ("Transaction") subject to necessary approvals, as may be required in this regard.

(viii) During the year ended 31st March, 2022, the Enforcement Directorate (ED) had sought certain information from the Holding Company emanating from an FIR complaint lodged in village Wada, Palghar, Maharashtra in April, 2021. The Company and its officials have provided required information to the Enforcement Directorate. On May 4, 2022, subsequent to the Balance Sheet date, the Honourable Bombay High court has upheld the company's appeal against the said FIR and has quashed the compliant/FIR forming the basis of the ED's action.

Recently, on May 5, 2022, in a case [J Sekar Reddy v. Directorate of Enforcement] similar to the Company's case, the Hon'ble Supreme Court quashed the ECIR on the basis that there is no scheduled offence as the FIR with respect to the scheduled offence had been quashed by the High Court. In view of this, the ECIR against the Company is also likely to be quashed by the Hon'ble Delhi High Court since in the Company's case also, the FIR in this case has been quashed by the Hon'ble Bombay High Court.

(ix) The Holding Company does not have any charges which are yet to be registered with the Registrar of Companies beyond the statutory period. In some cases, the Holding Company has fully redeemed certain secured debentures and External Commercial Borrowing aggregating to Rs. 14,992 crores in respect of which the Holding Company is in the process of preparation and submission of necessary forms for satisfaction of such charges and expects to complete the process in due course and in respect of subsidiary companies, there are no charges or satisfaction yet to be registered with Registrar of Companies beyond the statutory period during the year ended March 31, 2022 (Previous year Rs. Nil).

(x) Major classes of assets held for sale as at March 31, 2022 are as below:

Description	As at March 31, 2022	As at March 31, 2021
Residential	2,092.73	880.21
Commercial	888.82	505.13
Total	**2,981.55**	**1,385.34**

(xi) The Holding Company is mainly engaged in the housing finance business and all other activities revolve around the main business of the Holding Company. As an outcome of its asset-light business model and the high levels of liquidity on the balance sheet, as on March 31, 2022, the Holding Company is not meeting the principal business criteria as laid out in circular No. DOR.NBFC (HFC). CC.No.118/03.10.136/2020-21 dated October 22, 2020 issued by the RBI. As per timelines prescribed in para 5.3 of the said RBI Circular, the Holding Company will submit to the RBI necessary business plan with a roadmap to achieve compliance with principal business criteria by March 31, 2024.

(34) Contingent Liability and Commitments:

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

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

(a) Demand pending under the Income Tax Act,1961

(i) In respect of Subsidiary Company, For Rs. Nil with respect to FY 2007-08 (Year ended March 31, 2021 Rs. 0.82 Crore) against disallowances under Income Tax Act,1961, against which appeal is pending before Hon'ble Jurisdictional High Court.

(ii) In respect of Subsidiary Company, For Rs. 1.17 Crores with respect to FY 2007-08 (Year ended March 31, 2021 Rs. 1.17 Crores) against disallowances under Income Tax Act,1961 against which appeal is pending before CIT (Appeals).

(iii) In respect of Holding Company, For Rs. 1.23 Crores with respect to FY 2008-09 (Year ended March 31, 2021 Rs. 1.23 Crores) against disallowances under Income Tax Act,1961, against which the appeal is pending before Hon'ble Supreme Court.

(iv) In respect of Holding Company, For Rs. 1.27 Crores with respect to FY 2010-11 (Year ended March 31, 2021 Rs. 1.27 Crores) against disallowances under Income Tax Act, 1961, against which the department has filed appeal before Hon'ble Jurisdictional High Court.

(v) In respect of Holding Company, For Rs. 0.05 Crore with respect to FY 2010-11 (Year ended March 31, 2021 Rs. 0.05 Crore) against disallowances under Income Tax Act,1961 against which appeal is pending before CIT (Appeals).

(vi) In respect of Holding Company, For Rs. 0.05 Crore with respect to FY 2010-11 (Year ended March 31, 2021 Rs. 0.05 Crore) against disallowances under Income Tax Act,1961 against which appeal is pending before CIT (Appeals).

(vii) In respect of Subsidiary Company, For Rs. 1.75 Crores with respect to FY 2011-12 (Year ended March 31, 2021 Rs. 1.75 Crores) against disallowances under Income Tax Act,1961,against which the appeal is pending before Hon'ble Jurisdictional High Court.

(viii) In respect of Holding Company, For Rs. 0.00 Crore with respect to FY 2011-12 (Year ended March 31, 2021 Rs. 0.00 Crore) against disallowances under Income Tax Act,1961 against which appeal is pending before CIT (Appeals).

(ix) In respect of Holding Company, For Rs. 0.00 Crore with respect to FY 2011-12 (Year ended March 31, 2021 Rs. 0.00 Crore) against disallowances under Income Tax Act,1961 against which appeal is pending before CIT (Appeals).

(x) In respect of Holding Company, For Rs. Rs. 0.11 Crore with respect to FY 2012-13 (Year ended March 31, 2021 Rs. 0.11 Crore) against disallowances under Income Tax Act,1961 against which appeal is pending before CIT (Appeals).

(xi) In respect of Holding Company, For Rs. 14.16 Crores with respect to FY 2013-14 (Year ended March 31, 2021 Rs. 14.16 Crores) against disallowances under Income Tax Act,1961 against which appeal is pending before CIT (Appeals).

(xii) In respect of Holding Company, For Rs. Rs. 13.81 Crores with respect to FY 2014-15 (Year ended March 31, 2021 Rs. 13.81 Crores) against disallowances under Income Tax Act,1961 against which appeal is pending before CIT (Appeals).

(xiii) In respect of Holding Company, For Rs. 20.54 Crores with respect to FY 2015-16 (Year ended March 31, 2021 Rs. 20.54 Crores) against disallowances under Income Tax Act,1961 against which appeal is pending before CIT (Appeals).

(xiv) In respect of Holding Company, For Rs. 48.66 Crores with respect to FY 2016-17 (Year ended March 31, 2021 Rs. 48.66 Crores) against disallowances under Income Tax Act,1961 against which appeal is pending before CIT (Appeals).

(xv) In respect of Holding Company, For Rs. 168.05 Crores with respect to FY 2017-18 (Year ended March 31, 2021 Rs. Nil) against disallowances under Income Tax Act,1961 against which appeal is pending before CIT (Appeals).

(xvi) In respect of Holding Company, For Rs. 57.24 Crores with respect to FY 2018-19 (Year ended March 31, 2021 Rs. Nil) against disallowances under Income Tax Act,1961 against which appeal is pending before CIT (Appeals).

(xvii) In respect of Holding Company, For Rs. 28.04 Crores with respect to FY 2019-20 (Year ended March 31, 2021 Rs. Nil) against disallowances under Income Tax Act,1961 against which appeal is pending before CIT (Appeals).

(xviii) In respect of Subsidiary Company, For Rs. 0.08 Crores with respect to FY 2019-20 (Year ended March 31, 2021 Rs. Nil) against disallowances under Income Tax Act,1961 against which appeal is pending before CIT (Appeals).

(xix) In respect of Subsidiary Company, For Rs. 0.29 Crores with respect to FY 2019-20 (Year ended March 31, 2021 Rs. Nil) against disallowances under Income Tax Act,1961 against which appeal is pending before CIT (Appeals).

(xx) In respect of Holding Company, For Rs. 0.23 Crores with respect to FY 2020-21 (Year ended March 31, 2021 Rs. Nil) against disallowances under Income Tax Act,1961 against which appeal is pending before CIT (Appeals).

(b) Demand pending u/s of 25, 55 , 56 & 61 of The Rajasthan Value Added Tax Act, 2003 for Rs. 1.45 Crore (Including interest & Penalty) with respect to FY 2007-08 to FY 2012-13 (Previous Year Rs. 1.45 Crore) against which appeal was pending before Rajasthan High Court. The Company has paid tax along with interest for Rs. 0.62 Crore (Previous Year Rs. 0.62 Crore) under protest. Further the company has deposited Rs. 0.21 Crore on May 30, 2016. Further ,the company has opted for New Amnesty Scheme 2016 and accordingly deposited 25 % of the disputed demand amount and withdrawn appeal before the Hon'ble High Court.

(c) Capital commitments for acquisition of PPE at various branches as at the year end (net of capital advances paid) Rs. 32.63 Crores (Year ended March 31, 2021 Rs. 3.15 Crores).
(d) Corporate guarantees provided to Unique Identification Authority of India for Aadhaar verification of loan applications for Rs. 0.25 Crore (Year ended March 31, 2021 Rs. 0.25 Crore).
(e) Bank guarantees provided against court case for Rs. 0.05 Crore (Year ended March 31, 2021 Rs. 0.05 Crore).

(35) Segment Reporting:

The Group's main business is financing by way of loans for purchase or construction of residential houses, commercial real estate and certain other purposes in India. All other activities of the Group revolve around the main business. Accordingly, there are no separate reportable segments as per IND-AS 108 dealing with Operating Segment.

(36) Disclosures in respect of Related Parties as per Indian Accounting Standard (IndAS) – 24 'Related Party Disclosures'.

(a) Detail of related party

Nature of relationship	**Related party**
Key Management Personnel	Mr. Subhash Sheoratan Mundra, Non Executive Chairman from August 12, 2020, Independent Director
	Mr. Sameer Gehlaut, Chairman till August 11, 2020, Non - Executive Director till March 14, 2022
	Mr. Gagan Banga, Vice Chairman/ Managing Director & CEO
	Mr. Ashwini Omprakash Kumar, Deputy Managing Director
	Mr. Ajit Kumar Mittal, Executive Director
	Mr. Sachin Chaudhary, Executive Director
	Mr. Shamsher Singh Ahlawat, Independent Director till September 28, 2021
	Mr. Prem Prakash Mirdha, Independent Director till September 28, 2021
	Justice Gyan Sudha Misra, Independent Director
	Mr. Achuthan Siddharth, Independent Director from July 3, 2020
	Mr. Dinabandhu Mohapatra, Independent Director from November 23, 2020
	Mr. Satish Chand Mathur, Independent Director

(b) Significant transactions with related parties:

Nature of Transactions	Year ended March 31, 2022	Year ended March 31, 2021
Finance		
Other receipts and payments		
Issue of Equity Shares Under ESOP Schemes (Based on the Exercise price)		
-Key Management Personnel		-
Total	**-**	**-**
Other receipts and payments		
Salary / Remuneration (Consolidated)		
-Key Management Personnel	25.68	(43.84)
Total	**25.68**	**(43.84)**
Salary / Remuneration (Short-term employee benefits)		
-Key Management Personnel	21.68	11.29
Total	**21.68**	**11.29**
Salary / Remuneration (Share-based payments)		
-Key Management Personnel	(1.87)	(1.30)
Total	**(1.87)**	**(1.30)**
Salary / Remuneration (Post-employment benefits)		
-Key Management Personnel	1.36	(55.80)
Total	**1.36**	**(55.80)**

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Nature of Transactions	Year ended March 31, 2022	Year ended March 31, 2021
Salary / Remuneration (Others)		
-Key Management Personnel	4.51	1.97
Total	**4.51**	**1.97**

(c) Outstanding balance:

Nature of Transactions	Year ended March 31, 2022	Year ended March 31, 2021
Nil		

(d) Statement of Partywise transactions during the Year:

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Salary / Remuneration (Short-term employee benefits) **Remuneration to Directors**		
– Gagan Banga	10.55	5.14
– Ajit Kumar Mittal	1.34	-
– Ashwini Omprakash Kumar	4.87	2.89
– Sachin Chaudhary	4.92	3.26
Total	**21.68**	**11.29**
Salary / Remuneration (Share-based payments)		
– Gagan Banga	0.21	(1.11)
– Ajit Kumar Mittal	(0.06)	0.10
– Ashwini Omprakash Kumar	(1.13)	(0.20)
– Sachin Chaudhary	(0.89)	(0.09)
Total	**(1.87)**	**(1.30)**
Salary / Remuneration (Post-employment benefits)		
– Sameer Gehlaut	1.33	(55.15)
– Gagan Banga	0.01	(0.01)
– Ajit Kumar Mittal	(0.07)	-
– Ashwini Omprakash Kumar	-	(0.36)
– Sachin Chaudhary	0.09	(0.28)
Total	**1.36**	**(55.80)**
Salary / Remuneration (Others)		
– Achuthan Siddharth	0.82	0.31
– Dinabandhu Mohapatra	0.67	0.22
– Shamsher Singh Ahlawat	0.03	0.12
– Prem Prakash Mirdha	0.03	0.12
– Justice Gyan Sudha Misra	0.57	0.16
– Satish Chand Mathur	0.32	0.22
– Subhash Sheoratan Mundra	2.07	0.82
Total	**4.51**	**1.97**

(37) (a) The consolidated financial statements include the financial statements of the Company and its subsidiaries. Indiabulls Housing Finance Limited is the ultimate parent of the Group.
Significant subsidiaries of the Company are:

Name of Subsidiary*	Country of incorporation	% equity interest	% equity interest
		31-03-2022	31-03-2021
1. Indiabulls Collection Agency Limited	India	100%	100%
2. Ibulls Sales Limited	India	100%	100%
3. Indiabulls Insurance Advisors Limited	India	100%	100%
4. Nilgiri Investmart Services Limited (Previously known as Nilgiri Financial Consultants Limited)	India	100%	100%
5. Indiabulls Capital Services Limited	India	100%	100%
6. Indiabulls Commercial Credit Limited	India	100%	100%
7. Indiabulls Advisory Services Limited	India	100%	100%
8. Indiabulls Asset Holding Company Limited	India	100%	100%
9. Indiabulls Asset Management Company Limited	India	100%	100%
10. Indiabulls Trustee Company Limited	India	100%	100%
11. Indiabulls Holdings Limited	India	100%	100%
12. Indiabulls Investment Management Limited (Previously known as Indiabulls Venture Capital Management Company Limited)	India	100%	100%
13. Indiabulls Asset Management Mauritius	Mauritius	100%	100%

*Does not include ICCL Lender Repayment Trust and Pragati Employees Welfare Trust being these are in the nature of trust and the holding company along with its subsidiaries does not have any equity interest therein.

The Company has given Corporate counter guarantees of Rs. 561.50 Crore (Previous Year Rs. 1,051.00 Crore) to third parties on behalf of its wholly owned subsidiary namely Indiabulls Commercial Credit Limited to avail Loan facilities from Financial Institutions.

Indiabulls Housing Finance Limited
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(All amount in Rs. in Crore, except for share data unless stated otherwise)

(37) (b) Additional information pursuant to para 2 of general instructions for the preparation of consolidated financial statements

Name of the entity in the Group	Net assets .i.e. total assets minus total liabilities				Share in profit or loss				Share in other comprehensive income				Share in total comprehensive income			
	March 31, 2022		March 31, 2021		March 31, 2022		March 31, 2021		March 31, 2022		March 31, 2021		March 31, 2022		March 31, 2021	
	As % of consolidated net assets	Amount (Rs. in Crores)	As % of consolidated net assets	Amount (Rs. in Crores)	As % of consolidated profit or loss	Amount (Rs. in Crores)	As % of consolidated profit or loss	Amount (Rs. in Crores)	As % of consolidated other comprehensive income	Amount (Rs. in Crores)	As % of consolidated other comprehensive income	Amount (Rs. in Crores)	As % of total comprehensive income	Amount (Rs. in Crores)	As % of total comprehensive income	Amount (Rs. in Crores)
Parent																
Indiabulls Housing Finance Limited	49.40%	8,209.11	57.26%	9,204.87	9.00%	105.95	56.51%	678.98	100.07%	120.46	100.08%	(702.32)	17.44%	226.41	-4.67%	(23.34)
Subsidiaries																
Indian																
1. Indiabulls Collection Agency Limited	0.14%	23.35	0.14%	22.84	0.04%	0.50	0.04%	0.50	0.00%	-	0.00%	-	0.04%	0.50	0.10%	0.50
2. Ibulls Sales Limited	0.06%	10.03	0.06%	10.32	-0.03%	(0.37)	-0.04%	(0.46)	0.07%	0.08	0.00%	-	-0.02%	(0.29)	-0.09%	(0.46)
3. Indiabulls Insurance Advisors Limited	0.03%	5.58	0.03%	5.50	0.01%	0.09	0.01%	0.09	0.00%	-	0.00%	-	0.01%	0.09	0.02%	0.09
4. Nilgiri Investmart Services Limited (Previously known as Nilgiri Financial Consultants Limited)	0.14%	22.63	0.14%	22.68	0.00%	(0.05)	0.05%	0.55	0.00%	-	0.00%	-	0.00%	(0.05)	0.11%	0.55
5. Indiabulls Capital Services Limited	0.08%	13.20	0.08%	13.14	0.01%	0.06	0.00%	0.02	0.00%	-	0.00%	-	0.00%	0.06	0.00%	0.02
6. Indiabulls Commercial Credit Limited	51.44%	8,547.17	43.44%	6,982.99	93.78%	1,104.53	44.26%	531.84	-0.12%	(0.14)	-0.04%	0.29	85.08%	1,104.39	106.46%	532.13
7. Indiabulls Advisory Services Limited	0.05%	7.97	0.05%	7.80	0.01%	0.16	0.00%	0.05	0.00%	-	0.00%	-	0.01%	0.16	0.01%	0.05
8. Indiabulls Asset Holding Company Limited	0.00%	0.04	0.00%	0.05	0.00%	-	0.00%	-	0.00%	-	0.00%	-	0.00%	-	0.00%	-
9. Indiabulls Asset Management Company Limited	1.41%	234.20	1.08%	173.77	0.98%	11.54	1.76%	21.12	-0.02%	(0.02)	-0.04%	0.28	0.89%	11.52	4.28%	21.40
10. Indiabulls Trustee Company Limited	0.00%	0.50	0.00%	0.52	0.00%	(0.01)	0.00%	0.02	0.00%	-	0.00%	-	0.00%	(0.01)	0.00%	0.02
11. Indiabulls Holdings Limited	0.00%	0.10	0.00%	0.05	0.00%	-	0.00%	-	0.00%	-	0.00%	-	0.00%	-	0.00%	-
12. Indiabulls Investment Management Limited (Previously known as Indiabulls Venture Capital Management Company Limited)	0.04%	7.02	0.00%	0.04	0.00%	0.03	0.00%	-	0.00%	-	0.00%	-	0.00%	0.03	0.00%	-
13. Pragati Employees Welfare Trust (Previously known as Indiabulls Housing Finance Limited - Employees Welfare Trust)	-2.80%	(464.67)	-2.29%	(368.55)	-3.79%	(44.68)	-2.59%	(31.08)	0.00%	-	0.00%	-	-3.44%	(44.68)	-6.22%	(31.08)
14. Indiabulls Asset Management Mauritius	0.00%	-	0.00%	0.01	0.00%	(0.01)	0.00%	(0.04)	0.00%	-	0.00%	-	0.00%	(0.01)	-0.01%	(0.04)
15. ICCL Lender Repayment Trust	0.00%	-	0.00%	-	0.00%	-	0.00%	-	0.00%	-	0.00%	-	0.00%	-	0.00%	-
Total	**100.00%**	**16,616.23**	**100.00%**	**16,076.03**	**100.00%**	**1,177.74**	**100.00%**	**1,201.59**	**100.00%**	**120.38**	**100.00%**	**(701.75)**	**100.00%**	**1,298.12**	**100.00%**	**499.84**

(All amount in Rs. in Crore, except for share data unless stated otherwise)

(38) Earnings Per Equity Share

Earnings Per Equity Share (EPS) as per Indian Accounting Standard (IndAS)-33 "Earnings Per Share",:

The basic earnings per share is computed by dividing the net profit attributable to Equity Shareholders for the year by the weighted average number of Equity Shares outstanding during the year. Diluted earnings per share are computed using the weighted average number of Equity Shares and also the weighted average number of Equity Shares that could have been issued on the conversion of all dilutive potential Equity Shares. The dilutive potential Equity Shares are adjusted for the proceeds receivable, had the shares been actually issued at fair value.

Dilutive potential Equity Shares are deemed converted as of the beginning of the year, unless they have been issued at a later date. The number of Equity Shares and potential diluted Equity Shares are adjusted for potential dilutive effect of Employee Stock Option Plan as appropriate.

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Profit available for Equity Shareholders (Rs.)	1,177.74	1,201.59
Weighted average number of Shares used in computing Basic Earnings per Equity Share (Nos.)	445,822,725	433,493,782
Add: Potential number of Equity share that could arise on exercise of Employee Stock Options (Nos.)	1,253,208	46,143
Weighted average number of shares used in computing Diluted Earnings per Equity Share (Nos.)	447,075,934	433,539,925
Face Value of Equity Shares - (Rs.)	2.00	2.00
Basic Earnings Per Equity Share - (Rs.)	26.42	27.72
Diluted Earnings Per Equity Share - (Rs.)	26.34	27.72

(39) Fair value measurement

39.1 Valuation principles

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

In order to show how fair values have been derived, financial instruments are classified based on a hierarchy of valuation techniques.

39.2 Valuation governance

The Group's process to determine fair values is part of its periodic financial close process. The Audit Committee exercises the overall supervision over the methodology and models to determine the fair value as part of its overall monitoring of financial close process and controls. The responsibility of ongoing measurement resides with business units . Once submitted, fair value estimates are also reviewed and challenged by the Risk and Finance functions.

(All amount in Rs. in Crore, except for share data unless stated otherwise)

39.3 Assets and liabilities by fair value hierarchy

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

	As at March 31, 2022			
	Level 1	**Level 2**	**Level 3**	**Total**
Assets measured at fair value on a recurring basis				
Derivative financial instruments				
Forward contracts	-	2.93	-	2.93
Interest rate swaps	-	-	-	-
Currency swaps	-	146.19	-	146.19
Currency options	-	-	-	-
Total derivative financial instruments	**-**	**149.12**	**-**	**149.12**
Financial investment measured at FVTPL				
Government Debt Securities	-	508.65	-	508.65
Debt Securities	-	584.20	-	584.20
Mutual Funds	327.12	4,024.67	-	4,351.79
Commercial Papers	-	98.84	-	98.84
Total Financial investment measured at FVTPL	**327.12**	**5,216.36**	**-**	**5,543.48**
Financial investments measured at FVOCI				
Equities	-	2.14	-	2.14
Total Financial investments measured at FVOCI	**-**	**2.14**	**-**	**2.14**
Total assets measured at fair value on a recurring basis	**327.12**	**5,367.62**	**-**	**5,694.74**
Liabilities measured at fair value on a recurring basis				
Derivative financial instruments				
Forward contracts	-	101.60	-	101.60
Interest rate swaps	-	21.11	-	21.11
Currency swaps	-	-	-	-
Total derivative financial instruments	**-**	**122.71**	**-**	**122.71**
Total financial liabilities measured at fair value	**-**	**122.71**	**-**	**122.71**

(All amount in Rs. in Crore, except for share data unless stated otherwise)

	As at March 31, 2021			
	Level 1	Level 2	Level 3	Total
Assets measured at fair value on a recurring basis				
Derivative financial instruments				
Forward contracts	-	-	-	-
Interest rate swaps	-	-	-	-
Currency swaps	-	154.13	-	154.13
Currency options	-	-	-	-
Total derivative financial instruments	**-**	**154.13**	**-**	**154.13**
Financial investment measured at FVTPL				
Government Debt Securities	-	943.40	-	943.40
Debt Securities	-	581.81	-	581.81
Mutual Funds	239.18	4,054.53	-	4,293.71
Commercial Papers	-	98.80	-	98.80
Total Financial investment measured at FVTPL	**239.18**	**5,678.54**	**-**	**5,917.72**
Financial investments measured at FVOCI				
Equities	-	228.29	-	228.29
Total Financial investments measured at FVOCI	**-**	**228.29**	**-**	**228.29**
Total assets measured at fair value on a recurring basis	**239.18**	**6,060.96**	**-**	**6,300.14**
Liabilities measured at fair value on a recurring basis				
Derivative financial instruments				
Forward contracts	-	158.98	-	158.98
Interest rate swaps	-	130.24	-	130.24
Currency swaps	-	-	-	-
Total derivative financial instruments	**-**	**289.22**	**-**	**289.22**
Total financial liabilities measured at fair value	**-**	**289.22**	**-**	**289.22**

39.4 Valuation techniques

Debt securities, Commercial papers and government debt securities
Fair value of these instruments is derived based on the indicative quotes of price and yields prevailing in the market as at reporting date and are classified as Level 2.

Equity instruments
Equity instruments in non-listed entities are initially recognised at transaction price and re-measured and valued on a case-by-case and classified as Level 2. Fair value is the price of recent transaction as there has not been a significant lapse of time since the last transaction took place.

Mutual Funds
Open ended mutual funds are valued at NAV declared by respective fund house and are classified under Level 1.

Interest rate swaps, Currency swaps and Forward rate contracts
The fair value of Interest rate swaps is calculated as the present value of estimated cash flows based on observable yield curves. The fair value of Forward foreign exchange contracts and currency swaps is determined using observable foreign exchange rates and yield curves at the balance sheet date.

(All amount in Rs. in Crore, except for share data unless stated otherwise)

39.5 There have been no transfers between Level 1, Level 2 and Level 3 for the year ended March 31, 2022 and March 31, 2021.

39.6 Fair value of financial instruments not measured at fair value

Set out below is a comparison, by class, of the carrying amounts and fair values of the Group's financial instruments that are not carried at fair value in the financial statements. This table does not include the fair values of non–financial assets and non–financial liabilities.

	March 31, 2022				
	Carrying Value	Fair Value			
		Level 1	Level 2	Level 3	Total
Financial Assets:					
Cash and cash equivalent	7,986.04	-	-	-	*
Bank balances other than cash and cash equivalent	1,666.81	-	-	-	*
Trade Receivables	9.26	-	-	-	*
Loans and advances:	59,950.19	-	-	-	*
Investments – at amortised cost:	-	-	-	-	-
Other Financial assets:	1,034.27	-	-	-	*
Total financial assets	**70,646.57**	**-**	**-**	**-**	**-**
Financial Liabilities:					
Trade payables	0.66	-	-	-	*
Debt securities	23,665.34	-	24,393.03	-	24,393.03
Borrowing other than debt securities	33,067.99	-	-	-	*
Subordinated Liabilities	4,626.03	-	4,977.00	-	4,977.00
Other financial liabilities	2,880.22	-	-	-	*
Total financial liabilities	**64,240.24**	**-**	**29,370.03**	**-**	**29,370.03**

(All amount in Rs. in Crore, except for share data unless stated otherwise)

	March 31, 2021				
	Carrying Value	Fair Value			
		Level 1	Level 2	Level 3	Total
Financial Assets:					
Cash and cash equivalent	13,124.16	-	-	-	*
Bank balances other than cash and cash equivalent	3,879.72	-	-	-	*
Trade Receivables	23.79	-	-	-	*
Loans and advances:	65,407.25	-	-	-	*
Investments – at amortised cost:	-	-	-	-	-
Other Financial assets:	1,181.02	-	-	-	*
Total financial assets	**83,615.94**	**-**	**-**	**-**	**-**
Financial Liabilities:					
Trade payables	1.22	-	-	-	*
Debt securities	30,219.07	-	31,550.29	-	31,550.29
Borrowing other than debt securities	33,908.25	-	-	-	*
Subordinated Liabilities	4,678.11	-	5,095.48	-	5,095.48
Other financial liabilities	7,287.16	-	-	-	*
Total financial liabilities	**76,093.81**	**-**	**36,645.77**	**-**	**36,645.77**

39.7 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 Group's financial statements. These fair values were calculated for disclosure purposes only. The below methodologies and assumptions relate only to the instruments in the above tables.

Debt Securities & Subordinated liabilities

These includes Subordinated debt, secured debentures, unsecured debentures. The fair values of such liabilities are estimated using a discounted cash flow model based on contractual cash flows using actual or estimated yields and discounting by yields incorporating the credit risk. These instrument are classified in Level 2.

Investments - at amortised cost

These includes Government Securities and Corporate Bonds which are held for maturity. Fair value of these instruments is derived based on the indicative quotes of price and are classified under level 2.

***Assets and Liabilities other than above**

The carrying value of assets and liabilities other than investments at amortised cost, debt securities and subordinated liabilities represents a reasonable approximation of fair value.

(40) Transfers of financial assets

Transfers of financial assets that are not derecognised in their entirety

Securitisations: The Group uses securitisations 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 securitised assets since the Group retains substantial risks and rewards.

The table below outlines the carrying amounts and fair values of all financial assets transferred that are not derecognised in their entirety and associated liabilities.

	As at March 31, 2022	As at March 31, 2021
	INR (in crores)	INR (in crores)
Securitisations		
Carrying amount of transferred assets measured at amortised cost	20,293.34	2,350.87
Carrying amount of associated liabilities	(7,291.05)	(1,932.93)

The carrying amount of above assets and liabilities is a reasonable approximation of fair value

Transfers of financial assets that are derecognised in their entirety

The Group has elected to apply the de-recognition provisions of Ind AS 109 prospectively from the date of transition to Ind AS. Thus, Pre-transition securitisation deals continues to be de-recognised in their entirety.

The table below outlines details for each type of continued involvement relating to transferred assets derecognised in their entirety.

	Carrying amount of continuing involvement in statement of financial position		Fair value of continuing involvement		Maximum exposure to loss
	Balance with banks	Liabilities	Balance with banks	Liabilities	
Type of continuing involvement					
Securitisation					
March 31, 2022	281.64	-	281.64	-	281.64
March 31, 2021	427.33	-	427.33	-	427.33

Assignment Deals

During the year ended 31st March 2022, the Group has sold some loans and advances measured at amortised cost 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 derecognised.

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 Group's business model remains to hold the assets for collecting contractual cash flows.

The table below summarises the carrying amount of the derecognised financial assets measured at amortised cost and the gain/(loss) on derecognition, per type of asset.

Loans and advances measured at amortised cost	For the year ended March 31, 2022	For the year ended March 31, 2021
Carrying amount of derecognised financial assets	12,594.17	14,265.33
Gain/(loss) from derecognition (for the respective financial year)	148.78	95.34

Since the group transferred the above financial asset in a transfer that qualified for derecognition in its entirety therefore the whole of the interest spread (over the expected life of the asset) is recognised on the date of derecognition itself as interest-only strip receivable ("Receivables on assignment of loan") and correspondingly recognised as profit on derecognition of financial asset.

Transfers of financial assets that are not derecognised in their entirety

During the year ended 31st March 2021, the Group has sold some loans and advances measured at amortised cost as per assignment deals, as a source of finance. As per the terms of the respective deals, 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 not being met, the assets have not been derecognised in their entirety.

The table below summarises the carrying amount of such financial assets and their associated liabilities.

Loans and advances measured at amortised cost	**For the year ended March 2022**	**For the year ended March 2021**
	Amount	
Carrying amount of transferred assets measured at amortised cost	1,003.74	1,353.46
Carrying amount of associated liabilities	(1,038.99)	(1,389.12)

The carrying amount of above assets and liabilities is a reasonable approximation of fair value.

Sale of Investments measured at amortised cost

The Group had derecognised investment in bonds measured at Amortised cost having carrying value of Rs. Nil (Previous year : Rs. 1,541.15 crores) due to sale of these investments, resulting in a profit of Rs. Nil (Previous year loss: Rs. 24.45 crores). The sale of such Investments is infrequent and was made due to the unanticipated funding needs and thus this sale does not impact the hold to collect objective of the Group and the asset portfolio continues to be classified and measured at amortised cost.

(41) Capital management-

For the purpose of the Group’s capital management, capital includes issued equity capital, share premium and all other equity reserves attributable to the equity holders of the Group. The primary objective of the Group’s capital management is to maximise the shareholder value. The Holding Company monitors capital using a capital adequacy ratio as prescribed by the NHB guidelines and ICCL monitors capital using a capital adequacy ratio as prescribed by the RBI guidelines.

(42) Risk Management

Introduction and risk profile

Indiabulls Housing Finance Limited (IBHFL) is a housing finance company in India and is regulated by the National Housing Bank (NHB) and Indiabulls Commercial Credit Limited (ICCL) (wholly owned subsidiary of IBHFL) is a non banking finance company in India and is regulated by the Reserve Bank of India (RBI). In view of the intrinsic nature of operations, the Group is exposed to a variety of risks, which can be broadly classified as credit risk, market risk, liquidity risk and operational risk. It is also subject to various regulatory risks.

Risk management structure and policies

As a lending institution, Group is exposed to various risks that are related to lending business and operating environment. The Principal Objective in Group 's risk management processes is to measure and monitor the various risks that Group is subject to and to follow policies and procedures to address such risks. Group 's risk management framework is driven by Board and its subcommittees including the Audit Committee, the Asset Liability Management Committee and the Risk Management Committee. Group gives due importance to prudent lending practices and have implemented suitable measures for risk mitigation, which include verification of credit history from credit information bureaus, personal verification of a customer’s business and residence, technical and legal verifications, conservative loan to value, and required term cover for insurance. The major types of risk Group face in businesses are liquidity risk, credit risk, interest rate risk and equity price risk.

(A) Liquidity risk

Liquidity risk is the potential for loss to the Group arising from either its inability to meet its obligations or to fund increases in assets as they fall due without incurring unacceptable cost or losses.

The Group manages liquidity risk by maintaining sufficient cash and cash equivalents (including marketable securities) to meet its obligations at all times. It also ensures having access to funding through an adequate amount of committed credit lines. The Group’s treasury department is responsible for liquidity and funding as well as settlement management. In addition, processes and policies related to such risks are overseen by senior management and the management regularly monitors the position of cash and cash equivalents vis-à-vis projections. Assessment of maturity profiles of financial assets and financial liabilities including debt financing plans and maintenance of Balance Sheet liquidity ratios are considered while reviewing the liquidity position.

The table below summarises the maturity profile of the undiscounted cash flows of the Group's financial liabilities. In FY2021-22 'Upto one month borrowings from banks and others' includes repo borrowings of Rs. 522.52 Crore (Previous Year Rs. Nil) with specific collateral of investments in government securities:

March 31, 2022	Upto One month	Over one months to 2 years	2 years to 5 years	more than 5 years	Total
Borrowings from Banks & Others	4,750.46	34,256.02	19,167.77	17,705.89	75,880.14
Lease liability recognised under Ind AS 116	2.49	54.12	103.40	37.99	198.00
Trade Payables	-	0.44	0.22	-	0.66
Amount payable on Assigned Loans	902.65	-	-	-	902.65
Other liabilities	216.18	47.42	-	-	263.60
Temporary Overdrawn Balances as per books	0.04	-	-	-	0.04
Unclaimed Dividends	4.03	-	-	-	4.03
Derivatives	(0.49	97.85	-	-	97.36
Foreign Currency Forward payable	-	410.31	128.66	-	538.97
Undrawn Loan Commitments	90.00	1,560.86	-	-	1,650.86
Servicing liability on assigned loans	3.00	50.24	32.01	3.19	88.44
	5,968.36	**36,477.26**	**19,432.05**	**17,747.07**	**79,624.75**

March 31, 2021	Upto One month	Over one months to 2 years	2 years to 5 years	more than 5 years	Total
Borrowings from Banks & Others	3,467.61	44,345.59	17,313.41	17,787.69	82,914.30
Lease liability recognised under Ind AS 116	2.85	45.07	62.02	29.91	139.85
Trade Payables	-	1.22	-	-	1.22
Amount payable on Assigned Loans	1,045.67	-	-	-	1,045.67
Other liabilities	125.40	539.65	7.44	-	672.49
Temporary Overdrawn Balances as per books	3,327.04	-	-	-	3,327.04
Unclaimed Dividends	4.17	-	-	-	4.17
Derivatives	(0.31	(25.40	51.39	-	25.68
Foreign Currency Forward payable	-	591.91	54.25	-	646.16
Undrawn Loan Commitments	70.00	1,811.65	210.14	-	2,091.79
Servicing liability on assigned loans	3.88	62.66	42.31	2.24	111.09
	8,046.31	**47,372.35**	**17,740.96**	**17,819.84**	**90,979.46**

(All amount in Rs. in Crore, except for share data unless stated otherwise)

(B) Credit Risk

Credit Risk arises from the potential that an obligor is either unwilling to perform on an obligation or its ability to perform such obligation is impaired resulting in economic loss to the Group. Group's Credit Risk Management framework is categorized into following main components:

- Board and senior management oversight
- Organization structure
- Systems and procedures for identification, acceptance, measurement, monitoring and controlling risks.

It is the overall responsibility of the board appointed Risk Management Committee to approve the Group's credit risk strategy and lending policies relating to credit risk and its management. The policies are based on the Group's overall business strategy and the same is reviewed periodically.

The Board of Directors constituted Risk Management Committee keeps an active watch on emerging risks the Group is exposed to. The Risk Management Committee defines loan sanctioning authorities, including process of vetting by credit committees for various types/values of loans. The RMC approves credit policies, reviews regulatory requirements, and also periodically reviews large ticket loans and overdue accounts from this pool.

The Risk Management Committee approves the 'Credit Authority Matrix' that defines the credit approval hierarchy and the approving authority for each group of approving managers/ committees in the hierarchy.

To maintain credit discipline and to enunciate credit risk management and control process there is a separate Risk Management department independent of loan origination function. The Risk Management department performs the function of Credit policy formulation, credit limit setting, monitoring of credit exceptions / exposures and review /monitoring of documentation.

Derivative financial Instruments

Credit risk arising from derivative financial instruments is, at any time, limited to those with positive fair values, as recorded on the balance sheet. With gross–settled derivatives, the Group is also exposed to a settlement risk, being the risk that the Group honours its obligation, but the counterparty fails to deliver the counter value.

Analysis of risk concentration

The Group's concentrations of risk for loans are managed by counterparty and type of loan (i.e. Housing and Non-Housing as defined by NHB). Housing and Non housing loans are given to both individual and corporate borrowers. The table below shows the concentration of risk by type of loan.

	March 31, 2022	March 31, 2021
Housing	33,383.71	43,247.35
Non Housing	26,566.48	22,159.90

The Group's concentrations of risk (for financial assets other than loans and advances) are managed by industry sector.

The following table shows the risk concentration by industry for the financial assets (other than loans) of the Group:-

March 31, 2022	**Financial services**	**Government***	**Others**	**Total**
Financial asset				
Cash and cash equivalents	7,986.04	-	-	7,986.04
Bank balance other than Cash and cash equivalents	1,666.81	-	-	1,666.81
Derivative financial instruments	149.12	-	-	149.12
Receivables	9.26	-	-	9.26
Investments	4,880.01	508.65	156.96	5,545.62
Other financial assets	1,034.27	-	-	1,034.27

* Government sector includes exposure to Central Government, State Governments, Government Corporations and Government Companies.

(All amount in Rs. in Crore, except for share data unless stated otherwise)

March 31, 2021	Financial services	Government	Others	Total
Financial asset				
Cash and cash equivalents	13,124.16	-	-	13,124.16
Bank balance other than Cash and cash equivalents	3,879.72	-	-	3,879.72
Derivative financial instruments	154.13	-	-	154.13
Receivables	23.79	-	-	23.79
Investments	5,004.96	1,014.59	126.46	6,146.01
Other financial assets	1,181.02	-	-	1,181.02

(C) 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 Group’s exposure to market risk is primarily on account of interest rate risk and Foreign exchange risk.

(i) Interest Rate Risk:-

Interest rate risk arises when there is a mismatch between positions, which are subject to interest rate adjustment within a specified period. The Group’s lending, funding and investment activities give rise to interest rate risk. The immediate impact of variation in interest rate is on the Group’s net interest income, while a long term impact is on the Group’s net worth since the economic value of the assets, liabilities and off-balance sheet exposures are affected. While assessing interest rate risks, signals given to the market by RBI and government departments from time to time and the financial industry’s reaction to them shall be continuously monitored.

Due to the very nature of housing finance, the Group is exposed to moderate to higher Interest Rate Risk. This risk has a major impact on the balance sheet as well as the income statement of the Group. Interest Rate Risk arises due to:

i) Changes in Regulatory or Market Conditions affecting the interest rates
ii) Short term volatility
iii) Prepayment risk translating into a reinvestment risk
iv) Real interest rate risk.

In short run, change in interest rate affects Group’s earnings (measured by NII or NIM) and in long run it affects Market Value of Equity (MVE) or net worth. It is essential for the Group to not only quantify the interest rate risk but also to manage it proactively. The Group mitigates its interest rate risk by keeping a balanced portfolio of fixed and variable rate loans and borrowings. Further Group carries out Earnings at risk analysis and maturity gap analysis at quarterly intervals to quantify the risk.

Interest Rate sensitivity

The following table demonstrates the sensitivity to a reasonably possible change in interest rates (all other variables being constant) of the Group's statement of profit and loss:

Particulars	Basis Points	Effect on Profit / Loss and Equity for the year 2021-22	Effect on Profit / Loss and Equity for the year 2020-21
Borrowings*			
Increase in basis points	+25	88.89	(90.60)
Decrease in basis points	-25	(88.89)	90.60
Advances			
Increase in basis points	+25	154.56	181.84
Decrease in basis points	-25	(154.56)	(181.84)
Investments			
Increase in basis points	+25	0.03	0.03
Decrease in basis points	-25	(0.03)	(0.03)

*The impact of borrowings is after considering the impact on derivatives contracts entered to hedge the interest rate fluctuation on borrowings.

(ii) Foreign currency risk

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 Group's exposure to the risk of changes in foreign exchange rates relates primary to the foreign currency borrowings taken from banks through the FCNR route and External Commercial Borrowings (ECB).

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

(iii) Equity Price Risk

Equity price risk is the risk that the fair value of equities decreases as the result of changes in the level of equity indices and individual stocks. The non–trading equity price risk exposure arises from equity securities classified as FVOCI. A 10 per cent increase in the value of the company's FVOCI equities at March 31, 2022 would have increased equity by Rs. 0.46 Crore (Previous Year Rs. 23.19 Crore). An equivalent decrease would have resulted in an equivalent but opposite impact.

(D) Operational Risk

Operational risk is the risk of loss resulting from inadequate or failed internal processes, people and system or from external events. Operational risk is associated with human error, system failures and inadequate procedures and controls. It is the risk of loss arising from the potential that inadequate information system; technology failures, breaches in internal controls, fraud, unforeseen catastrophes, or other operational problems may result in unexpected losses or reputation problems. Operational risk exists in all products and business activities.

The Group recognizes that operational risk event types that have the potential to result in substantial losses includes Internal fraud, External fraud, employment practices and workplace safety, clients, products and business practices, business disruption and system failures, damage to physical assets, and finally execution, delivery and process management.

The Group cannot expect to eliminate all operational risks, but it endeavours to manage these risks through a control framework and by monitoring and responding to potential risks. Controls include effective segregation of duties, access, authorisation and reconciliation procedures, staff education and assessment processes, such as the use of internal audit.

(43) Leases

Company is a Lessee

(a) The Group has lease contracts for various office premises used in its operations. Leases of office premises generally have lease terms between 1 to 12 years. The Group's obligations under its leases are secured by the lessor's title to the leased assets. Generally, the Group is restricted from assigning and subleasing the leased assets.
The Group also has certain leases of office premises with lease terms of 12 months or less. The Group applies the 'short-term lease' recognition exemptions for these leases.

(b) Leases are shown as follows in the Company's balance sheet and profit & loss account

Set out below are the carrying amounts of right-of-use assets recognised and the movements during the period:

Particulars	Building - Office Premises	Total
Opening balance as at 1 April 2020	253.29	253.29
Additions	14.85	14.85
Deletion (Termination/Modification during the period)	(98.08)	(98.08)
Depreciation expense	51.42	51.42
Closing net carrying balance 31 March 2021	**118.64**	**118.64**
Additions	92.62	92.62
Deletion (Termination/Modification during the period)	(2.32)	(2.32)
Depreciation expense	34.95	34.95
Closing net carrying balance 31 March 2022	**173.99**	**173.99**

Set out below are the carrying amounts of lease liabilities (included under Borrowings (Other than Debt Securities)) and the movements during the period:

Particulars	Amount Rs. In Crore
Opening balance as at 1 April 2020	**264.82**
Additions	14.85
Deletion (Termination/Modification during the period)	(102.45)
Accretion of interest	16.65
Payments	(49.78)
Amount recognised in Consolidated Statement of Profit & Loss for changes in lease payments on account of rent concession	(4.24)
As at 31 March 2021	**139.85**
Additions	92.62
Deletion (Termination/Modification during the period)	(1.90)
Accretion of interest	14.37
Payments	(46.94)
Amount recognised in Consolidated Statement of Profit & Loss for changes in lease payments on account of rent concession	-
As at 31 March 2022	**198.00**
Current	27.40
Non-current	170.60

(c) Amounts recognized in the Statement of Profit and Loss

Particulars	For the year ended FY 2021-22 Amount Rs. In Crore	For the year ended FY 2020-21 Amount Rs. In Crore
Depreciation expense of right-of-use assets	34.95	51.41
Interest expense on lease liabilities	14.37	16.65
Gain on termination/modification of leases	0.42	(4.97)
Amount recognised in Consolidated Statement of Profit & Loss for changes in lease payments on account of rent concession	-	(3.64)
Expense relating to short-term leases (included in other expenses)	5.41	7.53
Total amount recognised in profit or loss	**55.15**	**66.98**

The Company had total cash outflows for leases of Rs. 46.94 crores in FY 2021-22 (Previous Year Rs. 49.79 crores).

(44) (1) As result of the impact of the outbreak of Covid–19 virus, the Holding Company's performance continues to be dependent on future developments, which are uncertain, including, among other things, the risk of another wave of infections and actions to contain its spread, including lockdowns.

The Holding Company is mainly engaged in providing individual housing loans, loans against property (LAP) and project finance for real estate development. Operations of all these segments were impacted over the past few years and consequent to CoVID-19 pandemic are expected to be further significantly impacted, including erosion in the asset values of the collateral held by the Company. The Company has assessed each of its loan portfolio and performed a comprehensive analysis of the staging of each of its borrower segment. Further, for project finance loans, the Company has reviewed the project status, funding plans and analysis of the borrowers for large projects. Further, the Company has also analysed its outstanding exposures vis-a-vis the valuation of the collateral/underlying property based on third party valuation reports. Based on the above analysis, the Company has recorded expected credit loss provision to reflect, among other things, the impact of CoVID-19 pandemic. The ECL provision has been determined based on estimates using information available as of the reporting date and given the uncertainties relating to the impact of CoVID-19, the expected credit loss including management overlay is based on various variables and assumptions, which could result in actual credit loss being different than that being estimated; this will have a corresponding impact on the carrying value of the financial assets, results of operation and the financial position of the Holding Company."

(2) In respect of Indiabulls Commercial Credit Limited ('ICCL', 'the Subsidiary Company'), the outbreak of CoVID–19 virus, and more specifically the ongoing current wave of infections and resultant lockdowns continue to cause significant disruptions and dislocations for individuals and businesses. While the lockdown introduced by the government at the beginning of the year were lifted in a phased manner and was followed by a period of increased economic activity, with the onset of a very severe second wave of infections, state governments have reintroduced lockdowns and have imposed restrictions on movement of people and goods. The Subsidiary Company's performance continues to be dependent on future developments, which are uncertain, including, among other things, including the current wave that has significantly increased the number of cases in India and any action to contain its spread or mitigate its impact.

In accordance with the Reserve Bank of India's guidelines relating to CoVID-19 Regulatory Package dated 27 March 2020 and 17 April 2020, the Subsidiary Company has granted moratorium on the payment of all instalments falling due between 1 March 2020 and 31 May 2020 to all eligible borrowers who have requested for the moratorium, as per its Board approved policy. The moratorium was further extended for instalment falling due between June 1, 2020 to August 31, 2020 in accordance with the RBI press release dated May 22, 2020 which permitted lending institutions to extend the moratorium. In accordance with the guidance from Institute of Chartered Accountant of India ("ICAI"), extension of the moratorium to borrowers by the Subsidiary Company pursuant to the RBI guidelines relating to COVID 19 Regulatory Package dated March 27, 2020 and April 17, 2020 and RBI press conference, by itself was not considered to result in a significant credit risk (SICR) for a borrower.

The Subsidiary Company is mainly engaged in the business of financing by way of loans against property (LAP), mortgage backed SME loans, and certain other purposes in India. Operations of all these segments were impacted over the past few years and consequent to COVID 19 pandemic are expected to be further significantly impacted, including erosion in the asset values of the collaterals held by the Company. The Subsidiary Company has assessed each of its loan portfolios and performed a comprehensive analysis of the staging of each of its borrower segments. Further, the Subsidiary Company has also analysed its outstanding exposures viz a viz the valuation of the collateral/underlying property based on third party valuation reports. Based on the above analysis, the Subsidiary Company has recorded a provision for impairment due to expected credit loss (ECL) to reflect, among other things, an increased risk of deterioration in macro-economic factors caused by COVID-19 pandemic. The ECL provision has been determined based on estimates using information available as of the reporting date and given the uncertainties relating to the impact of CoVID-19, the expected credit loss including management overlay is based on various variables and assumptions, which could result in actual credit loss being different than that being estimated; this will have a corresponding impact on the carrying value of the financial assets, results of operation and the financial position of the Subsidiary Company.

(3) In respect of the subsidiary companies, such companies have taken into account all the possible impacts of COVID-19 in preparation of their respective financial statements, including but not limited to its assessment of, liquidity and going concern assumption, recoverable values of its financial and non-financial assets and impact on revenue recognition. Such subsidiary companies have carried out this assessment based on available internal and external sources of information upto the date of approval of their respective financial statements and believe that the impact of COVID-19 is not material to the financial statements and expect to recover the carrying amount of its assets. The impact of COVID-19 on the financial statements may differ from that estimated as at the date of approval of these financial statements owing to the nature and duration of COVID-19. There has been no material change in the controls or processes followed in the closing of the financial statements of the subsidiary companies.

(45) The Group has not entered into any transactions with companies struck off under Section 248 of the Companies Act, 2013 or Section 560 of the Companies Act, 1956 during the financial year ended March 31, 2022.

(46) The Group has not been declared a wilful defaulter by any bank or financial institution or other lender during the financial year ended March 31, 2022.

(47) The Group has not traded or invested in crypto currency or virtual currency during the financial year ended March 31, 2022.

(48) The Holding Company's estimate of impairment loss on financial instruments reflects among other things, an increased risk of deterioration in macro-economic factors and the impact on the Group's borrowers caused by the COVID-19 pandemic. In the year ended March 31, 2022, the Holding Company had debited additional special reserve created under Section 29 C as per the Master Direction – Non-Banking Financial Company – Housing Finance Company (Reserve Bank) Directions, 2021 issued by the Reserve Bank of India [read with erstwhile NHB circular no. NHB (ND)/DRS/Pol-No.03/2004-05 dated August 26, 2004] for an amount of Rs. 825 Crores in respect of impairment loss on financial instruments net of related tax impact instead of debiting the same to the consolidated statement of profit and loss.

(49) The Group has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding (whether recorded in writing or otherwise) that the Intermediaries shall;

(a) 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

(b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.

(50) The Group has not received any funds from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall;
(a) 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
(b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.

(51) The Group did not enter into any transactions which are not recorded in the books of accounts and has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961.

(52) There are no proceedings initiated or pending against the Group for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) during the financial year ended March 31, 2022.

(53) Previous Year's figures have been regrouped / reclassified wherever necessary to correspond with the current year's classification / disclosures.

The accompanying Notes are integral part of the consolidated financial statements

For and on behalf of the Board of Directors

Gagan Banga	Ashwini Omprakash Kumar	Mukesh Garg	Amit Jain
Vice Chairman / Managing Director & CEO	Whole Time Director	Chief Financial Officer	Company Secretary
DIN : 00010894	DIN : 03341114	New Delhi	Gurugram
Mumbai	Mumbai		

May 20, 2022

ACCOUNTING RATIOS

Accounting Ratios

The following tables present certain accounting and other ratios computed on the basis of amounts derived from the Audited Consolidated Financial Statements and the Limited Review Consolidated September Financial Results included in the section entitled "*Financial Statements*" on page 169:

(₹ in million, except per share data)

Particulars	Consolidated			
	For the six months period ended September 30, 2023*	For the six months period ended September 30, 2022*	For the year ended March 31, 2023	For the year ended March 31, 2022
Basic EPS (₹)	13.1	12.9	25.1	26.4
Diluted EPS (₹)	13.0	12.8	25.0	26.3
Return on Net Worth (%)	3.2	3.4	6.5	7.1
Net Asset Value per Equity Share (₹)	389.9	376.1	385.7	372.9
EBITDA	35,308.0	37,206.1	73,217.4	78,641.7

* *Not annualized*

The formulae used in the computation of the above ratios are as follows:

Basic EPS	Profit and loss attributable to Equity shareholders of the Company / Weighted average number of Equity shares outstanding during the period as adjusted for treasury shares
Diluted EPS	Profit and loss attributable to Equity shareholders of the Company as adjusted for items related to dilutive potential ordinary shares / Weighted average number of Equity shares outstanding during the period as adjusted for treasury shares and for the effects of all dilutive potential equity shares
Return on Net Worth	Profit/(loss) after tax for the period as presented in the consolidated statement of profit and loss in the Financial Statements / Net Worth
Net Asset Value per Equity Share	Net Worth / Number of Equity Shares subscribed and fully paid outstanding as at the end of the period
EBITDA	Profit/(loss) after tax for the period adjusted for income tax expense, finance costs, depreciation and amortisation expense as presented in the Audited Consolidated Financial Statements and Limited Review Consolidated September Financial Results.

(a) Calculation of Return on Net Worth

(₹ in million)

Particulars	Consolidated			
	For the six months period ended September 30, 2023*	For the six months period ended September 30, 2022*	For the year ended March 31, 2023	For the year ended March 31, 2022
Profit/(loss) after tax (A)	5,923.7	5,761.2	11,296.9	11,777.4
Equity Share capital (B)	942.3	897.2	897.2	891.1
Other equity (including non-controlling interest) (C)	1,83,340.6	1,68,377.9	1,72,715.3	1,65,849.5
Less: goodwill on consolidation(D))	578.3	578.3	578.3	578.3
Net Worth (E)= [B + C - D]	1,83,704.6	1,68,696.8	1,73,034.2	1,66,162.3
Return on Net Worth [A / E]100 (%)	3.2	3.4	6.5	7.1

* *Not annualized*

(b) Calculation of Net Worth and Net Asset Value per Equity Share

(₹ in million, except per share data)

Particulars	Consolidated			
	For the six months period ended September 30, 2023*	For the six months period ended September 30, 2022*	For the year ended March 31, 2023	For the year ended March 31, 2022
Equity Share capital (A)	942.3	897.2	897.2	891.1
Other equity (including non-controlling interest) (B)	1,83,340.6	1,68,377.9	1,72,715.3	1,65,849.5

Particulars	Consolidated			
	For the six months period ended September 30, 2023*	For the six months period ended September 30, 2022*	For the year ended March 31, 2023	For the year ended March 31, 2022
Less: goodwill on consolidation(C))	578.3	578.3	578.3	578.3
Net Worth (D) [A + B - C]	1,83,704.6	1,68,696.8	1,73,034.2	1,66,162.3
No. of Equity shares subscribed and fully paid outstanding (E)	471.1	448.6	448.6	445.6
Net Asset Value per Equity Share [(D/E] (₹)	389.9	376.1	385.7	372.9

* *Not annualized*

(c) Details of EBITDA and Adjusted EBITDA

(₹ in million, except per share data)

Particulars	Consolidated			
	For the six months period ended September 30, 2023*	For the six months period ended September 30, 2022*	For the year ended March 31, 2023	For the year ended March 31, 2022
Profit/ (Loss) after tax (A)	5,923.7	5,761.2	11,296.9	11,777.4
Income tax expense (B)	2,236.2	2,026.3	4,765.0	3,780.3
Finance costs (C)	27,036.7	29,053.6	56,364.9	62,416.2
Depreciation and amortisation expense (D)	414.5	405.6	855.7	773.7
EBITDA (E) = [A+B+C+D]	35,611.2	37,246.7	73,282.5	78,747.6
Exceptional items (F)	-	-	-	-
Other Income (G)	303.3	40.6	65.1	105.9
Exchange Fluctuation (gain)/loss, net (H)	-	-	-	-
Adjusted EBITDA [E-F-G-H]	35,307.9	37,206.1	73,217.4	78,641.7

* *Not annualized*

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

The following management's discussion and analysis of our financial condition and results of operations is intended to convey management's perspective of our operating performance and financial condition as at and for the fiscal year ended March 31, 2022 and 2023 and the six months ended September 30, 2022 and 2023 on a consolidated basis. Unless the context otherwise requires, (i) all financial information provided as at or for fiscal year 2022 has been derived from the comparatives presented in the audited consolidated financial statements as at and for fiscal year 2023; and (iv) all financial information provided as at or for the six months ended September 30, 2022 has been derived from the comparatives presented in the unaudited interim condensed consolidated financial statements as at and for the six months ended September 30, 2023. This disclosure is intended to assist in understanding and interpreting our financial statements included in this Letter of Offer.

Some of the information contained in the following discussion, including information with respect to our plans and strategies, contain forward-looking statements and reflects our current views with respect to future events and financial performance that involve risks and uncertainties. You should read the section "Forward-Looking Statements" for a discussion of the risks and uncertainties related to those statements and also the section "Risk Factors" for a discussion of certain factors that may affect our business, results of operations or financial condition.

OVERVIEW

We are a non-deposit taking housing finance company ("**HFC**") registered with the NHB. We are also a notified financial institution under the SARFAESI Act. We pre-dominantly offer housing loans and loans against property to our varied client base which comprises (i) salaried employees; (ii) self-employed individuals; (iii) micro, small and medium-sized enterprises ("**MSMEs**") and (iv) corporates. We also offer mortgage loans to real estate developers in India in the form of lease rental discounting for commercial premises and construction finance for the construction of residential premises. As of September 30, 2023, we were among the top 5 housing finance companies in India in terms of asset under management ("**AUM**"), and our housing loans and non-housing loans constituted 52% and 48%, respectively of our Loan Book on a standalone basis. As on September 30, 2023, our Loan Book was Rs.543,407.4 million on a consolidated basis. We are in the process of shifting to an asset-light business model, focusing on co-lending of loans along with banks and an increased sell down of our loan portfolio (for details, see "*Our Business – History and group structure – Our Strategy – Scale-up the retail asset-light business model* on page 131 of this Letter of Offer).

Our collateral primarily consists of residential and commercial properties. In addition, as of September 30, 2023, the average ticket size ("**ATS**") for home loans is Rs.2.5 million and Rs.6.9 million for loans against property.

As of September 30, 2023, we had a network of 218 branches which gives us a pan-India presence. Our presence across India allows us to undertake loan processing, appraisal and management of customer relationships in an efficient and cost-effective manner. As of September 30, 2023, we had a direct sales team of 1,745 employees, on a consolidated basis, who were located across our network. Besides in-house sourcing via the direct sales team, we also rely on external channels, such as direct sales agents for referring potential customers to us. In addition, we have an online home loans fulfilment platform called e-Home Loans which allows our customers to apply for a home loan and upload the requisite documents online.

As at September 30, 2023, our consolidated borrowings (other than debt securities) were Rs.281,361.1 million, consolidated debt securities were Rs.160,775.1 million and consolidated subordinated liabilities were Rs.42,068.9 million. We rely on long-term and medium-term borrowings from banks and other financial institutions, including external commercial borrowings and issuances of non-convertible debentures. We have a diversified lender base, comprising public sector undertakings ("**PSUs**"), private banks and other financial institutions. We also sell down parts of our portfolio through the securitization and/or direct assignment of loan receivables to various banks and other financial institutions, which is a major source of liquidity for us.

Our income and profit for the six months ended September 30, 2023 and for the Fiscal Years 2023 and 2022 are as follows:

	Consolidated		
	Fiscal year ended March 31, 2022	**Fiscal year ended March 31, 2023**	**Six months ended September 30, 2023**
		Rs. in millions	
Total Income.........................	89,939.0	87,257.9	41,579.2
Profit for the year(1)................	11,777.4	11,296.9	5,923.7

Note:

Profit for the year in case of Consolidated number = Profit for the year attributable to the shareholders of the company.

We have a long-term credit rating of "CRISIL AA/Stable" from CRISIL, "[ICRA]AA (Stable)" from ICRA and "CARE AA-; Stable" from CARE Ratings for non-convertible debentures and subordinated debt programme. Additionally, we have a long-term credit rating of "CRISIL AA/Stable" from CRISIL and "CARE AA-; Stable" from CARE Ratings for our long-term facilities. We also have the highest short-term credit rating of "CRISIL A1+" from CRISIL for our commercial paper programme and have short term ratings of "CRISIL A1+" from CRISIL and "CARE A1+" from CARE ratings for short term bank lines.

As at September 30, 2023 and March 31, 2023 and 2022, our consolidated gross NPAs as a percentage of our consolidated Loan Book were 3.4%, 3.4% and 3.8%, respectively, and our consolidated net NPAs (which reflect our gross NPAs less provisions for ECL on NPAs (Stage 3) for the six months ended September 30, 2023 and the years ended March 31, 2023 and 2022, as a percentage of our consolidated Loan Book were 1.9%, 2.2% and 2.2%, respectively. As of September 30, 2023, we have ECL allowance on financial assets and loan commitments amounting to Rs.7,744.7 million on a consolidated basis which is equivalent to 1.4% of our Loan Book and 42.3% of our gross NPAs.

As of September 30, 2023 and March 31, 2023 and 2022, our standalone CRAR was 26.0%, 23.0% and 22.5%, respectively. Our standalone CRAR is computed in accordance with the RBI Master Directions.The regulatory minimum requirement for CRAR was 15% for September 30, 2023, 15% for March 31, 2023 and 15% for March 31, 2022.

For the six months ended September 30, 2023 and the Fiscal Years 2023 and 2022, our consolidated total revenue from operations was Rs.41,275.9 million, Rs.87,192.8 million and Rs.89,833.1 million, respectively. For the six months ended September 30, 2023 and the Fiscal Years 2023 and 2022, our consolidated profit for the year attributable to the shareholders of the Company was Rs.5,923.7 million, Rs.11,296.9 million and Rs.11,777.4 million, respectively.

In addition to business growth, the key areas of focus for us and our Board are asset liability management ("**ALM**") and risk management. We have formed an asset liability management committee (the "**Asset Liability Management Committee**") and a risk management committee (the "**Risk Management Committee**").

Our Asset Liability Management Committee reviews our asset and liability positions and gives directions to our finance and treasury teams in managing the same. From time to time, we employ prudent ALM techniques to manage large repayments to smoothen out our ALM.

Our Risk Management Committee periodically approves, reviews, monitors and modifies various policies including our credit policy, operation policy and other functional policies pertaining to our Company, and the Risk Management Committee also reviews regulatory requirements and implements appropriate mechanisms and guidelines related to risk management.

Our key operating and financial metrics (on a consolidated basis) as at and for the six months ended September 30, 2023 and as at and for the years ended March 31, 2023 and March 31, 2022 are as follows:

	As at and for the year ended March 31		As at and for the six months ended September 30
	2022	**2023**	**2023**
	Rs. in millions, unless otherwise stated		
Parameters			
Balance Sheet			
Property, plant and equipment and other intangible assets	952.8	1,059.2	1,165.6
Investments	55,456.2	53,702.3	57,800.0
Cash and cash equivalents	79,860.4	36,976.4	50,241.4
Financial assets (excluding Cash and cash equivalents and investments)(1)	628,096.5	606,621.8	585,356.8
Non-financial assets (excluding property, plant and equipment and other intangible assets)(2)	55,367.3	51,092.7	34,516.0
Total Assets	**819,733.2**	**749,452.4**	**729,079.8**
Debt securities	236,653.4	188,370.7	160,775.1
Borrowings (other than debt securities)	330,679.9	291,694.6	281,361.1
Subordinated liabilities	46,260.3	43,969.4	42,068.9
Financial liabilities (excluding debt securities, borrowings (other than debt securities) and subordinated liabilities)(3)	30,035.9	47,241.7	55,532.3
Current tax liabilities (net)	1,517.6	138.1	137.3
Provisions	1,350.9	777.5	779.8
Deferred tax liabilities (net)	3.2	0.4	0.3
Other non-financial liabilities(4)	6,491.4	3,647.5	4,142.1
Equity (equity share capital and other equity)	166,740.6	173,612.5	184,282.9
Total liabilities and equity	**819,733.2**	**749,452.4**	**729,079.8**
Statement of Profit and Loss			
Total revenue from operations	89,833.1	87,192.8	41,275.9
Other income	105.9	65.1	303.3
Total expenses	74,381.3	71,219.4	33,401.3
Profit for the year attributable to the shareholders of the Company	11,777.4	11,296.9	5,923.7
Other comprehensive income/(loss)	1,203.8	105.6	1,917.3
Total comprehensive income for the year/period	12,981.2	11,402.5	7,841.0
Earnings per equity share			

	As at and for the year ended March 31		As at and for the six months ended September 30
	2022	2023	2023
	Rs. in millions, unless otherwise stated		
Basic (Rs.)	26.4	25.2	13.1
Diluted (Rs.)	26.3	25.1	13.0
Statement of Cash Flows			
Net cash from operating activities (A)	6,571.8	40,009.6	37,761.8
Net cash from investing activities (B)	16,489.4	8,842.5	12,892.2
Net cash (used in) financing activities (C)	(74,442.4)	(91,418.4)	(37,706.7)
Net increase / (decrease) in cash and cash equivalents (D=A+B+C)	(51,381.2)	(42,566.3)	12,947.3
Cash and cash equivalents at the beginning of the year (E)	131,241.6	79,860.4	37,294.1
Cash and cash equivalents at the end of the year (D + E)	79,860.4	37,294.1	50,241.4
Additional Information			
Net Worth[5]	166,162.3	173,034.2	183,704.6
Loan Book[6]	615,892.6	570,112.2	543,407.4
Interest income (including treasury income)[7]	89,024.0	85,613.9	40,683.5
Finance costs	62,416.2	56,364.9	27,036.7
Net interest income	26,607.8	29,249.0	13,646.8
Impairment on financial instruments	4,637.2	6,660.0	1,968.4
Net interest margin (%)[8]	3.0%	3.7%	3.7%[15]
Return on average asset (after tax)[9] (%)	1.3%	1.4%	1.6%[15]
Return on Net Worth (%)[10]	7.2%	6.7%	6.6%[15]
Gross NPA (%)[11]	3.8%	3.4%	3.4%
Net NPA (%)[12]	2.2%	2.2%	1.9%
CRAR - Tier I Capital (%)-Standalone[13]	16.6%	18.4%	21.9%
CRAR - Tier II Capital (%)-Standalone[13]	5.9%	4.6%	4.1%
Off balance sheet assets-loans assigned.	128,784.7	127,436.3	124,950.2
Total debts to total assets[14]	74.9%	69.9%	66.4%
Interest coverage ratio	148.4%	156.1%	162.4%
Bad debts to loan assets	1.0%	0.8%	0.7%

Notes:

1. Financial assets (excluding cash and cash equivalents and investments) = bank balance other than cash and cash equivalents + derivative financial instruments + receivables + loans + other financial assets + financial assets held for sale.
2. Non-financial assets (excluding property, plant and equipment and other intangible assets) = current tax assets (net) + deferred tax assets (net) + right-of-use assets + other non-financial assets + assets held for sale + goodwill on consolidation + non-financial assets held for sale.
3. Financial liabilities (excluding debt securities, borrowings (other than debt securities) and subordinated liabilities) = derivative financial instruments + trade payables + other financial liabilities + financial liabilities in respect of assets held for sale.
4. Other non-financial liabilities = other non- financial liabilities+ non-financial liabilities in respect of assets held for sale.
5. Net Worth = equity share capital + other equity – goodwill on consolidation.
6. Loan Book = term loans (net of assignment).
7. Interest income (including treasury income) = interest income + dividend income + net gain on fair value changes + net gain on derecognition of financial instruments under amortised cost category.
8. Net interest margin = (interest income + net gain on fair value changes + net gain on derecognition of financial instruments under amortized cost category – finance cost)/average total assets for the year/period.
9. Return on average asset (after tax) = profit for the year/period attributable to shareholders of the Company/the average total assets for the year/period.
10. Return on Net Worth is calculated by dividing the profit for the year/period attributable to shareholders of the Company by average Net Worth.
11. Gross NPA% = Gross NPA/(Loan Book).
12. Net NPA% = (Gross NPAs less provisions for ECL on NPAs)/(Loan Book).
13. Computed in accordance with the RBI Master Directions.

    Net Worth, Non-financial assets (excluding property, plant and equipment and other intangible assets), financial assets (excluding cash and cash equivalents and investments, financial liabilities (excluding debt securities, borrowings (other than debt securities) and subordinate liabilities are Non-GAAP Financial Measures which are supplemental measures of our performance and liquidity that is not required by, or presented in accordance with, Ind-AS. We compute and disclose such Non-GAAP Financial Measures as we consider such information to be useful measures of our business and financial performance, and because such measures are frequently used by securities analysts, investors and others to evaluate the operational performance of financial services businesses, many of which provide such Non -GAAP Financial Measures and other statistical and operational information when reporting their financial results. Such non-GAAP measures are not measures of operating performance or liquidity defined by generally accepted accounting principles and should not be considered in isolation or constructed as an alternative to cash flows, profit/(loss) for the years/period or any other measures of financial performance or as an indicator of our operating performance, liquidity, profitability or cash flows generated by operating, investing or financing activities derived in accordance with Ind-AS, Indian GAAP, IFRS and US GAAP. These non-GAAP financial measures and other statistical information relating to our operations and financial performance are not standardised terms and may not be computed on the basis of any standard methodology that is applicable across the industry and therefore may not be comparable to financial measures and statistical information of similar nomenclature that may be computed and presented by other banks or financial institutions in India or elsewhere

14. Total debts to total assets = (debt securities + borrowings (other than debt securities) +subordinated liabilities)/total assets.
15. Annualized.

SIGNIFICANT FACTORS AFFECTING OUR RESULTS OF OPERATIONS

A number of factors have affected and we expect will continue to affect our financial condition and performance. Some of the key factors affecting us are discussed below.

General Economic Conditions in India

Our financial condition and results of operation are influenced by the general economic conditions prevalent in India. Overall economic growth and an increase in GDP are likely to result in an increase in incomes and spending on housing in India, which may lead to an increase in demand for home loans, thereby positively impacting our financial condition and results of operations. The CRISIL Research Report forecasts that India's GDP will grow by 6.0% in Fiscal Year 2024. For further details, please see "*Industry Overview*" on page 97 of this Letter of Offer.

Conversely, a slowdown in the Indian economy could adversely affect our business and our borrowers, especially if such a slowdown were to be continued and prolonged. Various factors beyond our control, such as domestic employment levels, conditions in the world economy, escalation of global trade tensions, fluctuations in interest rates, developments in the Indian economy, movements in global commodity markets and exchange rates and changes in Indian laws, regulations and policies could have either a positive or adverse impact on the quality of our Loan Book. The demand for home loans is also affected by real estate prices and other developments in the real estate sector. Typically, higher real estate prices are likely to result in lower affordability for buyers. Any trends or events which have a significant impact on the economic situation in India, including a rise in interest rates, could impact our business. For details on the Indian housing finance market, please see "*Industry Overview*" on page 97 of this Letter of Offer.

Availability of cost-effective funding sources

The availability of cost-effective sources of funding impacts our financial condition and results of operations. As a non-deposit taking NBFC, our ability to continue to meet customer demand for new loans will depend primarily on our ability to borrow from various external sources on suitable terms and in a timely manner. Our funding sources are varied, as we believe that a diversified debt profile ensures that we are not overly dependent on any one type or source for funding. Over the years, we have developed a diversified funding base and have established strong relationships with our lenders. Our lenders include PSUs and private banks, mutual funds, insurance companies, provident funds, pension funds and other financial institutions.

Further, our debt service costs and overall cost of funds depend on many external factors, including developments in the Indian credit markets and, in particular, interest rate movements and the existence of adequate liquidity in the debt markets. Internal factors that affect our cost of funds include our credit ratings and available credit limits.

As at September 30, 2023, March 31, 2023 and March 31, 2022, our consolidated borrowings (other than debt securities) were Rs.281,361.1 million, Rs.291,694.6 million and Rs.330,679.9 million, consolidated debt securities were Rs.160,775.1 million, Rs.188,370.7 million and Rs.236,653.4 million and consolidated subordinated liabilities were Rs.42,068.9 million, Rs.43,969.4 million and Rs.46,260.3 million, respectively. We fund our capital requirements through multiple sources. Our primary sources of funding are long-term loans and issuances of non-convertible debentures. In addition, we also sell down parts of our portfolio through the securitization or direct assignment of loan receivables to various banks, insurance companies and other financial institutions, which is another source of liquidity for us. As at September 30, 2023, March 31, 2023 and March 31, 2022, our consolidated borrowings (sum of debt securities, borrowings (other than debt securities) and subordinated liabilities) were 57.5%, 55.9% and 53.6% through banks and financial institutions, 41.9%, 44.3% and 46.1% through issuances of non-convertible debentures and other debt instruments including through perpetual and subordinated debt, 0.6%, 0.6% and 0.3% through leased liability. For the six months ended September 30, 2023 and Fiscal Years 2023 and 2022, the Group's average annualized interest cost of borrowed funds were 10.7%, 9.9% and 9.6%, respectively.

We believe that our strong financial performance, capitalization levels and high credit ratings give comfort to our lenders and enables us to borrow funds at competitive rates, thereby lowering our overall cost of borrowings.

Any increase in our cost of funds may require us to increase interest rates on new loans originated to customers in the future to maintain our net interest margins, which may, in turn, decrease the competitiveness of our products and adversely affect our results of operations and prospects.

Volatility in Borrowing and Lending Rates

Our results of operations depend substantially on the level of our net interest income (representing our revenue from operations as reduced by our finance costs). The differential between the interest rates that we charge on interest-earning assets and the interest rates that we pay on interest-bearing liabilities, and the volume of such assets and liabilities, tend to have a significant impact on our results of operations. For the six months ended September 30, 2023 and Fiscal Years 2023 and 2022, our interest income as a percentage of our total revenue from operations was 86.0%, 88.0% and 95.5%, respectively. In addition, our finance costs as a percentage of our total expenses was 80.9%, 79.1% and 83.9%, respectively.

Interest rates are sensitive to many factors beyond our control, including the monetary policies of the RBI and domestic and international economic conditions, among others. Changes in market interest rates affect the interest rates we charge on our interest-earning assets differently from the interest rates we pay on our interest-bearing liabilities and also affect the value of our investments. An increase in interest rates could result in an increase in interest expense relative to interest income if we are not able to increase the rates charged on our loans and advances or if the volume of our interest-bearing liabilities is larger or growing faster than the volume of our interest-earning assets. The differences between repricing maturities of rate sensitive liabilities and rate sensitive assets, called repricing gaps, exposes our business to interest rate risk.

Our business is also exposed to interest rate risk in the form of non-uniform movement in different interest rate benchmarks that are used for pricing of our assets and liabilities. As the repricing maturities of our liabilities and assets are spread over different time periods, we are exposed to interest rate risk in the form of non-parallel movement in yield curves. Such scenarios would lead to a reduction in our net interest income (representing our revenue from operations as reduced by our finance costs) and net interest margin. The quantum of the changes in interest rates for our assets and liabilities may also be different, leading to a decrease in the interest margin.

Credit quality and provisioning

Our ability to manage the credit quality of our loans, which we measure in part through non-performing assets, is a key driver of our results of operations. We are required to classify our home and other mortgage loans into performing and non-performing assets in accordance with the RBI Directions.

Under Ind AS, we are required to make provisions on the basis of expected credit losses, which requires the estimation of loss on financial assets, considering reasonable and supportable information about past events, current conditions and forecasts of future economic conditions which could impact the credit quality of the loans and advances. Given the unique nature and the scale of the economic impact caused by the ongoing COVID-19 pandemic, our current estimate of credit loss is based on various highly uncertain and unobservable factors and the actual credit losses could be significantly different than the ECL estimates prepared by us.

As at September 30, 2023, March 31, 2023 and March 31, 2022, our consolidated gross NPAs were Rs.18,299.8 million, Rs.19,184.4 million and Rs.23,184.6 million, representing 3.4%, 3.4% and 3.8% of our consolidated Loan Book, respectively. As at September 30, 2023, March 31, 2023 and March 31, 2022, we have total ECL allowance on financial assets and loan commitments amounting to Rs.12,379.9 million, Rs.11,836.5 million and Rs.16,447.7 million, representing 67.7%, 61.7% and 70.9% of our consolidated gross NPAs, respectively, which comprised Rs.7,744.7 million, Rs.6,417.6 million and Rs.9,543.1 million, respectively as provision for our consolidated NPAs and Rs.4,635.2 million, Rs.5,418.9 million and Rs.6,904.7 million, respectively, as provision for our standard assets.

The following table is a summary of the risk classification of the Group's consolidated gross NPAs as per the NHB guidelines and RBI directions in relation to the Issuer and as per the RBI guidelines in relation to the Issuer's subsidiaries (in absolute terms and as a percentage of its consolidated gross NPAs) for the periods indicated:

	As at March 31			
	2022		**2023**	
	Amount (in Rs. millions)	*% of total NPAs*	*Amount (in Rs. millions)*	*% of total NPAs*
Housing loans				
Substandard assets	7,343.6	31.7	5,792.3	30.2
Doubtful assets......................................	725.3	3.1	3,988.2	20.8
Total housing loans (A).......................	**8,068.9**	**34.8**	**9,780.5**	**51.0**
Non-housing loans				
Substandard assets	14,800.0	63.8	4,818.4	25.1
Doubtful assets......................................	315.7	1.4	4,585.3	23.9
Total non-housing loans (B)	**15,115.7**	**65.2**	**9,403.9**	**49.0**
Total loan (A + B)................................	**23,184.6**	**100.0**	**19,184.4**	**100.0**

Further, historically, we have maintained a higher provisioning for NPAs than the norms prescribed under the regulatory guidelines. We believe that our conservative policies and robust systems have contributed and will continue to contribute in keeping our NPAs at manageable levels.

The following table sets forth details of our consolidated non-performing loans and defaulting loans as at September 30, 2023, March 31, 2023 and March 31, 2022:

Particulars	Consolidated		
	As at March 31		As at September 30,
	2022	2023	2023
	(in Rs. millions, unless otherwise stated)		
Gross NPAs	23,184.6	19,184.4	18,299.8
Loan Book[(1)]	615,892.6	570,112.2	543,407.4
Gross NPAs as a percentage of Loan Book	3.8%	3.4%	3.4%
Provision for NPAs	9,543.1	6,417.6	7,744.7
Provision for NPAs as a percentage of gross NPAs	41.2%	33.5%	42.3%
Net NPAs	13,641.5	12,766.8	10,555.1
Net NPAs as a percentage of Loan Book	2.2%	2.2%	1.9%

Note:

1. Loan Book = Term Loans (Net of Assignment).

Government Policy and Regulations

Our results of operations and continued growth also depend on stable government policies and regulations. Pursuant to Non-Banking Financial Company – Housing Finance Company (Reserve Bank) Directions, 2021, issued by the RBI on February 17, 2021 ("**RBI NBFC-HFC Regulations**"), HFCs are currently required to maintain a minimum capital to risk (weighted) assets ratio ("**CRAR**"), computed in accordance with the RBI Master Directions, consisting of Tier I and Tier II Capital which collectively shall not be less than 14% of their aggregate risk weighted assets and their risk adjusted value of off-balance sheet items on or before March 31, 2021 and 15% on or before March 31, 2022 and thereafter. Further, the Tier I capital should not be less than 10.0% on risk weighted assets and Tier II capital should not exceed the Tier I capital. As of March 31, 2023, the Company's CRAR (on a standalone basis), computed in accordance with the RBI Master Directions was 23.0%, with Tier I capital comprising 18.4% and Tier II capital comprising 4.6%. In addition, the RBI Master Directions currently permitted HFCs to borrow up to 13 times our Net Owned Funds ("**NOF**") until March 31, 2022 and this limit shall remain at 12 times our NOF until March 31, 2023. As of September 30, 2023, we had total borrowings (being the sum of debt securities, borrowings (other than debt securities) and subordinated liabilities) on a standalone basis of Rs.434,292.9 million, or 3.6 times our NOF of Rs.121,745.9 million.

We are required to comply with, among others, limits on borrowings, investments and interest rates, prudential norms for income recognition, asset classification and provisioning for standard and non-standard assets, norms for creation of special reserves as well as minimum capital adequacy requirements. The regulations applicable to us also address issues such as our conduct with customers and recovery practices, market conduct and foreign investment. Any significant change by the Government, the NHB or the RBI in their various policy initiatives facilitating the provision of housing or housing finance may affect the demand for our products and services.

Increasing Competition

The Indian housing finance industry is highly competitive and the factors on which we compete include product range, ability to customize products, rate of approving loans, interest rates charges for loans, customer convenience, reputation and maintaining customer relationships. Our primary competitors have been banks, HFCs and NBFCs.

Many of our competitors may have better access to, and lower costs of, funding than we do. In certain geographies, they may also have better brand recognition and a larger customer base than ours. If we are unable to access funds at an effective cost that is comparable to, or lower than our competitors, or expand our reach and build our brand among our target customers, we may lose existing as well as potential customers to competition, resulting in a decline in our market share.

In addition, customers have increased accessibility to housing finance products and services due to technological advances and increased penetration of internet-based lending platforms, which has facilitated an increase in demand for home loans and competition to meet that demand. With relatively fewer barriers to entry in the housing finance sector, competition is likely to intensify further as a result of regulatory changes and liberalization.

CRITICAL ACCOUNTING POLICIES UNDER IND-AS

The financial statements have been prepared as per the prevailing accounting standards, however, the same requires the management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and the disclosure of contingent liabilities, at the end of the reporting period. Although these estimates are based on the management's best knowledge of current events and actions, uncertainty about these assumptions and estimates could result in the outcomes requiring a material adjustment to the carrying amounts of assets or liabilities in future periods. Actual results could differ from those estimates.

These policies should be read in conjunction with our financial statements and related notes thereto appearing elsewhere in this document. For detailed disclosure of our critical accounting policies, please see Note 4 to our audited consolidated financial statements as at and for fiscal year 2023.

Impairment loss on financial assets

The measurement of impairment losses across all categories of financial assets except assets valued at Fair Value through Profit or Loss ("**FVTPL**"), requires judgment, in particular, the estimation of the amount and timing of future cash flows and collateral values when determining impairment losses and 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.

Our expected credit loss ("**ECL**") calculations are outputs of complex models with a number of underlying assumptions regarding the choice of variable inputs and their interdependencies. Elements of the ECL models that are considered accounting judgments and estimates include:

- Our model, which assigns probability of defaults ("**PDs**");
- Our criteria for assessing if there has been a significant increase in credit risk and so allowances for financial assets should be measured on a long-term ECL ("**LTECL**") basis;
- The segmentation of financial assets when their ECL is assessed on a collective basis;
- Development of ECL models, including the various formulas and the choice of inputs;
- Determination of associations between macroeconomic scenarios and, economic inputs, and the effect on PDs, Exposure at Default ("**EADs**") and Loss Given Default ("**LGDs**"); and
- Selection of forward-looking macroeconomic scenarios and their probability weightings, to derive the economic inputs into the ECL models.

Business Model Assumption

Classification and measurement of financial assets depends on the results of the Solely Payment of Principal and Interest ("**SPPI**") and the business model test. We determine the business model at a level that reflects how groups of financial assets are managed together to achieve a particular business objective. This assessment includes judgment reflecting all relevant evidence including how the performance of the assets is evaluated and their performance measured, the risks that affect the performance of the assets and how these are managed and how the managers of the assets are compensated. We monitor financial assets measured at amortised cost that are de-recognised 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 our continuous assessment of whether the business model for which the remaining financial assets are held continues to be appropriate and if it is not appropriate whether there has been a change in business model and so a prospective change to the classification of those assets.

Defined employee benefit assets and liabilities

The cost of the defined benefit gratuity plan and other post-employment benefits and the present value of the gratuity obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

Fair value measurement

When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the discounted cash flow ("**DCF**") model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgments include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments.

Effective interest rate method

Our effective interest rate ("**EIR**") methodology recognizes interest income using a rate of return that represents the best estimate of a constant rate of return over the expected behavioral life of loans and recognizes the effect of potentially different interest rates charged at various stages and other characteristics of the product life-cycle. This estimation, by nature, requires an element of judgment regarding the expected behavior and life-cycle of the instruments, as well as expected changes to the Group's base rate and other fee income or expense that are integral parts of the instrument.

Cash and cash equivalents

Cash and cash equivalents comprise cash in hand, demand deposits and time deposits held with banks, and debit balance in cash credit accounts.

Recognition of income and expense

Interest income

We earn revenue primarily from giving loans. Revenue is recognized to the extent that it is probable that the economic benefits will flow to us and the revenue can be reliably measured. Interest revenue is recognized using the effective interest rate ("**EIR**") method. This method calculates the amortized cost of a financial instrument and allocates the interest income. The EIR is the rate that discounts estimated future cash payments or receipts through the expected life of the financial instrument or, when appropriate, a shorter period, to the gross carrying amount of the financial asset or liability. The calculation takes into account all contractual terms of the financial instrument (for example, prepayment options) and includes any fees or incremental costs that are directly attributable to the instrument and are an integral part of the EIR, but not future credit losses.

We recognise interest income by applying the EIR to the gross carrying amount of financial assets other than credit-impaired assets. When a financial asset becomes credit-impaired and is, therefore, regarded as 'Stage 3', we recognise the interest to the extent recoverable. If the financial assets cures and is no longer credit-impaired, we revert to recognising interest income.

Interest expense

Interest expense includes issue costs that are initially recognized as part of the carrying value of the financial liability and amortized over the expected life using the effective interest method. These include fees and commissions payable to arrangers and other expenses such as external legal costs, provided these are incremental costs that are directly related to the issue of a financial liability.

Depreciation and amortization

Depreciation

Depreciation on property, plant and equipment ("**PPE**") is provided on straight-line method as per the useful life prescribed in Schedule II to the Companies Act, 2013, except for vehicles.

Vehicles are amortised on a straight-line basis over a period of five years from the date when the assets are available for use. The life has been assessed based on past usage experience and considering the change in technology.

Depreciation on additions to PPE is provided on a pro-rata basis from the date the asset is put to use. Leasehold improvements are amortised over the period of lease. Depreciation on sale / deduction from PPE is provided for up to the date of sale / deduction, as the case may be.

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

Amortization

Intangible assets consisting of software are amortised on a straight-line basis over a period of four years from the date when the assets are available for use.

The amortisation period and the amortisation method for these softwares with a finite useful life are reviewed at least at each financial year-end.

Provisions, contingent liability and contingent assets

A provision is recognised when we have a present obligation as a result of past events and it is probable that an outflow of resources will be required to settle the obligation in respect of which a reliable estimate can be made. Provisions are determined based on the best estimate required to settle the obligation at the balance sheet date. Contingent liability is disclosed for (1) possible obligations which will be confirmed only by future events not wholly within our control or (2) present obligations arising from past events where it is not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount of the obligation cannot be made. Contingent assets are not recognised in the financial statements.

Impairment of financial assets

Overview of the ECL principles

We record the allowance for expected credit losses for all loans and other debt financial assets not held at FVTPL, together with loan commitments and financial guarantee contracts (herein referred to as 'financial instruments'). Equity instruments are not subject to impairment under IND AS 109.

The ECL allowance is based on:

- 12 months' expected credit loss ("**12mECL**") where there is no significant increase in credit risk since origination; and
- on the credit losses expected to arise over the life of the asset (the lifetime expected credit loss or "**LTECL**")

The 12mECL is the portion of LTECL that represents the ECL that results from default events on a financial instrument that are possible within the 12 months after the reporting date.

Both LTECL and 12mECL are calculated on an individual and collective basis, depending on the nature of the underlying portfolio of financial instruments. We have established a policy to perform an assessment, at the end of each reporting period, of whether a financial instrument's credit risk has increased significantly since initial recognition.

Based on the above process, we group our loans into Stage 1, Stage 2 or Stage 3, as described below:

Stage 1: When loans are first recognised, we recognize an allowance based on 12mECL. Stage 1 loans also include facilities where the credit risk has improved and the loan has been reclassified from Stage 2 or Stage 3.

Stage 2: When a loan has shown a significant increase in credit risk since origination, we record an allowance for the LTECL. Stage 2 loans also include facilities, where the credit risk has improved and the loan has been reclassified from Stage 3.

Stage 3: Loans considered credit-impaired. We record an allowance for the LTECL.

RESULTS OF OPERATIONS

Description of Principal Components of Income and Expenditure

Revenue

Revenue from operations

Our revenue from operations comprises interest income (primarily interest on loan and also interest on pass through certificates and bonds and interest on deposit with banks), dividend income (on mutual funds or shares), fees and commission income, net gain on fair value changes, and net gain on derecognition of financials instruments under amortized cost category.

Other income

Our revenue from other income consists of revenues derived from the (i) interest on income tax refund; (ii) miscellaneous income; and (iii) sundry credit balances written back and bad debt recovered.

Expenses

Finance costs

Finance costs comprise interest expenses on debt securities, borrowings (other than debt securities), subordinated liabilities, processing and other fees, bank charges, FCNR hedge premium and other interest expenses.

Net gain/(loss) on fair value changes

Net gain/(loss) on fair value changes comprise realized and unrealized profit or loss on the investments and assets held for sale in the trading portfolio.

Impairment on financial instruments

Impairment on financial instruments comprise ECL on loans and bad debts written off (net of recoveries).

Employee benefits expenses

Employee benefits expenses comprises salaries, contribution to provident fund and other funds, share based payments to employees, provision for gratuity, compensated absences and superannuation expense and staff welfare expenses.

Depreciation, amortization and impairment

Depreciation and amortization expense includes the depreciation and amortization of land, buildings, computers and printers, furniture and fixtures, leasehold improvements, office equipment, motor vehicles and computer software.

Other expenses

Other expenses includes various other expenses such as rent, rates and taxes, repair and maintenance, communication costs, legal and professional charges, corporate social responsibility expenses, electricity and water expenses, recruitment and training, commission and brokerage expenses and fund expenses.

Tax expenses

Tax expenses include current tax expenses, and deferred tax charge or credit.

Share in Profit/(Loss) of Associate

Share in Profit/(Loss) of Associate comprises our share of profit or loss in our Associate.

Results of Operations

The following table summarizes our results of operations on a consolidated basis for six months ended September 30, 2023 and 2022:

	For the six months ended September 30,		
	2022	2023	2023
	(Rs in millions)	*(Rs in millions)*	*(In US$ millions)*
Revenue from Operations			
Interest Income	41,058.3	35,493.3	427.3
Dividend Income...	—	—	—
Fees and commission Income	647.7	592.4	7.1
Net gain on fair value changes	502.5	4,730.4	57.0
Net gain on derecognition of financial instruments under amortized cost category	841.4	459.8	5.5
Total Revenue from operations	**43,049.9**	**41,275.9**	**496.9**
Other Income	40.6	303.3	3.7
Total Income	**43,090.5**	**41,579.2**	**500.6**
Expenses			
Finance Costs	29,053.6	27,036.7	325.5
Net loss on fair value changes.....................................	—	—	—
Impairment on financial instruments (net of recoveries)..	2,817.8	1,968.4	23.7
Employee Benefits Expense...	2,098.4	3,176.5	38.2
Depreciation and amortization	405.6	414.5	5.0
Other expenses	927.6	805.2	9.7
Total expenses	**35,303.0**	**33,401.3**	**402.1**
Profit before tax	**7,787.5**	**8,177.9**	**98.5**
Tax Expense			
Current tax Expense / (Credit)	856.2	822.1	9.9
Deferred Tax Charge	1,170.1	1,414.1	17.0
Total Tax Expense	**2,026.3**	**2,236.2**	**26.9**
Profit for the period / year from continuing operations after tax	**5,761.2**	**5,941.7**	**71.6**
(Loss) / Profit for the period / year from discontinued operations..	—	(18.0)	(0.2)
Tax expense for the period / year from discontinued operations..	—	—	—
(Loss) / Profit for the period / year from discontinued operations after tax	—	**(18.0)**	**(0.2)**

	For the six months ended September 30,		
	2022	**2023**	**2023**
	(Rs in millions)	*(Rs in millions)*	*(In US$ millions)*
Profit for the period / year attributable to the Shareholders of the Company..................................	**5,761.2**	**5,923.7**	**71.3**
Other comprehensive income from continuing operations (A)			
A (i) Items that will not be reclassified to statement of profit or loss			
(a) Remeasurement gain / (loss) on defined benefit plan	(19.6)	17.8	0.2
(b) Gain / (Loss) on equity instrument designated at FVOCI	9.5	610.0	7.3
(ii) Income tax impact on A above	24.7	(144.0)	(1.7)
B (i) Items that will be reclassified to statement of profit or loss			
(a) Effective portion of cash flow hedges	2,357.9	1,915.6	23.1
(ii) Income tax impact on B above..............................	(593.4)	(482.1)	(5.8)
Total Other comprehensive (loss) / income from continuing operations (A)	**1,779.1**	**1,917.3**	**23.1**
Other comprehensive income from discontinued operations (B)			
B (i) Items that will not be reclassified to statement of profit or loss..	—	—	—
(a) Remeasurement gain / (loss) on defined benefit plan	—	—	—
(b) Gain / (Loss) on equity instrument designated at FVOCI	—	—	—
(ii) Income tax impact on A above	—	—	—
B (i) Items that will be reclassified to statement of profit or loss..	—	—	—
(a) Effective portion of cash flow hedges	—	—	—
(ii) Income tax impact on B above..............................	—	—	—
Total Other comprehensive (loss) / income from discontinued operations (B)	—	—	—
Total Other comprehensive (loss) / income (A) + (B)	**1,779.1**	**1,917.3**	**23.1**
Total comprehensive (loss) / income (after tax)	**7,540.3**	**7,841.0**	**94.4**

Note:

(1) 1 USD =83.058 INR as on September 29, 2023 published by Financial Benchmarks India Private Limited.

The following table summarizes our results of operations on a consolidated basis for Fiscal Years 2023 and 2022:

	For the year ended March 31,	
	2022	**2023**
Revenue from operations	*(Rs in millions)*	
Interest Income	85,825.3	76,764.7
Dividend Income	—	—
Fees and commission Income	809.1	1,578.9
Net gain on fair value changes	1,732.5	4,125.0
Net gain on derecognition of financial instruments under amortized cost category	1,466.2	4,724.2
Total Revenue from operations	**89,833.1**	**87,192.8**
Other Income	105.9	65.1
Total Income	**89,939.0**	**87,257.9**
Expenses		
Finance Costs	62,416.2	56,364.9
Net loss on fair value changes	—	—
Impairment on financial instruments (net of recoveries)	4,637.2	6,660.0
Employee Benefits Expenses	4,684.2	5,147.7
Depreciation and amortization	773.7	855.7
Other expenses	1,870.0	2,191.1
Total Expenses	**74,381.3**	**71,219.4**
Profit before tax	**15,557.7**	**16,038.5**
Tax Expense		
Current tax Expense / (Credit)	624.8	1,801.1
Deferred Tax Charge	3,155.5	2,960.6
Total Tax Expense	**3,780.3**	**4,761.7**
Profit for the period / year from continuing operations after tax	**11,777.4**	**11,276.8**
Profit for the period / year from discontinued operations	—	23.4
Tax expense for the period / year from discontinued operations	—	3.3

	For the year ended March 31,	
	2022	**2023**
Profit for the period / year from discontinued operations after tax	—	**20.1**
Profit for the period / year attributable to the Shareholders of the Company	**11,777.4**	**11,296.9**
Other comprehensive income		
(1) Other comprehensive income from continuing operations		
A (i) Items that will not be reclassified to statement of profit or loss		
(a) Remeasurement gain / (loss) on defined benefit plan	14.6	(8.1)
(b) (Loss) / Gain on equity instrument designated at FVOCI	701.3	28.9
(ii) Income tax impact on A above	(118.2)	17.3
B (i) Items that will be reclassified to statement of profit or loss		
(a) Effective portion of cash flow hedges	809.9	91.1
(ii) Income tax impact on B above	(203.8)	(22.9)
Total other comprehensive income from continuing operations	1,203.8	106.3
(2) Other comprehensive income from discontinued operations		
A (i) Items that will not be reclassified to statement of profit or loss		
(a) Remeasurement gain / (loss) on defined benefit plan	—	—
(b) (Loss) / Gain on equity instrument designated at FVOCI	—	(0.9)
(ii) Income tax impact on A above	—	0.2
Total other comprehensive income from discontinued operations	—	(0.7)
Total Other comprehensive (loss) / Income (net of tax)	1,203.8	105.6
Total comprehensive income (after tax)	12,981.2	11,402.5

Six months ended September 30, 2023 compared with six months ended September 30, 2022 on a consolidated basis

Interest Income

Our interest income decreased by Rs.5,565.0 million, or 13.6%, from Rs.41,058.3 million for the six months ended September 30, 2022 to Rs.35,493.3 million for the six months ended September 30, 2023. This decrease was primarily a result of the decrease in interest on loans as a result of decrease in our loan book for the six months ended September 30, 2022 as compared with the average loan book for the six months ended September 30, 2023.

Fees and Commission Income

Our fees and commission income decreased by Rs.55.3 million, or 8.5%, from Rs.647.7 million for the six months ended September 30, 2022 to Rs.592.4 million for the six months ended September 30, 2023. This decrease was primarily a result of the decrease in our other operating income and income from fees and advisory services.

Net gain/(loss) on fair value changes

Our net gain on fair value changes increased by Rs.4,227.9 million, or 841.4%, from Rs.502.5 million for the six months ended September 30, 2022 to Rs.4,730.4 million for the six months ended September 30, 2023. This was primarily as a result of net loss on our investments during the six months ended September 30, 2023.

Net gain on derecognition of financial instruments under amortised cost category

Our net gain on derecognition of financial instruments under amortised cost category decreased by Rs.381.6 million, or 45.4%, from Rs.841.4 million for the six months ended September 30, 2022 to Rs.459.8 million for the six months ended September 30, 2023.

Total Revenue from operations

As a result of the foregoing, our total revenue from operations decreased by Rs.1,774.0 million, or 4.1%, from Rs.43,049.9 million for the six months ended September 30, 2022 to Rs.41,275.9 million for the six months ended September 30, 2023.

Other Income

Our other income increased by Rs.262.7 million, or 647.0%, from Rs.40.6 million for the six months ended September 30, 2022 to Rs.303.3 million for the six months ended September 30, 2023.

Finance Costs

Our finance costs decreased by Rs.2,016.9 million, or 6.9%, from Rs.29,053.6 million for the six months ended September 30, 2022 to Rs.27,036.7 million for the six months ended September 30, 2022. This decrease was primarily a result of decrease in borrowings during the six months ended September 30, 2023, compared to the six months ended September 30, 2022.

Impairment on financial instruments (net of recoveries)

Impairment on financial instruments (net of recoveries) decreased by Rs.849.4 million, or 30.1%, from Rs.2,817.8 million for the six months ended September 30, 2022 to Rs.1,968.4 million for the six months ended September 30, 2023.

Employee Benefits Expense

Our employee benefit expense increased by Rs.1,078.1 million, or 51.4%, from Rs.2,098.4 million for the six months ended September 30, 2022 to Rs.3,176.5 million for the six months ended September 30, 2023. This increase was primarily a result of the increase in employee salaries and wages for the six months ended September 30, 2023 as compared to the six months ended September 30, 2022.

Depreciation and amortization

Depreciation and amortization increased by Rs.8.9 million, or 2.2%, from Rs.405.6 million for the six months ended September 30, 2022 to Rs.414.5 million for the six months ended September 30, 2023.

Other expenses

Our other expenses decreased by Rs.122.4 million, or 13.2%, from Rs.927.6 million for the six months ended September 30, 2022 to Rs.805.2 million for the six months ended September 30, 2023. This was as a result of a decrease in various expenses, primarily legal and professional charges and CSR expenses.

Total Expenses

As a result of the foregoing, our total expenses decreased by Rs.1,901.7 million, or 5.4%, from Rs.35,303.0 million for the six months ended September 30, 2022 to Rs.33,401.3 million for the six months ended September 30, 2023.

Profit before tax

As a result of the foregoing, our profit before tax increased by Rs.390.4 million, or 5.0%, from Rs.7,787.5 million for the six months ended September 30, 2022 to Rs.8,177.9 million for the six months ended September 30, 2023.

Current tax expense

Our current tax expense decreased by Rs.34.1 million, or 4.0%, from Rs.856.2 million in the six months ended September 30, 2022 to Rs.822.1 million for the six months ended September 30, 2023. This was primarily due to lower profits before tax.

Deferred Tax Charge

Our deferred tax charge increased by Rs.244.0 million, or 20.9%, to Rs.1,414.1 million for the six months ended September 30, 2023, as compared with Rs.1,170.1 million for the six months ended September 30, 2022.

Profit for the Period

As a result of the foregoing, our profit for the period increased by Rs.162.5 million, or 2.8%, from Rs.5,761.2 million for the six months ended September 30, 2022 to Rs.5,923.7 million for the six months ended September 30, 2023.

Total Other comprehensive income / (loss) (net of tax)

Our total other comprehensive income (net of tax) increased by Rs.138.2 million, or 7.8%, from an income of Rs.1,779.1 million for the six months ended September 30, 2022 to an income of Rs.1,917.3 million for the six months ended September 30, 2023. This increase was primarily a result of various instruments and derivative contracts which are recoded at FVOCI.

Total comprehensive income (after tax)

As a result of the foregoing, our total comprehensive income (after tax) increased by Rs.300.7 million, or 4.0%, from Rs.7,540.3 million for the six months ended September 30, 2022 to Rs.7,841.0 million for the six months ended September 30, 2023.

Fiscal Year 2023 compared with Fiscal Year 2022 on a consolidated basis

Interest Income

Our interest income decreased by 10.6% or Rs.9,060.6 million to Rs.76,764.7 million for Fiscal Year 2023, as compared with Rs.85,825.3 million for Fiscal Year 2022, principally as a result of a decrease in our interest on loans. Our interest on loans decreased by 7.5% or Rs.6,042.6 million to Rs.74,774.9 million for Fiscal Year 2023, as compared with Rs.80,817.5 million for Fiscal Year 2022.

Fees and commission income

Our fees and commission income increased by Rs.769.8 million or 95.1% to Rs.1,578.9 million in Fiscal Year 2023, as compared with Rs.809.1 million in Fiscal Year 2022. This was primarily as a result of the increase in other operating income by Rs.174.1 million or 70.1%, to Rs.422.4 million for Fiscal Year 2023, as compared with Rs.248.3 million for Fiscal Year 2022. In addition, our income from service fees also increased by Rs.160.8 million or 45.9%, to Rs.511.2 million for Fiscal Year 2023 from Rs.350.4 million for Fiscal Year 2022.

Net gain on fair value changes

Our net gain on fair value changes increased by Rs.2,392.5 million or 138.1% to Rs.4,125.0 million in Fiscal Year 2023, as compared with Rs.1,732.5 million in Fiscal Year 2022, primarily as a result of the increase in net gain on assets held for sale in the trading portfolio by Rs.3,291.1 million, or 155.2%, to Rs.5,411.1 million for Fiscal Year 2023, as compared with Rs.2,120.0 million for Fiscal Year 2022.

Net gain on derecognition of financial instruments under amortized cost category

Our net gain on derecognition of financial instruments under amortized cost category increased by Rs.3,258.0 million, or 222.2% to Rs.4,724.2 million for Fiscal Year 2023, as compared with Rs.1,466.2 million for Fiscal Year 2022.

Total revenue from operations

As a result of the foregoing, our total revenue from operations decreased by Rs.2,640.3 million or 2.9% to Rs.87,192.8 million for Fiscal Year 2023, as compared to Rs.89,833.1 million for Fiscal Year 2022.

Other Income

Our other income decreased by Rs.40.8 million to Rs.65.1 million for Fiscal Year 2023, as compared with Rs.105.9 million for Fiscal Year 2022.

Total Income

As a result of the foregoing, our total income decreased by Rs.2,681.1 million or 3.0% to Rs. 87,257.9 million for Fiscal Year 2023, as compared with Rs.89,939.0 million for Fiscal Year 2022.

Finance Costs

Our finance costs decreased by Rs.6,051.3 million or 9.70% to Rs.56,364.9 million for Fiscal Year 2023, as compared with Rs.62,416.2 million for Fiscal Year 2022. This was principally as a result of the decrease in finance costs on debt securities by Rs.4,754.9 million or 21.1%, to Rs.17,750.8 million for Fiscal Year 2023 from Rs.22,505.7 million for Fiscal Year 2022. This was principally as a result of a decrease in our outstanding debt securities during the year, as we looked to align our balance sheet in-line with our new asset-light business model.

Impairment on financial instruments (net of recoveries)

Impairment on financial instruments (net of recoveries) increased by Rs.2,022.8 million or 43.6% to Rs.6,660.0 million for Fiscal Year 2023, as compared to Rs.4,637.2 million for Fiscal Year 2022. This was principally as result of an increase in ECL on loan assets, which increased to Rs.8,204.4 million for Fiscal Year 2023, as compared with Rs.5,197.2 million for Fiscal Year 2022.

Employee Benefits Expenses

Our employee benefits expenses increased by Rs.463.5 million or 10.0% to Rs.5,147.7 million for Fiscal Year 2023, as compared to Rs.4,684.2 million for Fiscal Year 2022. This was principally as a result of an increase in salaries and wages, which increased by Rs.991.2 million or 21.8% to Rs.5,530.7 million for Fiscal Year 2023, as compared with Rs.4,539.5 million for Fiscal Year 2022. The increase in salaries and wages was primarily due to an increase in our employee headcount and annual increments during Fiscal Year 2023. As of March 31, 2023, we had 5,318 employees, as compared with 4,603 as of March 31, 2022.

Depreciation and amortization

Depreciation and amortization increased by Rs.82.0 million or 10.6% to Rs.855.7 million for Fiscal Year 2023, as compared with Rs.773.7 million for Fiscal Year 2022.

Other expenses

Our other expenses increased by Rs.321.1 million or 17.2% to Rs.2,191.1 million for Fiscal Year 2023, as compared with Rs.1,870.0 million for Fiscal Year 2022. This was as a result of an increase in rent to Rs.141.3 million for Fiscal Year 2023, as compared with Rs.54.1 million for Fiscal Year 2022; an increase in repairs and maintenance costs to Rs.252.8 million for Fiscal Year 2023, as compared with Rs.188.1 million for Fiscal Year 2022; an increase in legal and professional charges to Rs.731.3 million for Fiscal Year 2023, as compared with Rs.459.0 million for Fiscal Year 2022, which was also partially offset by a decrease in CSR expenses to Rs.379.7 million for Fiscal Year 2023, as compared with Rs.623.3 million for Fiscal Year 2022.

Total Expenses

As a result of the foregoing, our total expenses decreased by Rs.3,161.9 million or 4.3% to Rs.71,219.4 million for Fiscal Year 2023 from Rs.74,381.3 million for Fiscal Year 2022.

Profit before tax

As a result of the foregoing, our profit before tax increased by Rs.480.8 million or 3.1% to Rs.16,038.5 million for Fiscal Year 2023, as compared with Rs.15,557.7 million for Fiscal Year 2022.

Current Tax Expense

Our current tax expense increased by Rs.1,176.3 million or 188.3% to Rs.1,801.1 million for Fiscal Year 2023, as compared with Rs.624.8 million for Fiscal Year 2022. This was primarily due to higher profits before tax.

Deferred Tax Charge

Our deferred tax charge decreased by Rs.194.9 million to Rs.2,960.6 million for Fiscal Year 2023, as compared with Rs.3,155.5 million for Fiscal Year 2022.

Profit for the period / year attributable to the Shareholders of the Company

As a result of the foregoing, our profit for the period/year attributable to the shareholders of the Company was Rs.11,296.9 million for Fiscal Year 2023 as compared with Rs.11,777.4 million for Fiscal Year 2022.

Total Other comprehensive Income (net of tax)

Our other comprehensive income for Fiscal Year 2023 was Rs.105.6 million, as compared to Rs.1,203.8 million for Fiscal Year 2022.

Total comprehensive income (after tax)

As a result of the foregoing, our total comprehensive income decreased by Rs.1,578.7 million or 12.2% to Rs.11,402.5 million for Fiscal Year 2023, as compared to Rs.12,981.2 million for Fiscal Year 2022.

LIQUIDITY AND CAPITAL RESOURCES

As of September 30, 2023, we had cash and cash equivalents on a consolidated basis of Rs.50,241.4 million. Cash and cash equivalents primarily consist of cash on hand and balances with banks in current accounts and bank deposits. Our primary liquidity requirements have been and will continue to be to finance new borrowers and meet working capital requirements. We expect to meet our working capital needs and liquidity requirements for the next 12 months primarily from the cash flows from our business operations and borrowings, as determined by the management.

Cash flows

Set forth below is a table of selected information derived from our consolidated statements of cash flows for Fiscal Years 2023 and 2022 and the six months ended September 30, 2023:

	Fiscal Year		Six months ended September 30,
	2022	**2023**	**2023**
		(Rs. in millions)	
Net cash from operating activities......	6,571.8	40,009.6	37,761.8
Net cash from investing activities	16,489.4	8,842.5	12,892.2
Net cash used in financing activities ..	(74,442.4)	(91,418.4)	(37,706.7)
Net increase/(decrease) in cash and cash equivalents	(51,381.2)	(42,566.3)	12,947.3
Cash and cash equivalents at the beginning of the year/ period.............	131,241.6	79,860.4	37,294.1
Cash and cash equivalents as at the end of the year/ period.......................	79,860.4	37,294.1	50,241.4

Cash flows from operating activities

Our profit before tax for the six months ended September 30, 2023 amounted to Rs.8,177.9 million, which was adjusted primarily for the following to reconcile to net cash flows: interest income amounting to Rs.35,493.4 million, interest expense amounting to Rs.25,744.1 million and impairment on financial instruments amounting to Rs.4,215.1 million. Our operating loss before working capital changes was Rs.3,610.8 million. This was adjusted for working capital changes, primarily loans amounting to Rs.28,495.8 million. Our net cash from operations for the six months ended September 30, 2023 amounted to Rs.39,814.9 million, which was adjusted for interest received on loans amounting to Rs.29,138.3 million, interest paid on borrowings amounting to Rs.28,853.7 million and income taxes paid (net) amounting to Rs.2,337.7 million.

Our profit before tax for Fiscal Year 2023 amounted to Rs.16,038.5 million, which was adjusted primarily for the following to reconcile to net cash flows: interest income amounting to Rs.76,764.7 million, interest expense amounting to Rs.53,777.6 million and impairment on financial instruments amounting to Rs.12,618.5 million. Our operating gain before working capital changes was Rs.7,043.2 million. This was adjusted for working capital changes, primarily loans amounting to Rs.26,449.7 million. Our cash from operations for Fiscal Year 2023 amounted to Rs.34,367.0 million, which was adjusted for interest received on loans amounting to Rs.69,828.9 million, interest paid on borrowings amounting to Rs.58,406.1 million and income taxes paid (net) amounting to Rs.5,780.2 million.

Our profit before tax for Fiscal Year 2022 amounted to Rs.15,557.7 million, which was adjusted primarily for the following to reconcile to net cash flows: interest income amounting to Rs.85,825.3 million, interest expense amounting to Rs.53,051.4 million and impairment on financial instruments amounting to Rs.11,388.6 million. Our operating loss before working capital changes was Rs.4,735.6 million. This was adjusted for working capital changes, primarily loans amounting to Rs.36,482.4 million. Our cash used in operations for Fiscal Year 2022 amounted to Rs.7,716.3 million, which was adjusted for interest received on loans amounting to Rs.76,476.7 million, interest paid on borrowings amounting to Rs.56,296.9 million and income taxes paid (net) amounting to Rs.5,891.7 million.

Cash flows from investing activities

For the six months ended September 30, 2023, our net cash from investing activities amounted to Rs.12,892.2 million, which primarily comprised proceeds from deposit accounts of Rs.505.4 million and proceeds from investments (net) of Rs.11,894.7 million.

For Fiscal Year 2023, our net cash from investing activities amounted to Rs.8,842.5 million, which primarily comprised sale / (purchase) of investments (net) of Rs.6,435.3 million which was partially offset by purchase of property, plant and equipment and other intangible assets of Rs.493.6 million.

For Fiscal Year 2022, our net cash from investing activities amounted to Rs.16,489.4 million, which primarily comprised proceeds from deposit accounts of Rs.22,129.1 million which was partially offset by purchase of property, plant and equipment and other intangible assets of Rs.200.4 million and sale / (purchase) of investments (net) of Rs.10,465.7 million.

Cash flows from financing activities

For the six months ended September 30, 2023, our net cash used in financing activities amounted to Rs.37,706.7 million, primarily consisting of repayment of secured redeemable non-convertible debentures (net) of Rs.28,003.1 million and repayment of loans (net) of Rs.10,209.9 million.

For Fiscal Year 2023, our net cash used in financing activities amounted to Rs.91,418.4 million, primarily consisting of repayment of secured redeemable non-convertible debentures (net) to Rs.48,357.2 million and repayment of term loans (net) of Rs.36,357.0 million.

For Fiscal Year 2022, our net cash used in financing activities amounted to Rs.74,442.4 million, primarily consisting of repayment of secured redeemable non-convertible debentures (net) of Rs.64,798.5 million and repayment of loans (net) to Rs.5,247.3 million.

CAPITAL EXPENDITURE

We primarily have capital expenditures in relation to the opening of branch locations. The following table sets forth our historical capital expenditure for Fiscal Years 2022 and 2023 and the six months ended September 30, 2023.

	Fiscal Year		Six months ended September 30,
	2022	2023	2023
	Rs. in millions, unless otherwise stated		
Capital expenditures...............................	200.4	493.6	276.2

FINANCIAL INDEBTEDNESS

The following table sets forth our secured and unsecured debt position on a consolidated basis as at September 30, 2023:

Source of Funding	**Consolidated As at September 30, 2023**
	(Amount in Rs. Millions)
Loans from banks and financial institutions[(1)]	278,452.2
Non-convertible debentures and other debt instruments..	160,775.1
Subordinate debt	41,068.9
10.6% Non-convertible Subordinated Perpetual Debentures...	1,000.0
Lease Liability	2,908.8
Total..	**484,205.1**

Note:

1. Loan from banks and financial institutions includes loan from bank and others, from banks - cash credit facility, from banks - working capital loan and securitization liability.

Our loan agreements with certain banks and financial institutions for term loans and working capital loans contain restrictive covenants, which include, but are not limited to, requirements that we obtain consent from the lenders prior to altering our capital structure, amending our constitutional documents, effecting any scheme of amalgamation or reconstitution, permitting any change in the ownership or control (whereby there will be a change in our beneficial ownership), varying our shareholding structure, declaring dividends, cross-lending to other Group or associate companies, investing any funds by way of deposits or loans or in the share capital of any other concern, undertaking any new project or implementing any scheme of expansion or diversification, entering into borrowing arrangements with other banks or financial institutions, undertaking guarantee obligations, changing our accounting year and/or accounting methods, creating any charge or lien on the security and changing the composition of our board of directors. Additionally, some of the loan agreements contain financial covenants that require us to provide additional security if demanded by the lender and debt. In addition, some of our loans are secured by fixed and other assets.

CONTINGENT LIABILITIES

For details of our contingent liabilities and commitments as per Ind AS 37 disclosed in our consolidated financial statements as of September 30, 2023, please see "*Financial Statements*" on page 169 of this Letter of Offer.

From time to time, we assign and/or securitize a portion of our loan portfolio. In securitizations, the loans are pooled and sold down to a special purpose vehicle, which issues pass-through certificates, which are a type of securities, against this pool of loans. The proceeds from the sale of these pass-through certificates are used by the special purpose vehicle to purchase the pool from the originator, us. The investor receives the contracted payments on these pass-through certificates out of the repayment proceeds from the underlying pool of loan assets. In direct assignments, we sell loans directly to the investor. In both types of transactions, the sold down loan assets do not appear on our balance sheet. In certain transactions, we have provided guarantees and/or fixed deposit receipts as credit enhanced for the underlying loan pool, which can be utilized by the buyers to seek recourse against us in the case of loss. We disclose the amounts of the corporate guarantees and fixed deposit receipts as contingent liabilities.

QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT 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 or 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 the potential for loss resulting from adverse movement in market risk factors such as interest rates, forex rates, equity and commodity prices. Our exposure to market risk is primarily on account of interest rate risk and foreign currency risk.

Interest rate risk

Interest rate risk arises when there is a mismatch between positions, which are subject to interest rate adjustment within a specified period. Our lending, funding and investment activities give rise to interest rate risk. The immediate impact of variation in interest rate is on our net interest income, while a long term impact is our net worth since the economic value of the assets, liabilities and off-balance sheet exposures are affected. While assessing interest rate risks, signals given to the market by RBI and government departments from time to time and the financial industry's reaction to them shall be continuously monitored.

Due to the very nature of housing finance, we are exposed to moderate or higher interest rate risk. This risk has a major impact on our balance sheet as well as the income statement. Interest rate risk arises due to:

(i) changes in regulatory or market conditions affecting the interest rates;

(ii) short term volatility;

(iii) prepayment risk translating into a reinvestment risk; and/or

(iv) real interest rate risk.

In short run, change in interest rate affects our earnings (measured by NII or NIM) and in long run it affects our market value of equity or net worth. It is essential for us to not only quantify the interest rate risk but also to manage it proactively. We mitigate our interest rate risk by keeping a balanced portfolio of fixed and variable rate loans and borrowings. Further, we carry out earnings at risk analysis and maturity gap analysis at quarterly intervals to quantify the risk.

Foreign currency risk

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. Our exposure to the risk of changes in foreign exchange rates relates primary to the foreign currency borrowings taken from banks through the FCNR route and external commercial borrowings.

We follow a conservative policy of hedging its foreign currency exposure through forwards and/or currency swaps in such a manner that it has fixed determinate outflows in its function currency and as such there would be no significant impact of movement in foreign currency rates on our profit before tax and equity.

Equity price risk

Equity price risk is the risk that the fair value of equities decreases as the result of changes in the level of equity indices and individual stocks. The non–trading equity price risk exposure arises from equity securities classified as FVOCI. A 10 per cent increase in the value of our FVOCI equities at March 31, 2023 would have increased equity by Rs. Nil (compared to previous year's Rs.4.6 million). An equivalent decrease would have resulted in an equivalent but opposite impact.

OFF-BALANCE SHEET ARRANGEMENTS

Except as disclosed in this Letter of Offer, we do not have any off-balance sheet arrangements, derivative instruments, swap transactions or relationships with unconsolidated entities or financial partnerships established or contemplated for the purpose of facilitating off-balance sheet transactions.

RELATED PARTY TRANSACTIONS

For details of related party transactions, see "*Summary of Letter of Offer – Related Party Transactions*" on page 20 of this Letter of Offer.

SIGNIFICANT DEVELOPMENTS AFTER SEPTEMBER 30, 2023

The RBI through its circular dated December 19, 2023 ("**RBI Circular on AIFs**"), barred entities regulated by it, including HFCs and NBFCs ("**Regulated Entity**"), from investing in alternate investment funds ("**AIFs**") that have either direct or indirect investments in a "debtor company" of the Regulated Entity. A "debtor company" includes any company to which the Regulated Entity currently has or previously had a loan or investment exposure anytime during the preceding 12 months. In accordance with the RBI Circular on AIFs,

i. If an AIF scheme, in which the Regulated Entity is already an investor, makes a downstream investment in any such "debtor company", then the Regulated Entity is required to liquidate its investment in the scheme within 30 days from the date of such downstream investment by the AIF; or

ii. If the Regulated Entity has, as on date of the RBI Circular on AIFs, already invested in an AIF scheme having downstream investment in a "debtor company", the Regulated Entity shall liquidate its investment within 30 days of the date of the RBI Circular on AIFs.

In the event the Regulated Entity is unable to liquidate its investments within the prescribed timelines, the Regulated Entity shall make 100% provision on such investments and we estimate that we will have to create provision of up to approximately Rs.14,000 million.

Additionally, any investment by the Regulated Entity in the subordinated units of any AIF scheme with a "priority distribution model" shall be subject to full deduction from the Regulated Entity's capital funds. This shall adversely impact our regulatory capital ratios.

Except as disclosed above and in "*Material Developments*" on page 664 of this Letter of Offer, in the opinion of our Board of Directors, no circumstances have arisen since September 30, 2023, that materially and adversely affect or are likely to affect, our revenues and profitability, or the value of our consolidated assets or our ability to pay our material liabilities within the next 12 months.

SECTION VI: LEGAL AND OTHER INFORMATION

OUTSTANDING LITIGATION AND DEFAULTS

Our Company and our Subsidiaries are subject to various legal proceedings from time to time.

*Our Company has a "Policy for determining materiality for disclosures of events or information" framed in accordance with Regulation 30 of the SEBI LODR Regulations and adopted by the Board. Notwithstanding such materiality policy ("**Materiality Policy**") approved by the Board, our Company has, solely for the purposes of this Issue, disclosed in this section, all outstanding civil, regulatory and tax proceedings involving our Company and Subsidiaries where the amount involved is equivalent to or in excess of 5% of the average of absolute value of profit after tax as per the last three audited consolidated financial statements, i.e. ₹584.8 million ("**Materiality Threshold**")or where amount is not quantifiable or is below the Materiality Threshold but which materially and adversely affect the operations or the financial position of the Company.*

Further, except as disclosed in this section, there are no outstanding matters involving our Company and Subsidiaries which: (i) if they result in an adverse outcome, would have a material or adverse impact on the operations or the financial position of the Company; (ii) involve issues of moral turpitude or criminal liability; (iii) involve material violations of statutory regulations; (iv) involve economic offences where proceedings have been initiated.

Pre-litigation notices received by our Company and/or our Subsidiaries from third parties (excluding notices pertaining to any offence involving moral turpitude, notices threatening criminal liability or notices relating to economic offences) shall not be evaluated for materiality until such time our Company and/or our Subsidiaries are impleaded as defendants in litigation proceedings before any judicial forum.

I. **Involving our Company**

A. Criminal Proceedings

Against our Company

1. Manisha Rajgaria ("**Complainant**") filed a complaint dated July 19, 2010 before the Chief Judicial Magistrate, South 24 Parganas at Alipore ("**CJM, Alipore**") against our Company and Sameer Gehlaut, in his capacity as the erstwhile managing director of our Company alleging commission of criminal breach of trust punishable under Section 406 of the IPC for misappropriation of the cheques issued by the Complainant which were encashed by our Company after the loan account was closed upon due payments made by the Complainant. The CJM, Alipore took cognizance of the matter and transferred the matter to the Judicial Magistrate, 10th Court, Alipore ("**JM, Alipore**") for disposal. By an order dated July 29, 2010 ("**Impugned Order 1**"), the JM, Alipore issued process against our erstwhile promoter, Sameer Gehlaut. The matter was last heard on August 13, 2020. Additionally, our Company has filed an application in the High Court of Calcutta, Criminal Revisional Jurisdiction ("**Calcutta High Court**") seeking to, *inter alia,* (i) quash the Impugned Order 1 and the proceedings before the JM, Alipore; and (ii) stay the proceedings before the JM, Alipore. By an order dated June 20, 2011, the Calcutta High Court stayed the proceedings before the JM, Alipore for a period of 10 weeks. The matter is currently ongoing.

   The Complainant further filed another complaint dated March 25, 2011 against our Company and three former directors, Sameer Gehlaut, Rajiv Ratan and Saurabh K Mitthal ("**Accused**") on grounds of alleged criminal breach of trust punishable under Section 406 and commission of offenses punishable under Sections 420 and 120B of the IPC in relation for misappropriation of the cheques issued by the Complainant which was encashed by our Company after the loan account was closed upon due payments made by the Complainant. The CJM, Alipore took cognizance of the matter and transferred the matter to JM, Alipore. By an order dated March 29, 2011 ("**Impugned Order 2**"), the JM, Alipore issued process against the Accused**.** Subsequently, our Company filed an application in the Calcutta High Court seeking to, *inter alia,* (i) quash the Impugned Order 2 and the proceedings before the JM Alipore; and (ii) stay the proceedings before the JM, Alipore. By an order dated May 18, 2011, the Calcutta High Court stayed the proceedings before the JM, Alipore for a period of 10 weeks. The matter is currently ongoing.

2. Joy Gopal Mukherjee ("**Complainant**") filed a complaint before the Additional Chief Judicial Magistrate, at Durgapur ("**ACJM, Durgapur**") against Arun Kumar and Mintu Saha, who are employees of our

Company (collectively, "**Accused**") alleging commission of offence punishable under Section 403, 406, 511, 420 of the IPC on grounds that the Accused allegedly demanded money in excess of his loan liabilities and misappropriated cheques provided as security for the loan extended by our Company. By an order dated April 19, 2016, the ACJM, Durgapur issued summons to the Accused. The Accused have filed quashing petition before the High Court of Judicature at Calcutta ("**Calcutta High Court**") and the Calcutta High Court by an order dated September 28, 2016 stayed the proceedings before the ACJM, Durgapur for six weeks. The matter is currently ongoing.

3. The Commissioner of Police, Greater Chennai Square, Chennai received a complaint filed by K. Ganapathi Mudaliar, on behalf of Uma Maheshwari ("**Complainant**") against our Company, C Vengatesh, Softex Private Limited and V. Vijayalashmi alleging, *inter alia*, cheating, criminal breach of trust and forgery. It was alleged that Uma Vijayalaskmi entrusted the property documents with C Vengatesh before settling in the United Stated of America and such property was illegally mortgaged by C Vengatesh as security against loan obtained from our Company. Subsequently, the Sub-Inspector of Police, Central Crime Branch registered a FIR against the accused on February 02, 2010. Upon completion of the investigation, the final report November 11, 2014 was filed before the XI Metropolitan Magistrate, Saidapet Chennai ("**XI MM, Chennai**") pursuant to which a charge sheet ("**Impugned Charge Sheet**") was made against C Vengatesh, V. Vijayalashmi and Amrish Agarwal, former employees of our Company (collectively "**Accused**"). Subsequently, Amrish Agarwal, has filed a quashing petition in the High Court of Judicature at Madras ("**Madras High Court**") seeking to quash the Impugned Charge Sheet on the grounds that even if the facts stated in the FIR were accepted as true, no offence can made out against him. By an order dated July 9, 2015, the Madras High Court while disposing of the petition held Amrish Agarwal has been accused on the sole basis that he was the manager who sanctioned the loan which by itself is not sufficient to criminally hold a person liable and ordered for reinvestigation into the matter. Additionally, the Madras High Court directed Amrish Agarwal to surrender before the XI MM, Chennai and give a bond of ₹25,000 with two sureties pursuant to which XI MM, Chennai shall release Amrish Agarwal on bail. It further directed both the de facto complainant Uma Maheshwari and Amrish Agarwal to appear before the assistant commissioner of police as and when required and in case of non-cooperation, the bail issued to Amrish Agarwal may be cancelled. Furthermore, the Complainant has filed a petition for further investigation in the Madras High Court seeking to direct the Sub-Inspector of Police, Central Crime Branch, EDF – II, Team 4 to conduct further investigation and file additional / supplementary report within reasonable time. The matter is currently ongoing.

4. Minnie Verghese has registered a FIR in Hennur Police Station, Bengaluru against Prabin Pradhan, who is an employee of our Company, S.B Sudhakar and Narasimha Reddy (collectively, "**Accused**") for, *inter alia*, alleged cheating and criminal conspiracy on account of sanctioning loan facilities by our Company against property documents forged by S.B Sudhakar, pursuant to which a charge sheet was made against the Accused. The XI Additional Chief Metropolitan Magistrate, Bengaluru ("**XI CMM, Bengaluru**") took cognizance of the matter and issued process by an order dated April 19, 2016. Prabin Pradhan, Azahar Ali and Sriharsha K, employees of our Company (collectively, "**Petitioners**") filed a criminal petition in the High Court of Karnataka ("**Karnataka High Court**") for quashing the proceedings initiated before the XI CMM, Bengaluru and filed an application praying for a stay on further proceedings. The Karnataka High Court through its order dated June 8, 2016 granted a stay on the proceedings for a period of 12 weeks and recalled the non-bailable warrants but clarified that the Petitioners shall appear before the court in all hearings. The matter has since not been listed.

5. Neeraj Kumar filed an application under Section 340 of the CrPC before the Judicial Magistrate First Class, Gurugram ("**JMFC, Gurugram**") against our Company alleging that our Company has committed the offence of perjury by giving false information within its knowledge on oath and concealing the fact that our Company received payments and accordingly, sought for initiation of criminal proceedings against our Company. The application was dismissed by JMFC, Gurugram through its order dated January 7, 2020 ("**Dismissal Order**"). Subsequently, Neeraj Kumar has filed an appeal before the Additional District and Sessions Judge, Gurugram ("**ADSJ, Gurugram**") against the Dismissal Order. By an order dated February 7, 2020, the ADSJ, Gurugram issued summons to our Company. The matter is currently ongoing.

6. Joginder Sansanwal ("**Complainant"**) filed an application before the Metropolitan Magistrate, Patiala House Court, New Delhi ("**Patiala House, Delhi**") under Section 156 of the CrPC against our Company in relation to the dispute pertaining to the applicable rate of interest and tenure of the loan facility extended to the Complainant and alleged forgery and fabrication of certain loan documents. By an order dated November 17, 2018, the Patiala House, Delhi directed the registration of a first information report ("**FIR**") against our

Company. Subsequently, the parliament street police station registered an FIR on December 1, 2018 against our Company for offenses punishable under Sections 406, 420, 468 and 471 of IPC. The matter is currently ongoing.

7. Raghani Property Holdings Private Limited ("**Complainant**"), filed a criminal complaint dated April 19, 2017 before the Chief Metropolitan Magistrate, Calcutta ("**CMM, Calcutta**") against our Company, Sameer Gehlaut, our erstwhile promoter, Labh Singh Sitara, Gagan Banga, Prem Prakash Mirdha, Shamesher Singh Ahlawat, Sachin Chaudhary, Ajit Kumar Mittal (erstwhile Director) and Ashwini Omprakash Kumar (erstwhile Director) in their capacity as Directors of our Company, and Lucina Land Development Limited ("**LLDL**") and certain directors and executives of LLDL (collectively, the "**Respondents**") alleging commission of offences punishable under Sections 406, 409, 506 and 420 read with Sections 34 and 120B of the IPC in relation to repayment of a loan extended by our Company. The Complainant has alleged that the Respondents have entered into criminal conspiracy and have cheated the Complainant. The Complainant has also alleged that the Respondents have engaged in unilaterally modifying the terms of the "interest subvention scheme" under which the Complainant had availed loan from our Company to purchase of two apartments at "Indiabulls Greens" situated at Raigad, Maharashtra. The CMM, Calcutta took cognizance of the matter and transferred the matter to the Metropolitan Magistrate, 19th Court, Calcutta ("**MM Court, Calcutta**") for enquiry and disposal. By an order dated April 25, 2017 ("**Impugned Order**"), the MM Court, Calcutta issued summons and processes against the Respondents. Subsequently, the Respondents filed a petition in the High Court of Calcutta, Criminal Revisional Jurisdiction ("**Calcutta High Court**") seeking to (i) quash the Impugned Order and the proceedings before the CMM, Calcutta; and (ii) to stay the proceedings before the MM Court, Calcutta. By an order dated July 5, 2017 ("**Stay Order**"), the Calcutta High Court granted a stay on proceedings for six weeks or until further orders with liberty to apply for extension of the stay order. The stay granted through the Stay Order has been periodically extended through orders of the Calcutta High Court and was last extended by the Calcutta High Court on its own motion till September 15, 2021 with liberty to parties to apply for vacation of such order. Application for extension of the Stay Order has been filed. The matter is currently ongoing.

8. An FIR dated April 13, 2021was registered by Ashutosh Vijay Kamble against the Company, its officials and others ("**Respondents**") before the Wada police station in Palgarh, Maharashtra ("**Palgarh FIR**") under Sections 420, 464, 465, 467, 468, 470, 471 of the IPC read with Section 120B of the IPC for allegedly cheating, entering into criminal conspiracy, misappropriating of funds and siphoning off of money to various offshore entities, pursuant to order dated April 7, 2021 passed by the Judicial Magistrate First Class, Wada. The Company had filed a petition before the High Court of Bombay seeking quashing of the FIR wherein the court stayed further investigations. However, in February 2022, the Enforcement Directorate ("**ED**") conducted searches at our offices in Delhi, Gurugram and Mumbai and sought information regarding certain clients, which our Company duly provided. The ED investigation was under an Enforcement Case Information report ("**ECIR**") that was registered pursuant to the Palgarh, FIR. Subsequently, our Company filed a writ petition on February 24, 2022, before the High Court of Delhi seeking quashing of the ECIR. In the meantime, the High Court of Bombay quashed the Palgarh FIR by an order dated May 4, 2022 ("**Order**"). Although the ED is not a party to the quashing proceedings, ED has filed a special leave petition ("**SLP**") against the Order. The SLP is pending admission, no notices have been issued yet. The fact relating to the pending SLP was brought to the notice of the High Court of Delhi by the ED. Separately, the Supreme Court in its judgment dated July 27, 2022 ("**Supreme Court Judgment**"), for certain matters dealing with the Prevention of Money Laundering Act ("**PMLA**") held that proceedings under PMLA cannot continue where the schedule offence has been quashed by a competent court. Consequently, in view of the Order and the Supreme Court Judgment, the High Court of Delhi by its judgement dated September 26, 2022 ("**Order 2**") has quashed the ECIR while also setting aside all proceedings arising from the ECIR including all look out circulars (LOCs) issued thereunder while directing that there would be no further coercive action, search, seizure or summons arising from the ECIR. Furthermore, the ED has filed a special leave petition ("**SLP 1**") against the Order 2. The SLP 1 is pending admission, no notices have been issued yet. The matter is currently ongoing.

9. In June, 2013 Bishan Singh Singhal, Uma Singhal and Anand Singhal availed two loans of ₹47.5 million and ₹13.9 million amounting to total borrowings of ₹61.4 million (together, the "**Loans**") by creating mortgage on their property. Following the disbursal of the Loans, the borrowers failed to make timely repayments. Due to continuous default in repayment of these Loans, our Company initiated SARFAESI proceedings against the borrowers. As a counter, the borrower Bishan Singhal registered an FIR dated January 27, 2021 against our Company and its employees for committing an offence of cheating, fraud, forgery, criminal breach of trust and criminal conspiracy punishable under Sections 406, 420, 467, 468, 471,

120B & 34 of the IPC at P.S. EOW, Delhi ("**FIR**"). Our Company and all proceedings emanating therefrom ("**Petition**"). Our Company has filed a criminal writ petition dated April 15, 2023 under Article 32 of the Constitution of India before the Supreme Court seeking *inter alia* (i) issuance of mandamus outlaying guidelines for police officials and judicial magistrate to desist from initiating criminal proceedings against our Company pursuant to the FIR; and (ii) issuance of certiorari for quashing of the FIR. The Supreme Court thereafter, *vide* order dated April 28, 2023 had directed the proceedings in the FIR to be stayed. Further, *vide* the order dated July 4, 2023 passed by the Supreme Court in criminal writ petition, the Supreme Court had permitted our Company to, *inter alia*, approach the High Court of Delhi, New Delhi ("**Delhi High Court**") to challenge the FIR within two weeks. Subsequently, our Company has filed a petition under Section 482 of the CrPC before the Delhi High Court against Government of NCT of Delhi, Bishan Singh Singhal and others, seeking quashing of the FIR. The Delhi High Court *vide* order dated July 21, 2023 has issued notice on the Petition. The matter is currently pending.

10. On April 15, 2023, Brajesh Kumar Kashyap, Assistant General Manager (Estate) of Yamuna Expressway Industrial Development Authority, Greater Noida ("**Complainant**") filed an FIR against our Company, M/s Kadam Developers Private Limited ("**KDPL**") and others at P.S Beta-2 Greater Noida, Gautam Buddha Nagar ("**P.S. Beta-2**") under Section 420, 467, 468, 471 and 120B of the IPC.

    In the meantime, KDPL filed a civil writ petition before the High Court of Allahabad ("**High Court, Allahabad**") under Article 226 of the Constitution of India ("**Civil Writ Petition**"). During the proceedings before High Court, Allahabad, the Complainant submitted that there are defects in the notice dated April 13, 2023 issued by them and hence High Court, Allahabad disposed of the Writ Petition.

    Pursuant to the FIR registered by the Complainant, our Company, its Directors and certain officials of our Company received a notice from P.S Beta-2. Our Company has filed a reply on June 27, 2023, along with all requisite documents, to the investigating agency.

    Further, our Company has filed a criminal writ petition before the High Court, Allahabad ("**Criminal Writ Petition**") for quashing of the FIR and other consequential proceedings by other authorities/ departments. The High Court, Allahabad *vide* its order dated July 13, 2023, has stayed all proceedings in the said FIR and other consequential proceedings by other authorities/ departments ("**Order**"). Further, pursuant to the counter affidavit dated August 22, 2023, filed by the P.S. Beta 2 officials in relation to the Criminal Writ Petition before the High Court, Allahabad, the name of our Company has been deleted from the array of accused in the FIR. Further, the State has filed another affidavit dated October 4, 2023 stating that the earlier investigation was not done properly and case was transferred to crime branch. The Complainant has filed a reply to which our Company has filed a rejoinder. Further, the Order has been challenged by the Enforcement Directorate under a special leave to appeal in Supreme Court, which is currently pending.

11. Our Company has filed a complaint dated February 14, 2022 under sections 200 of the CrPC read with Section 199 of the CrPC before the Court of Ld. Metropolitan Magistrate, Patiala House Courts, New Delhi ("**Ld. MM, Patiala House Courts**") against Vikas Kasliwal. For further information, please see "*Material Civil proceeding – By our Company*".

12. An FIR dated July 22, 2023 ("**FIR'**) was registered by Mohit Singh with PS Kavi Nagar, Ghaziabad against our Company under Section 420 and 120-B of the IPC and Section 82 of Registration Act, 1908. Our Company has filed a writ petition seeking the quashing of the said FIR. For further information, please see "*criminal proceeding – By our Company*".

13. An FIR was registered with PS Indirapuram by Amit Walia against our Company under Sections 420, 467, 471, 323, 504, 506 and 120B of IPC pursuant to an order dated April 7, 2023 passed by the Court of Chief Judicial Magistrate, Ghaziabad. Our Company has filed a writ petition seeking the quashing of the said FIR.. For further information, please see "*criminal proceeding – By our Company*".

14. An application dated November 28, 2016 was filed by a third party objector, Sutar Buildcon Private Limited, before the Chief Metropolitan Magistrate, Dwarka Courts, New Delhi under Section 340 of CrPC against which our Company has filed a petition dated November 2, 2018 under Section 482 of CrPC seeking the dismissal/quashing of the proceedings initiated, in relation to the petition filed under Section 14 of the SARFAESI Act by the Respondent. For further information, please see "*criminal proceeding – By our Company".*

15. Three FIRs were instituted by Ravindra Biyani, director of AS Confin Private Limited in different states, namely FIR dated October 26, 2022 registered at P.S. Titagarh, FIR dated April 9, 2023 registered at P.S. Indirapuram and FIR dated January 27, 2021 registered at P.S. EOW, Delhi (together all three FIRs are hereby referred to as "**FIRs**") against our Company under section 420, 406, 409, 506, 120B of IPC. Our Company has filed a writ petition seeking the quashing of the said FIR. For further information, please see " – *Involving ICCL - Material Civil Proceedings".*

By our Company

1. Our Company lodged a first information report ("**FIR**") in the Udyog Vihar Police Station, Gurugram on June 4, 2019 against Vikash Shekhar and his associates for acts of forgery, extortion, criminal intimidation and threat pursuant to which Vikash Shekhar was arrested on June 8, 2019. Upon arrest, Vikash Shekhar disclosed that Kislay Pandey obtained his signatures and drafted complaints which were subsequently filed against our Company before various higher officials alleging misappropriation of funds. The Complaint was subsequently withdrawn by Vikash Shekhar as being false, concocted and filed by him in exchange of money received from Kislay Pandey and Ram Mani Pandey. Subsequently, Ram Mani Pandey was arrested on June 27, 2019 and it was revealed that Ram Mani Pandey had falsely claimed to be an advocate. By an order dated March 2, 2020, the Judicial Magistrate First Class, Gurugram ("**JMFC, Gurugram**") framed charges against Vikash Shekhar and Ram Mani Pandey for, *inter alia*, attempting to put officials of our Company in fear of injury in order to commit extortion, threatening to file complaints against our Company before various statutory bodies and forging of the Bar Counsel enrolment ID. Proceeding under Section 82 of the CrPC was executed against Kislay Pandey.

   Additionally, Vikash Shekhar filed a petition in the High Court of Punjab and Haryana at Chandigarh ("**Punjab High Court**") seeking handover of the investigation of FIR dated June 4, 2019 Udyog Vihar Police Station to an independent agency like CBI, and to appoint an independent special investigation team (SIT) to conduct de-nova investigation. He also filed an application seeking exemption from personal appearance before the trial court during the pendency of the petitions. The petitions were dismissed as withdrawn with liberty to avail alternative remedy.

   Further, Kislay Pandey filed the fourth application before the Court of Sessions Judge at Gurugram on July 29, 2020 seeking an anticipatory bail which was also dismissed by the Additional Sessions Judge, Gurugram *vide* an order dated August 10, 2020. Additionally, Kislay Pandey had filed a writ petition before the Punjab and Haryana High Court seeking quashing of FIR which was dismissed by an order dated February 27, 2020. Further, Ram Mani Pandey filed the fifth bail application before the Sessions Judge at Gurugram seeking a regular bail. By an order dated May 19, 2020, the Additional Sessions Judge granted regular bail to Ram Mani Pandey with directions to furnish bail bonds of ₹50,000 with one surety in the like amount to the satisfaction of the duty / area Magistrate with conditions that Ram Mani Pandey shall not try to influence the prosecution witness and shall not evade the trial.

   Furthermore, our Company and Sachin Choudhary (in his capacity as the Director of our Company) had filed a suit for permanent injunction against Vikash Shekhar, Ram Mani Pandey, Kislay Pandey and others (collectively, "**Defendants**") in the High Court of Delhi at New Delhi ("**Delhi High Court**") for false, frivolous complaints filed by the Defendants before various government authorities alleging misappropriation of funds, seeking, *inter alia,* to (i) permanently restrain the Defendants from giving publicity in print and/or social media the complaints filed by them against our Company; (ii) issue direction to the Bar Council of India to initiate proceedings to revoke the practice license of Kislay Pandey; and (iii) restraining Vikash Shekhar from appearing as an advocate till such time he is enrolled as an advocate with the State Bar Council. By an order dated July 8, 2019 ("**Stay Order**"), the High Court of Delhi issued summons and granted an interim injunction restraining the Defendants from jointly and severally disseminating and publishing information or suit or complaints made to statutory authority in relation to our Company through print or social media until the next date of hearing. Kislay Pandey has filed his written statement denying all averments made against him in the present suit. The suit has been decreed *vide* order dated September 6, 2022 against Vikash Shekhar and has been withdrawn against Ram Mani Pandey, Kislay Pandey and Managium Juris. The matter is currently adjourned for service of the remaining Defendants.

2. Our Company has filed a complaint under Sections 499, 500, 501 and 502 of the IPC against the Caravan Magazine, its Editor-in-Chief, Editor and others as the accused persons in connivance of each other, having published libellous content by way of an article titled as "New affidavit in Indiabulls case accused Yes Bank of dubious loans of thousand crores" in the magazine on November 25, 2019 to cause defamation to our

Company. The complaint case is pending before the Ld. Chief Metropolitan Magistrate, Patiala House Courts, New Delhi for recording the evidence of witnesses. The matter is currently ongoing.

3. Our Company and Reena Bagga (the “**Petitioners**”) have filed a criminal writ petition before the High Court of Allahabad *inter- alia* for issuance of an appropriate writ, order or direction in the nature of certiorari quashing the FIR dated July 22, 2023 ("**FIR’**) filed by Mohit Singh with PS Kavi Nagar, Ghaziabad, registered *vide* crime no. 611 of 2023 under Section 420 and 120B of the IPC and Section 82 of Registration Act, 1908 and appropriate writ, order or direction in the nature of mandamus restricting any coercive action against the Petitioners. The High Court of Allahabad has *vide* order dated August 8, 2023 (“**Order**”) observed that the case is fit for interim protection in terms of the order passed by another division bench of the High Court of Allahabad and stayed the investigation in the FIR. Further, through order dated August 11, 2023, the High Court of Allahabad extended the interim protection granted *vide* the Order. Subsequently, Mohit Singh, has filed a special leave petition in Supreme Court of India on October 15, 2023 against Order. The matter is currently pending.

4. Our Company has filed a writ petition on August 28, 2023 (“**Writ Petition**”) before the High Court of Allahabad whereby our Company has sought quashing of order dated April 7, 2023 passed by the Court of Chief Judicial Magistrate, Ghaziabad directing registration of FIR on an application under Section 156(3) of CrPC and consequently quashing of the FIR filed under Section 420, 467, 471, 323, 504, 506 and 120B of IPC and all consequential proceedings. Further, our Company has filed an application in the Writ Petition before the High Court, Allahabad for impleading of Station House Officer, PS Indirapuram and the complainant Amit Walia along with application for amendment of the Writ Petition. Further, our Company has filed a withdrawal application with the High Court, Allahabad for withdrawal of the application in relation to FIR from the Writ Petition as our Company has filed a separate petition for the quashing of the FIR before High Court, Allahabad. The matter is currently pending.

5. Our Company (“**Petitioner**”) has filed a petition under Section 482 of CrPC before the Hon’ble High Court of Delhi against M/s Traders (“**Respondent**”) wherein the Petitioner has sought to quash the proceedings initiated under Section 340 CrPC initiated against authorised officer of the Company through the order passed by the Chief Metropolitan Magistrate, Dwarka, New Delhi, in relation to the petition filed under Section 14 of the SARFAESI Act by the Respondent. The matter is currently pending.

6. Our Company filed two complaints (“**Complaints**”) against Madhu Shree Modi (“**Accused**”) under Section 138 read with Section 142 of Negotiable Instruments Act, 1881 before Judicial Magistrate First Class, Gurugram (“**JMFC, Gurgaon”)**. By its order dated July 9, 2018, JMFC, Gurgaon concluded cross-examination and took certain documents on record (“**Impugned Order**”). The Accused subsequently, has filed two applications in the Hon’ble High Court of Punjab and Haryana at Chandigarh (“**High Court, Punjab and Haryana**”) seeking to (i) quash or set aside the Impugned Order, and (ii) stay the proceedings before JMFC, Gurgaon pursuant to the Complaints. Both the matters are currently ongoing.

7. Our Company has filed an application under Section 16(1) of the Uttar Pradesh Gangster and anti Social Activities (Prevention) Act 1986 before the Special Gangster Court, Bareilly against the State of Uttar Pradesh, Agrante Developers Private Limited and others (“**Respondents**”) to set aside the order dated April 29, 2023 passed by District Magistrate, Bareilly (“**District Magistrate**”) in case no. 1110/20123 where the secured property of Respondents mortgaged in favour of our Company (“**Secured Property**”) were attached by the District Magistrate. This application has been filed for release of such Secured Property in favour of our Company. The matter is currently pending.

8. Our Company has filed complaints against various parties in the ordinary course of business, including some of our customers, under Section 138 of the Negotiable Instruments Act, 1881 and Section 25 of the Payment and Settlement Systems Act, 2007, in relation to dishonour of cheques and electronic funds transfer. The matters are pending at various stages of adjudication before various courts.

9. Our Company has registered FIRs in the ordinary course of business under Section 154 of the CrPC alleging *inter alia* commission of offenses punishable under Sections 405, 406, 408, 409, 420, 467, 468, 470, 471, 474, 75, 477A and 120-B of the IPC against our customers. The matters are currently pending.

B. Material Civil Proceedings

Against our Company

1. Suryachakra Power Corporation Limited ("**SPCL**") and others filed a writ petition in the High Court of Judicature Hyderabad for the State of Telangana and for the State of Andhra Pradesh ("**High Court of Andhra Pradesh**") against our Company and Indiabulls Infrastructure Credit Limited ("**IICL**") and others, seeking directions to be issued to declare, inter alia that (i) our Company does not have the authority to invoke the provisions of the SARFAESI Act against SPCL or the assets of Suryachakra Global Enviro Power Limited ("**SGEPL**") and South Asian Agro Industries Limited ("**SAAIL**"); and (ii) the issue of notices of sale, each dated November 30, 2015 are arbitrary, illegal and without jurisdiction. By an order dated January 4, 2016, the High Court of Andhra Pradesh issued notice to our Company, however, clarified that the sale conducted shall be subject to final adjudication of this writ petition.

   Our Company had also initiated petitions against SGEPL and SAAIL, respectively in the High Court of Andhra Pradesh wherein by orders, each dated June 22, 2015, the High Court of Andhra Pradesh ordered winding-up of SGEPL and SAAIL and appointed an official liquidator. Through our letters, each dated July 7, 2015, the official liquidator was notified that our Company, being a secured creditor, is entitled to proceed with recovery of the amount outstanding from SGEPL and SAAIL in accordance with the provisions of SARFAESI Act and that further steps for sale of assets of SGEPL and SAAIL have been initiated. Subsequently, by separate sale notices, each dated November 30, 2015 addressed to (i) SGEPL, Bhuvana Engineering and Consultants Private Limited ("**BECPL**") and their personal guarantors; and (ii) SAAIL, BECPL (erstwhile Ushayodaya Energy and Project Consultants Private Limited), SGEPL and its personal guarantors, our Company notified that the process of e-auction has been initiated in accordance with the provisions of SARFAESI Act. In the meanwhile, the Industrial Development Bank of India (IDBI) filed two applications in the High Court of Andhra Pradesh seeking to stay the auction proceedings initiated by our Company on the ground that if the official liquidator effects the sale of the properties belonging to SGEPL and SAAIL, then the proceeds can be utilized for clearing the dues of, *inter alia* the workers and creditors. The matter is yet to be listed. Upon completion of the auction process, the sale of property belonging to SGEPL was affected through sale deed dated June 8, 2017 and the sale of the property belonging to SAAIL was effected through sale deed dated May 24, 2017.

   Further, S. M. Manepalli has filed a writ petition before the High Court of the State of Telangana at Hyderabad ("**Telangana High Court**") against our Company and the official liquidator for SGEPL seeking a direction in the nature of writ of mandamus declaring the inaction of official liquidator for SGEPL in making claims against our Company as the custodian of SGEPL, thus causing damage to S.M Manepalli. The Telangana High Court, though an order dated March 31, 2021 issued notice to our Company to show cause as to why the writ petition should not be admitted.

   Additionally, our Company issued notices, each dated March 19, 2018 addressed to S.M. Manepalli and Manepalli Sesavatharam in their capacity as personal guarantors for the loan facility availed by (i) SGEPL and BECPL; and (ii) SAAIL and BCEPL, for invocation of arbitration in accordance with the terms of the loan agreements, each dated March 30, 2012. Our Company has filed two statements of claim against BECPL, S.M. Manepalli and Manepalli Sesavatharam (collectively, "**Respondents**") before the sole arbitrator Justice J.D. Kapoor (retired), claiming an aggregate amount of ₹1,194 million and ₹1,223.4 million, in connection with the loans extended to SGEPL and SAAIL, respectively. By orders, each dated September 28, 2018, the sole arbitrator ordered for the proceedings to proceed ex-parte against BECPL and Manepalli Sesavatharam. S.M. Manepalli has filed the statements of defense each seeking to, *inter alia* (i) dismiss the claims made by our Company; (ii) direct our Company to deposit ₹571.9 million and ₹616.7 million with the official liquidator which as per the workings provided in the statement of defense in connection with loan extended to SAAIL and to SGEPL, respectively; and (iii) claim for exemplary cost of ₹500 million for illegal invocation of personal guarantee in connection with loan extended to SGEPL and exemplary cost of ₹500 million for illegal invocation of personal guarantee in connection with loan extended to SAAIL.

2. Anir Tech Park Private Limited ("**Anir**") has filed an application under Section 9 of the Arbitration and Conciliation Act, 1996 in the High Court of Judicature at Madras ("**Madras High Court**") against our Company, Maavadi Soft Tech Ventures (India) Private Limited ("**Maavadi**") and others seeking, *inter alia* to restrain our Company from alienating, transferring or otherwise dealing with equity shares and assets of Maavadi which was placed as security against the loan facility extended by our Company to Maavadi and True Value Homes (India) Private Limited for an amount aggregating to ₹4,410 million. Through its order dated April 3, 2019, which was further clarified through order dated April 16, 2019 ("**Stay Order**"), the Madras High Court granted an injunction restraining our Company from *inter alia* alienating shares or assets

of Maavadi which had been pledged as security in favour of our Company till May 1, 2019. The Madras High Court, through its order dated September 20, 2020, vacated the injunction imposed on our Company under the Stay Order.

Additionally, Anir has filed a suit in the XI Assistant City Civil Court, Chennai against our Company, Maavadi and others seeking to *inter alia* restrain our Company from creating third party rights encumbering or otherwise dealing with the property to the extent of 38,225 square feet secured by way of deed of hypothecation and a declaration that the alleged hypothecation as null and void. The matter is currently pending.

3. Bliss House Private Limited ("**BHPL**"), Imagine Habitat Private Limited ("**IHPL**"), Imagine Residence Private Limited ("**IRPL**") and Bliss Agri and Eco Tourism ("**BAE**") (collectively, "**Applicants**") have in connection with three loans aggregating to ₹1,900 million extended by our Company filed a securitisation application before the Debt Recovery Tribunal-II, Delhi ("**DRT, Delhi**") seeking to, *inter alia*, set aside and quash the second notice of sale dated October 30, 2020 ("**Second Notice of Sale**") pertaining to 50% of the property situated at plot no. 20, Sardar Patel Marg, New Delhi ("**Property**") for recovery of an amount aggregating to ₹2,554.32 million and amount pending tax deduction at source aggregating to ₹20.9 million and further sought for interim relief to *inter alia* (i) restrain our Company from conducting the online auction on November 18, 2020. Our Company has filed its reply dated December 22, 2020 and the Applicants have filed a rejoinder dated January 17, 2021.

   As the online auction on November 18, 2020 failed, our Company issued a third notice of sale dated November 20, 2020 pertaining to the Property ("**Third Notice of Sale**") with the proposed date of the online auction on December 9, 2020. Aggrieved by the Third Notice of Sale, the Applicants filed another securitisation application before the DRT, Delhi seeking to, *inter alia*, set aside and quash the Third Notice of Sale and further sought for interim relief to *inter alia* restrain our Company from conducting the online auction on December 9, 2020. Our Company through its reply dated January 4, 2021 has denied all averments of the Applicants on the grounds *inter alia* that the challenge to the notice of sale is not maintainable. The Applicants have further filed their rejoinder on January 18, 2021. The DRT Delhi through its order dated January 28, 2021 held that the sale of the Property shall be subject to final result of the securitisation application. The matter is currently pending.

4. A provisional attachment order dated July 9, 2020 ("**PAO**") was passed by the Deputy Director, Enforcement Directorate, Mumbai in respect of immovable property situated at Amrita Shergill Marg, New Delhi ("**Property**") which is valued at approximately ₹6,850 million. Our Company has a prior right over the Property belonging to Bliss Abode Private Limited in terms of the relevant provisions of the SARFAESI Act. By an order dated January 1, 2021 ("**Impugned Order**"), the Adjudicating Authority under the Prevention of Money Laundering Act, 2002 ("**Adjudicating Authority**") confirmed the PAO. Aggrieved by the Impugned Order our Company has filed an appeal dated January 20, 2021 before the Appellate Tribunal, New Delhi against the Directorate of Enforcement, Rana Kapoor, Bindu Kapoor and Bliss Abode Private Limited to set aside the Impugned Order on the grounds, *inter alia*, of failure to put our Company to notice of the Impugned Order. Appellate Authority *vide* order dated February 15, 2021 has granted status quo to the operation of the eviction order until next date of hearing. The matter is currently pending.

5. Citizens Whistle Blower Forum ("**CWBF**") filed a writ petition in public interest ("**PIL**") before the High Court of Delhi at New Delhi ("**Delhi High Court**") against our Company, Sameer Gehlaut, our erstwhile promoter, Union of India through its Secretary of Ministry of Finance and Ministry of Corporate Affairs ("**MCA**"), NHB, RBI, Registrar of Companies – Kolkata, Serious Fraud Investigation Office ("**SFIO**") and SEBI, seeking direction for investigation by government authorities into alleged violations by our erstwhile promoter and alleged irregularities pertaining to facilities extended by our Company to five borrower groups. Our Company filed two applications in the Delhi High Court, being (i) an application dated September 27, 2019 seeking, *inter alia*, dismissal of the writ petition and imposition of exemplary costs; and (ii) an application dated September 27, 2019 under Section 340 of the CrPC seeking prosecution against Prashant Bhushan, the deponent of the PIL, for having made false statements on oath. A common reply dated October 21, 2019 ("**Common Reply**") was filed by Prashant Bhushan on behalf of CWBF denying the averments made in the two applications made by our Company and raising further allegations against our Company. Through its rejoinder dated October 23, 2019, our Company denied all further allegations made in the Common Reply.

   Subsequently, MCA through its interim affidavit dated October 22, 2019 and additional affidavit dated

November 28, 2019 stated that pursuant to the inspection of the books of accounts of our Company, the MCA had received the inspection report on November 15, 2019 which provided that out of facilities extended to the five borrower groups being the subject matter of the PIL, three loans were repaid and the remaining two loans were reported to be "Standard Accounts". Additionally, RBI submitted a counter affidavit dated February 26, 2020 in the PIL to place on record certain facts relevant to RBI. In its counter affidavit, RBI has not made any statement that violations have been committed by our Company. Further, based on facts referred in the counter affidavit, RBI has submitted that the PIL is not maintainable either on facts or on law against RBI and hence liable to be dismissed as such. Further, through its counter affidavit dated January 6, 2020, SEBI submitted that prima facie, there appears to be no allegations of non-compliance, if any, of the provisions of SEBI Act, or any rules and regulations made thereunder. SEBI also requested for it to be deleted from the array of parties as it was not the proper and necessary party to the proceedings. By an order dated February 28, 2020, the Delhi High Court granted four weeks time to NHB, the Registrar of Companies, Kolkata and SFIO to file their counter affidavits and the counsel for Union of India sought time to take instructions. NHB submitted a counter affidavit dated November 4, 2020 stating certain procedural lapses that were identified pursuant for which appropriate penalties were imposed. Additionally, CWBF has filed an application seeking restraint on further sale of shares of the Company by our erstwhile promoter, Mr. Sameer Gehlaut. The matter is reserved for orders.

6. On August 8, 2012, Veritas Investment Research Corporation ("**Veritas**") published a report co-authored by Neeraj Monga dated August 1, 2012 and titled "Bilking India" ("**Report**"). The Report was based on factually incorrect data pertaining to Indiabulls Real Estate Limited ("**IBREL**") and Indiabulls Financial Services Limited ("**IFSL**") (now merged with our Company) (collectively, "**Indiabulls Group**"), and thereby adversely impacted the price of the publicly traded shares of our Company. A criminal complaint dated August 8, 2012 was registered at the Police Station, Cyber Cell, Mumbai and a FIR was also registered by IBREL on August 8, 2012 at the Police Station, Udyog Vihar, Gurgaon against Veritas, Neeraj Monga and another stating, *inter alia*, that Neeraj Monga threatened to publish the Report if the Indiabulls Group failed to pay USD 50,000. Further, our Company also published a press release on August 8, 2012, stating that the allegations made in the Report were factually incorrect and misleading. Subsequently, on August 5, 2014, Veritas and Neeraj Monga filed a claim in the Superior Court of Justice, Ontario, ("**SCJ, Ontario**") against the Indiabulls Group claiming an aggregate of ₹11 million Canadian Dollars as punitive damages on the grounds that the press release dated August 08, 2012 was false and defamatory. A motion challenging the jurisdiction of SCJ, Ontario has been filed by our Company and IBREL on 27 February 2015, which is currently pending in the SCJ, Ontario.

   Our Company moved to the Delhi High Court seeking an anti-suit injunction against Veritas and the Court granted a stay order on October 27, 2014 restraining Veritas and the author from proceeding further with the claim before the Superior Court of Justice, Ontario and from initiating any fresh proceedings. Our Company also filed a petition before the Delhi High Court for contempt of Court against Veritas and the authors of the report for deliberately continuing the proceedings in Ontario disregarding the Delhi High Court's order dated October 27, 2014 and also on account of the content of certain affidavits filed before the Superior Court of Justice, Ontario. Thereafter, by way of an order dated April 29, 2019, the Delhi High Court disposed off the two suits seeking anti-suit injunctions along with the contempt petitions and all other related applications. The contempt petitions were disposed of after Veritas, Neeraj Monga and Nitin Mangal undertook that they would not publish or request anyone to publish the contents of the affidavit except for use in judicial proceedings. The Division Bench of Delhi High Court has issued notice on the appeals filed by our Company, whereby orders dated April 29, 2019, passed by the Single Judge have been challenged. The matter is currently pending.

   Separately, we have filed a motion before the Superior Court of Justice, Ontario challenging its territorial jurisdiction to entertain the claim filed by Veritas and Neeraj Monga and for that purpose has also relied upon the stay order passed by the Delhi High Court. On 19 May 2015, we filed a suit against Veritas and Neeraj Monga before the Delhi High Court for damages amounting to ₹2,000 million and future interest and a permanent injunction on circulating defamatory material against our Company. Veritas and Neeraj Monga filed a motion before the Ontario Court seeking an anti-suit injunction against the suit for damages filed by our Company before Delhi High Court. On October 2, 2015, Ontario Superior Court of Justice dismissed the motion filed by Veritas and the co-author. The order of dismissal of motion was followed by an order dated November 4, 2015, whereby the Ontario Court awarded cost of Canadian $27,500 against Veritas and Neeraj Monga and in favour of our Company. A motion challenging the jurisdiction of SCJ, Ontario has been filed by our Company and IBREL on February 27, 2015, which is currently pending in the SCJ, Ontario.

7. Four separate petitions under Section 9 of the Arbitration and Conciliation Act, 1996 ("**Arbitration Act**"), were filed by Kadam Developers Private Limited ("**KDPL**"), Shipra Leasing Private Limited ("**SLPL**"), Shipra Estate Limited ("**SEL**") and Shipra Hotels Limited ("**SHL**" along with KDPL, SLPL and SEL, the "**Shipra Group Companies**") against our Company in the High Court of Delhi at New Delhi ("**Delhi High Court**" and such petitions collectively, "**Section 9 Petitions – I**") seeking interim relief to restrain our Company from *inter alia* (i) transferring / selling / alienating or otherwise parting with the shares pledged by Shipra Group Companies in favour of our Company; (ii) taking any action to give effect to notice dated January 14, 2021 invoking the shares pledged in favour of our Company in relation to loans extended to SLPL, SEL and SHL ("**Loans**"). Subsequently, our Company issued a notice dated April 16, 2021 to Shipra Group Companies, Mohit Singh and others informing them that our Company will proceed with the sale of the pledged shares. Consequently, the Shipra Group Companies filed a second set of four separate petitions under Section 9 of the Arbitration Act in the Delhi High Court ("**Section 9 Petitions – II**") against our Company and others (as proforma parties) seeking interim relief to restrain our Company from *inter alia* (i) transferring / selling / alienating or otherwise parting with any "security" including post-dated cheques provided in favour of our Company; and (ii) taking any action to give effect to notice dated January 14, 2021 invoking the shares pledged in favour of our Company and / or notice dated April 16, 2021 for sale of pledged shares, in relation to loans extended to SLPL, SEL and SHL. Through an order dated May 20, 2021 ("**Impugned Order**"), the Delhi High Court dismissed both the Section 9 Petitions – I and Section 9 Petitions – II. Aggrieved by the Impugned Order, SEL, SHL, KDPL and SLPL have preferred an appeal in the Delhi High Court which was disposed off by way of order dated November 30, 2022.

   Additionally, Mohit Singh filed a petition under Section 9 of the Arbitration Act in the Delhi High Court Against our Company and others (as proforma parties) seeking interim relief to restrain our Company from *inter alia* (i) from acting in furtherance of the notice dated July 3, 2021 by way of which the shares held by SEL in KDPL have been sold to Creative Souls Technology India Limited; and (ii) to maintain status quo in relation to shares of KDPL as on May 30, 2021. The court *vide* order dated November 8, 2021, has dismissed the petition. On the application filed by SEL under Section 17 of the Arbitration Act, seeking to maintain status quo regarding the loan documents and securities till the conclusion of the present arbitration, the Arbitral Tribunal *vide* order dated April 28, 2022 directed parties to maintain status quo with respect to their shareholdings in KDPL.

   DLF Home Developers Limited has also filed a petition under Section 9 of the Arbitration Act in the Delhi High Court against our Company, SEL, KDPL, Mohit Singh ("**Respondents**") and Yamuna Expressway Industrial Development Authority seeking interim relief to restrain the Respondents from, *inter alia*, (i) selling / transferring / alienating rights or interest directly or indirectly in land situated at Sector 128, Noida ("**Property**"); and (ii) attempting or giving effect to illegal termination or revocation of agreement to sell the Property dated May 30, 2021, including unilateral termination notice dated June 26, 2021, issued by our Company. The court through its judgement dated November 8, 2021 has dismissed the petition, with directions to maintain status quo with respect to the property owned by KDPL till pendency of the arbitration proceedings in this regard.

   Additionally, three separate petitions under Section 9 of the Arbitration Act have been filed by SEL, SLPL and KDPL against our Company before the Delhi High Court. The Delhi High Court has directed the parties to maintain status quo with respect to the property owned by KDPL. In the petition filed by SEL, the Delhi High Court *vide* order dated July 19, 2021, has directed the parties to maintain status quo as to the shares of KDPL and further directed that none of the parties shall exercise any rights in respect of the said shares. After hearing arguments on August 16, 2021, the court *vide* order dated November 08, 2021, has dismissed the case.

   The Shipra Group Companies have filed four separate petitions against our Company under Section 11 of the Arbitration Act for appointment of the arbitrator and through a common order dated August 17, 2021, the Delhi High Court has constituted an arbitrational tribunal ("**Arbitral Tribunal**") appointing Justice Vikramajit Sen (retired) as the sole arbitrator. Additionally, DLF Home Developers Limited has filed Petition against our Company under Section 11 of the Arbitration Act for appointment of the arbitrator and through an order dated August 12, 2021, the Delhi High Court Justice Pankaj Jaiswal (retired) as the sole arbitrator to adjudicate the matter. DLF Home Developers Limited, along with others, has filed a statement of claim and our Company has filed a statement of defence. On the application filed by SEL, Justice Pankaj Jaiswal (retired) has been replaced with Justice Vikramajit Sen (retired) as the sole arbitrator in the arbitration initiated by DLF Home Developers. Our Company has also filed an application under Section 16 of Arbitration Act challenging the jurisdiction of the arbitrator. On the application filed by SEL, under Section 17 of the

Arbitration Act, *vide* order dated April 28, 2022, the Arbitral Tribunal directed the parties to maintain status quo with respect to their shareholdings in KDPL. Creative Souls being the purchaser of shares has filed an application seeking vacation of ad-interim status quo order dated April 28, 2022.The Arbitral Tribunal through its order dated September 28, 2022, has vacated the status quo on the transfer of shares, however status quo on the land continues. The matter is currently pending.

Further, SEL, SHL and SLPL have filed separate applications on September 16, 2023 under Section 29A(5) of the Arbitration Act before the Delhi High Court seeking an extension of the mandate of the present Arbitration Tribunal for completion of the arbitration proceedings pending between the parties. The matter is currently pending.

Additionally, SLPL has filed an application seeking to restrain our Company from creating third party interest in Shipra Mall being plot No.9, Vaibhav Khand Indirapuram ("**Shipra Mall**"). Our Company has filed three separate appeals under Section 37(2)(b) of the Arbitration Act challenging the order dated August 30, 2022 ("**Order 1**") whereby the Sole Arbitrator in an application filed by the Respondent under Section 17 of the Arbitration Act has prohibited us from confirming the sale of Shipra Mall. The Delhi High Court *vide* order dated February 21, 2023, has allowed our appeals and has set aside the Order 1.

Our Company has also filed three separate applications for seeking revival of the appeals which were disposed off by the Delhi High Court *vide* common order dated July 8, 2022. Appeals were filed by our Company under Section 37(2)(b) of the Arbitration Act challenging the common order dated June 11, 2022 ("**Order 2**") passed by the Sole Arbitrator while adjudicating applications filed by SPL setting aside a sale notice dated April 29, 2022 issued by our Company under Section 13(4) of the SARFAESI Act read with Rule 8(6) of the Security Interest (Enforcement) Rules, 2002. The Delhi High Court *vide* its judgement dated February 21, 2023, the Delhi High Court has allowed our appeals and set aside the Order 2. SEL preferred a Special Leave Petition ("**SLP**") against the order of the Delhi High Court dated 21 February 2023, which was subsequently withdrawn by an order dated 24 April 2023.

Our Company filed an application dated April 22, 2021, under Section 7 of Insolvency and Bankruptcy Code, 2016 ("**IBC**") against SEL in the National Company Law Tribunal, New Delhi ("**NCLT, Delhi**") which was dismissed by NCLT, Delhi *vide* order dated September 13, 2022. Our Company has filed an appeal challenging the order dated September 13, 2022 passed by NCLT, Delhi dismissing our application filed under Section 7 of IBC. The matter is currently pending. Similarly, our Company filed a separate application dated April 15, 2021 under Section 7 of IBC against SLPL in the NCLT, Delhi. This application was allowed by NCLT, Delhi. Subsequently, Neeraj Walia, the suspended board of director of SLPL filed an appeal in NCLAT seeking NCLAT to stay the operation of order of NCLT. The appeal is pending.

Our Company has filed petition under Section 9 of the Arbitration Act before the Delhi High Court, *inter alia* seeking orders directing (i) SEL to disclose the total receivables from the Godrej Project, till date, and also disclose the bank account details where the receivables have been credited, (ii) SEL to disclose on oath, the amount disbursed to our Company and the details of the bank account in which its share of receivables from the Godrej Project have been credited in terms of the Admission and Reconstitution Deed dated September 18, 2018, (iii) SEL to deposit in the escrow account the net receivables received so far from the Godrej Project, in terms of Deed of Hypothecation dated August 18, 2020; and (iv) pass an order staying any further development of the Godrej Project by SEL and also, stay any further allotments/ sale of the existing inventor and our Company has filed a separate petition under Section 9 of the Arbitration Act before the Delhi High Court, to restrain SEL and Regalia Homes from selling, encumbering, alienating, disposing off the property bearing description Plot No. G-IB, Sector 43, Noida during the pendency of the petition and of the arbitration proceedings. Notice is yet to be issued.

Additionally, our Company has filed a petition under Section 95 of IBC in NCLT, Delhi, seeking to initiate corporate insolvency resolution process against Mohit Singh in his capacity as the personal guarantor for loans granted to SEL. IRP has been appointed in both the matters and they have been directed to submit the report. The application has been argued and order has subsequently been reserved.

SHL, SEL and SLPL have additionally, filed a securitisation application ("**SA**") before Debt Recovery Tribunal, Lucknow ("**DRT Lucknow**") *inter-alia* praying for setting aside of sale notice dated April 29, 2022, and restrain the respondents from executing the sale deed and setting aside of demand notice dated July 28, 2021, issued by our Company. The matter is currently pending and the Shipra Mall has been sold and sale certificate has been issued on May 10, 2023.

On December 17, 2022, SEL, SLPL and SHL filed a SA for a stay in the sale of Shipra Mall, before DRT Lucknow against our Company and Edelweiss Asset Reconstruction Company Limited which was dismissed *vide* order dated March 16, 2023 on the grounds of being not maintainable. Further, SHL, SEL and SLPL filed an application before the DRT Lucknow for review of the order dated March 16, 2023. On March 22, 2023, SEL, SLPL and SHL filed a SA before DRT Lucknow which was dismissed *vide* order dated April 19, 2023. Further, SHL, SEL and SLPL filed an application dated April 26, 2023 before the DRT Lucknow for review of order dated April 19, 2023.On May 25, 2023, SEL, SLPL and SHL filed another SA challenging the complete SARFAESI proceeding, placing reliance on the order passed by the Hon'ble Supreme Court dated April 24, 2023 wherein the special leave petition was withdrawn with liberty to pursue remedies under the SARFAESI Act.

SEL and others have also filed a suit before the Additional District Judge, Ghaziabad against our Company for permanent injunction and declaration of qua all of its properties mortgaged to our Company ("**Civil Suit**"). Additionally, our Company has also filed an application for rejection of the Civil Suit for permanent injunction. The matter is listed for arguments and is currently pending.

Further, SEL filed a petition before the Delhi High Court under Section 2(b) and Section 12 of the Contempt of Courts Act, 1971 read with Article 215 of the Constitution of India seeking initiation of contempt proceedings and punishment against our Company for contravention of the order dated April 16, 2021 passed by the Delhi High Court. The matter is currently pending.

8. Supertech Realtors Private Limited has filed a petition under Section 213 of the Companies Act, 2013 before the NCLT, Delhi ("**NCLT**") and currently no notices have been issued by the NCLT.

Additionally, Supertech Limited, Supertech Realtors and Revital Reality Private Limited ("**Petitioners**") have also filed a petition under Section 9 of the Arbitration and Conciliations Act, 1996 against our Company and ICCL before the High Court of Delhi ("**Delhi High Court**"), in relation to the loans sanctioned by our Company to the Petitioners. The Petitioners sought (i) reconciliation of all the loan accounts of the Petitioners; and (ii) to restrain our Company and ICCL from withdrawing further amounts from the escrow accounts. We have raised objections verbally on the maintainability of this petition, and the Hon'ble Court while recording our objection has refused to issue notice of the matter and has directed the parties to reconcile the accounts. The matter is currently pending.

Our Company has filed petition under Section 9 of the Arbitration and Conciliation Act, 1996 against Revital Reality Private Limited seeking direction to restrain the respondents from alienating/ selling/ transferring/creating third party rights in the mortgaged properties and deposit the outstanding amount before the Registrar General of the Court (the "**Court**"). The Court has restrained respondents from encumbering or selling the mortgaged properties and furnish statement of unencumbered assets. We have filed an application under Order XXXIX Rule 2A of Civil Procedure Code for disobedience of the orders of the Court. Court has issued notice on the said application and the matter is currently pending. Our Company has a further filed a petition under Section 7 of IBC against Revital Reality Private Limited. The matter is listed for arguments before NCLT, Delhi and the matter is currently pending.

Supertech Realtors Private Limited and Revital Reality Private Limited ("**Petitioners**") has filed Writ petition under Article 226 of the Constitution of India, dated March 17, 2023 before the Delhi High Court against RBI , our Company, ICCL, Indiabulls Asset Reconstruction Company Limited ("**Indiabulls Group Companies**") seeking issuance of an appropriate writ/direction/order for quashing and setting aside the impugned order dated September 9, 2022 passed by RBI whereby RBI disposed of the representation made by Supertech Realtors Private Limited in compliance of the order dated May 20, 2022 passed by Delhi High Court. The matter is currently pending.

9. For details in relation to the appeal filed by Ravindra Biyani and AS Confin Private Limited against our Company in relation to the order of dismissal by the trial court, please see "*—Involving ICCL - Material Civil Proceedings*" on page 657 of this Letter of Offer.

10. Ramesh Surendra Amin ("**Plaintiff**") in relation to property situated in Goregaon (East) and Borivali, Mumbai ("**Property**"), had executed a deed of conveyance and a power of attorney, both dated December 20, 2013 in favour of Poddar Housing and Development Limited (*formerly known as Poddar Developers Limited*) ("**Poddar**"). Poddar then mortgaged the Property in favour of our Company by executing two

separate deeds of mortgage. Our Company had issued a notice under section 13(2) and 13(4) of the SARFAESI Act and published a notice for e-auction sale of the Property. The Plaintiff has filed a suit before the High Court of Judicature at Bombay seeking a prohibitory injunction restraining our Company from selling the Property. The matter is currently pending.

By our Company

1. Our Company had extended certain financial facilities to Shree Ram Urban Infrastructure Limited ("**SRUIL**") under loans aggregating to ₹9,150 million sanctioned by our Company which were duly secured inter alia by mortgage over SRUIL's residential project named 'Palais Royale' being developed on land situated at Worli Estate, Lower Parel, Mumbai ("**Mortgaged Property**"). Consequent to defaults of SRUIL under such loans, our Company initiated proceedings under SARFAESI Act against SRUIL, pursuant to which an application was filed in the High Court of Judicature at Bombay ("**Bombay High Court**") seeking handover of the physical possession of the Mortgaged Property. By an order dated February 7, 2019, the Bombay High Court allowed the application and ordered for the delivery of possession of the Mortgaged Property in favour of our Company. Such order dated February 7, 2019 was challenged by Vikas Kasliwal, erstwhile promoter of SRUIL, in an appeal filed before the division bench of the Bombay High Court. However, no interim relief has been granted. Subsequently, our Company issued five sale notices, each dated June 7, 2019 in connection with five loan accounts addressed to SRUIL and Vikas Kasliwal (in his capacity as guarantor) for sale of the Mortgaged Property along with two unsold apartments within the same Mortgaged Property. Vikas Kasliwal filed securitisation applications before the Debt Recovery Tribunal, Mumbai ("**DRT, Mumbai**") challenging the public e-auction sale proceedings. Through its orders dated June 24, 2019, the DRT, Mumbai dismissed the securitisation application and the Mortgaged Property along with two unsold apartments were consequently sold pursuant to a public e-auction under SARFAESI Act and on completion of the auction process, our Company issued three sale certificates, each dated June 26, 2019 in connection with the Mortgaged Property and two unsold apartments in favour of the successful bidder, Honest Shelters Private Limited. Vikas Kasliwal then challenged the sale of the Mortgaged Property before the Debts Recovery Appellate Tribunal at Mumbai ("**DRAT**") by way of appeals which stood dismissed by the DRAT through its order dated September 3, 2019.

   Subsequently, in November 2022, another creditor of SRUIL M/s. A. Navinchandra Steels Private Limited filed a securitisation application before DRT, Mumbai under Section 17 of the SARFAESI Act challenging the measures taken by our Company regarding the sale of the Mortgaged Property. The application is pending.

   Separately, SREI Equipment Finance Limited had filed an application before National Company Law Tribunal, Mumbai ("**NCLT, Mumbai**") under Section 7 of IBC Code against SRUIL. The said application was allowed by NCLT, Mumbai and an Interim Resolution Professional ("**IRP**") was appointed. While forming the committee of creditors ("**COC**") of SRUIL, the IRP not only reduced the amounts claimed by our Company but the home buyers of the already sold Mortgaged Property were also included as members of the COC. Further, our Company had separately sold allotment rights with respect to forty-one (41) flats in project 'Palais Royale' to Honest Shelters under SARFAESI Act. Such allotment rights were mortgaged by various third-party home buyer entities against loans availed by them.

   The claims of our Company arising out of corporate guarantees issued by SRUIL with respect to the loans granted to third-party home buyers were also not accepted by the IRP. Applications filed by our Company challenging such actions of IRP have been allowed by NCLT, Mumbai vide order dated October 20, 2021.

   The IRP has consequently filed appeals before the NCLAT against NCLT order dated September 27, 2021 regarding restoration of our Company's claim amount, exclusion of homebuyers in COC and challenge to sale of allotment rights of 41 units. The appeals are currently pending. Vikas Kasliwal too has filed an application before DRT, Mumbai challenging the sale of third-party home buyers allotment rights before the DRT. The matter is currently ongoing.

   Our Company has filed an application dated November 10, 2020 under Section 95 of the Insolvency and Bankruptcy Code before NCLT, Mumbai against Vikas Kasliwal, who is a personal guarantor of borrowers SRUIL. Notice has already been issued and the matter is currently pending for further proceedings.

   Our Company has filed a suit for injunction and damages for ₹500 million against defamatory tweets made by Vikas Kasliwal on Twitter, which have resulted in the loss of reputation. The Court has restrained Vikas

Kasliwal from publishing/ disseminating or uploading in any manner or any website, messenger application, social media platform, including twitter, defamatory post against our Company or its management and the Court had also directed him to pull down the tweets. The matter is currently ongoing.

Additionally, our Company has filed a complaint dated February 14, 2022 under sections 200 of the CrPC read with Section 199 of the CrPC before the Court of Ld. Metropolitan Magistrate, Patiala House Courts, New Delhi ("**Ld. MM, Patiala House Courts**") against Vikas Kasliwal alleging commission of offences under Sections 499, 500, 501 and 502 of the IPC for publishing libellous content by way of tweets on Twitter for allegedly causing defamation to our Company. The Ld. MM, Patiala House Courts, has issued notice on the complaint and the same is currently pending.

An Interim Application was filed by our Company against Srigopal Choudhary & others before the NCLT, Mumbai for challenging wrongful inclusion of IIRF India Realty XII Limited in CoC. Another Interim Application was filed by our Company before the NCLT, Mumbai for directions to Resolution Professional to admit the claim of our Company and reconstitute the COC in terms of its order dated October 20, 2021.

2. Our Company filed an application under Section 9 of the Arbitration and Conciliation Act, 1996 (**Section 9 Application**") before the High Court of Delhi at New Delhi ("**Delhi High Court**") against Orbit Enterprises and others ("**Borrowers**") seeking, *inter alia,* directions restraining the Borrowers from creating third party rights over the assets placed as security against the loan facility extended ("**Secured Assets**"). Through its order dated September 6, 2019, the Delhi High Court granted interim relief by, inter alia, restraining the Borrowers from creating third party rights over the Secured Assets. Subsequently, our Company invoked the arbitration clause and appointed Justice Manmohan Singh (retired) as the sole arbitrator ("**Sole Arbitrator**"). Through its order dated October 23, 2019, the Delhi High Court disposed of the Section 9 Application and the interim relief granted in the order dated September 6, 2019 was extended until the application under Section 17 of the Arbitration and Conciliation Act, 1996 is taken up for hearing. Our Company filed an application under Section 17 of the Arbitration and Conciliation Act, 1996 for, *inter alia*, (i) restraining Orbit Enterprises from creating any third party rights / interests over the properties furnished as security for securing the facility availed by it; and (ii) directing Orbit Enterprises to deposit ₹1,627.9 million or alternatively provide a bank guarantee of a nationalized bank for an equivalent sum. Our company has also filed its statement of claim against Orbit Enterprises Navnit Infra Project Private Limited, Rajen Dhruv and Hiren Dhruv (collectively "**Respondents**") before the Sole Arbitrator seeking an award for a sum aggregating to ₹911.4 million. Through an order dated August 8, 2020, the sole arbitrator directed that the Respondents are proceeded ex-parte and their right to file statement of defence is struck off. Respondents filed an application dated December 30, 2020 under Section 17 of the Arbitration and Conciliation Act before the Sole Arbitrator for making payment in terms of the repayment schedule proposed by the Arbitrator who has passed an interim award dated January 12, 2021 in favor of our Company directing the Respondents to make payment in terms of the repayment plan proposed by the Respondents. Once the entire agreed amount is paid or default is made in terms of the award, the final award shall be passed after hearing both parties

3. Our Company had subscribed to Additional Tier I bonds ("**AT-1 Bonds**") which were issued by Yes Bank Ltd ("**Yes Bank**"). On noticing material misrepresentations, incorrect disclosures, significant deviations in reporting critical financial figures, management willfully misguiding stakeholders, facts and figures having been artificially and intentionally manipulated by Yes Bank, our Company issued notice to Yes Bank calling upon it to redeem the AR-1 Bonds along with accrued interest. However, before any action could be taken by Yes Bank on such notice, Reserve Bank of India ("**RBI**") notified the 'Yes Bank Limited Reconstruction Scheme, 2020' ("**Scheme**"). Although the Scheme notified by RBI did not provide for writing off AT-1 Bonds, the RBI appointed administrator through notification dated March 14, 2020 issued by Yes Bank wrote-off the entire AT-1 Bonds ("**Impugned Action**"). Our Company has filed a writ petition in its capacity as a debenture holder in the High Court of Judicature at Bombay ("**High Court of Bombay**") against Union of India through Ministry of Finance, Banking Division, Department of Financial Services ("**MoF**"), RBI, Yes Bank and others (collectively "**Respondents**") challenging the Impugned Action. The petition was filed on the grounds, *inter alia,* that the Impugned Action is contrary to law, and the Scheme and that our Company had by its earlier letter dated March 3, 2020, called upon Yes Bank to (i) redeem the AT-1 Bonds and repay the outstanding amount due to our Company; and (ii) not initiate any action in relation to write-off of the AT-1 Bonds, prior to imposition of moratorium and publication of the Scheme in the Official Gazette of India on March 5, 2020 and March 13, 2020, respectively, by the MoF. Our Company also submitted that unless a stay is granted on the operation of the Impugned Action, this petition shall become infructuous resulting in grave and irreparable loss to our Company to the tune of ₹6,620 million. Through its order dated March 16, 2020 and March 18, 2020, the High Court of Bombay has directed all steps taken by the

Respondents shall be subject to further orders of the High Court of Bombay. RBI, through its affidavit dated July 21, 2020 sought for dismissal of the writ petition on the grounds that subscription to the AT-1 Bonds only creates a contractual obligation between Yes Bank and the subscribers of AT-1 Bonds and that the Impugned Action is in accordance with the law and the offering documents pertaining to the AT-1 Bonds.

Further, Axis Trustee Services Limited, in its capacity as the debenture trustee acting on behalf of the debenture holders, has also filed a writ petition against MoF, RBI, Yes Bank, Prashant Kumar (in his capacity as administrator of Yes Bank) and National Securities Depositories Limited (collectively "**Respondents 2**") seeking to, *inter alia*, (i) set aside the notification dated March 14, 2020 writing off the AT-1 Bonds; and (ii) restrain the Respondents 2 from acting in furtherance of the Impugned Action.

On January 20, 2023, the High Court of Bombay pronounced the judgment quashing and setting aside the Impugned Action and held that the RBI appointed administrator exceeded its authority by writing off the AT-1 Bonds after Yes Bank was reconstituted on March 13, 2020. RBI has challenged the order of the High Court of Bombay before the Supreme Court of India through a special leave petition against which our Company has filled a counter-affidavit dated March 25, 2023. The Supreme Court has stayed the operation of order of the High Court of Bombay dated January 20, 2023. The matter is currently pending.

Our Company sold the mortgaged properties in the loan accounts under SARFAESI Act and to recover the remaining amount has initiated arbitration proceedings. Our Company commenced five separate arbitration proceedings in the loan accounts of RHC Holdings Private Limited ("**RHPL**") out of which, three arbitration proceedings are pending before Justice R.B. Misra (Retd) and two arbitration proceedings are pending before Justice RC Chopra (Retd.). Our Company has filed five separate applications under Section 17 of the Arbitration and Conciliation Act, 1996, and Ld. Arbitrator(s) have passed orders restraining respondents from disposing off their movable and immovable assets. RHPL has been proceeded ex-parte in all the five arbitration proceedings. Malvinder Mohan Singh and R.S. Infrastructure Limited ("**RSIL**") who are respondents in the arbitrations pending before Justice Chopra have been proceeded ex- parte as well. Our Company has filed claims in all the five arbitrations. In the three arbitrations pending before Justice R.B. Mishra, our Company has filed a claim for amount of ₹20.5 million and in two arbitration proceedings before Justice Chopra claim of ₹3,451.7 million have been filed. Additionally, our Company has filed two applications in the Delhi High Court (i) first, seeking to be impleaded in the execution proceedings initiated by Daiichi Sankyo Company Limited ("**Daiichi**") for execution of the award dated December 17, 2018 ("**Award**") against Malvinder Mohan Singh and others; and (ii) second, to bring on records that one of the assets forming a part of the Award is mortgaged in favour of our Company against loan facility extended to RCH Holdings Private Limited and that it is proceeding under the SARFAESI Act for recovery of its dues. By a common order dated January 24, 2019, the Delhi High Court directed for notice to be issued to Daiichi and *vide* order dated April 24, 2023 (i) allowed Daiichi to withdraw the entire amount held in deposit with the Delhi High Court; (ii) dismissed the objections of our Company; and (iii) imposed costs of ₹1.00 million on our Company. Additionally, the High Court of Delhi on application made by our Company, appointed Justice Dinesh Maheshwari as the arbitrator instead of Justice R.C. Chopra (Retd.) *vide* order dated August 14, 2023. The matter is currently pending. A petition was filed by Daiichi before Delhi High Court against Malvinder Mohan Singh, our Company and others, under Section 151 of the CPC seeking appointment of forensic auditor(s) for conducting forensic audit of various banks and financials institutions in respect of shares of Fortis Healthcare Limited owned by Fortis Healthcare Holding Private Limited which were pledged to banks and financials institutions against the loan borrowerd from them. Our Company has submitted its response on September 23, 2023 and the matter is pending for arguments.

4. Modland Wears Private Limited ("**MWPL**"), had filed a securitisation application ("**SA**") before the Debts Recovery Tribunal, Chandigarh ("**DRT Chandigarh**") against our Company and R.S. Infrastructure Limited challenging, *inter alia*, (i) the order dated September 24, 2018 passed by the District Magistrate Cum Deputy Commissioner of Union Territory of Chandigarh under Section 14 of the SARFAESI Act, for dispossession from the property; and (ii) sale notice dated March 18, 2019 and notice of symbolic possession dated April 11, 2019. However, the property in question was sold in the auction conducted by our Company and subsequently certificate of sale dated May 6, 2019 was issued by our Company. Accordingly, the securitisation application has become infructuous. Further, the SA was dismissed in default *vide* order dated July 7, 2022. MWPL filed an application before the DRT Chandigarh under section 22 of the Recovery of Debts due to Banks and Financial Institutions Act, 1993 setting aside the order dated July 7, 2022. The matter is currently pending.

5. Our Company has granted loans aggregating to ₹2,830 million under two separate loan agreements to

Raghuleela Infraventures Private Limited ("**RIPL**"). On account of the default in payment of instalments by RIPL, our Company has recalled the loans *vide* two separate loan recall notices each dated March 9, 2020 and has invoked the personal guarantees provided thereunder. Our Company has filed a petition under Section 7 of Insolvency and Bankruptcy Code, 2016 before the National Company Law Tribunal, Mumbai ("**NCLT, Mumbai**") against RIPL ("**Application**"). The NCLT, Mumbai has *vide* order dated October 06, 2021, allowed the Application.

Further, our Company has filed two separate applications under Section 95 IBC before the NCLT, Mumbai against the personal guarantors, Sanjay Chhabria and Mrs. Ritu Chhabria, respectively. While in the matter against Sanjay Chhabria, order has been reserved, a resolution professional ("**RP**") has been appointed in the matter against Mrs. Ritu Chhabria. NCLT, Mumbai has directed for a report to be filed by the RP and the matter is currently pending.

Our Company has also filed an application under Section 9 of the Arbitration and Conciliation Act, 1996 ("**Section 9 Application**") before the High Court of Delhi at New Delhi ("**Court**") against RIPL, Radius & Deserve Builders LLP, Sanjay Chhabria and Ritu Chhabria ("**Respondents**") seeking the Delhi High Court to, inter alia, (i) direct the Respondents to deposit the total outstanding amount along with interest on the loan facilities with the Registrar General of the Delhi High Court, and (ii) restrain the Respondents from alienating and/or selling and/or transferring and/or creating any encumbrances / lien / third party rights in the mortgaged properties. The Court *vide* order dated September 28, 2020 has ordered status quo and directed that no third party interest would be created in respect thereof without leave of the Court. Our Company has issued notice of invocation of arbitration on January 26, 2021. The matter is currently pending.

6. Our Company has filed a suit for defamation in the High Court of Delhi at New Delhi ("**Delhi High Court**") against Twitter International Company, Facebook Inc., Prashant Bhushan and Instagram Inc. on the grounds of nefarious, frivolous and malicious remarks regarding dereliction of processes in extending loans by Yes Bank to our Company being made on social media platforms by Prashant Bhushan have caused harm to the reputation of our Company. Our Company has prayed for, inter alia, payment of damages to the tune of ₹1,000 million, restraining Prashant Bhushan from publishing or disseminating information pertaining to our Company and its management and permanent injunction directing Twitter, Facebook Inc. and Instagram to remove the messages concerting us. Through its order dated March 18, 2020, the Delhi High court issued summons to the Defendants and granted interim injunction restraining Prashant Bhushan from tweeting or re-tweeting certain facts pertaining to Yes Bank until next hearing and directed Twitter International Company, Facebook Inc. and Instagram Inc. to takedown / expunge the tweets in relation to the said matter. Further, by an order dated June 8, 2020, the Delhi High Court directed that the name of Twitter International Company be substituted with Twitter Inc. ("**Twitter**") and further directed our Company to provide details of the URLs of tweets and re-tweets sought to be pulled down pursuant to which Twitter shall pull down the tweets and re-tweets within 72 hours of receipt of details from our Company. By an email dated June 19, 2020, our Company submitted the details of the URLs. Prashant Bhushan and Twitter have filed their respective written statements. Prashant Bhushan has filed an application for the ex-parte stay order dated March 18, 2020 to be vacated or set aside to the extent it injuncts him from tweeting and re-tweeting facts stated in his tweets dated March 6, March 12 and March 13, 2020. Twitter has submitted that is has no role as it is an intermediary in terms of the Information Technology Act, 2000 ("**IT Act**") and accordingly, has sought for its name to be deleted from array of parties. By an order dated June 24, 2020, the Delhi High Court directed our Company to file a reply indicating the URL and posts sought to be removed from Facebook and Instagram within a week which was submitted by our Company. The Delhi High Court through its suo motu order dated July 13, 2020 has extended the operation of interim orders which were in subsistence as on March 16, 2020 until August 31, 2020. Instagram LLC has filed two applications (i) one, seeking to, *inter alia*, delete its name from the array of parties on the grounds that it is neither a necessary party nor proper party for adjudication as it does not operate or control the Instagram services and has denied all averments made in the suit for defamation; (ii) second, to *inter alia* vacate / set aside the *ex-parte* interim order dated March 18, 2020 and any other subsequent extension orders of the Delhi High Court. Further, Facebook, Inc. has submitted its written statement and sought for dismissal of the suit including the plaint and interim application against Facebook Inc. with exemplary cost on the grounds that Facebook Inc. is an intermediary under the provisions of IT Act and therefore immune from liability and that it does not have an obligation to proactively monitor Facebook and Instagram services under the IT Act. The matter is currently pending.

7. Our Company filed an application under Section 9 of the Arbitration and Conciliation Act, 1996 ("**Section 9 Proceedings**") in the High Court of Delhi at New Delhi ("**Delhi High Court**") against Subhash Chandra

in his capacity as the guarantor, Gnex Projects Private Limited ("**Gnex**") and others (collectively, "**Respondents**") seeking to, *inter alia,* (i) restrain the Respondents from selling, disposing of or in any way altering the nature of the security provided by them to secure the loans extended to Gnex and certain other Respondents during the pendency of the arbitration proceedings; (ii) Restrain Subhash Chandra from selling, disposing of his personal assets both movable and immovable during the pendency of the arbitration proceedings; and (iii) secure a sum of ₹4,618.3 million in favour of our Company. By an order dated May 1, 2019, the Delhi High Court restrained the Respondents form disposing of the securities provided by them against the four facilities extended by our Company aggregating to ₹7,260 million ("**Loans**") and directed that the details of the personal assets be submitted in form of an affidavit in a sealed cover within two weeks. Another application was made in the Delhi High Court seeking to, *inter alia,* (i) restrain Subhash Chandra from disposing of his assets during the pendency of the arbitration proceedings, (ii) direct the Respondents to deposit ₹1,500 million in accordance with the undertaking dated November 29, 2018; and (iii) Restrain Subhash Chandra and Cyquator Media Services Private Limited (the "**Cyquator**") from sale of equity stake in Zee Entertainment Enterprises Limited (the "**ZEEL**"). In its order dated June 3, 2019, the Delhi High Court provided, *inter alia,* that the Respondents had undertaken to not dispose of the property situated in Jhajjar and Hyderabad which form part of security created to secure the Loans, without the permission of the court. On August 8, 2019, the Delhi High Court disposed off the Section 9 Proceedings and clarified that the orders dated May 1, 2019 and June 3, 2019 shall continue to operate until the arbitral tribunal is constituted, after which the parties shall be at liberty to approach the tribunal for modification / variation of the two orders. Pursuant to issuance of notice for invocation of arbitration, Justice Badar Durres Ahmed (retired) was appointed as a sole arbitrator ("**Sole Arbitrator**") and our Company initiated arbitration proceedings, against Subhash Chandra in his capacity as the guarantor, seeking, *inter alia*, an award for a sum of ₹4,746.7 million with interest. Subhash Chandra filed his statement of defence seeking to dismiss the claims made by our Company. Further, our Company filed an application under Section 17 before the Sole Arbitrator seeking to, *inter alia*, restrain Subhash Chandra, from alienating their assets and/or the securities provided to secure the Loans. The Sole Arbitrator through an order dated August 28, 2019 has, *inter alia*, restrained Subhash Chandra from disposing of the unencumbered shares held by him, directly and indirectly, in ZEEL and restrained him from creating third party rights on the assets / properties specified by way of an affidavit pursuant to the order dated May 1, 2019. The operation of the interim order was further extended by an order dated October 6, 2019 until December 3, 2019. Further, in the order dated June 10, 2020, the parties submitted that settlement talks are ongoing. The Sole Arbitrator held that in the event no settlement can be reached, the arbitration shall continue. The matter is currently pending.

On July 10, 2021 applications under Sections 17 and 19(4) of Arbitration and Conciliation Act, 1996 were argued. Our Company also argued the applications by which we have sought disclosure of Subhash Chandra's shareholding in ZEEL and furnishing of a copy of Subhash Chandra's affidavit of assets (currently in sealed cover) to us. The tribunal has reserved orders on the applications. The matter is listed on October 8, 2021

Our Company has separately initiated arbitral proceedings before the Sole Arbitrator against the Gnex and others seeking, *inter alia*, an award for a sum of ₹4,746.7 million with interest. Further, our Company filed an applications under Section 17 of the Arbitration and Conciliation Act, 1996, before the Sole Arbitrator seeking to, *inter alia*, (i) directions to deposit ₹4,746.7 million or alternatively provide a bank guarantee of a nationalized bank for an equivalent sum; and (ii) restrain Gnex and other respondents from alienating their assets and/or the securities provided to sure the Loans; and (iii) restraining Cyquator from executing any documents in respect of sale / encumbrance / alienation of its direct and indirect stake in Zee Entertainment Enterprises Limited. Certain respondents have challenged the jurisdiction of the Sole Arbitrator to conduct the arbitral proceeding, through an application filed before the Sole Arbitrator under Section 16 of the Arbitration and Conciliation Act, 1996. The matter is currently pending.

Our Company had filed a petition under Section 95 before the National Company Law Tribunal, New Delhi ("**NCLT**") against Subhash Chandra on February 7, 2022 for initiating insolvency resolution process. The petition was admitted and the NCLT passed an order dated May 30, 2022 imposing an interim moratorium and appointing a resolution professional. Subhash Chandra thereafter has filed an appeal before the NCLT on August 1, 2022 challenging the order passed by the NCLT. The matter is currently pending.

8. Our Company has filed an application dated December 2, 2020, under Section 8 of the Prevention of Money Laundering Act, 2002 ("**PMLA**") before the Adjudicating Authority under PMLA ("**Adjudicating Authority**") to implead our Company as a party in the original complaint filed by the Deputy Director, Directorate of Enforcement ("**Original Complaint**") seeking to confirm the provisional attachment order

dated July 9, 2020 ("**PAO**") certain immovable properties. Our Company has clarified that the PAO is challenged only to the extent that it extends to the immovable properties situated at (i) Khurshedabad, Mumbai, valued at approximately ₹1284 million belonging to Imagine Estate Private Limited ("**IEPL**"); (ii) Unit No. 5, Sesen, Mumbai, valued at approximately ₹1,000 million belonging to Imagine Residence Private Limited ("**IRPL**"); (iii) Unit No. 6, Sesen, Mumbai, valued at approximately ₹1,000 million Imagine Home Private Limited ("**IHPL**"); and (iv) Unit No. 4, Sesen, Mumbai, valued at approximately ₹1,000 million belonging to Imagine Habitat Private Limited ("**IHPL**" and collectively, "**Properties**") on the grounds that the Properties are mortgaged as security in favour of our Company in connection with the loans extended to IEPL, IRPL and IHPL. Our Company has also filed a reply to the Original Complaint. The Deputy Director, Directorate of Enforcement in its reply deferred to the Adjudicating Authority to decide on the impleadment application filed by our Company. The matter is currently pending.

9. Our Company had initiated 10 arbitral proceedings before Justice Deepak Verma (retired) as the sole arbitrator in each of the 10 arbitral proceedings and filed its statements of claim against Imagine Estate Private Limited, Bliss Abode Private Limited, Bliss Agri and Eco Tourism Private Limited, Imagine Residence Private Limited, Bliss House Private Limited, Imagine Homes Private Limited, Imagine Habitat Private Limited, Bliss Habitat Private Limited, Imagine Realty Private Limited, Bliss Villa (Delhi) Private Limited and their respective co-borrowers and guarantors ("**Respondents 1**").

   Additionally, ICCL initiated arbitral proceedings against Imagine Estate Private Limited and others ("**Respondents 2**") before Justice Deepak Verma (retired) as the sole arbitrator and filed its statement of claim against Respondents 2.

   With the consent of all the parties involved, since the aforementioned 11 arbitral proceedings were identical in nature, by an order dated July 9, 2020, and July 11, 2020, these proceedings were consolidated with 'Indiabulls Housing Finance Limited and Bliss Agri and Eco Tourism Private Limited' being the 'lead matter'.

   Respondents 1, Respondents 2, and Rana Kapoor filed their statements of defense against our Company and ICCL, primarily claiming relaxation under the circulars issued by RBI on grant of moratorium and on that basis have challenged the loan recall notices. Further, Respondents 1 and Respondents 2 filed counter claims for, *inter alia* (i) an amount aggregating to ₹100 million, respectively, in each of the 11 arbitration proceedings; (ii) award ₹2450 million, which was refunded by Indiabulls Infraestate Limited ("**IIL**") to our Company, in favour of Bliss Habitat Private Limited; and (iii) award ₹2,526.4 million, which was refunded by IIL to our Company, in favour of Imagine Realty Private Limited. In response to the statements of defense, our Company and ICCL have denied all allegations and categorically clarified that the benefit of moratorium is discretionary and cannot be claimed as a matter of right. In respect to the arbitration proceedings initiated by our Company and ICCL and the claims made, the learned sole arbitrator Justice Deepak Verma (retired) passed arbitral awards on February 28, 2023. Further, a consolidated award dated February 28, 2023 in relation to the 'lead matter' was passed by the learned sole arbitrator concluding all the arbitral proceedings under Section 32 of the Arbitration and Conciliation Act, 1996.

   Respondent 1 have filed ten separate appeals under Section 34 of the Arbitration and Conciliation Act, 1996 challenging the arbitration award dated February 28, 2023, passed by the Ld. Arbitrator comprising Hon'ble Justice Deepak Verma (Retd.) and have filed applications seeking condonation of delay. Notice on applications for condonation of delay has been issued and is allowed. We have filed three separate execution petitions against Imagine Realty Private Limited, Imagine Homes Private Limited and Bliss Abode Private Limited. The matter has been argued on condonation of delay and is currently pending.

10. Our Company (the "**Financial Creditor**") has filed an application before the NCLT, Chandigarh on December 23, 2022 (the "**Application**"), under Section 7 of the Insolvency and Bankruptcy Code 2016 against Vatika Limited, (the "**Corporate Debtor**"), who has availed a secured loan from the Financial Creditor for the purpose of construction and/or development of housing/residential projects. The loan was executed pursuant to a loan agreement executed between the parties and on account of default of payment of instalments by Corporate Debtor, recall notice all dated November 10, 2022 followed by the Application was issued/filed by our Company. The amount claimed under this petition was ₹ 2,355.9 million The matter is currently pending.

11. Our Company (the "**Financial Creditor**") has filed an application against SH Tech Park Developers Private Limited (the "**Corporate Debtor**") in NCLT, Chandigarh ("**NCLT, Chandigarh**") on December 23, 2022,

under Section 7 of the Insolvency and Bankruptcy Code, 2016 for initiation of insolvency proceedings (the "**Application**"). The Application has been filed pursuant to defaults by the Corporate Debtor in relation to a secured loan amounting to ₹2,370 million issued by the Financial Creditor to it under a loan agreement executed between the parties. The matter is currently pending.

12. Our Company had given a loan of ₹3,930 million to Garuda Maverick Infrastructure Projects Private Limited ("**Garuda Infrastructure**") in January 2018. Further in July 2022, Garuda Infrastructure sought a second loan of ₹5,000 million. Garuda Infrastructure defaulted in the payment of the loans. As on September 12, 2023, the total amount due and payable by Garuda Infrastructure to our Company is ₹ 5454.09 million. Maverick Holdings and Investments Private Limited and Garuda Builders Private Limited executed a deed of guarantee for loan sanctioned to the Borrower in favour of our Company. Our Company filed a petition dated September 12, 2023 under Section 7 of the Insolvency and Bankruptcy Code, 2016, as amended, against Garuda Maverick Infrastructure Projects Private Limited, Maverick Holdings and Investments Private Limited and Garuda Builders Private Limited before National Company Law Tribunal, Bengaluru. The amount claimed under this petition was ₹ 4,489.7 million. The matter is yet to be listed.

13. Our Company had sanctioned a loan to M/s Baffin Developers Private Limited and Mahira Homes Private Limited (the "**Borrowers**"). Mahira Infratech Private Limited (the "**Corporate Debtor**") was the corporate guarantor, whereas Sikandar Singh (the "**Debtor I**") and Dharam Singh (the "**Debtor II**") were the personal guarantors (the Corporate Debtor together with Debtor I and Debtor II, the "**Debtors**") as per the loan agreement executed between the Borrowers and our Company. On defaulting in repayment of the loan amount, our Company issued a loan recall notice dated February 10, 2023 to the Borrowers and the Debtors. Our Company filed an application under Section 7 of the Insolvency and Bankruptcy Code, 2016 ("**IBC**") before the National Company Law Tribunal, Chandigarh ("**NCLT**, **Chandigarh**") for initiation of the Corporate Insolvency Resolution Process ("**CIRP**") of the Debtors under Section 95 of IBC against personal guarantors. The petition is yet to be listed.

14. Our Company had sanctioned several loans to Parsvnath Developers Limited (the "**Debtor**"). Upon default in repayment of the loans by the Debtor, our Company also issued separate loan recall notices for the loans sanctioned. Our Company has filed an application under Section 7 of the Insolvency and Bankruptcy Code, 2016 ("**IBC**") before the National Company Law Tribunal, New Delhi ("**NCLT, New Delhi**") for initiation of the Corporate Insolvency Resolution Process ("**CIRP**") of the Debtor under Section 7 of IBC. The amount claimed under this petition was ₹ 8,900.3 million The matter is currently pending.

15. ICCL had sanctioned a loan to Pebbleworks Real Estates Private Limited (the "**Debtor**"). Thereafter, ICCL vide an assignment agreement dated January 10, 2023 ("**Assignment Agreement**") assigned the loan in favour of our Company and was appointed as the servicer under the Assignment Agreement. Upon defaulting in the repayment of the loan, ICCL in its capacity as the servicer, issued a loan recall notice to the Debtor.Subsequently, our Company filed a petition under Section 7 of the Insolvency and Bankruptcy Code, 2016 ("**IBC**") before the National Company Law Tribunal, Mumbai ("**NCLT, Mumbai**") against the Debtor. The amount claimed under this petition was ₹ 840.9 million. The matter is currently pending.

16. Our Company had sanctioned a loan to Poddar Housing and Development Limited (the "**Debtor**"). Upon default in repayment of the loan, our Company issued a notice dated December 2, 2022 to the Debtor for payment of all amounts. Subsequently, our Company filed a petition under Section 7 of the Insolvency and Bankruptcy Code, 2016 ("**IBC**") before the National Company Law Tribunal, Mumbai ("**NCLT, Mumbai**") against the Debtor. The amount claimed under this petition was ₹ 669.0 million. The matter is currently pending.

17. Our Company had sanctioned a loan to Poddar Habitat Private Limited (the "**Borrower**"). In relation to this loan, Rohitashwa Poddar (the "**Debtor**") executed a deed of personal guarantee in favour of our Company. On defaulting in repayment of the loan amount, our Company issued a demand notice dated December 2, 2022 to the Borrowers and along with another notice invoking the personal guarantee. Our Company filed an application under Section 95 of the Insolvency and Bankruptcy Code, 2016 before the National Company Law Tribunal, Mumbai ("**NCLT, Mumbai**") against the Debtor. The petition is pending.

18. Our Company had sanctioned a loan to Cornerstone Properties Private Limited (the "**Debtor**"). Upon default in repayment of the loan, our Company issued a recall notice dated December 14, 2022 to the Debtor for payment of all amounts. Subsequently, our Company filed a petition under Section 7 of the Insolvency and Bankruptcy Code, 2016 ("**IBC**") before the National Company Law Tribunal, Mumbai ("**NCLT, Mumbai**")

against the Debtor. The amount claimed under this petition was ₹ 748.7 million. The petition is pending.

19. Our Company had sanctioned a loan to Sigma Leisure Finance Limited (the "**Debtor**"). Upon default in repayment of the loan, our Company issued a notice dated July 23, 2018 to the Debtor under Section 13 of SARFAESI. Subsequently, our Company filed a petition under Section 7 of the Insolvency and Bankruptcy Code, 2016 ("**IBC**") before the National Company Law Tribunal, Mumbai ("**NCLT, Mumbai**") against the Debtor. The total claimed under this petition was ₹ 784.6 million. The petition is pending.

20. Our Company ("**Petitioner**") has filed petition dated December 12, 2023 ("**Petition**") under Section 9 of the Arbitration and Conciliation Act, 1996 against Ambience Projects and Infrastructure Private Limited ("**Respondent**"), inter-alia, seeking a restraint against the Respondent from transferring, selling, alienating, encumbering or creating any third party rights or interest with respect to units in the group housing colony project known as 'Ambience Creacions' situated at Village Mullahera. Tehsil & District Gurgaon, Haryana, which were agreed to be sold/transferred to the Petitioner under two agreements to sell (as modified by cancellation deeds) executed by the Respondent. The Respondent has filed their reply dated December 21, 2023 challenging the maintainability of the Petition. The matter is currently pending.

21. An application has been filed by our Company before the Appellate Tribunal, New Delhi (under the Prevention of Money Laundering Act, 2002) for seeking permission to initiate the process of sale of the mortgaged properties in lieu of various loans taken by Bliss Adobe Private Limited. The matter is currently pending. For further information please see " *– Material Civil proceedings – By ICCL*".

22. Our Company has filed a suit against United Human Rights Federation and Others ("**Defendants**") before the High Court of Delhi on February 13, 2018 ("**Suit**") seeking inter-alia permanent injunction against the Defendants. A defamatory complaint was received by the Company wherein the Defendants have inter alia levelled false and frivolous allegations against the Company ("**Defamatory Complaint**"). The Defendants had wrongly alleged that the Company has conspired with·Shree Ram Urban Infrastructures Limited and certain others, in order to defraud the government /innocent buyers. The Defendant has also confirmed that the Defamatory Compliant and certain other earlier complaints dated July 18, 2014, November 22, 2014 and January 28, 2014 ("**Earlier Complaints**") are available on the website of the Defendant. Subsequently, our Company filed the Suit seeking permanent injunction against the Defendants, to restrain them from publishing, re-embellishing, disseminating the Defamatory Complaint or its contents thereof in any manner whatsoever, as they are false and incorrect. The Plaintiff further prays that the Defendants be direct them to remove the Earlier Complaints from the website and abstain from publishing/re-publishing/disseminating the same in any manner whatsoever. Subsequently, on February 16, 2018, the High Court of Delhi adjudged that the balance of convenience favours the Company and passed an interim relief restraining the Defendants from giving publicity or uploading the Defamatory Complaint on any website. The matter is currently pending.

23. Our Company had sanctioned a loan to Mithiya Developers Private Limited (the "**Debtor**"). Upon default in repayment of the loan, our Company issued a notice dated August 6, 2018 to the Debtor. Subsequently, our Company filed a petition under Section 7 of the Insolvency and Bankruptcy Code, 2016 ("**IBC**") before the National Company Law Tribunal, Mumbai ("**NCLT, Mumbai**") against the Debtor. The total claimed under this petition was ₹ 836.1 million. Subsequently the NCLT, Mumbai *vide* its order dated October 10, 2019 has allowed the application and directed to initiate the liquidation process and the liquidation is pending.

24. Our Company had sanctioned a loan to Aashita Builders Private Limited (the "**Debtor**"). Upon default in repayment of the loan, our Company issued a notice dated August 6, 2018 to the Debtor. Subsequently, our Company filed a petition under Section 7 of the Insolvency and Bankruptcy Code, 2016 ("**IBC**") before the National Company Law Tribunal, Mumbai ("**NCLT, Mumbai**") against the Debtor. The total claimed under this petition was ₹ 709.2 million. Subsequently the NCLT, Mumbai *vide* its order dated February 10, 2020 has allowed the application and directed to initiate the liquidation process and the liquidation is pending.

25. Our Company had sanctioned a loan to Mandakini Hospitality Private Limited (the "**Debtor**"). Upon default in repayment of the loan, our Company issued a notice dated December 16, 2017 to the Debtor. Subsequently, our Company filed a petition under Section 7 of the Insolvency and Bankruptcy Code, 2016 ("**IBC**") before the National Company Law Tribunal, Mumbai ("**NCLT, Mumbai**") against the Debtor. The total claimed under this petition was ₹ 1,004.4 million. Subsequently the NCLT, Mumbai *vide* its order dated December 19, 2019 has allowed the application and directed to initiate the liquidation process and the

liquidation is pending.

C. Material Tax proceedings

As on the date of this Letter of Offer, there are no material tax proceedings initiated against our Company.

D. Regulatory and Statutory proceedings

In the ordinary course of business, our Company regularly receives notices from the NHB which are in the nature queries, requests and complaints raised by the customers in connection with, *inter alia*, availing subsidy under the Pradhan Mantri Awas Yojana, rate of interest charged by our Company on the loan facilities extended etc. Our Company responds to such notices on a regular basis. SEBI, *vide* letter dated February 22, 2022, *inter alia*, directed our Company to ensure strict compliance with, amongst others, SEBI Listing Regulations, and directed our Company to take appropriate corrective actions to disclose the details regarding the number of familiarisation programmes attended and number of hours spent in such programmes by the Independent Directors of the Company during the year and on cumulative basis till date of disclosures made by our Company on our website in compliance with the SEBI Listing Regulations. We have since taken corrective measures by making appropriate disclosures on our website and placed the aforementioned letter before the Audit Committee and Board of Directors, in addition to forwarding the letter to the Stock Exchanges and SEBI with our comments.

II. Involving our Subsidiaries

Except as disclosed below, there are no other pending litigations involving Subsidiaries of our Company which could have a material adverse effect on the financial position of our Company, or which may affect the Issue or an investor's decision to invest in the Issue.

Indiabulls Commercial Credit Limited ("**ICCL**")

A. Criminal proceedings

Against ICCL

1. For details in relation to FIR filed by Ravindra Biyani and AS Confin Private Limited against our Company, ICCL and others please see "—*Involving ICCL - Material Civil Proceedings*" on page 657 of this Letter of Offer.

2. M/s. Amrit Lal & Sons and others have filed application dated July 28, 2022 under Section 340 of CrPC for initiating compliant case under Section 190/201 of CrPC by ICCL before the Court of Shri Sidharth Malik, CMM, Central District, Tis Hazari Courts, Delhi ("**Tis Hazari Court**") seeking to initiate complaint case under Sections 191, 192 193, 199 and 200 of IPC for the alleged acts of frauds played by the officials of ICCL and to set aside the order dated July 12, 2022. ICCL had filed an application under Section 14 of the Securitisation Act, 2002 against M/s. Amrit Lal & Sons and others impleading them as guarantor. On the basis of the averments made in this application, order dated July 12, 2022 was passed to appoint receiver for taking over the possession of the abovesaid property for the recover of the due amount. The matter is currently pending.

B. Material Civil proceedings

Against ICCL

1. The Enforcement Directorate ("**ED**") filed an original complaint bearing no. 1327 of 2020 before the Ld. Adjudicating Authority under the Prevention of Money Laundering Act, 2002 ("**PMLA**"), New Delhi, provisionally attaching the properties of Khurshedabad, S.K. Barodawala Marg, Cumbala Hill, Mumbai-26 *vide* Provisional Attachment Order no. 04/2020 dated July 9, 2020 ("**PAO**"). ICCL filed an application for impleadment and reply/ objection in the above said complaint, *inter alia* on the grounds that (i) the property is mortgaged with ICCL and we only hold a security interest over the property, (ii) no notice was ever issued to ICCL and by virtue Section 26 C and E of the SARFAESI Act, ICCL has prior right over the property attached. By an order dated April 8, 2021, the Adjudicating Authority under the PMLA ("**Adjudicating Authority**") confirmed the PAO. In the writ petition filed by ICCL High Court of Delhi has ordered that status quo be maintained on the attached properties, which include Khurshedabad, S.K. Barodawala Marg,

Cumbala Hill, Mumbai-26 till the appeal is taken up for consideration by the Appellate Tribunal, PMLA. ICCL has filed the appeal within the said stipulated time. ICCL has also filed an application seeking permission to initiate the sale of the mortgaged properties. The matter is currently pending.

2. Three separate securitization applications under Section 17 of the SARFAESI Act have been filed by Adithya Developers ("**Borrower**") before the Debts Recovery Tribunal, Bangalore ("**DRT**") challenging the measures taken by ICCL under Section 13(4) of the SARFAESI Act by way of taking over the possession of certain properties in respect of a loan. The Borrower had availed three loan facilities for ₹715.0 million, ₹485.0 million and ₹9.6 million, respectively, from ICCL, which were classified as NPAs on account of default committed in the repayment of the loans by the Borrower. Following this, ICCL had issued notices under Section 13(2) of SARFAESI Act. The Borrower has alleged that no loan facility has been granted by ICCL and that the Borrower has not given any security against the loan facilities. No relief has been granted by the DRT and the matter is currently pending. Further, the Borrower has also filed a writ petition in the High Court of Karnataka ("**High Court**") against ICCL, where the High Court, on March 02, 2021, has passed an order for all auctions undertaken by ICCL to be subject to the outcome of the writ petition. The matter is currently pending.

   Furthermore, a criminal revision petition has been filed by the Borrower before the District & Sessions Court, Bangalore challenging the order dated February 23, 2022 passed by the Additional Chief Metropolitan Magistrate (the "**ACMM**") allowing the application under Section 14 of SARFAESI Act. ICCL have filed objection denying all the averments made in the petition as false, baseless and devoid of any merit.Subsequent to the filing of the revision petition, the Borrowers have filed a writ petition before the High Court of Karnataka for setting aside the order dated September 4, 2021, passed by the ACMM, whereby application under Section 14 of SARFAESI for taking physical possession was allowed. In the writ petition, status quo order had been granted subject to deposit of ₹250 million by the Borrower, however, the Borrower deposited only ₹100 million. The matter was argued, and the status quo order has not been extended.

3. Ashok Investors Trust Limited ("**Petitioner**") has filed a suit before the Bombay City Civil Court at Dindoshi, Goregaon, Mumbai ("**Bombay Civil Court**") against ICCL, our Company and others ("**Defendants**") seeking, *inter alia*, (i) declaration that the Defendants have no right to take any steps to sell any shares lying with them as security and (ii) grant of permanent injunction against the Defendants restraining them from creating any third party rights in respect of pledged shares charged in favour of ICCL pursuant to a loan of ₹1,500 million. The Petitioner had also filed a notice of motion before the Bombay Civil Court, seeking temporary injunction against the Defendants, restraining the Defendants from creating any third party rights in respect of the pledged shared ("**Notice of Motion**"). The Court *vide* an *ex-parte* order dated August 30, 2022, had directed the parties to maintain status quo with respect to the pledged shares. ICCL filed a revision before High Court of Judicature at Bombay ("**High Court of Bombay**") which directed the trial court to hear the parties afresh and disposed of the Notice of Motion. Subsequently, the Bombay Civil Court passed an order dated September 21, 2022, rejecting the relief for ad-interim injunction and vacating the order dated August 30, 2022 which had directed the parties to maintain status quo ("**Impugned Order**"). The matter is currently pending.

   The Petitioner has thereafter filed an appeal before the High Court of Bombay against the Impugned Order, seeking to, *inter alia*, set aside the Impugned Order, which is currently pending. Subsequently, the Petitioner has filed another suit for declaration before Civil Court, Dindoshi which is currently pending.

4. Priya Mercantile and Trading Private Limited ("**Petitioner**") has filed a suit before the Bombay City Civil Court at Dindoshi, Goregaon, Mumbai ("**Bombay Civil Court**") against ICCL, our Company, Gagan Banga, Sameer Gehlot and Divyesh Shah ("**Defendants**") for declaration and for invoking a permanent injunction against ICCL seeking to restrain them from selling and/or creating third party rights in respect of pledged shares charged in favour of ICCL pursuant to a loan of ₹500 million. The Court *vide* an *ex-parte* order dated August 30, 2022, had directed the parties to maintain status quo with respect to the pledged shares. Subsequently, the trial court passed an order dated September 21, 2022, *vide* which *ex-parte* injunction order was vacated. The matter is currently pending.

   The Petitioner has thereafter filed an appeal before the High Court of Bombay against the Impugned Order, seeking to, *inter alia*, set aside the Impugned Order, which is currently pending. Subsequently, the Petitioner has filed another suit for declaration before Civil Court, Dindoshi which is currently pending.

5. Creation Windtech Private Limited ("**Petitioner**") has filed a suit before the Bombay City Civil Court at

Dindoshi, Goregaon Bombay ("**Bombay Civil Court**") against ICCL, seeking, *inter alia*, for declaration that the relationship between the Petitioner and ICCL is not of a lender or borrower but of an investor and mediator to invest the amount of ICCL with third parties, and for invoking a permanent injunction to restrain ICCL from terming the Petitioner as a borrower pursuant to alleged loan facility granted to it. The Petitioner has also filed a notice of motion before the Bombay Civil Court against ICCL, seeking temporary injunction restraining ICCL from terming the Petitioner as a borrower in respect of the accounts from ICCL. The matter is currently pending.

6. An application was filed by Ravindra Biyani and AS Confin Private Limited (the "**Petitioners**") in the Court of Ld. 4th Civil Judge (Snr. Div) at Alipore ("**Court**") against our Company, Gagan Banga, and ICCL (the "**Defendants**") seeking an injunction to restrain the Defendants from (i) invoking the pledge and/or appropriating the pledged shares and/or from disposing off the assets and immovable properties pledged in favour of the Defendants by the Petitioners pursuant to money advanced by ICCL to AS Confin Private Limited (the "**Loan**"); and (ii) giving effect to the promissory note, loan agreement, document of pledge and the power of attorney, all dated May 21, 2021 executed in relation to the Loan. The Court *vide* order dated August 25, 2022, has restrained the Defendants from invoking the pledge and/or appropriating the shares and/or from disposing off the assets and immovable properties. The Court disposed of the matter *vide* order dated December 1, 2022. The Petitioner has thereafter filed two appeals against the order dated December 1, 2022 before the District Judge, Alipore (i) against allowing the section 8 application; and (ii) for rejection of injunction application/suit. The matter is currently pending and hearings have been scheduled before the District and Sessions Judge, Alipur on January 22, 2024 and February 17, 2024. The matter is currently pending.

   Additionally, the Petitioner has filed a FIR dated October 26, 2022 against the Defendants and Divyesh Shah under Sections 420, 406, 409, 506, 120B of the I.P.C. ("**FIR**") alleging fraud, deceit, criminal breach of trust and misappropriation of valuable securities and property. ICCL and our Company have filed a petition before High Court at Calcutta seeking the quashing of the FIR. The High Court of West Bengal *vide* its interim orders dated December 16, 2022, December 21, 2022 and February 23, 2023, has allowed the investigation of the case, by virtual mode, and has stated that no coercive steps be taken against the accused person's name in FIR for the period in the aforementioned interim orders ("**Impugned Orders**").Subsequently, ICCL, our Company and Gagan Banga have filed a special leave petition (Criminal) on March 22, 2023 before the Supreme Court against the Impugned Orders. The Supreme Court has issued notices for the petitions filed by the Defendants and have stayed the proceedings of the FIR filed against the Defendants *vide* order dated July 4, 2023.

   Our Company has filed a criminal writ petition with the Supreme Court challenging the FIRs instituted by Ravindra Biyani, director of AS Confin Private Limited in different states, namely FIR dated October 26, 2022 registered at P.S. Titagarh, FIR dated April 9, 2023 registered at P.S. Indirapuram and FIR dated January 27, 2021 registered at P.S. EOW, Delhi (together all three FIRs are hereby referred to as "**FIRs**") against our Company under section 420, 406, 409, 506, 120B of IPC. The Supreme Court *vide* order dated April 28, 2023 ordered a stay in all proceedings of the FIRs. Thereafter on the application filed by our Company, Supreme Court in relation to FIR (and related proceedings by other authorities/ departments) passed an order dated July 4, 2023 stating that no coercive steps would be taken against the petitioner financial institution and its officers, representatives and managers till final disposal of such petitions by the High court, and it would be open for the petitioners to seek stay of proceedings which would be considered by the High Court on its own merits.

By ICCL

1. ICCL, along with our Company, had issued 11 recall notices to Bliss Abode Private Limited, Bliss Agri and Eco Private Limited, Bliss Habitat Private Limited, Imagine Estate Private Limited, Bliss Villa (Delhi) Private Limited, Bliss House Private Limited, Imagine Realty Private Limited, Imagine Residence Private Limited, Imagine Estate Private Limited, Imagine Habitat Private Limited and their respective co-borrowers and guarantors, each dated March 9, 2020 ("**Recall Notices**"), on account of occurrence of a material adverse event as contemplated under the relevant facility documents. These Recall Notices pertain to loan facilities wherein (i) Rana Kapoor and/or his relatives were guarantors; or (ii) Rana Kapoor was a co-borrower.

   Subsequently, ICCL and our Company issued 21 notices under Section 13(2) of the SARFAESI Act ("**SARFAESI Notices**"), each dated June 18, 2020, to Bliss Villa (Delhi) Private Limited, Imagine Estate Private Limited, Imagine Residence Private Limited, Bliss Adobe Private Limited, Bliss House Private

Limited, Imagine Residence Private Limited, Imagine Estate Private Limited, Imagine Homes Private Limited, Imagine Habitat Private Limited, Bliss Agri and Eco Tourism Private Limited, Bliss House Private Limited and their respective co-borrowers and guarantors, calling upon them to forthwith pay the outstanding amount aggregated across all individual SARFAESI Notices of ₹23,645 million along with the tax deducted at source ("**TDS**"), with the amount aggregating to ₹115.3 million, due as on the date of the SARFAESI Notices in accordance with their respective liabilities under the loan documents. The notices further state that in the event there is a default in payment of the outstanding amounts, our Company, in its capacity as the financial creditor shall be entitled to take such steps as provided under Section 13(4) of the SARFAESI Act, which include, *inter alia*, taking possession and disposing of the secured assets as described in the SARFAESI Notices. Our Company has, through notices, each dated September 4, 2020, issued under Section 13(4) of the SARFAESI Act and newspaper publications on September 6, 2020, and September 7, 2020, taken symbolic possession of the secured assets as described in the SARFAESI Notices.

Further, ICCL has filed application under Section 9 of the Arbitration and Conciliation Act, 1996 ("**Section 9 Applications**") in the High Court of Delhi, New Delhi ("**Delhi High Court**") against Bliss Abode Private Limited, Bliss Agri and Eco Tourism Private Limited, Bliss House Private Limited, Bliss (Villa) Delhi Private Limited, Imagine Habitat Private Limited, Bliss Habitat Private Limited, Imagine Realty Private Limited and their respective co-borrowers and guarantors (collectively, "**Respondents**"). Through its orders, each dated March 13, 2020, the Delhi High Court has, *inter alia*, restrained the Respondents from creating any encumbrance or lien or third-party rights on the secured assets. By its common order dated June 29, 2020, the Delhi High Court extended the operation of the interim orders, each dated March 13, 2020, and fixed the next date of hearing to September 3, 2020. Through its common order dated September 3, 2020, the Delhi High Court has disposed of the Sections 9 Applications and has ordered the Sections 9 Applications to be treated as applications made under Section 17 of the Arbitration and Conciliation Act, 1996 and same are to be filed before the sole arbitrator Justice Deepak Verma (retired). The operation of the orders dated March 13, 2020, has been extended till September 19, 2020. Further, the Delhi High Court has also ordered that the sole arbitrator Justice Deepak Verma (retired) may modify, continue or vary the operation of the orders dated March 13, 2020.

Further, our Company also invoked the arbitration clause and initiated 10 arbitral proceedings before Justice Deepak Verma (retired) as the sole arbitrator in each of the 10 arbitral proceedings. Our Company has filed its statement of claim against Imagine Estate Private Limited, Bliss Abode Private Limited, Bliss Agri and Eco Tourism Private Limited, Imagine Residence Private Limited, Bliss House Private Limited, Imagine Homes Private Limited, Imagine Habitat Private Limited, Bliss Habitat Private Limited, Imagine Realty Private Limited, Bliss Villa (Delhi) Private Limited and their respective co-borrowers and guarantors ("**Respondents 1**").

Additionally, ICCL also invoked the arbitration clause and initiated arbitral proceedings against Imagine Estate Private Limited and others ("**Respondents 2**") before Justice Deepak Verma (retired) as the sole arbitrator and has filed its statement of claim against Respondents 2. With the consent of all the parties involved, since the aforementioned 11 arbitral proceedings were identical in nature, by orders dated July 9, 2020 and July 11, 2020, these proceedings were consolidated with 'Indiabulls Housing Finance Limited and Bliss Agri and Eco Tourism Private Limited' being the 'lead matter'. Respondents 1, Respondents 2 and Rana Kapoor have filed their statements of defence against ICCL and our Company, primarily claiming relaxation under the circulars issued by RBI on grant of moratorium and on that basis have challenged the loan recall notices. Additionally, Respondents 1 and Respondents 2 have made counter claims for, *inter alia* (i) an amount aggregating to ₹100 million, respectively, in each of the 11 arbitration proceedings; (ii) award ₹2,450 million, which was refunded by Indiabulls Infraestate Limited ("**IIL**") to our Company in favour of Bliss Habitat Private Limited; and (iii) award ₹2,526.4 million, which was refunded by IIL to ICCL, in favour of Imagine Realty Private Limited. In response to the statements of defence, ICCL and our Company have denied all allegations and categorically clarified that the benefit of moratorium is discretionary and cannot be claimed as a matter of right. In respect to the arbitration proceedings initiated by our Company and ICCL and the claims made, the learned sole arbitrator Justice Deepak Verma (retired) passed arbitral awards on February 28, 2023. Further, a consolidated award dated February 28, 2023 in relation to the 'lead matter' was passed by the learned sole arbitrator concluding all the arbitral proceedings under Section 32 of the Arbitration and Conciliation Act, 1996.

Our Company has filed a writ petition before the Delhi High Court ("**Court**") seeking permission to sell the properties which were the secured assets of our Company and have been attached *vide* provisional attachment orders dated July 9, 2020 ("**Subject Properties**"). Since the adjudicating authorities under the Prevention of

Money Laundering Act, 2002 ("**Adjudicating Authorities**") have not been functional, our Company was constrained to approach the Court for the sale of Subject Properties. Our Company, by virtue of this writ of mandamus prayed that our Company be allowed to sell the Subject Properties impugned in this writ petition. The Court *vide* order dated December 20, 2021, has issued notice on the said petition. The writ petition has been disposed of with liberty to file the application before the Adjudicating Authorities and the said application has been filed before the Adjudicating Authorities for seeking permission to initiate the process of sale of the mortgaged properties. Notice has thereafter been issued post admission of the application by the Adjudicating Authority. The matter is currently pending.

In addition, Imagine Estate Private Limited has filed an appeal dated June 27, 2023 under Section 34 of the Arbitration and Conciliation Act, 1996, before the High Court of Delhi at New Delhi challenging the arbitration award dated February 28, 2023, passed by the Ld. Arbitrator comprising Hon'ble Justice Deepak Verma (Retd.) along with application for condonation of delay. Notice on applications for condonation of delay has been issued by the Court vide its order dated September 18, 2023 and allowed. The matter is currently pending.

Furthermore, in connection with ongoing investigation against Rana Kapoor, the Enforcement Directorate, Government of India, ("**ED**") had issued a summons on March 24, 2020, to Rajiv Gandhi, one of our Company's senior management personnel, seeking details of, and certain documents in connection with the aforesaid loan facilities. Relevant documents and details as sought by the ED have been submitted by our Company. The matter is currently pending.

2. ICCL filed a petition dated February 13, 2022 under Section 95 of Insolvency and Bankruptcy Code, 2016 read with rule 7(2) of the I&B (Application to Adjudicating Authority for Insolvency Resolution Process for Personal Guarantors to Corporate Debtors) Rules, 2019, before the National Company Law Tribunal, Bengaluru ("**NCLT**"), seeking to initiate the insolvency resolution process against the personal guarantor, Sushil Mantri with respect to loan amounting of ₹1,760 million given to Mantri Developers Private Limited. The guarantee was invoked on December 29, 2021. The NCLT appointed an Insolvency Resolution Professional ("**IRP**") vide order dated October 7, 2022. The IRP has filed the report and the matter is currently pending

3. ICCL (the "**Financial Creditor**") has filed three separate petitions each dated December 16, 2022, under Section 95 of the Insolvency and Bankruptcy Code, 2016 (the "**Petitions**") before the National Company Law Tribunal, Chandigarh ("**NCLT, Chandigarh**"), for initiation of insolvency resolution process. The Petitions have been filed against the personal guarantors namely Anil Bhalla, Gautam Bhalla and Gaurav Bhalla (the "**Personal Guarantors**") for secured loan facilities availed by Vatika Limited (the "**Corporate Debtor**") under certain loan agreements. On account of persistent non-payment of dues under these loan facilities by the Corporate Debtor, recall notices each dated November 10, 2022 were issued by the Financial Creditor followed by demand notices each dated November 30, 2022 and invocation of personal guarantees given by the Personal Guarantors under respective Deed of Guarantees executed in relation to the loan facilities. Through order dated December 23, 2022, the NCLT, Chandigarh has directed for the appointment of a Resolution Professional. The matter is currently pending.

4. ICCL (the "**Financial Creditor**") has filed an application under Section 7 of the Insolvency and Bankruptcy Code, 2016 on November 30, 2022 before the National Company Law Tribunal, New Delhi (the "**Application**"), against Vatika IT Parks Private Limited (the "**Corporate Debtor**"), who has availed a secured loan from the Financial Creditor for the purpose of construction and/or development of housing/residential projects. The loan was sanctioned pursuant to a loan agreement dated July 20, 2020 executed between the parties and on account of default of payment of instalments by the Corporate Debtor, a recall notice dated November 10, 2022, followed by the Application was filed against the Corporate Debtor. The matter is currently pending.

5. ICCL had sanctioned a loan of ₹ 3500.00 million to M/s Tutelage Professionals Pvt. Ltd. ("**TPPL**") to purchase a property in Shalimar Bagh from M/s. Ambience Towers P Ltd ("**ATPL**") and the said property was mortgaged to ICCL as security under such loan. The Directorate of Enforcement ("**ED**") in proceedings related to ATPL issued a Provisional Attachment-Order (PAO)-No.-08/2023 on March 23, 2023 and addendum dated April 19, 2023 ("**PAO**"), attaching the said property owned by TPPL. The Adjudicating Authority under the PMLA, New Delhi vide order pronounced on August 28, 2023, dated September 13, 2023 ("**Order**") confirmed the PAO. Subsequently, ICCL has filed an appeal before the Appellate Tribunal, (PMLA), New Delhi to set aside the Order and quash the PAO which is currently pending.

6. ICCL has filed a petition before the High Court of Delhi ("**Delhi High Court**") under Section 9 of the Arbitration and Conciliation Act, 1996 seeking an injunction against Juhu Real Estate Developers Private Limited and others ("**Respondents**") for (i) restraint against the Respondents from transferring, selling, alienating, encumbering or creating any third party right or interest in the properties mortgaged to ICCL for the repayment of the loans; and (ii) seeking release of (a) original letter dated December 6, 2021; (ii) original No-Objection Certificates in respect of the units in the project currently named as '*Equest'*; and (iii) original No-Objection Certificates in respect of the units in the project named as '*Monticello'* (collectively, the "**Escrow Documents**") from the escrow agent appointed by the parties or acting upon the Escrow Documents.. The Respondent have submitted before the Delhi High Court that they shall not insist on release of the Escrow Documents. The matter is currently pending.

7. ICCL ("**Petitioner**") has filed petition dated December 12, 2023 under Section 9 of the Arbitration and Conciliation Act, 1996 against Ambience Projects and Infrastructure Private Limited ("**Respondent**"), inter-alia, seeking an injunction against the Respondent from transferring, selling, alienating, encumbering or creating any third party rights or interest with respect to units in the group housing colony project known as 'Ambience Creacion' situated at Village Mullahera. Tehsil & District Gurgaon, Haryana, which were agreed to be sold/transfered to the Petitioner under two agreements to sell (as modified by the cancellation deeds) executed by the Respondent. The Respondent has filed their reply dated December 21, 2023 challenging the maintainability of the Petition. The matter is currently pending.

C. Tax proceedings

1. The Assessment Unit, National Faceless Assessment Centre, Income Tax Department ("**AU**") *vide* assessment order dated March 24, 2023 ("**Order**"), under Section 147 of Income Tax Act, 1961 read with Section 144B of the Income Tax Act, 1961 had reassessed ICCL's income at ₹4,044.9 million against the returned income of ₹3,546.7 million and raised a demand of ₹881.4 million. ICCL has filed an appeal on April 11, 2023 before the Commissioner of Income Tax (Appeals) against the Order. The matter is currently pending.

   Further, the Company has filed an application before the AU for rectification of demand notice issued by the AO and the aforesaid demand of ₹881.4 million was reduced to ₹589.6 million vide rectification order dated September 11, 2023. The assessee has again filed a letter before the Assistant Commissioner of Income Tax, Cicle-10(1), New Delhi ("**ACIT**") to further reduce this demand to ₹535.3 million which is still pending for disposal at JAO. The matter is currently pending.

D. Statutory and Regulatory proceedings

There are no litigation or legal action pending or taken by any ministry or department of the government or a statutory authority against ICCL during the last three years immediately preceding the year of the issue of this Letter of Offer and that there have been no direction issued by such ministry or department or statutory authority upon conclusion of such litigation or legal action.

III. Material Developments

Other than as stated in "M*anagement's Discussion and Analysis of Financial Condition and Results of Operations*" beginning on page 613, there have not arisen, since September 30, 2023 disclosed in this Letter of Offer, any circumstances which materially and adversely affect, or are likely to affect, our trading, our profitability or the value of our assets or our ability to pay our liabilities within the next 12 months.

IV. Disclosure Pertaining to Wilful Defaulter(s) or Fraudulent Borrower(s)

Our Company and our Directors have not been categorized or identified as Wilful Defaulter(s) or Fraudulent Borrower(s) by any bank or financial institution or consortium thereof, in accordance with the guidelines on wilful defaulters issued by the Reserve Bank of India. There are no violations of securities laws committed by them in the past or are currently pending against any of them.

GOVERNMENT AND OTHER APPROVALS

We are not required to obtain any licenses or approvals from any government or regulatory authority for the objects of this Issue. For further details, please refer to the chapter titled "*Objects of the Issue*" at page 85.

MATERIAL DEVELOPMENTS

Other than as disclosed below, no material developments have occurred since September 30, 2023 which materially or adversely affect or are likely to affect the profitability of the Company or the value of its assets or its ability to pay its liabilities within the next 12 months.

The Board of Directors at its meeting held on November 14, 2023, have (a) appointed Mrs. Shefali Shah (DIN: 09731801), Retired Indian Revenue Services ("**IRS**") (Income Tax) Officer, as an Additional Director (Independent) on the Board of the Company, not liable to retire by rotation, for a period of three years, w.e.f. November 14, 2023 up to November 13, 2026, which shall be subject to the approval of the shareholders of the Company, and (b) re-appointed Mr. Dinabandhu Mohapatra (DIN: 07488705), as an Independent Director of the Company, not liable to retire by rotation, for a term of 3 years from November 23, 2023 up to November 22, 2026, which shall be subject to the approval of the shareholders of the Company.

The Securities Issuance and Investment Committee of the Board of Directors of our Company *vide* resolution dated November 9, 2023 had approved the allotment of 1,076,568 secured, redeemable, NCDs of face value ₹1,000 each for cash at par, aggregating to ₹1,076,568,000 on public issue basis issued through the Tranche III Prospectus dated October 13, 2023.

On November 28, 2023, our Company issued and allotted 9,213,280 (Ninety Two Lacs Thirteen Thousand Two Hundred Eighty) Equity Shares, to eligible employees, upon exercise of options vested in their favour under different ESOP Schemes of the Company. Consequent to the said allotment, the paid-up Equity Share capital of the Company stands increased to ₹977,488,354 divided into 488,744,177 Equity Shares of face value ₹ 2/- each.

On December 21, 2023, our Company issued and allotted 3,708,852 (Thirty Seven Lakhs Eight Thousand Eight Hundred Fifty Two) Equity Shares, to eligible employees, upon exercise of options vested in their favour under different ESOP Schemes of the Company. Consequent to the said allotment, the paid-up Equity Share capital of the Company stands increased to ₹984,906,058 divided into 492,453,029 Equity Shares of face value ₹ 2/- each.

The Securities Issuance and Investment Committee of the Board of Directors of our Company *vide* resolution dated December 27, 2023 had approved the allotment of 1,161,055 secured, redeemable, NCDs of face value ₹1,000 each for cash at par, aggregating to ₹1,161,055,000 on public issue basis issued through the Tranche IV Prospectus dated December 4, 2023.

The RBI through its circular dated December 19, 2023 ("**RBI Circular on AIFs**"), barred entities regulated by it, including HFCs and NBFCs ("**Regulated Entity**"), from investing in alternate investment funds ("**AIFs**") that have either direct or indirect investments in a "debtor company" of the Regulated Entity. A "debtor company" includes any company to which the Regulated Entity currently has or previously had a loan or investment exposure anytime during the preceding 12 months. In accordance with the RBI Circular on AIFs.

i. If an AIF scheme, in which the Regulated Entity is already an investor, makes a downstream investment in any such "debtor company", then the Regulated Entity is required to liquidate its investment in the scheme within 30 days from the date of such downstream investment by the AIF; or
ii. If the Regulated Entity has, as on date of the RBI Circular on AIFs, already invested in an AIF scheme having downstream investment in a "debtor company", the Regulated Entity shall liquidate its investment within 30 days of the date of the RBI Circular on AIFs.

In the event the Regulated Entity is unable to liquidate its investments within the prescribed timelines, the Regulated Entity shall make 100% provision on such investments and we estimate that we will have to create provision of up to approximately Rs.14,000 million.

Additionally, any investment by the Regulated Entity in the subordinated units of any AIF scheme with a "priority distribution model" shall be subject to full deduction from the Regulated Entity's capital funds. This shall adversely impact our regulatory capital ratios.

OTHER REGULATORY AND STATUTORY DISCLOSURES

Authority for the Issue

The Issue has been authorised by a resolution of the Board of Directors passed at its meeting held on January 17, 2024, pursuant to Section 62(1)(a) of the Companies Act and other applicable laws. The terms and conditions of the Issue including the Rights Entitlement ratio, Issue Price, Record Date, timing of the Issue and other related matters, have been approved by a resolution passed by the Securities Issuance and Investment Committee at its meeting held on January 28, 2024.

The Securities Issuance and Investment Committee, in its meeting held on January 28, 2024 has resolved to issue up to 24,62,26,515 Equity Shares to the Eligible Equity Shareholders, at ₹150 per Rights Equity Share (including a premium of ₹148 per Rights Equity Share) aggregating up to ₹36,933.98 million and the Rights Entitlement as 1 Rights Equity Share for every 2 fully paid-up Equity Share, as held on the Record Date. The Issue Price is ₹150 per Rights Equity Share and has been arrived at by our Company in consultation with the Lead Manager prior to determination of the Record Date. On Application, Investors will have to pay ₹50 per Rights Equity Share which constitutes 33.3% of the Issue Price and the balance ₹100 per Rights Equity Share which constitutes 66.7% of the Issue Price, will have to be paid, on one or more subsequent Call(s), as determined, from time to time at its sole discretion, by our Board or its Securities Issuance and Investment Committee.

**Assuming full subscription and receipt of all Call Monies with respect to the Rights Equity Shares*

This Letter of Offer has been approved by the Securities Issuance and Investment Committee pursuant to their resolution dated January 28, 2024.

The Company has received in-principle approvals from BSE and NSE in accordance with Regulation 28(1) of the SEBI LODR Regulations for listing of the Rights Equity Shares to be Allotted in this Issue pursuant to each of their letters dated January 19, 2024. Our Company will also make applications to BSE and NSE to obtain their trading approvals for the Rights Entitlements as required under the SEBI ICDR Master Circular.

Our Company has been allotted the ISIN: INE148I20012 for the Rights Entitlements to be credited to the respective demat accounts of the Eligible Equity Shareholders of our Company. For details, please see the section entitled *"Terms of the Issue"* on page 674.

Prohibition by SEBI or Other Governmental Authorities

Our Company and our Directors have not been and are not debarred or prohibited from accessing or operating the capital markets or restrained from buying, selling or dealing in securities under any order or direction passed by SEBI or any other regulatory or governmental authority.

Further, the Directors of our Company are not promoter(s) or director(s) of any other company which is debarred from accessing or operating in the capital markets or restrained from buying, selling or dealing in securities under any order or direction passed by SEBI.

None of our Directors are associated with entities operating in the securities market. No action has been initiated by SEBI against the entities operating in the securities market with which the Directors are associated.

None of our Directors are declared fugitive economic offenders under Section 12 of the Fugitive Economic Offenders Act, 2018.

Prohibition by RBI

Neither our Company nor any of our Directors have been or are identified or categorized as Wilful Defaulters or Fraudulent Borrowers.

Eligibility for the Issue

Our Company is a listed company and has been incorporated under the Companies Act, 1956. Our Equity Shares are presently listed on the Stock Exchanges. Our Company is eligible to offer Equity Shares pursuant to this Issue in terms of Chapter III, and other applicable provisions of the SEBI ICDR Regulations. Further, our Company is undertaking the Issue in compliance with Clause (1) of Part B of Schedule VI of the SEBI ICDR Regulations.

Confirmation under Companies (Significant Beneficial Ownership) Rules, 2018

Our Company is in compliance with and undertakes to comply with the requirements of the Companies (Significant Beneficial Ownership) Rules, 2018, as amended, to the extent applicable, as on the date of this Letter of Offer.

Compliance with Regulations 61 and 62 of the SEBI ICDR Regulations

Our Company is in compliance with the conditions specified in Regulations 61 and 62 of the SEBI ICDR Regulations, to the extent applicable. Further, in relation to compliance with Regulation 62(1)(a) of the SEBI ICDR Regulations, our Company has made applications to BSE and NSE and has received their in-principle approvals dated January 19, 2024 each, for listing of the Rights Equity Shares to be issued pursuant to this Issue. NSE is the Designated Stock Exchange for the Issue.

Compliance with conditions of Fast Track Issue

Our Company satisfies the following conditions specified in Regulation 99 of the SEBI ICDR Regulations, and accordingly, our Company is eligible to make this Issue by way of a 'fast track issue':

1. Our Equity Shares have been listed on BSE and NSE, each being a recognized stock exchange having, nationwide trading terminals, for a period of at least three years immediately preceding the date of filing of this Letter of Offer with the Designated Stock Exchange;

2. The average market capitalization of the public shareholding (as defined under the SEBI ICDR Regulations) of our Company is at least ₹2,500 million, in at least one of the recognized stock exchanges with nationwide trading terminal, where its securities are listed, calculated as per Explanation (i) of Regulation 99 of the SEBI ICDR Regulations;

3. The annualized trading turnover of our Equity Shares during six calendar months immediately preceding the month of filing of this Letter of Offer with the Designated Stock Exchange has been at least 2% of the weighted average number of Equity Shares listed during such six-months period on each of the Stock Exchanges;

4. The annualized delivery-based trading turnover of our Equity Shares during six calendar months immediately preceding the month of filing of this Letter of Offer with the Designated Stock Exchange has been at least 10% of the annualized trading turnover of Equity Shares during such six-months period on each of the Stock Exchanges;

5. Our Company has been in compliance with the equity listing agreement entered into with the Stock Exchanges and the SEBI LODR Regulations, for a period of at least three years immediately preceding the date of filing of this Letter of Offer with the Designated Stock Exchange;

6. Our Company has redressed at least 95% of the complaints received from the investors until the end of the quarter immediately preceding the month of filing this Letter of Offer with the Designated Stock Exchange;

7. No show-cause notices, excluding proceedings for imposition of penalty, have been issued by SEBI and are pending against our Company, or our whole-time Directors as on the date of filing of this Letter of Offer with the Designated Stock Exchange. Further, no show cause notices have been issued by the SEBI or an Adjudicating Officer in a proceeding for imposition of penalty and/or no prosecution proceedings have been initiated by SEBI, against our Company, our whole-time Directors as on the date of filing of this Letter of Offer with the Designated Stock Exchange;

8. Neither our Company nor our Directors have not settled any alleged violations of securities laws through the consent or settlement mechanism with SEBI during the three years immediately preceding the date of filing this Letter of Offer with the Designated Stock Exchange;

9. Our Equity Shares have not been suspended from trading as a disciplinary measure during three years immediately preceding the date of filing this Letter of Offer with the Designated Stock Exchange;

10. There is no conflict of interest between the Lead Manager and our Company in accordance with applicable regulations; and

11. There were no audit qualifications on the accounts of our Company in respect of the financial years for which accounts are disclosed in this Letter of Offer.

Our Company does not have an identifiable promoter and accordingly, the Issue shall not result in a breach of the minimum public shareholding requirements prescribed under applicable law. For details in relation to compliance with minimum public shareholding norms prescribed under the SCRR, please see the section entitled "*Capital Structure – Subscription to the Issue by the promoter and the promoter group"* on page 83.

Compliance with Part B of Schedule VI of the SEBI ICDR Regulations

Our Company is in compliance with the provisions specified in Clause (1) of Part B of Schedule VI of the SEBI ICDR Regulations as explained below:

1. Our Company has been filing periodic reports, statements and information in compliance with the Listing Agreements and the SEBI LODR Regulations, as applicable for the last one year immediately preceding the date of filing of this Letter of Offer with the Designated Stock Exchange;

2. The reports, statements and information referred to above are available on the websites of BSE and NSE;

3. The Company's securities have been listed consequent to the relaxation granted by SEBI under sub-rule (7) of Rule 19 of the Securities Contracts (Regulation) Rules, 1957 for listing of its specified securities pursuant to a scheme sanctioned by a High Court under sections 391 to 394 of the Companies Act, 1956 or approved by a tribunal under sections 230-234 of the Companies Act, 2013, as applicable. However, a period of three full years has elapsed since such listing;

4. Our Company has not been listed consequent to the relaxation granted by SEBI under sub-rule (7) of Rule 19 of the SCRR for listing of its specified securities pursuant to a scheme sanctioned by a High Court under Sections 391 to 394 of the Companies Act, 1956 or approved by a tribunal under Sections 230-234 of the Companies Act, as applicable. Our Company is not making a rights issue of specified securities for the first time subsequent to any such listing.

5. Our Company has an investor grievance-handling mechanism which includes meeting of the Stakeholders' Relationship Committee at frequent intervals, appropriate delegation of power by our Board as regards share transfer and clearly laid down systems and procedures for timely and satisfactory redressal of investor grievances.

As our Company satisfies the conditions specified in Clause (1) of Part B of Schedule VI of SEBI ICDR Regulations, and given that the conditions specified in Clause (3) of Part B of Schedule VI of SEBI ICDR Regulations are not applicable to our Company, the disclosures in this Letter of Offer are in terms of Clause (4) of Part B of Schedule VI of the SEBI ICDR Regulations.

DISCLAIMER CLAUSE OF SEBI

IT IS TO BE DISTINCTLY UNDERSTOOD THAT THE SUBMISSION OF THIS LETTER OF OFFER TO SEBI SHOULD NOT, IN ANY WAY BE DEEMED OR CONSTRUED THAT THE SAME HAS BEEN CLEARED OR APPROVED BY SEBI. SEBI DOES NOT TAKE ANY RESPONSIBILITY EITHER FOR THE FINANCIAL SOUNDNESS OF ANY SCHEME OR THE PROJECT FOR WHICH THE ISSUE IS PROPOSED TO BE MADE, OR FOR THE CORRECTNESS OF THE STATEMENTS MADE OR OPINIONS EXPRESSED IN THIS LETTER OF OFFER. THE LEAD MANAGER, NAMELY, NUVAMA WEALTH MANAGEMENT LIMITED (*FORMERLY KNOWN AS EDELWEISS SECURITIES LIMITED*) AND INCRED CAPITAL WEALTH PORTFOLIO MANAGERS PRIVATE LIMITED, HAS CERTIFIED THAT THE DISCLOSURES MADE IN THIS LETTER OF OFFER ARE GENERALLY ADEQUATE AND ARE IN CONFORMITY WITH SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2018. THIS REQUIREMENT IS TO FACILITATE INVESTORS TO TAKE AN INFORMED DECISION FOR MAKING INVESTMENT IN THE PROPOSED ISSUE.

IT SHOULD ALSO BE CLEARLY UNDERSTOOD THAT WHILE OUR COMPANY IS PRIMARILY RESPONSIBLE FOR THE CORRECTNESS, ADEQUACY AND DISCLOSURE OF ALL RELEVANT INFORMATION IN THIS LETTER OF OFFER, THE LEAD MANAGER IS EXPECTED TO EXERCISE DUE DILIGENCE TO ENSURE THAT THE COMPANY DISCHARGES ITS RESPONSIBILITY ADEQUATELY IN THIS BEHALF AND TOWARDS THIS PURPOSE, THE LEAD

MANAGER(S), HAVE FURNISHED TO SEBI, A DUE DILIGENCE CERTIFICATE DATED JANUARY 28, 2024, WHICH READS AS FOLLOWS:

(1) WE HAVE EXAMINED VARIOUS DOCUMENTS INCLUDING THOSE RELATING TO LITIGATION, INCLUDING COMMERCIAL DISPUTES, PATENT DISPUTES, DISPUTES WITH COLLABORATORS, ETC. AND OTHER MATERIAL WHILE FINALISING THIS LETTER OF OFFER OF THE SUBJECT ISSUE.

(2) ON THE BASIS OF SUCH EXAMINATION AND DISCUSSIONS WITH THE COMPANY, ITS DIRECTORS AND OTHER OFFICERS, OTHER AGENCIES, AND INDEPENDENT VERIFICATION OF THE STATEMENTS CONCERNING THE OBJECTS OF THE ISSUE, PRICE JUSTIFICATION, CONTENTS OF THE DOCUMENTS AND OTHER PAPERS FURNISHED BY THE COMPANY, WE CONFIRM THAT:

(a) THE LETTER OF OFFER FILED WITH SEBI IS IN CONFORMITY WITH THE DOCUMENTS, MATERIALS AND PAPERS WHICH ARE MATERIAL TO THE ISSUE;

(b) ALL MATERIAL LEGAL REQUIREMENTS RELATING TO THE ISSUE AS SPECIFIED BY SEBI, THE CENTRAL GOVERNMENT AND ANY OTHER COMPETENT AUTHORITY IN THIS BEHALF HAVE BEEN DULY COMPLIED WITH; AND

(c) THE MATERIAL DISCLOSURES MADE IN THE LETTER OF OFFER ARE TRUE AND ADEQUATE TO ENABLE THE INVESTORS TO MAKE A WELL INFORMED DECISION AS TO THE INVESTMENT IN THE PROPOSED ISSUE AND SUCH DISCLOSURES ARE IN ACCORDANCE WITH THE REQUIREMENTS OF THE COMPANIES ACT, 2013, THE SEBI ICDR REGULATIONS AND OTHER APPLICABLE LEGAL REQUIREMENTS.

(3) BESIDES OURSELVES, ALL THE INTERMEDIARIES NAMED IN THE LETTER OF OFFER ARE REGISTERED WITH SEBI AND THAT UNTIL DATE SUCH REGISTRATION IS VALID. – <u>COMPLIED WITH</u>

(4) WE HAVE SATISFIED OURSELVES ABOUT THE CAPABILITY OF THE UNDERWRITERS TO FULFIL THEIR UNDERWRITING COMMITMENTS. – <u>NOT APPLICABLE</u>

(5) WRITTEN CONSENT FROM THE PROMOTERS HAS BEEN OBTAINED FOR INCLUSION OF HIS SPECIFIED SECURITIES PROPOSED TO FORM PART OF PROMOTER'S CONTRIBUTION SUBJECT TO LOCK-IN AND THE EQUITY SHARES PROPOSED TO FORM PART OF PROMOTER'S CONTRIBUTION SUBJECT TO LOCK-IN SHALL NOT BE DISPOSED OR SOLD OR TRANSFERRED BY THE PROMOTERS DURING THE PERIOD STARTING FROM THE DATE OF FILING THE LETTER OF OFFER WITH SEBI UNTIL THE DATE OF COMMENCEMENT OF LOCK-IN PERIOD AS STATED IN THE LETTER OF OFFER. – <u>NOT APPLICABLE</u>

(6) ALL APPLICABLE PROVISIONS OF SEBI ICDR REGULATIONS, WHICH RELATE TO EQUITY SHARES INELIGIBLE FOR COMPUTATION OF PROMOTER'S CONTRIBUTION, HAVE BEEN AND SHALL BE DULY COMPLIED WITH AND APPROPRIATE DISCLOSURES AS TO COMPLIANCE WITH THE SAID REGULATION(S) HAVE BEEN MADE IN THE LETTER OF OFFER. – <u>NOT APPLICABLE</u>

(7) ALL APPLICABLE PROVISIONS OF SEBI ICDR REGULATIONS, WHICH RELATE TO RECEIPT OF PROMOTER'S CONTRIBUTION PRIOR TO OPENING OF THE ISSUE, SHALL BE COMPLIED WITH. ARRANGEMENTS HAVE BEEN MADE TO ENSURE THAT PROMOTER'S CONTRIBUTION SHALL BE RECEIVED AT LEAST ONE DAY BEFORE THE OPENING OF THE ISSUE AND THE STATUTORY AUDITOR'S CERTIFICATE TO THIS EFFECT SHALL BE DULY SUBMITTED TO SEBI. WE FURTHER CONFIRM THAT ARRANGEMENTS HAVE BEEN MADE TO ENSURE THAT PROMOTER'S CONTRIBUTION SHALL BE KEPT IN AN ESCROW ACCOUNT WITH A SCHEDULED

COMMERCIAL BANK AND SHALL BE RELEASED TO THE COMPANY ALONG WITH THE PROCEEDS OF THE ISSUE. – NOT APPLICABLE

(8) NECESSARY ARRANGEMENTS HAVE BEEN MADE TO ENSURE THAT THE MONIES RECEIVED PURSUANT TO THE ISSUE ARE CREDITED OR TRANSFERRED TO A SEPARATE BANK ACCOUNT AS PER THE PROVISIONS OF SUB-SECTION (3) OF SECTION 40 OF THE COMPANIES ACT, 2013 AND THAT SUCH MONIES SHALL BE RELEASED BY THE SAID BANK ONLY AFTER PERMISSION IS OBTAINED FROM ALL THE STOCK EXCHANGES, AND THAT THE AGREEMENT ENTERED INTO BETWEEN THE BANKER(S) TO THE ISSUE AND THE COMPANY SPECIFICALLY CONTAINS THIS CONDITION. – NOTED FOR COMPLIANCE TO THE EXTENT APPLICABLE

(9) THE EXISTING BUSINESS AS WELL AS ANY NEW BUSINESS OF THE COMPANY FOR WHICH THE FUNDS ARE BEING RAISED FALL WITHIN THE 'MAIN OBJECTS' IN THE OBJECT CLAUSE OF THE MEMORANDUM OF ASSOCIATION OF THE COMPANY AND THAT THE ACTIVITIES WHICH HAVE BEEN CARRIED IN LAST TEN YEARS ARE VALID IN TERMS OF THE OBJECT CLAUSE OF ITS MEMORANDUM OF ASSOCIATION. – COMPLIED WITH TO THE EXTENT APPLICABLE

(10) FOLLOWING DISCLOSURES HAVE BEEN MADE IN THE LETTER OF OFFER:

(a) AN UNDERTAKING FROM THE COMPANY THAT AT ANY GIVEN TIME, THERE SHALL BE ONLY ONE DENOMINATION FOR THE EQUITY SHARES OF THE COMPANY, EXCLUDING SUPERIOR EQUITY SHARES, WHERE THE COMPANY HAS OUTSTANDING SUPERIOR EQUITY SHARES. COMPLIED WITH (THE COMPANY HAS NOT ISSUED ANY SUPERIOR RIGHTS EQUITY SHARES); AND

(b) AN UNDERTAKING FROM THE COMPANY THAT IT SHALL COMPLY WITH ALL DISCLOSURE AND ACCOUNTING NORMS SPECIFIED BY SEBI. COMPLIED WITH

(11) WE SHALL COMPLY WITH THE REGULATIONS PERTAINING TO ADVERTISEMENTS IN TERMS OF THE SEBI ICDR REGULATIONS. NOTED FOR COMPLIANCE

(12) IF APPLICABLE, THE COMPANY IS ELIGIBLE TO LIST ON THE INNOVATORS GROWTH PLATFORM IN TERMS OF THE PROVISIONS CHAPTER X OF THE SEBI ICDR REGULATIONS. NOT APPLICABLE

(13) NONE OF THE INTERMEDIARIES NAMED IN THIS LETTER OF OFFER HAVE BEEN DEBARRED FROM FUNCTIONING BY ANY REGULATORY AUTHORITY. COMPLIED WITH

(14) THE COMPANY IS ELIGIBLE TO MAKE A FAST TRACK ISSUE IN TERMS OF REGULATION 99 OF THE SEBI ICDR REGULATIONS INCLUDING SEBI CIRCULAR BEARING REFERENCE NUMBER SEBI/HO/CFD/CIR/CFD/DIL/67/2020 DATED APRIL 21, 2020. THE FULFILMENT OF THE ELIGIBILITY CRITERIA AS SPECIFIED IN THAT REGULATION BY THE COMPANY HAS ALSO BEEN DISCLOSED IN THIS LETTER OF OFFER. COMPLIED WITH

(15) THE ABRIDGED LETTER OF OFFER CONTAINS ALL DISCLOSURES AS SPECIFIED IN THE SEBI ICDR REGULATIONS. COMPLIED WITH

(16) ALL MATERIAL DISCLOSURES IN RESPECT OF THE COMPANY HAVE BEEN MADE IN THIS LETTER OF OFFER AND CERTIFY THAT ANY MATERIAL DEVELOPMENT IN THE COMPANY OR RELATING TO THE COMPANY UP TO THE COMMENCEMENT OF LISTING AND TRADING OF THE EQUITY SHARES OFFERED THROUGH THIS ISSUE SHALL BE INFORMED THROUGH PUBLIC NOTICES/ADVERTISEMENTS IN ALL THOSE NEWSPAPERS IN WHICH PRE-ISSUE ADVERTISEMENT AND ADVERTISEMENT FOR OPENING OR CLOSURE OF THE ISSUE HAVE BEEN GIVEN. COMPLIED WITH AND NOTED FOR COMPLIANCE

(17) AGREEMENTS HAVE BEEN ENTERED INTO WITH THE DEPOSITORIES FOR DEMATERIALISATION OF THE SPECIFIED SECURITIES OF THE COMPANY. COMPLIED WITH

THE FILING OF THE LETTER OF OFFER DOES NOT, HOWEVER, ABSOLVE THE COMPANY FROM ANY LIABILITIES UNDER THE COMPANIES ACT, 2013 OR FROM THE REQUIREMENT OF OBTAINING SUCH STATUTORY OR OTHER CLEARANCES AS MAY BE REQUIRED FOR THE PURPOSE OF THE PROPOSED ISSUE. SEBI FURTHER RESERVES THE RIGHT TO TAKE UP, AT ANY POINT OF TIME, WITH THE LEAD MANAGER ANY IRREGULARITIES OR LAPSES IN THE LETTER OF OFFER.

Disclaimer clauses from our Company and the Lead Manager

The Company and the Lead Manager accept no responsibility for statements made otherwise than in this Letter of Offer or in any advertisement or other material issued by the Company or by any other persons at the instance of the Company and anyone placing reliance on any other source of information would be doing so at his own risk.

Investors who invest in the Issue will be deemed to have represented to the Company, the Lead Manager and their respective directors, officers, agents, affiliates and representatives that they are eligible under all applicable laws, rules, regulations, guidelines and approvals to acquire Equity Shares, and are relying on independent advice / evaluation as to their ability and quantum of investment in the Issue.

Caution

The Company and the Lead Manager shall make all information available to the Eligible Equity Shareholders in accordance with the SEBI ICDR Regulations and no selective or additional information would be available for a section of the Eligible Equity Shareholders in any manner whatsoever including at presentations, in research or sales reports etc. after filing of this Letter of Offer.

No dealer, salesperson or other person is authorized to give any information or to represent anything not contained in this Letter of Offer. You must not rely on any unauthorized information or representations. This Letter of Offer is an offer to sell only the Rights Equity Shares and rights to purchase the Rights Equity Shares offered hereby, but only under circumstances and in jurisdictions where it is lawful to do so. The information contained in this Letter of Offer is current only as of its date.

Disclaimer with respect to jurisdiction

This Letter of Offer has been prepared under the provisions of Indian laws and the applicable rules and regulations thereunder. Any disputes arising out of the Issue will be subject to the jurisdiction of the appropriate court(s) in New Delhi, India only.

Designated Stock Exchange

The Designated Stock Exchange for the purpose of the Issue is NSE.

Disclaimer Clause of BSE

As required, a copy of this Letter of Offer has been submitted to BSE. The disclaimer clause as intimated by BSE to the Company, post scrutiny of the Letter of Offer prior to filing of the Letter of Offer is as under:

"BSE Limited ("the Exchange") has given, vide its letter dated January 19, 2024 permission to this Company to use the Exchange's name in this Letter of Offer as one of the stock exchanges on which this Company's securities are proposed to be listed. The Exchange has scrutinised this Letter of Offer for its limited internal purpose of deciding on the matter of granting the aforesaid permission to this Company. The Exchange does not in any manner:

- Warrant, certify or endorse the correctness or completeness of any of the contents of this letter of offer; or
- Warrant that this Company's securities will be listed or will continue to be listed on the Exchange; or

- Take any responsibility for the financial or other soundness of this Company, its promoters, its management or any scheme or project of this Company;

And it should not for any reason be deemed or construed that this letter of offer has been cleared or approved by the Exchange. Every person who desires to apply for or otherwise acquires any securities of this Company may do so pursuant to independent inquiry, investigation and analysis and shall not have any claim against the Exchange whatsoever by reason of any loss which may be suffered by such person consequent to or in connection with such subscription/acquisition whether by reason of anything stated or omitted to be stated herein or for any other reason whatsoever."

Disclaimer Clause of NSE

As required, a copy of this Letter of Offer has been submitted to NSE. The disclaimer clause as intimated by NSE to the Company, post scrutiny of the Letter of Offer prior to filing of the Letter of Offer is as under:

"As required, a copy of this letter of offer has been submitted to National Stock Exchange of India Limited (hereinafter referred to as NSE). NSE has given vide its letter Ref. No. NSE/LIST/39605 dated January 19, 2024 permission to the Issuer to use the Exchange's name in this letter of offer as one of the stock exchanges on which this Issuer's securities are proposed to be listed. The Exchange has scrutinized this letter of offer for its limited internal purpose of deciding on the matter of granting the aforesaid permission to this Issuer.

It is to be distinctly understood that the aforesaid permission given by NSE should not in any way be deemed or construed that the letter of offer has been cleared or approved by NSE; nor does it in any manner warrant, certify or endorse the correctness or completeness of any of the contents of this letter of offer; nor does it warrant that this Issuer's securities will be listed or will continue to be listed on the Exchange; nor does it take any responsibility for the financial or other soundness of this Issuer, its promoters, its management or any scheme or project of this Issuer.

Every person who desires to apply for or otherwise acquire any securities of this Issuer may do so pursuant to independent inquiry, investigation and analysis and shall not have any claim against the Exchange whatsoever by reason of any loss which may be suffered by such person consequent to or in connection with such subscription /acquisition whether by reason of anything stated or omitted to be stated herein or any other reason whatsoever.

You may insert the following lines in the advertisements instead of the entire disclaimer clause: "It is to be distinctly understood that the permission given by NSE should not in any way be deemed or construed that the letter of offer has been cleared or approved by NSE nor does it certify the correctness or completeness of any of the contents of the letter of offer. The investors are advised to refer to the letter of offer for the full text of the 'Disclaimer Clause of NSE".

Disclaimer clause of the NHB and RBI

Our Company obtained a certificate of registration as a Housing Finance Company dated December 28, 2005 bearing registration number 02.0063.05 from the NHB. However, the NHB and RBI does not accept any responsibility or guarantee about the present position as to the financial soundness of our Company or for the correctness of any of the statements or representations made or opinions expressed by our Company and for repayment of deposits/ discharge of liabilities by our Company.

Selling Restrictions

The distribution of this Letter of Offer and the Issue Materials, and the issue of Rights Entitlements and Rights Equity Shares on a rights basis to persons in certain jurisdictions outside India is restricted by legal requirements prevailing in those jurisdictions. Persons into whose possession this Letter of Offer and other Issue Materials come are required to inform themselves about and observe such restrictions.

Our Company is undertaking this Issue on a rights basis to the Eligible Equity Shareholders who are outside the United States in offshore transactions in reliance on Regulation S of the U.S. Securities Act, located in jurisdictions where such offer and sale of the Rights Equity Shares is permitted under laws of such jurisdictions.

No action has been or will be taken to permit the Issue in any jurisdiction, or the possession, circulation, or distribution of this Letter of Offer or other Issue Materials relating to our Company, the Rights Equity Shares or

Rights Entitlement in any jurisdiction, where action would be required for that purpose, except that this Letter of Offer is being filed with SEBI and the Stock Exchange.

Accordingly, the Rights Equity Shares and the Rights Entitlement may not be offered or sold, directly or indirectly, and none of this Letter of Offer, the Issue Materials or advertisements in connection with the Rights Equity Shares or Rights Entitlement may be distributed or published in any jurisdiction, except in accordance with legal requirements applicable in such jurisdiction. Receipt of this Letter of Offer and Issue Materials will not constitute an offer in those jurisdictions in which it would be illegal to make such an offer.

This Letter of Offer and its accompanying documents will be supplied to you solely for your information and may not be reproduced, redistributed or passed on, directly or indirectly, to any other person or published , in whole or in part, for any purpose.

Our Company is undertaking this Issue on a rights basis to the Eligible Equity Shareholders and the Abridged Letter of Offer, the Application Form, the Rights Entitlement Letter and other Issue Materials will be sent/dispatched only to the Eligible Equity Shareholders who have provided Indian address.

If this Letter of Offer is received by any person in any jurisdiction where to do so would or might contravene local securities laws or regulation, or by their agent or nominee, they must not seek to subscribe to the Rights Equity Shares or the Rights Entitlement referred to in this Letter of Offer. Investors are advised to consult their legal counsel prior to applying for the Rights Entitlement and Rights Equity Shares or accepting any provisional allotment of Rights Equity Shares, or making any offer, sale, resale, pledge or other transfer of the Rights Equity Shares or Rights Entitlement. Neither the receipt of this Letter of Offer nor any sale hereunder, shall under any circumstances create any implication that there has been no change in our Company’s affairs from the date hereof or the date of such information or that the information contained herein is correct as of any time subsequent to this date or the date of such information.

Filing

This Letter of Offer is being filed with the Stock Exchanges and the SEBI as per the provisions of the SEBI ICDR Regulations. Further, in terms of the SEBI ICDR Regulations, our Company will simultaneously while filing this Letter of Offer with the Designated Stock Exchange, do an online filing with SEBI through the SEBI intermediary portal at siportal.sebi.gov.in in terms of the SEBI ICDR Master Circular.

Listing

The Rights Equity Shares offered through this Letter of Offer are proposed to be listed on BSE and NSE. Applications will be made to the Stock Exchanges for obtaining permission for listing and trading of the Rights Equity Shares. NSE will be the Designated Stock Exchange with which the Basis of Allotment will be finalised.

Consents

Consents in writing of each of our Directors, Legal Counsel to our Company as to Indian Law, Banker to the Issue, the Lead Managers, Registrar to the Issue, Statutory Auditors, in their respective capacities, have been obtained, and such consents have not been withdrawn up to the time of delivery of this Letter of Offer.

Experts to the Issue

Our Company has received consent from its Statutory Auditors, S.N. Dhawan & Co. LLP, Chartered Accountants and Arora & Choudhary Associates, Chartered Accountants through their letters dated January 18, 2024 and January 18, 2024, respectively, to include their names as required under Section 26(1) of the Companies Act, 2013 in this Letter of Offer and an “expert” as defined under Section 2(38) of the Companies Act, 2013 in respect of (a) the Audited Consolidated Financial Statements and audit reports dated May 20, 2022 and May 22, 2023 thereon; (b) audited standalone financial statements and audit reports dated May 20, 2022 and May 22, 2023 thereon; (c) limited review standalone September financial results and the report dated November 14, 2023 issued thereon; (d) Limited Review Consolidated September Financial Results and the report dated November 14, 2023 issued thereon; and (e) the statement of possible special tax benefits available to our Company, its shareholders and our Material Subsidiary dated January 18, 2024;. Our Company has further received consent from Independent Chartered Accountant, APT & Co. LLP, Chartered Accountants through its letter dated January 18, 2024 to include their names as required under Section 26(1) of the Companies Act, 2013 in this Letter of Offer and an “expert” as defined under Section 2(38) of the Companies Act, 2013, and such consents have not been withdrawn as of the date of this Letter of Offer. However, the term “expert” shall not be construed to mean an “Expert” as defined under the U.S. Securities Act.

Mechanism for Redressal of Investor Grievances

Our Company has adequate arrangements for the redressal of investor complaints in compliance with the corporate governance requirements in compliance with SEBI LODR Regulations. We have been registered with the SEBI Complaints Redress System (SCORES) as required by the SEBI circular bearing reference number CIR/OIAE/2/2011 dated June 3, 2011 and shall comply with the SEBI circular bearing reference number CIR/OIAE/1/2014 dated December 18, 2014 in relation to redressal of investor grievances through SCORES and any other circulars issued by SEBI in this regard. Consequently, investor grievances are also tracked online by our Company through the SCORES mechanism.

Our Company has a Stakeholders Relationship Committee which meets at least once every year and as and when required. Its terms of reference include considering and resolving grievances of shareholders in relation to transfer of shares and effective exercise of voting rights. Kfin Technologies Limited is our Registrar and Share Transfer Agent. All investor grievances received by us have been handled by the Registrar and Share Transfer Agent in consultation with the Company Secretary and Compliance Officer.

The investor complaints received by our Company are generally disposed of within 30 days from the date of receipt of the complaint.

Investors may contact the Registrar or our Company Secretary and Compliance Officer for any pre-Issue or post-Issue related matter. All grievances relating to the ASBA process may be addressed to the Registrar, with a copy to the SCSBs (in case of ASBA process), giving full details such as name, address of the Applicant, contact number(s), e-mail address of the sole / first holder, folio number or demat account number, number of Equity Shares applied for, amount blocked, ASBA Account number and the Designated Branch of the SCSBs where the Application Form or the plain paper application, as the case may be, was submitted by the Investors along with a photocopy of the acknowledgement slip.

The contact details of Registrar to the Issue and our Company Secretary and Compliance Officer are as follows:

Registrar to the Issue

KFin Technologies Limited
(formerly known as KFin Technologies Private Limited)
Selenium Tower B PlotNo.31 and32 Financial District, Nanakramguda Serilingampally, Hyderabad–500 032 Telangana, India
Telephone No.: +91 40 6716 2222
E-mail: ihfl.rights@kfintech.com
Investor Grievance e-mail: einward.ris@kfintech.com
Contact person: M. Murali Krishna
Website: www.kfintech.com
SEBI Registration No.: INR000000221

Company Secretary and Compliance Officer

Amit Kumar Jain is the company secretary and compliance officer of the Company. His details are as follows:

Amit Kumar Jain
Company Secretary and Compliance Officer
Plot No. 422B,
Udyog Vihar, Phase-IV,
Gurugram – 122 016, Haryana, India
Telephone No.: 0124 6681199
Email: ibsecretarial@indiabulls.com

SECTION VII: ISSUE INFORMATION

TERMS OF THE ISSUE

This section is for the information of the Investors proposing to apply in this Issue. Investors should carefully read the provisions contained in this Letter of Offer, the Abridged Letter of Offer, the Rights Entitlement Letter and the Application Form, before submitting the Application Form. Our Company and the Lead Manager are not liable for any amendments or modifications or changes in applicable laws or regulations, which may occur after the date of this Letter of Offer. Investors are advised to make their independent investigation and ensure that the Application Form is accurately filled up in accordance with instructions provided therein and this Letter of Offer. Unless otherwise permitted under the SEBI ICDR Regulations read with the SEBI ICDR Master Circular, Investors proposing to apply in this Issue can apply only through ASBA or by mechanism as disclosed in this Letter of Offer.

Investors are requested to note that application in this issue can only be made through ASBA or any other mode which may be notified by SEBI.

The Rights Entitlement on the Equity Shares, the ownership of which is currently under dispute and including any court proceedings or are currently under transmission or are held in a demat suspense account and for which our Company has withheld the dividend, shall be held in abeyance and the Application Form along with the Rights Entitlement Letter in relation to these Rights Entitlements shall not be dispatched pending resolution of the dispute or court proceedings or completion of the transmission or pending their release from the demat suspense account. On submission of such documents /records confirming the legal and beneficial ownership of the Equity Shares with regard to these cases on or prior to the Issue Closing Date, to the satisfaction of our Company, our Company shall make available the Rights Entitlement on such Equity Shares to the identified Eligible Equity Shareholder. The identified Eligible Equity Shareholder shall be entitled to subscribe to the Rights Equity Shares pursuant to the Issue during the Issue Period with respect to these Rights Entitlement and subject to the same terms and conditions as the Eligible Equity Shareholder.

This Issue is proposed to be undertaken on a rights basis and is subject to the terms and conditions contained in this Letter of Offer, the Abridged Letter of Offer, the Rights Entitlement Letter, the Application Form, and the Memorandum of Association and the Articles of Association of our Company, the provisions of the Companies Act, 2013, the FEMA, the FEMA Rules, the SEBI ICDR Regulations, the SEBI LODR Regulations and the guidelines, notifications, circulars and regulations issued by SEBI, the RBI, the Government of India and other statutory and regulatory authorities from time to time, approvals, if any, from RBI or other regulatory authorities, the terms of the Listing Agreements entered into by our Company with the Stock Exchanges and the terms and conditions as stipulated in the Allotment Advice.

I. DISPATCH AND AVAILABILITY OF ISSUE MATERIALS

In accordance with the SEBI ICDR Regulations and SEBI ICDR Master Circular, this Letter of Offer, the Abridged Letter of Offer, the Application Form, the Rights Entitlement Letter and other Issue material will be sent/ dispatched only to the Eligible Equity Shareholders who have provided their Indian address to our Company and who are located in jurisdictions where the offer and sale of the Rights Entitlement or Rights Equity Shares is permitted under laws of such jurisdiction and does not result in and may not be construed as, a public offering in such jurisdictions. In case such Eligible Equity Shareholders have provided their valid e-mail address, this Letter of Offer, the Abridged Letter of Offer, the Application Form, the Rights Entitlement Letter and other Issue material will be sent only to their valid e-mail address and in case such Eligible Equity Shareholders have not provided their e-mail address, then this Letter of Offer, the Abridged Letter of Offer, the Application Form, the Rights Entitlement Letter and other Issue material will be physically dispatched, on a reasonable effort basis, to the Indian addresses provided by them.

Further, this Letter of Offer will be sent/ dispatched to the Eligible Equity Shareholders who have provided Indian address and who have made a request in this regard.

Investors can access this Letter of Offer, the Abridged Letter of Offer and the Application Form (provided that the Eligible Equity Shareholder is eligible to subscribe for the Rights Equity Shares under applicable laws) on the websites of:

(i) our Company at www.indiabullshomeloans.com;

(ii) the Registrar at https://rights.kfintech.com;

(iii) the Lead Manager, i.e., Nuvama Wealth Management Limited (*formerly known as Edelweiss Securities Limited*) at https://www.nuvama.com/; and InCred Capital Wealth Portfolio Managers Private Limited at www.incredequities.com.

(iv) the Stock Exchanges at www.bseindia.com and www.nseindia.com.

To update the respective Indian addresses/e-mail addresses/phone or mobile numbers in the records maintained by the Registrar or by our Company, Eligible Equity Shareholders should visit https://rights.kfintech.com. Eligible Equity Shareholders can also obtain the details of their respective Rights Entitlements from the website of the Registrar (*i.e.,* https://rights.kfintech.com) by entering their DP ID and Client ID or Folio Number (for Eligible Equity Shareholders who hold Equity Shares in physical form as on Record Date) and PAN. The link for the same shall also be available on the website of our Company (*i.e.,* www.indiabullshomeloans.com).

Further, our Company along with the Lead Manager will undertake all adequate steps to reach out the Eligible Equity Shareholders who have provided their Indian address through other means, as may be feasible.

Please note that neither our Company nor the Registrar nor the Lead Manager shall be responsible for not sending the physical copies of Issue Materials, including this Letter of Offer, the Abridged Letter of Offer, the Rights Entitlement Letter and the Application Form or delay in the receipt of this Letter of Offer, the Abridged Letter of Offer, the Rights Entitlement Letter, the Application Form or other Issue Materials attributable to non-availability of the e-mail addresses of Eligible Equity Shareholders or electronic transmission delays or failures, or if the Application Forms or the Rights Entitlement Letters are delayed or misplaced in the transit.

The distribution of this Letter of Offer, Abridged Letter of Offer, the Rights Entitlement Letter and the issue of Rights Equity Shares on a rights basis to persons in certain jurisdictions outside India is restricted by legal requirements prevailing in those jurisdictions. No action has been, or will be, taken to permit this Issue in any jurisdiction where action would be required for that purpose, except that this Letter of Offer is being filed with SEBI and the Stock Exchanges. Accordingly, the Rights Entitlements and Rights Equity Shares may not be offered or sold, directly or indirectly, and this Letter of Offer, the Abridged Letter of Offer, the Rights Entitlement Letter, the Application Form or any Issue related materials or advertisements in connection with this Issue may not be distributed, in any jurisdiction, except in accordance with and as permitted under the legal requirements applicable in such jurisdiction. Receipt of this Letter of Offer, the Abridged Letter of Offer, the Rights Entitlement Letter or the Application Form (including by way of electronic means) will not constitute an offer, invitation to or solicitation by anyone in any jurisdiction or in any circumstances in which such an offer, invitation or solicitation is unlawful or not authorised or to any person to whom it is unlawful to make such an offer, invitation or solicitation. In those circumstances, this Letter of Offer, the Abridged Letter of Offer, the Rights Entitlement Letter or the Application Form must be treated as sent for information only and should not be acted upon for making an Application and should not be copied or re-distributed.

Accordingly, persons receiving a copy of this Letter of Offer, the Abridged Letter of Offer, the Rights Entitlement Letter or the Application Form should not, in connection with the issue of the Rights Equity Shares or the Rights Entitlements, distribute or send this Letter of Offer, the Abridged Letter of Offer, the Rights Entitlement Letter or the Application Form in or into any jurisdiction where to do so, would, or might, contravene local securities laws or regulations or would subject our Company or its affiliates or the Lead Manager or their respective affiliates to any filing or registration requirement (other than in India). If this Letter of Offer, the Abridged Letter of Offer, the Rights Entitlement Letter or the Application Form is received by any person in any such jurisdiction, or by their agent or nominee, they must not seek to make an Application or acquire the Rights Entitlements referred to in this Letter of Offer, the Abridged Letter of Offer, the Rights Entitlement Letter or the Application Form. Any person who makes an application to acquire Rights Entitlements and the Rights Equity Shares offered in the Issue will be deemed to have declared, represented and warranted that such person is authorized to acquire the Rights Entitlements and the Rights Equity Shares in compliance with all applicable laws and regulations prevailing in such person's jurisdiction and India, without requirement for our Company or our affiliates or the Lead Manager or their respective affiliates to make any filing or registration (other than in India).

Our Company is undertaking this Issue on a rights basis to the Eligible Equity Shareholders and will send this Letter of Offer, the Abridged Letter of Offer, the Application Form and other applicable Issue Materials primarily to email addresses of Eligible Equity Shareholders who have provided a valid email addresses and an Indian address to our Company.

This Letter of Offer will be provided, primarily through e-mail, by the Registrar on behalf of our Company or the Lead Manager to the Eligible Equity Shareholders who have provided their Indian addresses to our Company and who make a request in this regard.

II. PROCESS OF MAKING AN APPLICATION IN THE ISSUE

- **In accordance with Regulation 76 of the SEBI ICDR Regulations and the ASBA Circulars, all Investors desiring to make an Application in this Issue are mandatorily required to use the ASBA process. Investors should carefully read the provisions applicable to such Applications before making their Application through ASBA.**

The Application Form can be used by the Eligible Equity Shareholders as well as the Renouncees, to make Applications in this Issue basis the Rights Entitlement credited in their respective demat accounts or demat suspense escrow account, as applicable. For further details on the Rights Entitlements and demat suspense escrow account, please see the section entitled "- *Credit of Rights Entitlements in demat accounts of Eligible Equity Shareholders*" on page 687.

Please note that one single Application Form shall be used by Investors to make Applications for all Rights Entitlements available in a particular demat account or entire respective portion of the Rights Entitlements in the demat suspense escrow account in case of resident Eligible Equity Shareholders holding shares in physical form as on Record Date and applying in this Issue, as applicable. In case of Investors who have provided details of demat account in accordance with the SEBI ICDR Regulations, such Investors will have to apply for the Rights Equity Shares from the same demat account in which they are holding the Rights Entitlements and in case of multiple demat accounts, the Investors are required to submit a separate Application Form for each demat account.

Investors may apply for the Rights Equity Shares by submitting the Application Form to the Designated Branch of the SCSB or online/electronic Application through the website of the SCSBs (if made available by such SCSB) for authorising such SCSB to block Application Money payable on the Application in their respective ASBA Accounts.

Investors are also advised to ensure that the Application Form is correctly filled up stating therein the ASBA Account in which an amount equivalent to the amount payable on Application as stated in the Application Form will be blocked by the SCSB.

Applicants should note that they should very carefully fill-in their depository account details and PAN in the Application Form or while submitting application through online/electronic Application through the website of the SCSBs (if made available by such SCSB). Please note that incorrect depository account details or PAN or Application Forms without depository account details shall be treated as incomplete and shall be rejected. For details, please see the section entitled "- ***Grounds for Technical Rejection*****" on page 682. Our Company, the Lead Manager, the Registrar and the SCSBs shall not be liable for any incomplete or incorrect demat details provided by the Applicants.**

Additionally, in terms of Regulation 78 of the SEBI ICDR Regulations, Investors may choose to accept the offer to participate in this Issue by making plain paper Applications. Please note that SCSBs shall accept such applications only if all details required for making the application as per the SEBI ICDR Regulations are specified in the plain paper application and that Eligible Equity Shareholders making an application in this Issue by way of plain paper applications shall not be permitted to renounce any portion of their Rights Entitlements. For details, - please see the section entitled "- *Making of an Application by Eligible Equity Shareholders on Plain Paper under ASBA process"* on page 678.

- ***Options available to the Eligible Equity Shareholders***

The Rights Entitlement Letter will clearly indicate the number of Rights Equity Shares that the Eligible Equity Shareholder is entitled to.

Details of each of the Eligible Equity Shareholders' Rights Entitlement will be sent to the Eligible Equity shareholder separately along with the Application Form and would also be available on the website of the Registrar to the Issue at https://rights.kfintech.com and link of the same would also be available on the website of our Company at www.indiabullshomeloans.com. Respective Eligible Equity Shareholder can check their entitlement by keying their requisite details therein.

If the Eligible Equity Shareholder applies in this Issue, then such Eligible Equity Shareholder can:

(i) apply for its Rights Equity Shares to the full extent of its Rights Entitlements; or

(ii) apply for its Rights Equity Shares to the extent of part of its Rights Entitlements (without renouncing the other part); or

(iii) apply for Rights Equity Shares to the extent of part of its Rights Entitlements and renounce the other part of its Rights Entitlements; or

(iv) apply for its Rights Equity Shares to the full extent of its Rights Entitlements and apply for Additional Rights Equity Shares; or

(v) renounce its Rights Entitlements in full.

- ***Making of an Application through the ASBA process***

An Investor, wishing to participate in this Issue through the ASBA facility, is required to have an ASBA enabled bank account with SCSBs, prior to making the Application. Investors desiring to make an Application in this Issue through ASBA process, may submit the Application Form in physical mode to the Designated Branches of the SCSB or online/ electronic Application through the website of the SCSBs (if made available by such SCSB) for authorizing such SCSB to block Application Money payable on the Application in their respective ASBA Accounts.

Investors should ensure that they have correctly submitted the Application Form and have provided an authorisation to the SCSB, *via* the electronic mode, for blocking funds in the ASBA Account equivalent to the Application Money mentioned in the Application Form, as the case may be, at the time of submission of the Application.

For the list of banks which have been notified by SEBI to act as SCSBs for the ASBA process, please refer to https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=34.

Please note that subject to SCSBs complying with the requirements of the SEBI circular bearing reference number CIR/CFD/DIL/13/2012 dated September 25, 2012, within the periods stipulated therein, Applications may be submitted at the Designated Branches of the SCSBs. Further, in terms of the SEBI circular bearing reference number CIR/CFD/DIL/1/2013 dated January 2, 2013, it is clarified that for making Applications by SCSBs on their own account using ASBA facility, each such SCSB should have a separate account in its own name with any other SEBI registered SCSB(s). Such account shall be used solely for the purpose of making an Application in this Issue and clear demarcated funds should be available in such account for such an Application.

The Lead Manager, our Company, its Directors, its employees, affiliates, associates and their respective directors and officers and the Registrar shall not take any responsibility for acts, mistakes, errors, omissions and commissions etc., in relation to Applications accepted by SCSBs, Applications uploaded by SCSBs, Applications accepted but not uploaded by SCSBs or Applications accepted and uploaded without blocking funds in the ASBA Accounts.

Investors applying through the ASBA facility should carefully read the provisions applicable to such Applications before making their Application through the ASBA process.

Do's:

(a) Ensure that the necessary details are filled in the Application Form including the details of the ASBA Account.

(b) Ensure that the details about your Depository Participant, PAN and beneficiary account are correct and the beneficiary account is activated as the Rights Equity Shares will be Allotted in the dematerialized form only.

(c) Ensure that the Applications are submitted with the Designated Branch of the SCSBs and details of the correct bank account have been provided in the Application.

(d) Ensure that there are sufficient funds (equal to {number of Rights Equity Shares (including Additional Rights Equity Shares) applied for} X {Application Money of Rights Equity Shares}) available in ASBA

Account mentioned in the Application Form before submitting the Application to the respective Designated Branch of the SCSB.

(e) Ensure that you have authorised the SCSB for blocking funds equivalent to the total amount payable on application mentioned in the Application Form, in the ASBA Account, of which details are provided in the Application Form and have signed the same.

(f) Ensure that you have a bank account with SCSBs providing ASBA facility in your location and the Application is made through that SCSB providing ASBA facility in such location.

(g) Ensure that you receive an acknowledgement from the Designated Branch of the SCSB for your submission of the Application Form in physical form or plain paper Application.

(h) Ensure that the name(s) given in the Application Form is exactly the same as the name(s) in which the beneficiary account is held with the Depository Participant. In case the Application Form is submitted in joint names, ensure that the beneficiary account is also held in same joint names and such names are in the same sequence in which they appear in the Application Form and the Rights Entitlement Letter.

(i) Ensure that your PAN is linked with Aadhaar and you are in compliance with CBDT notification dated February 13, 2020 read with press release dated June 25, 2021 and September 17, 2021.

Don'ts:

(a) Do not apply if you are not eligible to participate in the Issue under the securities laws applicable to your jurisdiction.

(b) Do not submit the Application Form after you have submitted a plain paper Application to a Designated Branch of the SCSB or *vice versa*.

(c) Do not send your physical Application to the Lead Manager, the Registrar, a branch of the SCSB which is not a Designated Branch of the SCSB or our Company; instead submit the same to a Designated Branch of the SCSB only.

(d) Do not instruct the SCSBs to unblock the funds blocked under the ASBA process upon making the Application.

(e) Do not submit Application Form using third party ASBA account.

(f) Avoid applying on the Issue Closing Date due to risk of delay/ restrictions in making any physical Application.

(g) Do not submit multiple Applications.

- ***Making of an Application by Eligible Equity Shareholders on Plain Paper under ASBA process***

An Eligible Equity Shareholder in India who is eligible to apply under the ASBA process may make an Application to subscribe to this Issue on plain paper in case of non-receipt of Application Form as detailed above and only such plain paper applications which provide all the details required in terms of Regulation 78 of SEBI ICDR Regulations shall be accepted by SCSBs. In such cases of non-receipt of the Application Form through physical delivery (where applicable) and the Eligible Equity Shareholder not being in a position to obtain it from any other source may make an Application to subscribe to this Issue on plain paper with the same details as per the Application Form that is available on the website of the Registrar, Stock Exchanges or the Lead Manager. An Eligible Equity Shareholder shall submit the plain paper Application to the Designated Branch of the SCSB for authorising such SCSB to block Application Money in the said bank account maintained with the same SCSB. Applications on plain paper will not be accepted from any Eligible Equity Shareholder who has not provided an Indian address.

Please note that in terms of Regulation 78 of the SEBI ICDR Regulations the Eligible Equity Shareholders who are making the Application on plain paper shall not be entitled to renounce their Rights Entitlements and should not utilize the Application Form for any purpose including renunciation even if it is received subsequently.

The Application on plain paper, duly signed by the Eligible Equity Shareholder including joint holders, in the same order and as per specimen recorded with his/her bank, must reach the office of the Designated Branch of the SCSB before the Issue Closing Date and should contain the following particulars:

1. Name of our Company, being Indiabulls Housing Finance Limited;

2. Name and address of the Eligible Equity Shareholder including joint holders (in the same order and as per specimen recorded with our Company or the Depository);

3. Folio Number (in case of Eligible Equity Shareholders who hold Equity Shares in physical form as on Record Date)/DP and Client ID;

4. Except for Applications on behalf of the Central or State Government, the residents of Sikkim and the officials appointed by the courts, PAN of the Eligible Equity Shareholder and for each Eligible Equity Shareholder in case of joint names, irrespective of the total value of the Equity Shares applied for pursuant to this Issue;

5. Number of Equity Shares held as on Record Date;

6. Allotment option – only dematerialised form;

7. Number of Rights Equity Shares entitled to;

8. Number of Rights Equity Shares applied for within the Rights Entitlements;

9. Number of Additional Rights Equity Shares applied for, if any (applicable only if entire Rights Entitlements have been applied for);

10. Total number of Rights Equity Shares applied for;

11. Total amount paid at the rate of ₹50 per Rights Equity Share;

12. Details of the ASBA Account such as the SCSB account number, name, address and branch of the relevant SCSB;

13. In case of non-resident Eligible Equity Shareholders making an application with an Indian address, details of the NRE / FCNR/ NRO account such as the account number, name, address and branch of the SCSB with which the account is maintained;

14. Authorisation to the Designated Branch of the SCSB to block an amount equivalent to the Application Money in the ASBA Account;

15. Signature of the Eligible Equity Shareholder (in case of joint holders, to appear in the same sequence and order as they appear in the records of the SCSB);

16. An approval obtained from any regulatory authority, if required, shall be obtained by the Eligible Equity Shareholders and a copy of such approval from any regulatory authority, as may be required shall be sent to the Registrar at:

    KFin Technologies Limited
    (formerly known as KFin Technologies Private Limited)
    Selenium Tower B PlotNo.31 and32 Financial District, Nanakramguda Serilingampally, Hyderabad–500 032 Telangana, India
    Telephone No.: +91 40 6716 2222
    E-mail: ihfl.rights@kfintech.com
    Investor Grievance e-mail: einward.ris@kfintech.com
    Contact person: M. Murali Krishna
    Website: www.kfintech.com
    SEBI Registration No.: INR000000221; and

17. All such Eligible Equity Shareholders shall be deemed to have made the representations, warranties and agreements set forth in "*Restrictions on Purchases and Resales*" on page 704, and shall include the following:

"I/ We hereby make representations, warranties and agreements set forth in "Restrictions on Purchases and Resales - Representations, Warranties and Agreements by Purchasers" on page 704 of the Letter of Offer.

I/ We acknowledge that the Company, the Lead Manager, its affiliates and others will rely upon the truth and accuracy of the representations, warranties and agreements set forth therein."

In cases where Multiple Application Forms are submitted for Applications pertaining to Rights Entitlements credited to the same demat account or in demat suspense escrow account, as applicable, including cases where an Investor submits Application Forms along with a plain paper Application, such Applications shall be liable to be rejected.

Investors are requested to strictly adhere to these instructions. Failure to do so could result in an Application being rejected, with our Company, the Lead Manager and the Registrar not having any liability to the Investor. The plain paper Application format will be available on the website of the Registrar at https://rights.kfintech.com.

Our Company, the Lead Manager and the Registrar shall not be responsible if the Applications are not uploaded by the SCSB or funds are not blocked in the Investors' ASBA Accounts on or before the Issue Closing Date.

- ***Making of an Application by Eligible Equity Shareholders holding Equity Shares in physical form***

Please note that in accordance with Regulation 77A of the SEBI ICDR Regulations read with the SEBI ICDR Master Circular, the credit of Rights Entitlements and Allotment of Rights Equity Shares shall be made in dematerialised form only. Accordingly, Eligible Equity Shareholders holding Equity Shares in physical form as on Record Date and desirous of subscribing to Rights Equity Shares in this Issue are advised to furnish the details of their demat account to the Registrar or our Company at least two clear Working Days prior to the Issue Closing Date, to enable the credit of their Rights Entitlements in their respective demat accounts at least one day before the Issue Closing Date.

Prior to the Issue Opening Date, the Rights Entitlements of those Eligible Equity Shareholders, among others, who hold Equity Shares in physical form, and whose demat account details are not available with our Company or the Registrar, shall be credited in a demat suspense escrow account opened by our Company.

Eligible Equity Shareholders, who hold Equity Shares in physical form as on Record Date and who have opened their demat accounts after the Record Date, shall adhere to following procedure for participating in this Issue:

(a) The Eligible Equity Shareholders shall send a letter to the Registrar containing the name(s), address, e-mail address, contact details and the details of their demat account along with copy of self-attested PAN and self-attested client master sheet of their demat account either by e-mail, post, speed post, courier, or hand delivery so as to reach to the Registrar no later than two clear Working Days prior to the Issue Closing Date;

(b) The Registrar shall, after verifying the details of such demat account, transfer the Rights Entitlements of such Eligible Equity Shareholders to their demat accounts at least one day before the Issue Closing Date;

(c) The remaining procedure for Application shall be same as set out in the section entitled "- *Making of an Application by Eligible Equity Shareholders on Plain Paper under ASBA process*" on page 678.

In accordance with the SEBI ICDR Master Circular, Resident Eligible Equity Shareholders who hold Equity Shares in physical form as on the Record Date will not be allowed renounce their Rights Entitlements in the Issue. However, such Eligible Equity Shareholders, where the dematerialized Rights Entitlements are transferred from the suspense escrow demat account to the respective demat accounts within prescribed timelines, can apply for Additional Rights Equity Shares while submitting the Application through ASBA process.

PLEASE NOTE THAT THE ELIGIBLE EQUITY SHAREHOLDERS, WHO HOLD EQUITY SHARES IN PHYSICAL FORM AS ON RECORD DATE AND WHO HAVE NOT FURNISHED THE DETAILS OF THEIR RESPECTIVE DEMAT ACCOUNTS TO THE REGISTRAR OR OUR COMPANY AT LEAST TWO WORKING DAYS PRIOR TO THE ISSUE CLOSING DATE SHALL NOT BE ELIGIBLE TO MAKE AN APPLICATION FOR RIGHTS EQUITY SHARES AGAINST THEIR RIGHTS ENTITLEMENTS WITH RESPECT TO THE EQUITY SHARES HELD IN PHYSICAL FORM.

Application for Additional Rights Equity Shares

Investors are eligible to apply for Additional Rights Equity Shares over and above their Rights Entitlements, provided that they are eligible to apply for Equity Shares under applicable law and they have applied for all the Rights Equity Shares forming part of their Rights Entitlements without renouncing them in whole or in part. Where the number of Additional Rights Equity Shares applied for exceeds the number available for Allotment, the Allotment would be made as per the Basis of Allotment finalised in consultation with the Designated Stock Exchange. Applications for Additional Rights Equity Shares shall be considered and Allotment shall be made in accordance with the SEBI ICDR Regulations and in the manner as set out in the section entitled "- *Basis of Allotment*" on page 696.

Eligible Equity Shareholders who renounce their Rights Entitlements cannot apply for Additional Rights Equity Shares. Non-resident Renouncees who are not Eligible Equity Shareholders cannot apply for Additional Rights Equity Shares.

Additional general instructions for Investors in relation to making of an Application

(a) Please read this Letter of Offer carefully to understand the Application process and applicable settlement process.

(b) Please read the instructions on the Application Form sent to you. Application should be complete in all respects. The Application Form found incomplete with regard to any of the particulars required to be given therein, and/or which are not completed in conformity with the terms of this Letter of Offer, the Abridged Letter of Offer, the Rights Entitlement Letter and the Application Form are liable to be rejected. The Application Form must be filled in English.

(c) In case of non-receipt of Application Form, Application can be made on plain paper mentioning all necessary details as mentioned under the section entitled "*Making of an Application by Eligible Equity Shareholders on Plain Paper under ASBA process"* on page 678.

(d) Applications should be submitted to the Designated Branch of the SCSB or made online/electronic through the website of the SCSBs (if made available by such SCSB) for authorising such SCSB to block Application Money payable on the Application in their respective ASBA Accounts. Please note that on the Issue Closing Date, (i) Applications through ASBA process will be uploaded until 5.00 p.m. (Indian Standard Time) or such extended time as permitted by the Stock Exchanges.

(e) Applications should not be submitted to the Banker to the Issue, our Company or the Registrar or the Lead Manager.

(f) All Applicants, and in the case of Application in joint names, each of the joint Applicants, should mention their PAN allotted under the Income-tax Act, irrespective of the amount of the Application. Except for Applications on behalf of the Central or the State Government, the residents of Sikkim and the officials appointed by the courts, Applications without PAN will be considered incomplete and are liable to be rejected. With effect from August 16, 2010, the demat accounts for Investors for which PAN details have not been verified shall be "suspended for credit" and no Allotment and credit of Rights Equity Shares pursuant to this Issue shall be made into the accounts of such Investors.

(g) Ensure that the demographic details such as address, PAN, DP ID, Client ID, folio number, bank account details and occupation ("**Demographic Details**") are updated, true and correct, in all respects. Investors applying under this Issue should note that on the basis of name of the Investors, DP ID and Client ID provided by them in the Application Form or the plain paper Applications, as the case may be, the Registrar will obtain Demographic Details from the Depository. Therefore, Investors applying under this Issue should carefully fill in their Depository Account details in the Application. These Demographic Details would be used for all correspondence with such Investors including mailing of the letters intimating unblocking of bank account of the respective Investor. The Demographic Details given by the Investors in the Application Form would not be used for any other purposes by the Registrar. Hence, Investors are advised to update their Demographic Details as provided to their Depository Participants. **The Allotment Advice and the intimation on unblocking of ASBA Account or refund (if any) would be mailed on the registered e-mail address or to the address of the Investor as per the Indian address provided to our Company or the Registrar or Demographic Details received from the Depositories, as the case may be. The Registrar will give instructions to the SCSBs for unblocking funds in the ASBA Account to the extent Rights Equity Shares are not Allotted to such Investor. Please note that any such delay shall be at the sole risk of the Investors and none of our Company,**

the SCSBs, Registrar or the Lead Manager shall be liable to compensate the Investor for any losses caused due to any such delay or be liable to pay any interest for such delay. In case no corresponding record is available with the Depositories that match three parameters, (a) names of the Investors (including the order of names of joint holders), (b) DP ID, and (c) Client ID, then such Application Forms are liable to be rejected.

(h) By signing the Application Forms, Investors would be deemed to have authorised the Depositories to provide, upon request, to the Registrar, the required Demographic Details as available on its records.

(i) For physical Applications through ASBA at Designated Branches of SCSB, signatures should be either in English or Hindi or in any other language specified in the Eighth Schedule to the Constitution of India. Signatures other than in any such language or thumb impression must be attested by a Notary Public or a Special Executive Magistrate under his/her official seal. The Investors must sign the Application as per the specimen signature recorded with the SCSB.

(j) Investors should provide correct DP ID and Client ID/Folio number (for Eligible Equity Shareholders who hold Equity Shares in physical form as on Record Date) while submitting the Application. Such DP ID and Client ID/Folio number should match the demat account details in the records available with Company and/or the Registrar, failing which such Application is liable to be rejected. Investor will be solely responsible for any error or inaccurate detail provided in the Application. Our Company, the Lead Manager, SCSBs or the Registrar will not be liable for any such rejections.

(k) In case of joint holders and physical Applications, all joint holders must sign the relevant part of the Application Form in the same order and as per the specimen signature(s) recorded with the SCSB. In case of joint Applicants, reference, if any, will be made in the first Applicant's name and all communication will be addressed to the first Applicant.

(l) All communication in connection with Application for the Rights Equity Shares, including any change in contact details of the Eligible Equity Shareholders should be addressed to the Registrar prior to the date of Allotment in this Issue quoting the name of the first/sole Applicant, Folio number (for Eligible Equity Shareholders who hold Equity Shares in physical form as on Record Date)/DP ID and Client ID and Application Form number, as applicable. In case of any change in contact details of the Eligible Equity Shareholders, the Eligible Equity Shareholders should also send the intimation for such change to the respective depository participant, or to our Company or the Registrar in case of Eligible Equity Shareholders holding Equity Shares in physical form.

(m) Investors are required to ensure that the number of Rights Equity Shares applied for by them do not exceed the prescribed limits under the applicable law.

(n) Avoid applying on the Issue Closing Date due to risk of delay/ restrictions in making any physical Application.

(o) Do not apply if you are ineligible to participate in this Issue under the securities laws applicable to your jurisdiction.

(p) Do not pay the Application Money in cash, by money order, pay order or postal order;

(q) Do not submit multiple Applications;

(r) Investors are required to ensure that the number of Equity Shares applied for by them do not exceed the prescribed limits under the applicable law;

(s) An Applicant being an OCB is required not to be under the adverse notice of RBI and in order to apply for this issue as an incorporated non-resident must do so in accordance with the FDI Policy and the FEMA Rules, as amended.

(t) Ensure that your PAN is linked with Aadhaar and you are in compliance with CBDT notification dated Feb 13, 2020 and press release dated June 25, 2021 and September 17, 2021.

- ***Grounds for Technical Rejection***

Applications made in this Issue are liable to be rejected on the following grounds:

(a) DP ID, folio number and Client ID mentioned in Application does not match with the DP ID, folio number and Client ID records available with the Registrar.

(b) Details of PAN mentioned in the Application does not match with the PAN records available with the Registrar.

(c) Sending an Application to our Company, the Lead Manager, Registrar to a branch of a SCSB which is not a Designated Branch of the SCSB.

(d) Insufficient funds are available in the ASBA Account with the SCSB for blocking the Application Money.

(e) Funds in the ASBA Account whose details are mentioned in the Application Form having been frozen pursuant to regulatory orders.

(f) Account holder not signing the Application or declaration mentioned therein.

(g) Submission of more than one Application Form for Rights Entitlements available in a particular demat account.

(h) Multiple Application Forms, including cases where an Investor submits Application Forms along with a plain paper Application.

(i) Submitting the GIR number instead of the PAN (except for Applications on behalf of the Central or State Government, the residents of Sikkim and the officials appointed by the courts).

(j) Applications by persons not competent to contract under the Indian Contract Act, 1872, except Applications by minors having valid demat accounts as per the Demographic Details provided by the Depositories.

(k) Applications by SCSB on own account, other than through an ASBA Account in its own name with any other SCSB.

(l) Application Forms which are not submitted by the Investors within the time periods prescribed in the Application Form and this Letter of Offer.

(m) Physical Application Forms not duly signed by the sole or joint Investors, as applicable.

(n) Application Forms accompanied by stock invest, outstation cheques, post-dated cheques, money order, postal order or outstation demand drafts.

(o) If an Investor is (a) debarred by SEBI; or (b) if SEBI has revoked the order or has provided any interim relief then failure to attach a copy of such SEBI order allowing the Investor to subscribe to their Rights Entitlements.

(p) Applications which: (i) appears to our Company or its agents to have been executed in, electronically transmitted from or dispatched from jurisdictions where the offer and sale of the Equity Shares is not permitted under laws of such jurisdictions; (ii) does not include the relevant certifications set out in the Application Form, including to the effect that the person submitting and/or renouncing the Application Form is outside the United States, and is eligible to subscribe for the Rights Equity Shares under applicable securities laws and is complying with laws of jurisdictions applicable to such person in connection with this Issue; and our Company shall not be bound to issue or allot any Rights Equity Shares in respect of any such Application Form.

(q) Applications which have evidence of being executed or made in contravention of applicable securities laws.

(r) Application from Investors that are residing in U.S. address as per the depository records.

(s) Applicants not having the requisite approvals to make application in the Issue.

(t) IT IS MANDATORY FOR ALL THE INVESTORS APPLYING UNDER THIS ISSUE TO APPLY THROUGH THE ASBA PROCESS, TO RECEIVE THEIR RIGHTS EQUITY SHARES

IN DEMATERIALISED FORM AND TO THE SAME DEPOSITORY ACCOUNT/ CORRESPONDING PAN IN WHICH THE EQUITY SHARES ARE HELD BY THE INVESTOR AS ON THE RECORD DATE. ALL INVESTORS APPLYING UNDER THIS ISSUE SHOULD MENTION THEIR DEPOSITORY PARTICIPANT'S NAME, DP ID AND BENEFICIARY ACCOUNT NUMBER/ FOLIO NUMBER IN THE APPLICATION FORM. INVESTORS MUST ENSURE THAT THE NAME GIVEN IN THE APPLICATION FORM IS EXACTLY THE SAME AS THE NAME IN WHICH THE DEPOSITORY ACCOUNT IS HELD. IN CASE THE APPLICATION FORM IS SUBMITTED IN JOINT NAMES, IT SHOULD BE ENSURED THAT THE DEPOSITORY ACCOUNT IS ALSO HELD IN THE SAME JOINT NAMES AND ARE IN THE SAME SEQUENCE IN WHICH THEY APPEAR IN THE APPLICATION FORM OR PLAIN PAPER APPLICATIONS, AS THE CASE MAY BE.

(u) Investors applying under this Issue should note that on the basis of name of the Investors, Depository Participant's name and identification number and beneficiary account number provided by them in the Application Form or the plain paper Applications, as the case may be, the Registrar will obtain Demographic Details from the Depository. Hence, Investors applying under this Issue should carefully fill in their Depository Account details in the Application.

(v) These Demographic Details would be used for all correspondence with such Investors including mailing of the letters intimating unblocking of bank account of the respective Investor. The Demographic Details given by the Investors in the Application Form would not be used for any other purposes by the Registrar. Hence, Investors are advised to update their Demographic Details as provided to their Depository Participants. By signing the Application Forms, the Investors would be deemed to have authorized the Depositories to provide, upon request, to the Registrar, the required Demographic Details as available on its records.

(w) The Allotment Advice and the email intimating unblocking of ASBA Account would be emailed to the address of the Investor as per the email address provided to our Company or the Registrar or Demographic Details received from the Depositories. The Registrar will give instructions to the SCSBs for unblocking funds in the ASBA Account to the extent Rights Equity Shares are not allotted to such Investor. Please note that any such delay shall be at the sole risk of the Investors and none of our Company, the SCSBs or the Registrar shall be liable to compensate the Investor for any losses caused due to any such delay or be liable to pay any interest for such delay.

(x) In case no corresponding record is available with the Depositories that match three parameters, (a) names of the Investors (including the order of names of joint holders), (b) the DP ID, and (c) the beneficiary account number, then such Application Forms are liable to be rejected

- ***Multiple Applications***

In case where multiple Applications are made using same demat account, such Applications shall be liable to be rejected. A separate Application can be made in respect of Rights Entitlements in each demat account of the Investors and such Applications shall not be treated as multiple applications. Similarly, a separate Application can be made against Equity Shares held in dematerialized form and Equity Shares held in physical form, and such Applications shall not be treated as multiple applications. Further supplementary Applications in relation to additional Rights Equity Shares with/without using additional Rights Entitlement will not be treated as multiple application. A separate Application can be made in respect of each scheme of a mutual fund registered with SEBI and such Applications shall not be treated as multiple applications. For details, please see the section entitled "-*Procedure for Applications by Mutual Funds*" on page 686.

In cases where Multiple Application Forms are submitted, including cases where (a) an Investor submits Application Forms along with a plain paper Application or (b) multiple plain paper Applications (c) or multiple applications through ASBA, such Applications shall be treated as multiple applications and are liable to be rejected.

- ***Procedure for Applications by certain categories of Investors***

Procedure for Applications by FPIs

In terms of applicable FEMA Rules and the SEBI FPI Regulations, investments by FPIs in the Equity Shares is subject to certain limits, *i.e.*, the individual holding of an FPI (including its investor group (which means multiple entities registered as foreign portfolio investors and directly and indirectly having common ownership of more than 50% of common control)) shall be below 10% of our post-Issue Equity Share capital. In case the total holding of an FPI or investor group increases beyond 10% of the total paid-up Equity Share capital of our Company, on a fully diluted basis or 10% or more of the paid-up value of any series of debentures or preference shares or share warrants that may be issued by our Company, the total investment made by the FPI or investor group will be re-classified as FDI subject to the conditions or restrictions as specified by SEBI and RBI in this regard and our Company and the Investor will also be required to comply with applicable reporting requirements.

FPIs are permitted to participate in this Issue subject to compliance with conditions and restrictions which may be specified by the Government from time to time. FPIs who wish to participate in the Issue are advised to use the Application Form for non-residents. Subject to compliance with all applicable Indian laws, rules, regulations, guidelines and approvals in terms of Regulation 21 of the SEBI FPI Regulations, an FPI may issue, subscribe to or otherwise deal in offshore derivative instruments (as defined under the SEBI FPI Regulations as any instrument, by whatever name called, which is issued overseas by an FPI against securities held by it that are listed or proposed to be listed on any recognised stock exchange in India, as its underlying) directly or indirectly, only in the event (i) such offshore derivative instruments are issued only to persons registered as Category I FPI under the SEBI FPI Regulations; (ii) such offshore derivative instruments are issued only to persons who are eligible for registration as Category I FPIs (where an entity has an investment manager who is from the Financial Action Task Force member country, the investment manager shall not be required to be registered as a Category I FPI); (iii) such offshore derivative instruments are issued after compliance with 'know your client' norms; and (iv) compliance with other conditions as may be prescribed by SEBI.

An FPI issuing offshore derivative instruments is also required to ensure that any transfer of offshore derivative instruments issued by or on its behalf, is carried out subject to inter alia the following conditions:

(a) such offshore derivative instruments are transferred only to persons in accordance with the SEBI FPI Regulations; and

(b) prior consent of the FPI is obtained for such transfer, except when the persons to whom the offshore derivative instruments are to be transferred to are pre – approved by the FPI.

Procedure for Applications by AIFs, FVCIs, VCFs and FDI route

The SEBI VCF Regulations and the SEBI FVCI Regulations prescribe, among other things, the investment restrictions on VCFs and FVCIs registered with SEBI. Further, the SEBI AIF Regulations prescribe, among other things, the investment restrictions on AIFs.

As per the SEBI VCF Regulations and SEBI FVCI Regulations, VCFs and FVCIs are not permitted to invest in listed companies pursuant to rights issues. Accordingly, applications by VCFs or FVCIs will not be accepted in this Issue. Further, venture capital funds registered as Category I AIFs, as defined in the SEBI AIF Regulations, are not permitted to invest in listed companies pursuant to rights issues. Accordingly, applications by venture capital funds registered as category I AIFs, as defined in the SEBI AIF Regulations, will not be accepted in this Issue. Other categories of AIFs are permitted to apply in this Issue subject to compliance with the SEBI AIF Regulations. Such AIFs having bank accounts with SCSBs that are providing ASBA in cities / centres where such AIFs are located are mandatorily required to make use of the ASBA facility. Otherwise, applications of such AIFs are liable for rejection.

Procedure for Applications by NRIs

Investments by NRIs are governed by the FEMA Rules. Applications will not be accepted from NRIs that are ineligible to participate in this Issue under applicable securities laws.

As per the FEMA Rules, an NRI or Overseas Citizen of India ("**OCI**") may purchase or sell capital instruments of a listed Indian company on repatriation basis, on a recognised stock exchange in India, subject to the conditions, *inter alia*, that the total holding by any individual NRI or OCI will not exceed 5% of the total paid- up equity capital on a fully diluted basis or should not exceed 5% of the paid-up value of each series of debentures or preference shares or share warrants issued by an Indian company and the total holdings of all NRIs and OCIs put together will not exceed 10% of the total paid-up equity capital on a fully diluted basis or shall not exceed 10% of the paid-up value of each series of debentures or preference shares or share warrants, provided that the aggregate ceiling of 10% may be raised to 24%, if a special resolution to that effect is passed by the general body of the Indian company.

Further, in accordance with press note 3 of 2020, the FDI Policy has been amended to state that all investments by entities incorporated in a country which shares land border with India or where beneficial owner of an investment into India is situated in or is a citizen of any such country ("**Restricted Investors**"), will require prior approval of the Government of India. It is not clear from the press note whether or not an issue of the Rights Equity Shares to Restricted Investors will also require prior approval of the Government of India and each Investor should seek independent legal advice about its ability to participate in the Issue. In the event such prior approval has been obtained, the Investor shall intimate our Company and the Registrar about such approval within the Issue Period.

Procedure for Applications by Mutual Funds

A separate application can be made in respect of each scheme of an Indian mutual fund registered with SEBI and such applications shall not be treated as multiple applications. The applications made by asset management companies or custodians of a mutual fund should clearly indicate the name of the concerned scheme for which the application is being made.

No Mutual Fund scheme shall invest more than 10% of its net asset value in equity shares or equity related instruments of any single company provided that the limit of 10% shall not be applicable for investments in case of index funds or exchange traded funded or sector or industry specific schemes. No Mutual Fund under all its schemes should own more than 10% of any company's paid-up share capital carrying voting rights.

*Procedure for Applications by Systemically Important Non-Banking Financial Companies ("**NBFC-SI**")*

In case of an application made by NBFC-SI registered with RBI, (a) the certificate of registration issued by RBI under Section 45IA of RBI Act, 1934 and (b) net worth certificate from its statutory auditors or any independent chartered accountant based on the last audited financial statements is required to be attached to the application.

Last date for Application

The last date for submission of the duly filled in the Application Form or a plain paper Application is Tuesday, February 13, 2024., *i.e.*, Issue Closing Date. Our Board or any committee thereof may extend the said date for such period as it may determine from time to time, subject to the Issue Period not exceeding 30 days from the Issue Opening Date (inclusive of the Issue Opening Date).

If the Application Form is not submitted with an SCSB, uploaded with the Stock Exchanges and the Application Money is not blocked with the SCSB, on or before the Issue Closing Date or such date as may be extended by our Board or any committee thereof, the invitation to offer contained in this Letter of Offer shall be deemed to have been declined and our Board or any committee thereof shall be at liberty to dispose of the Equity Shares hereby offered, as set out in the section entitled "- *Basis of Allotment*" on page 696.

Please note that on the Issue Closing Date, (i) Applications through ASBA process will be uploaded until 5.00 p.m. (Indian Standard Time) or such extended time as permitted by the Stock Exchanges.

Please ensure that the Application Form and necessary details are filled in. In place of Application number, Investors can mention the reference number of the e-mail received from Registrar informing about their Rights Entitlement or last eight digits of the demat account. Alternatively, SCSBs may mention their internal reference number in place of application number.

Withdrawal of Application

An Investor who has applied in this Issue may withdraw their Application at any time during Issue Period by approaching the SCSB where application is submitted. However, no Investor, applying through ASBA facility may withdraw their Application post 5:00 p.m. (Indian Standard Time) on the Issue Closing Date.

Disposal of Application and Application Money

No acknowledgment will be issued for the Application Money received by our Company. However, the Designated Branches of the SCSBs receiving the Application Form will acknowledge its receipt by stamping and returning the acknowledgment slip at the bottom of each Application Form.

Our Board reserves its full, unqualified and absolute right to accept or reject any Application, in whole or in part, and in either case without assigning any reason thereto.

In case an Application is rejected in full, the whole of the Application Money will be unblocked in the respective ASBA Accounts. Wherever an Application is rejected in part, the balance of Application Money, if any, after adjusting any money due on Rights Equity Shares Allotted, will be unblocked in the respective ASBA Accounts of the Investor within a period of four days from the Issue Closing Date. In case of failure to do so, our Company shall pay interest at such rate and within such time as specified under applicable law.

For further instructions, please read the Application Form carefully.

III. CREDIT OF RIGHTS ENTITLEMENTS IN DEMAT ACCOUNTS OF ELIGIBLE EQUITY SHAREHOLDERS

▪ ***Rights Entitlements***

As your name appears as a beneficial owner in respect of the issued and paid-up Equity Shares held in dematerialised form or appears in the register of members of our Company as an Eligible Equity Shareholder in respect of our Equity Shares held in physical form, as on the Record Date, you may be entitled to subscribe to the number of Rights Equity Shares as set out in the Rights Entitlement Letter.

Eligible Equity Shareholders can also obtain the details of their respective Rights Entitlements from the website of the Registrar (*i.e.*, https://rights.kfintech.com) by entering their DP ID and Client ID or Folio Number (for Eligible Equity Shareholders who hold Equity Shares in physical form as on Record Date) and PAN. The link for the same shall also be available on the website of our Company (*i.e.*, www.indiabullshomeloans.com).

In this regard, our Company has made necessary arrangements with NSDL and CDSL for crediting of the Rights Entitlements to the demat accounts of the Eligible Equity Shareholders in a dematerialized form. A separate ISIN for the Rights Entitlements has also been generated which is ISIN: INE148I20012. The said ISIN shall remain frozen (for debit) until the Issue Opening Date. The said ISIN shall be suspended for transfer by the Depositories post the Issue Closing Date.

In addition to the present ISIN for the existing Equity Shares, our Company would obtain a separate ISIN for the Rights Equity Shares for each Call, until fully paid-up. The Rights Equity Shares offered under this Issue will be traded under a separate ISIN after each Call for the period as may be applicable under the rules and regulations prior to the record date for the final Call Notice. The ISIN representing the Rights Equity Shares will be terminated after the Call Record Date for the final Call. On payment of the final Call Money in respect of the Rights Equity Shares, such Rights Equity Shares would be fully paid-up and merged with the existing ISIN of our Equity Shares

Additionally, our Company will submit the details of the total Rights Entitlements credited to the demat accounts of the Eligible Equity Shareholders and the demat suspense escrow account to the Stock Exchanges after completing the corporate action. The details of the Rights Entitlements with respect to each Eligible Equity Shareholders can be accessed by such respective Eligible Equity Shareholders on the website of the Registrar after keying in their respective details along with other security control measures implemented thereat.

Rights Entitlements shall be credited to the respective demat accounts of Eligible Equity Shareholders before the Issue Opening Date only in dematerialised form. Further, if no Application is made by the Eligible Equity Shareholders of Rights Entitlements on or before Issue Closing Date, such Rights Entitlements shall get lapsed and shall be extinguished after the Issue Closing Date. No Rights Equity Shares for such lapsed Rights Entitlements will be credited, even if such Rights Entitlements were purchased from market and purchaser will lose the premium paid to acquire the Rights Entitlements. Persons who are credited the Rights Entitlements are required to make an Application to apply for Rights Equity Shares offered under Rights Issue for subscribing to the Rights Equity Shares offered under Issue.

If Eligible Equity Shareholders holding Equity Shares in physical form as on Record Date, have not provided the details of their demat accounts to our Company or to the Registrar, they are required to provide their demat account details to our Company or the Registrar not later than two clear Working Days prior to the Issue Closing Date, to enable the credit of the Rights Entitlements by way of transfer from the demat suspense escrow account to their respective demat accounts, at least one day before the Issue Closing Date. Such Eligible Equity Shareholders holding shares in physical form can update the details of their respective demat accounts on the website of the Registrar (*i.e.* https://rights.kfintech.com).

Such Eligible Equity Shareholders can make an Application only after the Rights Entitlements is credited to their respective demat accounts.

In accordance with Regulation 77A of the SEBI ICDR Regulations read with the SEBI ICDR Master Circular, the credit of Rights Entitlements and Allotment of Rights Equity Shares shall be made in dematerialized form only. Prior to the Issue Opening Date, our Company shall credit the Rights Entitlements to (i) the demat accounts of the Eligible Equity Shareholders holding the Equity Shares in dematerialised form; and (ii) a demat suspense escrow account (namely, "Indiabulls Housing Finance Limited RE Suspense Demat Account") opened by our Company, for the Eligible Equity Shareholders which would comprise Rights Entitlements relating to (a) Equity Shares held in the account of the Investor Education and Protection Fund (IEPF) authority; or (b) the demat accounts of the Eligible Equity Shareholder which are frozen or the Equity Shares which are lying in the unclaimed suspense account (including those pursuant to Regulation 39 of the SEBI LODR Regulations) or details of which are unavailable with our Company or with the Registrar on the Record Date; or (c) Equity Shares held by Eligible Equity Shareholders holding Equity Shares in physical form as on Record Date where details of demat accounts are not provided by Eligible Equity Shareholders to our Company or Registrar; or (d) credit of the Rights Entitlements returned/reversed/failed; or (e) the ownership of the Equity Shares currently under dispute, including any court proceedings, if any; or (f) non-institutional equity shareholders in the United States.

Eligible Equity Shareholders are requested to provide relevant details (such as copies of self-attested PAN and client master sheet of demat account etc., details/ records confirming the legal and beneficial ownership of their respective Equity Shares) to our Company or the Registrar not later than two clear Working Days prior to the Issue Closing Date, i.e., by February 9, 2024 to enable the credit of their Rights Entitlements by way of transfer from the demat suspense escrow account to their demat account at least one day before the Issue Closing Date, to enable such Eligible Equity Shareholders to make an application in this Issue, and this communication shall serve as an intimation to such Eligible Equity Shareholders in this regard. Such Eligible Equity Shareholders are also requested to ensure that their demat account, details of which have been provided to our Company or the Registrar account is active to facilitate the aforementioned transfer.

IV. RENUNCIATION AND TRADING OF RIGHTS ENTITLEMENT

- ***Renouncees***

All rights and obligations of the Eligible Equity Shareholders in relation to Applications pertaining to this Issue shall apply to the Renouncee(s) as well.

- ***Renunciation of Rights Entitlements***

This Issue includes a right exercisable by Eligible Equity Shareholders to renounce the Rights Entitlements credited to their respective demat account either in full or in part.

The renunciation from non-resident Eligible Equity Shareholder(s) to resident Indian(s) and *vice versa* shall be subject to provisions of FEMA Rules and other circular, directions, or guidelines issued by RBI or the Ministry of Finance from time to time. However, the facility of renunciation shall not be available to or operate in favour of an Eligible Equity Shareholders being an erstwhile OCB unless the same is in compliance with the FEMA Rules and other circular, directions, or guidelines issued by RBI or the Ministry of Finance from time to time.

The renunciation of Rights Entitlements credited in your demat account can be made either by sale of such Rights Entitlements, using the secondary market platform of the Stock Exchanges or through an off-market transfer. In accordance with SEBI circular bearing reference number SEBI/HO/CFD/DIL2/CIR/P/2020/78 dated May 6, 2020 read with SEBI circular bearing reference number SEBI/HO/CFD/DIL1/CIR/P/2020/136 dated July 24, 2020, the Eligible Equity Shareholders, who hold Equity Shares in physical form, as applicable, as on Record Date and who have not furnished the details of their demat account to the Registrar or our Company at least two Working Days prior to the Issue Closing Date, will not be able to renounce their Rights Entitlements.

- ***Procedure for Renunciation of Rights Entitlements***

The Eligible Equity Shareholders may renounce the Rights Entitlements, credited to their respective demat accounts, either in full or in part (a) by using the secondary market platform of the Stock Exchanges (the "**On Market Renunciation**"); or (b) through an off-market transfer (the "**Off Market Renunciation**"), during the Renunciation Period. The Investors should have the demat Rights Entitlements credited / lying in his/her own demat account prior to the renunciation. The trades through On Market Renunciation and Off Market Renunciation will be settled by transferring the Rights Entitlements through the depository mechanism.

In accordance with the SEBI ICDR Master Circular, the resident Eligible Equity Shareholders, who hold Equity Shares in physical form, as applicable, as on Record Date shall be required to provide their demat account details to our Company or the Registrar to the Issue for credit of REs not later than two working days prior to issue closing date, such that credit of REs in their demat account takes place at least one day before issue closing date, thereby enabling them to renounce their Rights Entitlements through Off Market Renunciation.

Investors may be subject to adverse foreign, state or local tax or legal consequences as a result of trading in the Rights Entitlements. Investors who intend to trade in the Rights Entitlements should consult their tax advisor or stock-broker regarding any cost, applicable taxes, charges and expenses (including brokerage) that may be levied for trading in Rights Entitlements.

Please note that the Rights Entitlements which are neither renounced nor subscribed by the Investors on or before the Issue Closing Date shall lapse and shall be extinguished after the Issue Closing Date.

Payment Schedule of Rights Equity Shares

Amount Payable per Rights Equity Share	**Face Value (₹)**	**Premium (₹)**	**Total (₹)**
On Application	0.67	49.33	50.00
Additional Call(s) as may be decided by the Board / Securities Issuance and Investment Committee from time to time	1.33	98.67	100.00
Total	**2.00**	**148.00**	**150.00**

The Lead Manager and our Company accept no responsibility to bear or pay any cost, applicable taxes, charges and expenses (including brokerage), and such costs will be incurred solely by the Investors.

(a) *On Market Renunciation*

The Eligible Equity Shareholders may renounce the Rights Entitlements, credited to their respective demat accounts by trading/selling them on the secondary market platform of the Stock Exchanges through a registered stock-broker in the same manner as the existing Equity Shares of our Company.

In this regard, in terms of provisions of the SEBI ICDR Regulations and the SEBI ICDR Master Circular, the Rights Entitlements credited to the respective demat accounts of the Eligible Equity Shareholders shall be admitted for trading on the Stock Exchanges under ISIN: INE148I20012 subject to requisite approvals. Prior to the Issue Opening Date, our Company will obtain the approval from the Stock Exchanges for trading of Rights Entitlements. No assurance can be given regarding the active or sustained On Market Renunciation or the price at which the Rights Entitlements will trade. The details for trading in Rights Entitlements will be as specified by the Stock Exchanges from time to time.

The Rights Entitlements are tradable in dematerialized form only. The market lot for trading of Rights Entitlements is 1 (one) Rights Entitlements.

The On Market Renunciation shall take place only during the Renunciation Period for On Market Renunciation, *i.e.*, from Wednesday, February 7, 2024 to Thursday, February 8, 2024 (both days inclusive).

The Investors holding the Rights Entitlements who desire to sell their Rights Entitlements will have to do so through their registered stock-brokers by quoting the ISIN: INE148I20012 and indicating the details of the Rights Entitlements they intend to trade. The Investors can place order for sale of Rights Entitlements only to the extent of Rights Entitlements available in their demat account.

The On Market Renunciation shall take place electronically on secondary market platform of BSE and NSE under automatic order matching mechanism and on 'T+1 rolling settlement basis', where 'T' refers to the date of trading. The transactions will be settled on trade-for-trade basis. Upon execution of the order, the stock-broker will issue a contract note in accordance with the requirements of the Stock Exchanges and the SEBI.

(b) Off Market Renunciation

The Eligible Equity Shareholders may renounce the Rights Entitlements, credited to their respective demat accounts by way of an off-market transfer through a depository participant. The Rights Entitlements can be transferred in dematerialised form only.

Eligible Equity Shareholders are requested to ensure that renunciation through off-market transfer is completed in such a manner that the Rights Entitlements are credited to the demat account of the Renouncees on or prior to the Issue Closing Date to enable Renouncees to subscribe to the Rights Equity Shares in the Issue.

The Investors holding the Rights Entitlements who desire to transfer their Rights Entitlements will have to do so through their depository participant by issuing a delivery instruction slip quoting the ISIN: INE148I20012, the details of the buyer and the details of the Rights Entitlements they intend to transfer. The buyer of the Rights Entitlements (unless already having given a standing receipt instruction) has to issue a receipt instruction slip to their depository participant. The Investors can transfer Rights Entitlements only to the extent of Rights Entitlements available in their demat account.

The instructions for transfer of Rights Entitlements can be issued during the working hours of the depository participants.

The detailed rules for transfer of Rights Entitlements through off-market transfer shall be as specified by the NSDL and CDSL from time to time.

The renunciation from non-resident Eligible Equity Shareholder(s) to resident Indian(s) and vice versa shall be subject to provisions of FEMA Rules and other circular, directions, or guidelines issued by RBI or the Ministry of Finance from time to time. However, the facility of renunciation shall not be available to or operate in favour of an Eligible Equity Shareholders being an erstwhile OCB unless the same is in compliance with the FEMA Rules and other circular, directions, or guidelines issued by RBI or the Ministry of Finance from time to time.

V. MODE OF PAYMENT

All payments against the Application Forms shall be made only through ASBA facility. The Registrar will not accept any payments against the Application Forms, if such payments are not made through ASBA facility.

The Investor agrees to block the entire amount payable on Application with the submission of the Application Form, by authorizing the SCSB to block an amount, equivalent to the amount payable on Application, in the Investor's ASBA Account. The SCSB may reject the application at the time of acceptance of Application Form if the ASBA Account, details of which have been provided by the Investor in the Application Form does not have sufficient funds equivalent to the amount payable on Application mentioned in the Application Form. Subsequent to the acceptance of the Application by the SCSB, our Company would have a right to reject the Application on technical grounds as set forth in this Letter of Offer.

After verifying that sufficient funds are available in the ASBA Account details of which are provided in the Application Form, the SCSB shall block an amount equivalent to the Application Money mentioned in the Application Form until the Transfer Date. On the Transfer Date, upon receipt of intimation from the Registrar, of the receipt of minimum subscription and pursuant to the finalization of the Basis of Allotment as approved by the Designated Stock Exchange, the SCSBs shall transfer such amount as per the Registrar's instruction from the ASBA Account into the Allotment Account(s) which shall be a separate bank account maintained by our Company, in accordance with sub-section (3) of Section 40 of the Companies Act, 2013. The balance amount remaining after the finalisation of the Basis of Allotment on the Transfer Date shall be unblocked by the SCSBs on the basis of the instructions issued in this regard by the Registrar to the respective SCSB.

In terms of RBI Circular DBOD No. FSC BC 42/24.47.00/2003- 04 dated November 5, 2003, the stock invest scheme has been withdrawn. Hence, payment through stock invest would not be accepted in this Issue.

Mode of payment for Resident Investors

All payments on the Application Forms shall be made only through ASBA facility. Applicants are requested to strictly adhere to these instructions.

Mode of payment for Non-Resident Investors

As regards the Application by non-resident Investors, payment must be made only through ASBA facility and using permissible accounts in accordance with FEMA, FEMA Rules and requirements prescribed by RBI and subject to the following:

1. In case where repatriation benefit is available, interest, dividend, sales proceeds derived from the investment in Rights Equity Shares can be remitted outside India, subject to tax, as applicable according to the Income-tax Act. However, please note that conditions applicable at the time of original investment in our Company by the Eligible Equity Shareholder including repatriation shall not change and remain the same for subscription in the Issue or subscription pursuant to renunciation in the Issue.

2. Subject to the above, in case Rights Equity Shares are Allotted on a non-repatriation basis, the dividend and sale proceeds of the Rights Equity Shares cannot be remitted outside India.

3. In case of an Application Form received from non-residents, Allotment and other distribution, if any, will be made in accordance with the guidelines and rules prescribed by RBI as applicable at the time of making such Allotment, remittance and subject to necessary approvals.

4. Application Forms received from non-residents/ NRIs, or persons of Indian origin residing abroad for Allotment of Rights Equity Shares shall, amongst other things, be subject to conditions, as may be imposed from time to time by RBI under FEMA, in respect of matters including refund of Application Money and Allotment.

5. In the case of NRIs who remit their Application Money from funds held in FCNR/NRE Accounts, refunds and other disbursements, if any shall be credited to such account.

6. Non-resident Renouncees who are not Eligible Equity Shareholders must submit regulatory approval for applying for Additional Rights Equity Shares.

As regards Applications by Non-Resident Investors, the following conditions shall apply:

- Individual non-resident Indian Applicants who are permitted to subscribe to Rights Equity Shares by applicable local securities laws can obtain Application Forms on the websites of the Registrar or our Company.

Note:
In case of non-resident Eligible Equity Shareholders, the Abridged Letter of Offer, the Rights Entitlement Letter and the Application Form shall be sent to their e-mail addresses and upon its failure only to the Indian addresses of the non-resident Eligible Equity Shareholders on a reasonable efforts basis if they have provided their Indian address to our Company or if they are located in certain jurisdictions where the offer and sale of the Rights Equity Shares is permitted under laws of such jurisdictions. This Letter of Offer will be provided, only through e-mail, by the Registrar on behalf of our Company to the Eligible Equity Shareholders who have provided their Indian addresses to our Company or who are located in jurisdictions where the offer and sale of the Rights Equity Shares is permitted under laws of such jurisdictions and in each case who make a request in this regard.

Eligible Equity Shareholders can access the Letter of Offer, the Abridged Letter of Offer and the Application Form (provided that the Eligible Equity Shareholder is eligible to subscribe for the Rights Equity Shares under applicable securities laws) from the websites of the Registrar, our Company, the Lead Managers and the Stock Exchanges. Further, Application Forms will be made available at Corporate Office of our Company for the non-resident Indian Applicants. Our Board may at its absolute discretion, agree to such terms and conditions as may be stipulated by RBI while approving the Allotment. The Rights Equity Shares purchased by non-residents shall be subject to the same conditions including restrictions in regard to the repatriation as are applicable to the original Equity Shares against which Rights Equity Shares are issued on rights basis.

- Application Forms will not be accepted from non-resident Investors in any jurisdiction where the offer or sale of the Rights Entitlements and Rights Equity Shares may be restricted by applicable securities laws.

- Payment by non-residents must be made only through ASBA facility and using permissible accounts in accordance with FEMA, FEMA Rules and requirements prescribed by the RBI.

- Eligible Non-Resident Equity Shareholders applying on a repatriation basis by using the Non-Resident Forms should authorize their SCSB to block their Non-Resident External ("**NRE**") accounts, or Foreign Currency Non-Resident ("**FCNR**") Accounts, and Eligible Non-Resident Equity Shareholders applying on a non-repatriation basis by using Resident Forms should authorize their SCSB to block their Non-Resident Ordinary ("**NRO**") accounts for the full amount payable, at the time of the submission of the Application Form to the SCSB. Applications received from NRIs and non-residents for allotment of the Rights Equity Shares shall be inter alia, subject to the conditions imposed from time to time by the RBI under the FEMA in the matter of refund of Application Money, allotment of Rights Equity Shares and issue of letter of allotment. If an NR or NRI Investors has specific approval from RBI, in connection with his shareholding, he should enclose a copy of such approval with the Application Form.

- In case where repatriation benefit is available, interest, dividend, sales proceeds derived from the investment in Equity Shares can be remitted outside India, subject to tax, as applicable according to the Income-tax Act. In case Equity Shares are allotted on a non-repatriation basis, the dividend and sale proceeds of the Equity Shares cannot be remitted outside India. Non-resident Renouncees who are not Eligible Equity Shareholders must submit regulatory approval for applying for additional Equity Shares in the Issue.

VI. BASIS FOR THIS ISSUE AND TERMS OF THIS ISSUE

The Rights Equity Shares are being offered for subscription to the Eligible Equity Shareholders whose names appear as beneficial owners as per the list to be furnished by the Depositories in respect of our Equity Shares held in dematerialised form and on the register of members of our Company in respect of our Equity Shares held in physical form at the close of business hours on the Record Date.

For principal terms of Issue such as face value, Issue Price, Rights Entitlement ratio, please see the section entitled "*The Issue*" on page 69.

- ***Fractional Entitlements***

  The Rights Equity Shares are being offered on a rights basis to Eligible Equity Shareholders in the ratio of 1 Equity Share for every 2 Equity Shares held on the Record Date. For Equity Shares being offered on a rights basis under this Issue, if the shareholding of any of the Eligible Equity Shareholders is less than 2 Equity Shares or not in the multiple of 2, the fractional entitlement of such Eligible Equity Shareholders shall be ignored in the computation of the Rights Entitlement. However, the Eligible Equity Shareholders whose fractional entitlements are being ignored, will be given preferential consideration for the allotment of one additional Equity Share each if they apply for additional Equity Shares over and above their rights entitlement, if any.

  Further, the Eligible Equity Shareholders holding less than 2 Equity Shares shall have 'zero' entitlement in the Issue. Such Eligible Equity Shareholders are entitled to apply for additional Equity Shares and will be given preference in the allotment of one additional Equity Share if, such Eligible Equity Shareholders apply for the additional Equity Shares. However, they cannot renounce the same in favour of third parties and the application forms shall be non-negotiable.

- ***Ranking***

  The Rights Equity Shares to be issued and Allotted pursuant to this Issue shall be subject to the provisions of this Letter of Offer, the Abridged Letter of Offer, the Rights Entitlement Letter, the Application Form, and the Memorandum of Association and the Articles of Association, the provisions of the Companies Act, 2013, FEMA, the SEBI ICDR Regulations, the SEBI LODR Regulations, and the guidelines, notifications and regulations issued by SEBI, the Government of India and other statutory and regulatory authorities from time to time, the terms of the Listing Agreements entered into by our Company with the Stock Exchanges and the terms and conditions as stipulated in the Allotment advice. The Rights Equity

Shares to be issued and Allotted under this Issue shall rank *pari passu* with the existing Equity Shares, in all respects including dividends.

- ***Listing and trading of the Rights Equity Shares to be issued pursuant to this Issue***

Subject to receipt of the listing and trading approvals, the Rights Equity Shares proposed to be issued on a rights basis shall be listed and admitted for trading on the Stock Exchanges. Unless otherwise permitted by the SEBI ICDR Regulations, the Rights Equity Shares Allotted pursuant to this Issue will be listed as soon as practicable and all steps for completion of necessary formalities for listing and commencement of trading in the Rights Equity Shares will be taken within such period prescribed under the SEBI ICDR Regulations. Our Company has received in-principle approval from the BSE through letter bearing reference number LOD/PREF/AB/FIP/1122/2023-24 dated January 19, 2024 and from the NSE through letter bearing reference number Ref.No: NSE/LIST/39605 dated January 19, 2024. Our Company will apply to the Stock Exchanges for final approvals for the listing and trading of the Rights Equity Shares subsequent to their Allotment. No assurance can be given regarding the active or sustained trading in the Rights Equity Shares or the price at which the Rights Equity Shares offered under this Issue will trade after the listing thereof.

The existing Equity Shares are listed and traded on BSE (Scrip Code: 535789) and NSE (Scrip Code: IBULHSGFIN) under the ISIN: INE148I01020. The Rights Equity Shares shall be credited to a temporary ISIN which will be frozen until the receipt of the final listing/ trading approvals from the Stock Exchanges. Upon receipt of such listing and trading approvals, the Rights Equity Shares shall be debited from such temporary ISIN and credited to the new ISIN for the Rights Equity Shares and thereafter be available for trading and the temporary ISIN shall be permanently deactivated in the depository system of CDSL and NSDL.

The listing and trading of the Rights Equity Shares issued pursuant to this Issue shall be based on the current regulatory framework then applicable. Accordingly, any change in the regulatory regime would affect the listing and trading schedule.

In case our Company fails to obtain listing or trading permission from the Stock Exchanges, our Company shall refund through verifiable means / unblock the respective ASBA Accounts, the entire monies blocked within four days of receipt of intimation from the Stock Exchanges, rejecting the application for listing of the Rights Equity Shares, and if any such money is not refunded/unblocked within four days after our Company becomes liable to unblock it, our Company and every director of our Company who is an officer-in-default shall, on and from the expiry of the fourth day, be jointly and severally liable to repay that money with interest at rates prescribed under applicable law.

- ***Subscription to this Issue by the promoter and members of the promoter group***

Our Company does not have an identifiable promoter. For details in relation to compliance with minimum public shareholding norms prescribed under the SCRR, please see the section entitled "*Capital Structure – Subscription to the Issue by the promoter and the promoter group"* on page 83

- ***Rights of Holders of Equity Shares of our Company***

Subject to applicable laws, Equity Shareholders who have been Allotted Rights Equity Shares pursuant to the Issue shall have the following rights:

(a) The right to receive dividend, if declared;

(b) The right to receive surplus on liquidation;

(c) The right to receive offers for rights shares and be allotted bonus shares, if announced;

(d) The right to free transferability of Rights Equity Shares;

(e) The right to attend general meetings of our Company and exercise voting powers in accordance with law, unless prohibited / restricted by law and as disclosed in this Letter of Offer; and

(f) Such other rights as may be available to a shareholder of a listed public company under the Companies Act, 2013, the Memorandum of Association and the Articles of Association.

VII. TERMS OF PAYMENT

Amount Payable per Rights Equity Share	Face Value (₹)	Premium (₹)	Total (₹)
On Application	0.67	49.33	50.00
Additional Call(s) as may be decided by the Board / Securities Issuance and Investment Committee from time to time	1.33	98.67	100.00
Total	**2.00**	**148.00**	**150.00**

VIII. GENERAL TERMS OF THE ISSUE

- ***Market Lot***

The Equity Shares of our Company shall be tradable only in dematerialized form. The market lot for Equity Shares in dematerialised mode is one Equity Share.

- ***Joint Holders***

Where two or more persons are registered as the holders of any Equity Shares, they shall be deemed to hold the same as the joint holders with the benefit of survivorship subject to the provisions contained in our Articles of Association. In case of Equity Shares held by joint holders, the Application submitted in physical mode to the Designated Branch of the SCSBs would be required to be signed by all the joint holders (in the same order as appearing in the records of the Depository) to be considered as valid for allotment of Equity Shares offered in this Issue.

- ***Nomination***

Nomination facility is available in respect of the Equity Shares in accordance with the provisions of the Section 72 of the Companies Act, 2013 read with Rule 19 of the Companies (Share Capital and Debenture) Rules, 2014.

Since the Allotment is in dematerialised form, there is no need to make a separate nomination for the Equity Shares to be Allotted in this Issue. Nominations registered with the respective DPs of the Investors would prevail. Any Investor holding Equity Shares in dematerialised form and desirous of changing the existing nomination is requested to inform its Depository Participant.

- ***Arrangements for Disposal of Odd Lots***

The Equity Shares shall be traded in dematerialised form only and, therefore, the marketable lot shall be one Equity Share and hence, no arrangements for disposal of odd lots are required.

- ***Restrictions on transfer and transmission of shares and on their consolidation/splitting***

There are no restrictions on transfer and transmission and on their consolidation/splitting of shares issued pursuant to this Issue.

However, the Investors should note that pursuant to provisions of the SEBI LODR Regulations, with effect from April 1, 2019, except in case of transmission or transposition of securities, the request for transfer of securities shall not effected unless the securities are held in the dematerialized form with a depository.

- ***Notices***

In accordance with the SEBI ICDR Regulations, the SEBI ICDR Master Circular, and MCA General Circular No. 21/2020 dated May 11, 2020, our Company will send through email and speed post, the Issue Materials will be sent/ dispatched only to the Eligible Equity Shareholders who have provided Indian address to our Company. Further, this Letter of Offer will be provided to those who make a request in this regard. In case such Eligible Equity Shareholders have provided their valid e-mail address, the Issue Materials will be sent only to their valid e-mail address and in case such Eligible Equity Shareholders have not provided their e-mail address, then the Issue Materials will be physically dispatched, on a reasonable effort basis, to the Indian addresses provided by them. Those overseas Shareholders, who do not update our records with their Indian address or the address of their duly authorised representative in India, prior to the date on which we propose to dispatch the Issue Materials, shall not be sent the Issue Materials.

All notices to the Eligible Equity Shareholders required to be given by our Company shall be published in one English language national daily newspaper with wide circulation, one Hindi language national daily newspaper with wide circulation and one regional language daily newspaper with wide circulation at the place where the Registered Office of the Company is situated.

This Letter of Offer, the Abridged Letter of Offer and the Application Form shall also be submitted with the Stock Exchanges for making the same available on their websites.

- ***Offer to Non-Resident Eligible Equity Shareholders/Investors***

As per Rule 7 of the FEMA Rules, RBI has given general permission to a person resident outside India and having investment in an Indian company to make investment in rights equity shares issued by such company subject to certain conditions. Further, as per the Master Direction on Foreign Investment in India dated January 4, 2018 issued by RBI, non-residents may, amongst other things, subject to the conditions set out therein (i) subscribe for additional shares over and above their rights entitlements; (ii) renounce the shares offered to them either in full or part thereof in favour of a person named by them; or (iii) apply for the shares renounced in their favour. Applications received from NRIs and non-residents for allotment of Rights Equity Shares shall be, amongst other things, subject to the conditions imposed from time to time by RBI under FEMA in the matter of Application, refund of Application Money, Allotment of Rights Equity Shares and issue of Rights Entitlement Letters/ letters of Allotment/Allotment advice. If a non-resident or NRI Investor has specific approval from RBI or any other governmental authority, in connection with his shareholding in our Company, such person should enclose a copy of such approval with the Application details and send it to the Registrar at einward@kfintech.com. It will be the sole responsibility of the investors to ensure that the necessary approval from the RBI or the governmental authority is valid in order to make any investment in the Issue and the Lead Manager and our Company will not be responsible for any such allotments made by relying on such approvals.

The Abridged Letter of Offer, the Rights Entitlement Letter and Application Form shall be sent only to the Indian addresses of the non-resident Eligible Equity Shareholders on a reasonable efforts basis, who have provided an Indian address to our Company and located in jurisdictions where the offer and sale of the Rights Equity Shares may be permitted under laws of such jurisdictions, Eligible Equity Shareholders can access this Letter of Offer, the Abridged Letter of Offer and the Application Form (provided that the Eligible Equity Shareholder is eligible to subscribe for the Rights Equity Shares under applicable securities laws) from the websites of the Registrar, our Company, the Lead Manager and the Stock Exchanges. Further, Application Forms will be made available at Registered and Corporate Office of our Company for the non-resident Indian Applicants. Our Board may at its absolute discretion, agree to such terms and conditions as may be stipulated by RBI while approving the Allotment. The Rights Equity Shares purchased by non-residents shall be subject to the same conditions including restrictions in regard to the repatriation as are applicable to the original Equity Shares against which Rights Equity Shares are issued on rights basis.

In case of change of status of holders, *i.e.*, from resident to non-resident, a new demat account must be opened. Any Application from a demat account which does not reflect the accurate status of the Applicant is liable to be rejected at the sole discretion of our Company and the Lead Manager.

ALLOTMENT OF THE RIGHTS EQUITY SHARES IN DEMATERIALIZED FORM

PLEASE NOTE THAT THE RIGHTS EQUITY SHARES APPLIED FOR IN THIS ISSUE CAN BE ALLOTTED ONLY IN DEMATERIALIZED FORM AND TO THE SAME DEPOSITORY ACCOUNT IN WHICH OUR EQUITY SHARES ARE HELD BY SUCH INVESTOR ON THE RECORD DATE. FOR DETAILS, PLEASE SEE THE SECTION ENTITLED "ALLOTMENT ADVICE OR UNBLOCKING OF ASBA ACCOUNTS" ON PAGE 697.

IX. ISSUE SCHEDULE

LAST DATE FOR CREDIT OF RIGHTS ENTITLEMENTS	Tuesday, February 6. 2024

ISSUE OPENING DATE	Wednesday, February 7, 2024
LAST DATE FOR ON MARKET RENUNCIATION OF RIGHTS ENTITLEMENTS #	Thursday, February 8, 2024
ISSUE CLOSING DATE*	Tuesday, February 13, 2024
FINALISATION OF BASIS OF ALLOTMENT (ON OR ABOUT)	Wednesday, February 21, 2024
DATE OF ALLOTMENT (ON OR ABOUT)	Thursday, February 22, 2024
DATE OF CREDIT (ON OR ABOUT)	Monday, February 26, 2024
DATE OF LISTING (ON OR ABOUT)	Wednesday, February 28 2024

\# *Eligible Equity Shareholders are requested to ensure that renunciation through off-market transfer is completed in such a manner that the Rights Entitlements are credited to the demat account of the Renouncees on or prior to the Issue Closing Date.*

* *Our Board or a duly authorised committee thereof will have the right to extend the Issue Period as it may determine from time to time but not exceeding 30 days from the Issue Opening Date (inclusive of the Issue Opening Date). Further, no withdrawal of Application shall be permitted by any Applicant after the Issue Closing Date.*

Please note that if Eligible Equity Shareholders holding Equity Shares in physical form as on Record Date, have not provided the details of their demat accounts to our Company or to the Registrar, they are required to provide their demat account details to our Company or the Registrar not later than two clear Working Days prior to the Issue Closing Date, *i.e.*, February 9, 2024 to enable the credit of the Rights Entitlements by way of transfer from the demat suspense escrow account to their respective demat accounts, at least one day before the Issue Closing Date, *i.e.*, February 12, 2024.

X. BASIS OF ALLOTMENT

Subject to the provisions contained in this Letter of Offer, the Abridged Letter of Offer, the Rights Entitlement Letter, the Application Form, the Articles of Association and the approval of the Designated Stock Exchange, our Board will proceed to Allot the Rights Equity Shares in the following order of priority:

(a) Full Allotment to those Eligible Equity Shareholders who have applied for their Rights Entitlements of Rights Equity Shares either in full or in part and also to the Renouncee(s) who has or have applied for Rights Equity Shares renounced in their favour, in full or in part (as adjusted for fraction entitlement).

(b) Eligible Equity Shareholders whose fractional entitlements are being ignored and Eligible Equity Shareholders with zero entitlement, would be given preference in allotment of one Additional Rights Equity Share each if they apply for Additional Rights Equity Shares. Allotment under this head shall be considered if there are any unsubscribed Rights Equity Shares after allotment under (a) above. If number of Rights Equity Shares required for Allotment under this head are more than the number of Rights Equity Shares available after Allotment under (a) above, the Allotment would be made on a fair and equitable basis in consultation with the Designated Stock Exchange and will not be a preferential allotment.

(c) Allotment to the Eligible Equity Shareholders who having applied for all the Rights Equity Shares offered to them as part of this Issue, have also applied for Additional Rights Equity Shares. The Allotment of such Additional Rights Equity Shares will be made as far as possible on an equitable basis having due regard to the number of Equity Shares held by them on the Record Date, provided there are any unsubscribed Rights Equity Shares after making full Allotment in (a) and (b) above. The Allotment of such Rights Equity Shares will be at the sole discretion of our Board in consultation with the Designated Stock Exchange, as a part of this Issue and will not be a preferential allotment.

(d) Allotment to Renouncees who having applied for all the Rights Equity Shares renounced in their favour, have applied for Additional Rights Equity Shares provided there is surplus available after making full Allotment under (a), (b) and (c) above. The Allotment of such Rights Equity Shares will be made on a proportionate basis in consultation with the Designated Stock Exchange, as a part of this Issue and will not be a preferential allotment.

(e) Allotment to any other person, subject to applicable laws, that our Board may deem fit, provided there is surplus available after making Allotment under (a), (b), (c) and (d) above, and the decision of our Board in this regard shall be final and binding.

After taking into account Allotment to be made under (a) to (d) above, if there is any unsubscribed portion, the same shall be deemed to be ‘unsubscribed’.

Upon approval of the Basis of Allotment by the Designated Stock Exchange, the Registrar shall send to the Controlling Branches, a list of the Investors who have been allocated Rights Equity Shares in this Issue, along with:

1. The amount to be transferred from the ASBA Account to the separate bank account opened by our Company for this Issue, for each successful Application;

2. The date by which the funds referred to above, shall be transferred to the aforesaid bank account; and

3. The details of rejected ASBA applications, if any, to enable the SCSBs to unblock the respective ASBA Accounts.

In the event of over-subscription, Allotment shall be made within the overall size of the Issue.

XI. ALLOTMENT ADVICE OR UNBLOCKING OF ASBA ACCOUNTS

Our Company will send/ dispatch Allotment advice, unblocking intimations or if applicable, demat credit of securities and/or letters of regret, only to the Eligible Equity Shareholders who have provided Indian address; along with crediting the Allotted Rights Equity Shares to the respective beneficiary accounts (only in dematerialised mode) or in a demat suspense account (in respect of Eligible Equity Shareholders holding Equity Shares in physical form on the Allotment Date) or issue instructions for unblocking the funds in the respective ASBA Accounts, if any, within a period of 15 days from the Issue Closing Date. In case of failure to do so, our Company and our Directors who are "officers in default" shall pay interest at such rate as specified under applicable law from the expiry of such 15 days' period.

The Rights Entitlements will be credited in the dematerialized form using electronic credit under the depository system and the Allotment advice shall be sent, through a mail, to the Indian mail address provided to our Company or at the address recorded with the Depository.

In the case of non-resident Investors who remit their Application Money from funds held in the NRE or the FCNR Accounts, unblocking refunds and/or payment of interest or dividend and other disbursements, if any, shall be credited to such accounts.

Where an Applicant has applied for Additional Rights Equity Shares in the Issue and is Allotted a lesser number of Rights Equity Shares than applied for, the excess Application Money blocked shall be unblocked. The unblocking of ASBA funds shall be completed be within such period as prescribed under the SEBI ICDR Regulations. In the event that there is a delay in unblocking funds beyond such period as prescribed under applicable law, our Company shall pay the requisite interest at such rate as prescribed under applicable law.

i. Payment Terms

₹150 per Rights Equity Share (including premium of ₹148 per Rights Equity Share) shall be payable as follows:

Due Date	**Face Value (₹)**	**Premium (₹)**	**Total (₹)**
On Application	0.67	49.33	50.00
Additional Call(s) as may be decided by the Board / Securities Issuance and Investment Committee from time to time	1.33	98.67	100.00
Total	**2.00**	**148.00**	**150.00**

Rights Equity Shares in respect of which the Calls payable remains unpaid may be forfeited, after the due date for payment of the balance amount due in accordance with the Companies Act, 2013 and our Articles of Association.

Record date for Calls and suspension of trading

Our Company would fix a Call Record Date giving notice, in advance of such period as may be prescribed under applicable law, to the Stock Exchanges for the purpose of determining the list of Rights Equity Shareholders to whom the notice for the Calls would be sent. Once the Call Record Date has been fixed, trading in the Rights Equity Shares for which the Call has been made may be suspended prior to the Call Record Date.

Procedure for Calls for Rights Equity Shares

Our Board or the Securities Issuance and Investment Committee will pass the required resolutions for making the Calls and suitable intimation would be given by our Company to the Stock Exchanges. Further, advertisements for the same will be published in (i) one English language national daily newspaper with wide circulation (ii) one Hindi language national daily newspaper with wide circulation and one regional language daily newspaper with wide circulation at the place where the Registered Office of the Company is situated, all with wide circulation.

Our Board or Securities Issuance and Investment Committee may determine the date on which the Calls shall be deemed to have been made and if no such date is determined then the Calls shall be deemed to have been made at the time when the resolution authorising such Calls are passed at the meeting of our Board or Securities Issuance and Investment Committee, as the case may be. The Calls may be revoked or postponed at the discretion of our Board or Securities Issuance and Investment Committee. Our Board or Securities Issuance and Investment Committee may make additional Call(s) from time to time, with terms and conditions such as the number of Calls and the timing and quantum of each Call as may be decided by our Board/ Securities Issuance and Investment Committee from time to time. Pursuant to the provisions of the Articles of Association, the Investors would be given at least 14 days' notice for the payment of the Calls. Our Board or Securities Issuance and Investment Committee may, from time to time at its discretion, extend the time fixed for the payments of the Calls. Our Company, at its sole discretion and as it may deem fit, may send one or more reminders for the Calls, and if it does not receive the Call Money as per the timelines stipulated unless extended by our Board or Securities Issuance and Investment Committee, the defaulting Rights Equity Shareholders will be liable to pay interest as may be fixed by our Board unless waived or our Company may forfeit such Rights Equity Shares in respect of which the Calls payable remains unpaid in accordance with the Companies Act, 2013 and our Articles of Association. Pursuant to the provisions of the Articles of Association, our Company will give at least 14 days' notice to the Rights Equity Shareholders to make the payment of the unpaid Call Monies (including interest accrued and expenses incurred due to such non-payment) before forfeiting such Rights Equity Shares.

Payment of call money

In accordance with the SEBI circular bearing reference number SEBI/HO/CFD/DIL1/CIR/238/2020 dated December 8, 2020 regarding additional payment mechanism (i.e. ASBA, etc.) for payment of balance money in calls for partly paid specified securities issued by the listed entity, the Investor may make payment of the Call Money using ASBA Mechanism through the Designated Branch of the SCSB or through online/electronic through the website of the SCSBs (if made available by such SCSB) by authorizing the SCSB to block an amount, equivalent to the amount payable on Call Money, in the Investor's ASBA Account. The Investor may also use the facility of linked online trading, demat and bank account (3-in-1 type account), if provided by their broker, for making payment of the Call Money.

Separate ISIN for Rights Equity Shares

In addition to the present ISIN for the existing Equity Shares, our Company would obtain a separate ISIN for the Rights Equity Shares for each Call, until fully paid-up. The Rights Equity Shares offered under this Issue will be traded under a separate ISIN after each Call for the period as may be applicable under the rules and regulations prior to the record date for the final Call Notice. The ISIN representing the Rights Equity Shares will be terminated after the Call Record Date for the final Call. On payment of the final Call Money in respect of the Rights Equity Shares, such Rights Equity Shares would be fully paid-up and merged with the existing ISIN of our Equity Shares

XII. PAYMENT OF REFUND

- ***Mode of making refunds***

  The payment of refund, if any, including in the event of oversubscription or failure to list or otherwise would be done through any of the following modes.

  a) Unblocking amounts blocked using ASBA facility.

  b) **NACH**–National Automated Clearing House is a consolidated system of electronic clearing service. Payment of refund would be done through NACH for Applicants having an account at one of the centres specified by RBI, where such facility has been made available. This would be subject to availability of complete bank account details including a Magnetic Ink Character Recognition ("MICR") code wherever applicable from the depository. The payment of refund through NACH is mandatory for Applicants having a bank account at any of the centres where NACH facility has been made available by RBI (subject to availability of all information for crediting the refund through NACH including the MICR code as appearing on a cheque leaf, from the depositories), except where Applicant is otherwise disclosed as eligible to get refunds through NEFT or Direct Credit or RTGS.

c) **National Electronic Fund Transfer** ("**NEFT**") –Payment of refund shall be undertaken through NEFT wherever the Investors' bank has been assigned the Indian Financial System Code ("**IFSC Code**"), which can be linked to a MICR, allotted to that particular bank branch. IFSC Code will be obtained from the website of RBI as on a date immediately prior to the date of payment of refund, duly mapped with MICR numbers. Wherever the Investors have registered their nine digit MICR number and their bank account number with the Registrar to our Company or with the Depository Participant while opening and operating the demat account, the same will be duly mapped with the IFSC Code of that particular bank branch and the payment of refund will be made to the Investors through this method.

d) **Direct Credit**–Investors having bank accounts with the Bankers to the Issue shall be eligible to receive refunds through direct credit. Charges, if any, levied by the relevant bank(s) for the same would be borne by our Company.

e) **RTGS**–If the refund amount exceeds ₹2,00,000, the Investors have the option to receive refund through RTGS. Such eligible Investors who indicate their preference to receive refund through RTGS are required to provide the IFSC Code in the Application Form. In the event the same is not provided, refund shall be made through NACH or any other eligible mode. Charges, if any, levied by the Investor's bank receiving the credit would be borne by the Investor.

f) For all other Investors, the refund orders will be dispatched through speed post or registered post subject to applicable laws. Such refunds will be made by cheques, pay orders or demand drafts drawn in favour of the sole/first Investor and payable at par.(g)Credit of refunds to Investors in any other electronic manner, permissible by SEBI from time to time.

- ***Refund payment to non-residents***

The Application Money will be unblocked in the ASBA Account of the non-resident Applicants, details of which were provided in the Application Form.

XIII. ALLOTMENT ADVICE OR DEMAT CREDIT OF SECURITIES

The demat credit of securities to the respective beneficiary accounts will be credited within 15 days from the Issue Closing Date or such other timeline in accordance with applicable laws.

- ***Receipt of the Rights Equity Shares in Dematerialized Form***

PLEASE NOTE THAT THE RIGHTS EQUITY SHARES APPLIED FOR UNDER THIS ISSUE CAN BE ALLOTTED ONLY IN DEMATERIALIZED FORM AND TO (A) THE SAME DEPOSITORY ACCOUNT/ CORRESPONDING PAN IN WHICH THE EQUITY SHARES ARE HELD BY SUCH INVESTOR ON THE RECORD DATE, OR (B) THE DEPOSITORY ACCOUNT, DETAILS OF WHICH HAVE BEEN PROVIDED TO OUR COMPANY OR THE REGISTRAR AT LEAST TWO CLEAR WORKING DAYS PRIOR TO THE ISSUE CLOSING DATE BY THE ELIGIBLE EQUITY SHAREHOLDER HOLDING EQUITY SHARES IN PHYSICAL FORM AS ON THE RECORD DATE OR (C) DEMAT SUSPENSE ACCOUNT PENDING RECEIPT OF DEMAT ACCOUNT DETAILS FOR RESIDENT ELIGIBLE EQUITY SHAREHOLDERS HOLDING EQUITY SHARES FORM/ WHERE THE CREDIT OF THE RIGHTS ENTITLEMENTS RETURNED/REVERSED/FAILED.

Investors shall be Allotted the Rights Equity Shares in dematerialized (electronic) form. Our Company has signed two agreements with the respective Depositories and the Registrar to the Issue, which enables the Investors to hold and trade in the securities issued by our Company in a dematerialized form, instead of holding the Equity Shares in the form of physical certificates:

a) Tripartite agreement dated February 13, 2013, amongst our Company, NSDL and the Registrar to the Issue; and

b) Tripartite agreement dated February 11, 2013, amongst our Company, CDSL and the Registrar to the Issue

INVESTORS MAY PLEASE NOTE THAT THE RIGHTS EQUITY SHARES CAN BE TRADED ON THE STOCK EXCHANGES ONLY IN DEMATERIALIZED FORM.

The procedure for availing the facility for Allotment of Rights Equity Shares in this Issue in the dematerialised form is as under:

1. Open a beneficiary account with any depository participant (care should be taken that the beneficiary account should carry the name of the holder in the same manner as is registered in the records of our Company. In the case of joint holding, the beneficiary account should be opened carrying the names of the holders in the same order as registered in the records of our Company). In case of Investors having various folios in our Company with different joint holders, the Investors will have to open separate accounts for such holdings. Those Investors who have already opened such beneficiary account(s) need not adhere to this step.

2. It should be ensured that the depository account is in the name(s) of the Investors and the names are in the same order as in the records of our Company or the Depositories.

3. The responsibility for correctness of information filled in the Application Form *vis-a-vis* such information with the Investor's depository participant, would rest with the Investor. Investors should ensure that the names of the Investors and the order in which they appear in Application Form should be the same as registered with the Investor's depository participant.

4. If incomplete or incorrect beneficiary account details are given in the Application Form, the Investor will not get any Rights Equity Shares and the Application Form will be rejected.

5. The Rights Equity Shares will be allotted to Applicants only in dematerialized form and would be directly credited to the beneficiary account as given in the Application Form after verification or demat suspense account (pending receipt of demat account details for resident Eligible Equity Shareholders holding Equity Shares in physical form/ with Investor Education and Protection Fund (IEPF) authority/ in suspense, *etc*.). Allotment advice, would be sent through physical dispatch, by the Registrar but the Applicant's depository participant will provide to him the confirmation of the credit of such Rights Equity Shares to the Applicant's depository account.

6. Non-transferable Allotment advice/ unblocking intimation will be directly sent to the Investors by the Registrar, through physical dispatch.

7. Renouncees will also have to provide the necessary details about their beneficiary account for Allotment of Rights Equity Shares in this Issue. In case these details are incomplete or incorrect, the Application is liable to be rejected.

8. Dividend or other benefits with respect to the Equity Shares held in dematerialized form would be paid to those Equity Shareholders whose names appear in the list of beneficial owners given by the Depository Participant to our Company as on the date of the book closure.

9. Resident Eligible Equity Shareholders, who hold Equity Shares in physical form, as applicable,and who have not furnished the details of their demat account to the Registrar or our Company at least two Working Days prior to the Issue Closing Date, shall not be able to apply in this Issue

XIV. IMPERSONATION

Attention of the Investors is specifically drawn to the provisions of sub-section (1) of Section 38 of the Companies Act, 2013 which is reproduced below:

"*Any person who –*

a) makes or abets making of an application in a fictitious name to a company for acquiring, or subscribing for, its securities; or

b) *makes or abets making of multiple applications to a company in different names or in different combinations of his name or surname for acquiring or subscribing for its securities; or*

c) *otherwise induces directly or indirectly a company to allot, or register any transfer of, securities to him, or to any other person in a fictitious name, shall be liable for action under Section 447*."

The liability prescribed under Section 447 of the Companies Act, 2013 for fraud involving an amount of at least ₹1 million or 1% of the turnover of the company, whichever is lower, includes imprisonment for a term which shall not be less than six months extending up to 10 years and fine of an amount not less than the amount involved in the fraud, extending up to three times such amount (provided that where the fraud involves public interest, such term shall not be less than three years.) Further, where the fraud involves an amount less than ₹1.00 million or one per cent of the turnover of the company, whichever is lower, and does not involve public interest, any person guilty of such fraud shall be punishable with imprisonment for a term which may extend to five years or with fine which may extend to ₹5.00 million or with both.

XV. UTILISATION OF ISSUE PROCEEDS

Our Board declares that:

A. All monies received out of this Issue shall be transferred to a separate bank account;

B. Details of all monies utilized out of this Issue referred to under (A) above shall be disclosed, and continue to be disclosed till the time any part of the Issue Proceeds remains unutilised, under an appropriate separate head in the balance sheet of our Company indicating the purpose for which such monies have been utilised; and

C. Details of all unutilized monies out of this Issue referred to under (A) above, if any, shall be disclosed under an appropriate separate head in the balance sheet of our Company indicating the form in which such unutilized monies have been invested.

XVI. UNDERTAKINGS BY OUR COMPANY

Our Company undertakes the following:

1) The complaints received in respect of this Issue shall be attended to by our Company expeditiously and satisfactorily.

2) All steps for completion of the necessary formalities for listing and commencement of trading at all Stock Exchanges where the Equity Shares are to be listed will be taken by our Board within the time limit specified by SEBI.

3) The funds required for unblocking to unsuccessful Applicants as per the mode(s) disclosed shall be made available to the Registrar by our Company.

4) Where refunds are made through electronic transfer of funds, a suitable communication shall be sent to the Investor within 15 days of the Issue Closing Date, giving details of the banks where refunds shall be credited along with amount and expected date of electronic credit of refund.

5) In case of unblocking of the Application Money for unsuccessful Applicants or part of the Application Money in case of proportionate Allotment, a suitable communication shall be sent to the Applicants.

6) No further issue of securities shall be made till the securities offered through this Letter of Offer are listed or till the application monies are refunded on account of non-listing, under subscription, etc., other than as disclosed in accordance with Regulation 97 of SEBI ICDR Regulations.

7) Adequate arrangements shall be made to collect all ASBA Applications.

8) As on date the Company does not have any convertible debt instruments.

9) Our Company shall comply with such disclosure and accounting norms specified by SEBI from time to time.

XVII. INVESTOR GRIEVANCES, COMMUNICATION AND IMPORTANT LINKS

1. Please read this Letter of Offer carefully before taking any action. The instructions contained in the Application Form, Abridged Letter of Offer and the Rights Entitlement Letter are an integral part of the conditions of this Letter of Offer and must be carefully followed; otherwise the Application is liable to be rejected.

2. All enquiries in connection with this Letter of Offer, the Abridged Letter of Offer, the Rights Entitlement Letter or Application Form must be addressed (quoting the registered Folio Number in case of Eligible Equity Shareholders who hold Equity Shares in physical form as on Record Date or the DP ID and Client ID number, the Application Form number and the name of the first Eligible Equity Shareholder as mentioned on the Application Form and superscribed "Indiabulls Housing Finance Limited- Rights Issues" on the envelope and postmarked in India) to the Registrar at the following address:

   KFin Technologies Limited
   (formerly known as KFin Technologies Private Limited)
   Selenium Tower B PlotNo.31 and32 Financial District, Nanakramguda Serilingampally, Hyderabad– 500 032 Telangana, India
   Telephone No.: +91 40 6716 2222
   E-mail: ihfl.rights@kfintech.com
   Investor Grievance e-mail: einward.ris@kfintech.com
   Contact person: M. Murali Krishna
   Website: www.kfintech.com
   SEBI Registration No.: INR000000221

3. In accordance with SEBI ICDR Master Circular, frequently asked questions and online/ electronic dedicated investor helpdesk for guidance on the Application process and resolution of difficulties faced by the Investors will be available on the website of the Registrar (https://rights.kfintech.com). Further, helpline number provided by the Registrar for guidance on the Application process and resolution of difficulties is 18003094001.

4. The Investors can visit following links for the below-mentioned purposes:

   a) Frequently asked questions and online/ electronic dedicated investor helpdesk for guidance on the Application process and resolution of difficulties faced by the Investors: https://rights.kfintech.com

   b) Updation of Indian address/ e-mail address/ phone or mobile number in the records maintained by the Registrar or our Company: https://rights.kfintech.com

   c) Updation of demat account details by Eligible Equity Shareholders holding shares in physical form: https://rights.kfintech.com

   d) Submission of self-attested PAN, client master sheet and demat account details by non- resident Eligible Equity Shareholders: einward@kfintech.com

   This Issue will remain open for a minimum of seven days. However, our Board or Securities Issuance and Investment Committee will have the right to extend the Issue Period as it may determine from time to time but not exceeding 30 days from the Issue Opening Date (inclusive of the Issue Closing Date).

RESTRICTIONS ON FOREIGN OWNERSHIP OF INDIAN SECURITIES

Foreign investment in Indian securities is regulated through the Industrial Policy, 1991, of the Government of India and FEMA. While the Industrial Policy, 1991, of the Government of India, prescribes the limits and the conditions subject to which foreign investment can be made in different sectors of the Indian economy, FEMA regulates the precise manner in which such investment may be made. Under the Industrial Policy, 1991, unless specifically restricted, foreign investment is freely permitted in all sectors of the Indian economy up to any extent and without any prior approvals, but the foreign investor is required to follow certain prescribed procedures for making such investment. The RBI and the concerned ministries/departments are responsible for granting approval for foreign investment.

The Government has, from time to time, made policy pronouncements on FDI through press notes and press releases. The DPIIT issued the Consolidated FDI Policy Circular of 2020 ("**FDI Policy**") which, with effect from October 15, 2020, consolidated and superseded all previous press notes, press releases and clarifications on FDI issued by the DPIIT that were in force and effect as on October 15, 2020. The Government proposes to update the consolidated circular on FDI policy once every year and therefore, FDI Policy will be valid until the DPIIT issues an updated circular.

Further, the sectoral cap applicable to the sector in which our Company operates is 100% which is permitted under the automatic route.

The payment of inward remittance and reporting requirements are stipulated under the Foreign Exchange Management (Mode of Payment and Reporting of Non-Debt Instruments) Regulations, 2019 issued by RBI.

The transfer of shares between an Indian resident and a non-resident does not require the prior approval of RBI, provided that (i) the activities of the investee company falls under the automatic route as provided in the FDI Policy and FEMA and transfer does not attract the provisions of the SEBI Takeover Regulations; (ii) the non-resident shareholding is within the sectoral limits under the FDI Policy; and (iii) the pricing is in accordance with the guidelines prescribed by SEBI and RBI.

Further, in accordance with Press Note No. 3 (2020 Series), dated April 17, 2020 issued by the DPIIT and the Foreign Exchange Management (Non-debt Instruments) Amendment Rules, 2020 which came into effect from April 22, 2020, any investment, subscription, purchase or sale of equity instruments by entities of a country which shares land border with India or where the beneficial owner of an investment into India is situated in or is a citizen of any such country ("**Restricted Investors**"), will require prior approval of the Government, as prescribed in the FDI Policy and the FEMA Rules. Further, in the event of transfer of ownership of any existing or future foreign direct investment in an entity in India, directly or indirectly, resulting in the beneficial ownership falling within the aforesaid restriction/ purview, such subsequent change in the beneficial ownership will also require approval of the Government. Furthermore, on April 22, 2020, the Ministry of Finance, Government of India has also made a similar amendment to the FEMA Rules. Pursuant to the Foreign Exchange Management (Non-debt Instruments) (Fourth Amendment) Rules, 2020, a multilateral bank or fund, of which India is a member, shall not be treated as an entity of a particular country nor shall any country be treated as the beneficial owner of the investments of such bank of fund in India. Please also note that pursuant to Circular no. 14 dated September 16, 2003 issued by RBI, Overseas Corporate Bodies ("**OCBs**") have been derecognized as an eligible class of investors and RBI has subsequently issued the Foreign Exchange Management (Withdrawal of General Permission to Overseas Corporate Bodies (OCBs)) Regulations, 2003. Any Investor being an OCB is required not to be under the adverse notice of RBI and in order to apply for this Issue as an incorporated non-resident must do so in accordance with the FDI Policy and the FEMA Rules. Further, while investing in the Issue, the Investors are deemed to have obtained the necessary approvals, as required, under applicable laws and the obligation to obtain such approvals shall be upon the Investors. Our Company shall not be under an obligation to obtain any approval under any of the applicable laws on behalf of the Investors and shall not be liable in case of failure on part of the Investors to obtain such approvals.

The above information is given for the benefit of the Applicants. Our Company and the Lead Manager are not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of this Letter of Offer. Investors are advised to make their independent investigations and ensure that the number of Rights Equity Shares applied for do not exceed the applicable limits under laws or regulations. For details with respect to investments by NRIs, FPIs, FVCIs and other non-resident investors, see "*Terms of the Issue - Procedure for Applications by certain categories of Investors*" and "*Terms of the Issue - Offer to Non-Resident Eligible Equity Shareholders/Investors*" on page 684 and 695, respectively.

RESTRICTIONS ON PURCHASES AND RESALES

Eligibility and Restrictions

General

No action has been taken or will be taken to permit an offering of the Rights Entitlements or the Rights Equity Shares to occur in any jurisdiction, or the possession, circulation, or distribution of this Letter of Offer or any other Issue Material in any jurisdiction where action for such purpose is required, except that this Letter of Offer will be filed with SEBI and the Stock Exchanges.

The Rights Entitlement and the Rights Equity Shares may not be offered or sold, directly or indirectly, and this Letter of Offer and any other Issue Materials may not be distributed, in whole or in part, in or into in (i) the United States or (ii) or any jurisdiction other than India, in each case, except in accordance with the legal requirements applicable in such jurisdiction. Receipt of this Letter of Offer or any other Issue Materials (including by way of electronic means) will not constitute an offer, invitation to or solicitation by anyone (i) in the United States or (ii) any jurisdiction in any circumstances in which such an offer, invitation or solicitation is unlawful or not authorized or to any person to whom it is unlawful to make such an offer, invitation or solicitation. In those circumstances, this Letter of Offer and any other Issue Materials must be treated as sent for information only and should not be acted upon for subscription to Rights Equity Shares and should not be copied or re-distributed. Accordingly, persons receiving a copy of this Letter of Offer and any other Issue Materials should not distribute or send this Letter of Offer or any such documents in or into any jurisdiction where to do so, would or might contravene local securities laws or regulations, or would subject our Company or its affiliates or the Lead Manager or its affiliates to any filing or registration requirement (other than in India). If this Letter of Offer or any other Issue Material is received by any person in any such jurisdiction, they must not seek to subscribe to the Rights Equity Shares.

Rights Entitlements may not be transferred or sold to any person outside India.

Investors are advised to consult their legal counsel prior to accepting any provisional allotment of Rights Equity Shares, applying for excess Rights Equity Shares or making any offer, sale, resale, pledge or other transfer of the Rights Entitlements or the Rights Equity Shares.

This Letter of Offer and its accompanying documents are supplied to you solely for your information and may not be reproduced, redistributed or passed on, directly or indirectly, to any other person or published, in whole or in part, for any purpose.

Each person who exercises the Rights Entitlements and subscribes for the Rights Equity Shares, or who purchases the Rights Entitlements or the Rights Equity Shares shall do so in accordance with the restrictions set out above and below.

United States

The Rights Entitlements and the Rights Equity Shares have not been and will not be registered under the Securities Act and may not be offered or sold within the United States, except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and applicable state securities laws.

Representations, Warranties and Agreements by Purchasers

In addition to the applicable representations, warranties and agreements set forth above, each purchaser by accepting the delivery of this Letter of Offer and its accompanying documents, submitting an Application Form for the exercise of any Rights Entitlements and subscription for any Rights Equity Shares and accepting delivery of any Rights Entitlements or any Rights Equity Shares, will be deemed to have represented, warranted and agreed as follows on behalf of itself and, if it is acquiring the Rights Entitlements or the Rights Equity Shares as a fiduciary or agent for one or more investor accounts, on behalf of each owner of such account (such person being the "purchaser", which term shall include the owners of the investor accounts on whose behalf the person acts as fiduciary or agent):

1. The purchaser has the full power and authority to make the acknowledgements, representations, warranties and agreements contained herein and to exercise the Rights Entitlements and subscribe for the Rights Equity Shares, and, if the purchaser is exercising the Rights Entitlements and acquiring the Rights Equity Shares as a fiduciary or agent for one or more investor accounts, the purchaser has the full power and authority to make

the acknowledgements, representations, warranties and agreements contained herein and to exercise the Rights Entitlements and subscribe for the Rights Equity Shares on behalf of each owner of such account.

2. If any Rights Entitlements were bought by the purchaser or otherwise transferred to the purchaser by a third party (other than our Company), the purchaser was in India at the time of such purchase or transfer;

3. The purchaser is aware and understands (and each account for which it is acting has been advised and understands) that an investment in the Rights Entitlements and the Rights Equity Shares involves a considerable degree of risk and that the Rights Entitlements and the Rights Equity Shares are a speculative investment.

4. The purchaser understands (and each account for which it is acting has been advised and understands) that no action has been or will be taken to permit an offering of the Rights Entitlements or the Rights Equity Shares in any jurisdiction (other than the filing of this Letter of Offer with SEBI and the Stock Exchanges); and it will not offer, resell, pledge or otherwise transfer any of the Rights Entitlements except in India or the Rights Equity Shares which it may acquire, or any beneficial interests therein, in any jurisdiction or in any circumstances in which such offer or sale is not authorised or to any person to whom it is unlawful to make such offer, sale, solicitation or invitation except under circumstances that will result in compliance with any applicable laws and/or regulations.

5. The purchaser (or any account for which it is acting) is an Eligible Equity Shareholder and has received an invitation from our Company, addressed to it and inviting it to participate in this Issue.

6. None of the purchaser, any of its affiliates or any person acting on its or their behalf has taken or will take, directly or indirectly, any action designed to, or which might be expected to, cause or result in the stabilization or manipulation of the price of any security of the Company to facilitate the sale or resale of the Rights Entitlements or the Rights Equity Shares pursuant to the Issue.

7. Prior to making any investment decision to exercise the Rights Entitlements and subscribe for the Rights Equity Shares, the purchaser (i) will have consulted with its own legal, regulatory, tax, business, investment, financial and accounting advisers in each jurisdiction in connection herewith to the extent it has deemed necessary; (ii) will have carefully read and reviewed a copy of this Letter of Offer and its accompanying documents; (iii) will have possessed and carefully read and reviewed all information relating to our Company and our Group and the Rights Entitlements and the Rights Equity Shares which it believes is necessary or appropriate for the purpose of making its investment decision, including, without limitation, the Exchange Information (as defined below); (v) will have conducted its own due diligence on our Company and this Issue, and will have made its own investment decisions based upon its own judgement, due diligence and advice from such advisers as it has deemed necessary and will not have relied upon any recommendation, promise, representation or warranty of or view expressed by or on behalf of our Company, the Lead Manager or its affiliates (including any research reports) (other than, with respect to our Company and any information contained in this Letter of Offer); and (vi) will have made its own determination that any investment decision to exercise the Rights Entitlements and subscribe for the Rights Equity Shares is suitable and appropriate, both in the nature and number of Rights Equity Shares being subscribed.

8. Without limiting the generality of the foregoing, the purchaser acknowledges that the Equity Shares are listed on BSE Limited and National Stock Exchange of India Limited and our Company is therefore required to publish certain business, financial and other information in accordance with the rules and practices of BSE Limited and National Stock Exchange of India Limited (which includes, but is not limited to, a description of the nature of our Company's business and our Company's most recent balance sheet and profit and loss account, and similar statements for preceding years together with the information on its website and its press releases, announcements, investor education presentations, annual reports, collectively constitutes "**Exchange Information**"), and that it has had access to such information without undue difficulty and has reviewed such Exchange Information as it has deemed necessary; and (ii) none of our Company, any of its affiliates, the Lead Manager or any of its affiliates has made any representations or recommendations to it, express or implied, with respect to our Company, the Rights Entitlements, the Rights Equity Shares or the accuracy, completeness or adequacy of the Exchange Information.

9. The purchaser acknowledges that (i) any information that it has received or will receive relating to or in connection with this Issue, and the Rights Entitlements or the Rights Equity Shares, including this Letter of Offer and the Exchange Information (collectively, the "**Information**"), has been prepared solely by our Company; and (ii) neither the Lead Manager nor any of its affiliates has verified such Information, and no

recommendation, promise, representation or warranty (express or implied) is or has been made or given by the Lead Manager or its affiliates as to the accuracy, completeness or sufficiency of the Information, and nothing contained in the Information is, or shall be relied upon as, a promise, representation or warranty by the Lead Manager or any of its affiliates.

10. The purchaser will not hold our Company, the Lead Manager or its affiliates responsible for any misstatements in or omissions to the Information or in any other written or oral information provided by our Company to it. It acknowledges that no written or oral information relating to this Issue, and the Rights Entitlements or the Rights Equity Shares has been or will be provided by the Lead Manager or its affiliates to it.

11. The purchaser understands and acknowledges that the Lead Manager is assisting our Company in respect of this Issue and that the Lead Manager is acting solely for our Company and no one else in connection with this Issue and, in particular, are not providing any service to it, making any recommendations to it, advising it regarding the suitability of any transactions it may enter into to subscribe or purchase any Rights Entitlements or Rights Equity Shares nor providing advice to it in relation to our Company, this Issue or the Rights Entitlements or the Rights Equity Shares. Further, to the extent permitted by law, it waives any and all claims, actions, liabilities, damages or demands it may have against the Lead Manager arising from its engagement with our Company and in connection with this Issue.

12. The purchaser understands that its receipt of the Rights Entitlements and any subscription it may make for the Rights Equity Shares will be subject to and based upon all the terms, conditions, representations, warranties, acknowledgements, agreements and undertakings and other information contained in this Letter of Offer and the Application Form. The purchaser understands that none of our Company, the Registrar, the Lead Manager or any other person acting on behalf of us will accept subscriptions from any person, or the agent of any person, who appears to be, or who we, the Registrar, the Lead Manager or any other person acting on behalf of us have reason to believe is in the United States, or is ineligible to participate in this Issue under applicable securities laws.

13. The purchaser is aware that the Rights Entitlements and the Equity Shares have not been and will not be registered under the Securities Act and that the offer of the Rights Entitlements and the offer and sale of the Rights Equity Shares to the purchaser was made pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act.

14. The purchaser subscribed to the Rights Equity Shares for investment purposes and not with a view to the distribution or resale thereof. If in the future the purchaser decides to offer, sell, pledge or otherwise transfer any of the Rights Equity Shares, the purchaser shall only offer, sell, pledge or otherwise transfer such Rights Equity Shares (i) outside the United States in a transaction complying with Rule 903 or Rule 904 of Regulation S and in accordance with all applicable laws of any other jurisdiction, including India or (ii) in the United States pursuant to an exemption from the registration requirements of the Securities Act and applicable state securities laws;

15. The purchaser is, and the persons, if any, for whose account it is acquiring the Rights Entitlements and the Rights Equity Shares are, entitled to subscribe for the Rights Equity Shares.

16. If the purchaser is outside India, the sale of the Rights Equity Shares to it will not require any filing or registration by, or qualification of, our Company or the Lead Manager with any court or administrative, governmental or regulatory agency or body, under the laws of any jurisdiction which apply to the purchaser or such persons.

17. If the purchaser is outside India, the purchaser, and each account for which it is acting, satisfies (i) all suitability standards for investors in investments in the Rights Entitlements and the Rights Equity Shares imposed by all jurisdictions applicable to it, and (ii) is eligible to subscribe and is subscribing for the Rights Equity Shares and Rights Entitlements in compliance with applicable securities and other laws of all jurisdictions of residence.

18. The purchaser is authorized to consummate the purchase of the Rights Equity Shares sold pursuant to this Issue in compliance with all applicable laws and regulations.

19. Except for the sale of Rights Equity Shares on one or more of the Stock Exchanges, the purchaser agrees, upon a proposed transfer of the Rights Equity Shares, to notify any purchaser of such Equity Shares or the

executing broker, as applicable, of any transfer restrictions that are applicable to the Rights Equity Shares being sold.

20. The purchaser shall hold our Company and the Lead Manager harmless from any and all costs, claims, liabilities and expenses (including legal fees and expenses) arising out of or in connection with any breach of its representations, warranties or agreements set forth above and elsewhere in this Letter of Offer. The indemnity set forth in this paragraph shall survive the resale of the Rights Equity Shares.

21. The purchaser acknowledges that the Company, the Lead Manager, its affiliates and others will rely upon the truth and accuracy of the foregoing acknowledgements, representations and agreements.

SECTION VIII: OTHER INFORMATION

MATERIAL CONTRACTS AND DOCUMENTS FOR INSPECTION

The copies of the following contracts which have been entered or are to be entered into by the Company (not being contracts entered into in the ordinary course of business carried on by the Company or contracts entered into more than two years before the date of this Letter of Offer) which are or may be deemed material have been entered or are to be entered into by the Company. Copies of the abovementioned contracts and also the documents for inspection referred to hereunder, may be inspected at the Registered Office between 10 a.m. and 5 p.m. on all working days from the date of this Letter of Offer until the Issue Closing Date.

A. Material Contracts for the Issue

1. Issue Agreement dated January 28, 2024 between the Company and the Lead Manager.

2. Registrar Agreement dated January 28, 2024 between the Company and the Registrar to the Issue.

3. Banker to the Issue Agreement dated January 28, 2024 between the Company, the Lead Manager, Registrar and the Bankers to the Issue.

4. Monitoring Agency Agreement dated January 28, 2024 between our Company and the Monitoring Agency.

5. Tripartite agreement dated February 13, 2013 amongst our Company, NSDL and the Registrar to the Issue.

6. Tripartite agreement dated February 11, 2013 amongst our Company, CDSL and the Registrar to the Issue.

B. Material Documents

1. Certified copies of the updated Memorandum of Association and Articles of Association of the Company as amended.

2. The certificate of incorporation of our Company dated May 10, 2005, issued by Registrar of Companies, Delhi and Haryana.

3. Certificate of commencement of business issued by the RoC to our Company on January 10, 2006

4. The certificate of registration dated December 28, 2005, bearing registration number 02.0063.05 issued by the NHB to carry on the business of a housing finance institution without accepting public deposits in accordance with Section 29A of the NHB Act.

5. Consents of the Directors, Company Secretary and Compliance Officer, the Statutory Auditors, Lead Manager, Banker(s) to the Issue, Legal Counsel to our Company as to Indian Law, the Registrar to the Issue, and the Monitoring Agency for inclusion of their names in this Letter of Offer to act in their respective capacities.

6. The Audited Consolidated Financial Statements, the Limited Review Consolidated September Financial Results and the review reports thereon, dated May 20, 2022, May 22, 2023 and November 14, 2023, respectively.

7. Resolution of our Board of Directors dated January 17, 2024 in relation to this Issue and other related matters.

8. Resolution of the Securities Issuance and Investment Committee dated January 28, 2024 in relation to the terms of the Issue including the Record Date, Issue Price and Rights Entitlement Ratio.

9. Statement of possible special tax benefits under direct and indirect tax laws dated January 18, 2024 issued by Ajay Sardana Associates, Tax Auditors of the Company, its Material Subsidiary, and shareholders.

10. Annual Reports of the Company for the Financial Years 2023, 2022, 2021, 2020 and 2019.

11. Report entitled “*NBFC Report*” dated December 2023 prepared by CRISIL and consent letter dated January 18, 2024 issued by CRISIL in respect of such report.

12. Prospectus dated December 4, 2023 of our Company for public issue of 20,00,000 secured redeemable non-convertible debentures of face value of ₹1,000 each (“**NCDs**”), for an amount up to ₹100 crores with an option to retain oversubscription up to ₹100 crores, aggregating up to ₹200 crores.

13. Due Diligence Certificate dated January 28, 2024 addressed to SEBI from the Lead Manager.

14. In-principle listing approvals each dated January 19, 2024 issued by both BSE and NSE.

Any of the contracts or documents mentioned in this Letter of Offer may be amended or modified at any time if so required in the interest of the Company or if required by the other parties, without reference to the Eligible Equity Shareholders, subject to compliance with applicable law.

DECLARATION

I hereby certify that no statement made in this Letter of Offer contravenes any of the provisions of the Companies Act, the SEBI Act, or the rules made thereunder or regulations issued thereunder, as the case may be. I further certify that all the legal requirements connected with the Issue as also the regulations, guidelines, instructions, etc., issued by SEBI, Government of India and any other competent authority in this behalf, have been duly complied with.

I further certify that all disclosures made in this Letter of Offer are true and correct.

SIGNED BY THE DIRECTOR OF THE COMPANY

____

Subhash Sheoratan Mundra
Non-executive Chairman, Independent Director

Date: January 28, 2024

Place: Mumbai

DECLARATION

I hereby certify that no statement made in this Letter of Offer contravenes any of the provisions of the Companies Act, the SEBI Act, or the rules made thereunder or regulations issued thereunder, as the case may be. I further certify that all the legal requirements connected with the Issue as also the regulations, guidelines, instructions, etc., issued by SEBI, Government of India and any other competent authority in this behalf, have been duly complied with.

I further certify that all disclosures made in this Letter of Offer are true and correct.

SIGNED BY THE DIRECTOR OF THE COMPANY

____

Gagan Banga
Vice Chairman, Managing Director and Chief Executive Officer

Date: January 28, 2024

Place: Mumbai

DECLARATION

I hereby certify that no statement made in this Letter of Offer contravenes any of the provisions of the Companies Act, the SEBI Act, or the rules made thereunder or regulations issued thereunder, as the case may be. I further certify that all the legal requirements connected with the Issue as also the regulations, guidelines, instructions, etc., issued by SEBI, Government of India and any other competent authority in this behalf, have been duly complied with.

I further certify that all disclosures made in this Letter of Offer are true and correct.

SIGNED BY THE DIRECTOR OF THE COMPANY

Sachin Chaudhary
Executive Director and Chief Operating Officer

Date: January 28, 2024

Place: Gurugram

DECLARATION

I hereby certify that no statement made in this Letter of Offer contravenes any of the provisions of the Companies Act, the SEBI Act, or the rules made thereunder or regulations issued thereunder, as the case may be. I further certify that all the legal requirements connected with the Issue as also the regulations, guidelines, instructions, etc., issued by SEBI, Government of India and any other competent authority in this behalf, have been duly complied with.

I further certify that all disclosures made in this Letter of Offer are true and correct.

SIGNED BY THE DIRECTOR OF THE COMPANY

____

Satish Chand Mathur
Independent Director

Date: January 28, 2024

Place: Mumbai

DECLARATION

I hereby certify that no statement made in this Letter of Offer contravenes any of the provisions of the Companies Act, the SEBI Act, or the rules made thereunder or regulations issued thereunder, as the case may be. I further certify that all the legal requirements connected with the Issue as also the regulations, guidelines, instructions, etc., issued by SEBI, Government of India and any other competent authority in this behalf, have been duly complied with.

I further certify that all disclosures made in this Letter of Offer are true and correct.

SIGNED BY THE DIRECTOR OF THE COMPANY

____

Achuthan Siddharth
Independent Director

Date: January 28, 2024

Place: Mumbai

DECLARATION

I hereby certify that no statement made in this Letter of Offer contravenes any of the provisions of the Companies Act, the SEBI Act, or the rules made thereunder or regulations issued thereunder, as the case may be. I further certify that all the legal requirements connected with the Issue as also the regulations, guidelines, instructions, etc., issued by SEBI, Government of India and any other competent authority in this behalf, have been duly complied with.

I further certify that all disclosures made in this Letter of Offer are true and correct.

SIGNED BY THE DIRECTOR OF THE COMPANY

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Dinabandhu Mohapatra
Additional Director (Independent)

Date: January 28, 2024

Place: Mumbai

DECLARATION

I hereby certify that no statement made in this Letter of Offer contravenes any of the provisions of the Companies Act, the SEBI Act, or the rules made thereunder or regulations issued thereunder, as the case may be. I further certify that all the legal requirements connected with the Issue as also the regulations, guidelines, instructions, etc., issued by SEBI, Government of India and any other competent authority in this behalf, have been duly complied with.

I further certify that all disclosures made in this Letter of Offer are true and correct.

SIGNED BY THE DIRECTOR OF THE COMPANY

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Shefali Shah
Additional Director (Independent)

Date: January 28, 2024

Place: New Delhi

DECLARATION

I hereby certify that no statement made in this Letter of Offer contravenes any of the provisions of the Companies Act, the SEBI Act, or the rules made thereunder or regulations issued thereunder, as the case may be. I further certify that all the legal requirements connected with the Issue as also the regulations, guidelines, instructions, etc., issued by SEBI, Government of India and any other competent authority in this behalf, have been duly complied with.

I further certify that all disclosures made in this Letter of Offer are true and correct.

SIGNED BY THE DIRECTOR OF THE COMPANY

Rajiv Gupta
Nominee Director

Date: January 28, 2024

Place: Mumbai

DECLARATION

I hereby certify that no statement made in this Letter of Offer contravenes any of the provisions of the Companies Act, the SEBI Act, or the rules made thereunder or regulations issued thereunder, as the case may be. I further certify that all the legal requirements connected with the Issue as also the regulations, guidelines, instructions, etc., issued by SEBI, Government of India and any other competent authority in this behalf, have been duly complied with.

I further certify that all disclosures made in this Letter of Offer are true and correct.

SIGNED BY THE CHIEF FINANCIAL OFFICER OF THE COMPANY

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Mukesh Kumar Garg
Chief Financial Officer

Date: January 28, 2024

Place: Gurugram