

# **SGCO & Co.LLP**

**Chartered Accountants**

## **INDEPENDENT AUDITOR'S REPORT**

To the Members of IKF Finance Limited

Report on the audit of standalone financial statements

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

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

### **Basis for Opinion**

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

### **Emphasis of matter**

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

### **Key Audit Matters**

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

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

Key audit Matters	How our audit addressed the key audit matter
Impairment of Financial Instruments (expected credit Losses) has been described in Note 2.4.c, 2.6.f and 6 of the financial statements.	
<p>Management estimates impairment provision using Expected Credit loss model for the loan exposure as per the Board approved policy which is in line with Ind AS and the Regulations. Measurement of loan impairment involves application of significant judgement by the management. The most significant judgements are:</p> <ul style="list-style-type: none"><li>• Timely identification and classification of the impaired loans, including classification of assets to stage 1, 2, or 3 using criteria in accordance with Ind AS 109 which also include considering the impact of RBI's regulatory circulars,</li><li>• The segmentation of financial assets when their ECL is assessed on a collective basis,</li><li>• Determination of probability of defaults (PD) and loss given defaults (LGD) based on the default history of loans, subsequent recoveries made and other relevant factors and</li><li>• Assessment of qualitative factors having an impact on the credit risk.</li></ul>	<ul style="list-style-type: none"><li>• We evaluated the design and operating effectiveness of controls across the processes relevant to ECL, including the judgements and estimates.</li><li>• We tested the completeness of loans and advances included in the Expected Credit Loss calculations as of March 31, 2022 by reconciling it with the balances as per loan balance register and loan commitment report as on that date.</li><li>• We tested assets in stage 1, 2 and 3 on sample basis to verify that they were allocated to the appropriate stage.</li><li>• Tested samples to ascertain the completeness and accuracy of the input data used for determining the PD and LGD rates and agreed the data with underlying books of accounts and records.</li><li>• For samples of exposure, we tested the appropriateness of determining EAD, PD and LGD.</li><li>• For exposure determined to be individually impaired, we tested samples of loans and advances and examined management's estimate of future cash flows, assessed their reasonableness and checked the resultant provision calculations.</li></ul>



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	<ul style="list-style-type: none"><li>• We performed an overall assessment of the ECL provision levels at each stage including management's assessment and provision on account of Company's portfolio, risk profile, credit risk management practices.</li><li>• We assessed the adequacy and appropriateness of disclosures in compliance with the Ind AS 107 in relation to ECL especially in relation to judgements used in estimation of ECL provision.</li></ul>
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## Other Information

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

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

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

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

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

The Company's Management and the Board of Directors are responsible for the preparation and presentation of these standalone financial statement that give a true and fair view of the net profit and other comprehensive income and other financial information in accordance with the recognition and measurement principles laid down in Indian Accounting Standards prescribed under Section 133 of the Act and other accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgements and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring accuracy and completeness of the accounting records, relevant to



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the preparation and presentation of the standalone financial results that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

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

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

- Identify and assess the risks of material misstatement of the standalone financial statement, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(g) of the Act, we are also responsible for expressing our opinion through a separate report on the complete set of financial statements on whether the company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures in the standalone financial statement made by the Management and Board of Directors.
- Conclude on the appropriateness of the Management and Board of Directors use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the appropriateness of this assumption. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone financial statement or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or



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conditions may cause the Company to cease to continue as a going concern.

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

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

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

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

## Other Matter

The standalone financial statements as at and for the year ended March 31, 2021, have been audited by the predecessor auditor. The report of the predecessor auditor on the comparative standalone financial statements dated June 26, 2021 expressed an unmodified opinion.

Our opinion on the financial statements and our report on Other Legal and Regulatory Requirements below is not modified in respect of this matter.

## Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's report) Order, 2020 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order.

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

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

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



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

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

(e) On the basis of written representations received from the directors as on March 31, 2022, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2022, from being appointed as a director in terms of section 164 (2) of the Act;

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

(g) In our opinion, the managerial remuneration for the year ended March 31, 2022 has been paid / provided by the Company to its directors in accordance with the provisions of section 197 read with Schedule V to the Act;

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

- i. The Company does not have any pending litigations which would impact its financial position;
- ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;
- iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

iv. (a) The Management has represented that to the best of its knowledge and belief, as disclosed in note no. 49, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or 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, as disclosed in note no. 49, no funds (which are material either individually or in the aggregate) have been received by the Company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.



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

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

For SGCO & CO. LLP

Chartered Accountants

Firm Reg. No.:- 112361WW100184

  
Suresh Murarka

Partner

Membership No. :- 044739

UDN :- 22044739AJANJ4717

Place :- Mumbai

Date :- 30<sup>th</sup> May, 2022



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## ANNEXURE A

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

Re: IKF Finance Limited ("the Company")

(i) (a) (1) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment and relevant details of right-of-use assets.

(2) The Company has maintained proper records showing full particulars of intangible assets.

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

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

(d) The Company has not revalued any of its Property, Plant and Equipment (including right-of-use assets) and intangible assets during the year.

(e) No proceedings have been initiated during the year or are pending against the Company as at March 31, 2022 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder.

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

(b) The Company has been sanctioned working capital limits in excess of ₹ 5 crore, in aggregate, from banks or financial institutions on the basis of security of current assets. Quarterly returns or statements filed by the company with such banks or financial institutions are in agreement with the books of account of the Company.

(ii) During the year, in the ordinary course of its business, the Company has made investments in, provided guarantee / security to and granted loans and advances in the nature of loans, secured and unsecured, to companies, firms, limited liability partnerships and other parties. With respect to such investments, guarantees / security and loans and advances:

(a) The Company's principal business is to give loans and, accordingly, the requirements under paragraph 3(ii)(a) of the Order are not applicable to the Company.

(b) The investments made and the terms and conditions of the grant of all the loans and advances in the nature of loans, during the year are, in our opinion, prima facie, not prejudicial to the Company's interest.

(c) In respect of loans and advances in the nature of loans (together referred to as "loan assets"), the schedule of repayment of principal and payment of interest has been stipulated. Note 2.6 (f) to the Financial Statements explains the Company's accounting policy relating to impairment of



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financial assets which include loans assets. In accordance with that policy, loan assets with balances as at March 31, 2022, aggregating Rs. 4,338.15 lakhs were categorised as credit impaired ("Stage 3") and Rs. 25,161.20 lakhs were categorised as those whose credit risk has increased significantly since initial recognition ("Stage 2"). Disclosures in respect of such loans have been provided in Note 6.2 to the Financial Statements. Additionally, out of loans and advances in the nature of loans with balances as at the year-end aggregating Rs.129,844.45 lakhs, where credit risk has not significantly increased since initial recognition (categorised as "Stage 1"), overdues in the repayment interest and/or principal aggregating Rs. 1,299.24 Lakhs were also identified. In all other cases, the repayment of principal and interest is regular. Having regard to the nature of the Company's business and the volume of information involved, it is not practicable to provide an itemised list of loan assets where delinquencies in the repayment of principal and interest have been identified.

(d) The total amount overdue for more than ninety days, in respect of loans and advances in the nature of loans, as at the year-end is Rs. 2,804.16 Lakhs. Reasonable steps are being taken by the Company for recovery of the principal and interest as stated in the applicable Regulations and Loan agreements.

(e) The Company's principal business is to give loans and, accordingly, the requirements under paragraph 3(ii)(e) of the Order are not applicable to the Company.

(f) The Company has not granted any loans or advances in the nature of loans either repayable on demand or without specifying any terms or period of repayment during the year. Hence, reporting under clause 3(ii)(f) is not applicable.

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

(v) The Company has not accepted any deposits from the public. Hence, reporting under clause 3(v) of the Order is not applicable.

(vi) To the best of our knowledge and as explained, the Central Government has not specified the maintenance of cost records under Section 148(1) of the Companies Act, 2013, for the services of the Company. Hence, reporting under clause 3 (vi) of the Order is not applicable to the Company.

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

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



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

(vii) 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).

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

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

(c) The Company has applied term loans for the purpose for which the loans were obtained.

(d) The Company has not utilised fund raised on short term basis for long term purposes.

(e) On an overall examination of the financial statements of the Company, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries.

(f) The Company has not raised any loans during the year on the pledge of securities held in its subsidiaries, joint ventures or associate companies and hence reporting on clause 3(x)(f) of the Order is not applicable.

(x) (a) The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) during the year and hence reporting under clause 3(x)(a) of the Order is not applicable.

(b) During the year, the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully or partly or optionally) and hence reporting under clause 3(x)(b) of the Order is not applicable.

(xi) (a) No fraud by the Company and no material fraud on the Company has been noticed or reported during the year.

(b) No report under sub-section (12) of section 143 of the Companies Act has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and upto the date of this report.

(c) There were no whistle blower complaint received during the year and hence reporting under clause 3(xi)(c) of the Order is not applicable.

(xii) The Company is not a Nidhi Company. Therefore, the provisions of clause 3(xi) of the Order are not applicable.

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



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(xiv) (a) In our opinion the Company has an adequate internal audit system commensurate with the size and the nature of its business.

(b) We have considered, the internal audit reports for the year under audit, issued to the Company during the year and till date, in determining the nature, timing and extent of our audit procedures.

(v) According to the information and explanations given by the management, the Company has not entered into any non-cash transactions with directors or persons connected with him as referred to in section 152 of Companies Act, 2013.

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

(b) The company has not conducted any Non-Banking Financial or Housing Finance activities without a valid Certificate of Registration (COR) from the Reserve Bank of India as per the Reserve Bank of India Act, 1934.

(c) In our opinion, the Company is not a core investment company (as defined in the Core Investment Companies (Reserve Bank) Directions, 2016) and accordingly reporting under clause 3(xvi) (c) and (d) of the Order is not applicable.

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

(xvii) During the year, consequent to the issuance of the Circular No. DoS CD ARG/SEC.01/08 S1.001 2021-22 dated April 27, 2021 by the RBI, the predecessor auditors resigned, as they had completed three continuous years as statutory auditors of the Company. The predecessor statutory auditors have confirmed to us that they were not aware of reasons as to why we should not accept the statutory audit engagements of the Company.

(xix) On the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements and our knowledge of the Board of Directors and Management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that Company is not capable of meeting its liabilities existing at the date of balance sheet as end when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

(xx) (a) There are no unpaid amounts towards Corporate Social Responsibility (CSR) on other than ongoing projects requiring a transfer to a Fund specified in Schedule VII to the Companies Act in compliance with second proviso to sub-section (5) of Section 135 of the said Act. Accordingly, reporting under clause 3(xx)(a) of the Order is not applicable for the year.



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(b) There are no unspent amounts towards CSR on ongoing projects under sub-section (5) of Section 135 requiring transfer to special account in compliance with the provision of sub-section (6) of section 135 of the said Act. Accordingly, reporting under clause 3(x)(b) of the Order is not applicable for the year.

For SGCO & CO, LLP

Chartered Accountants

Firm Reg. No. 112081WW100104

  
Suresh Murarka

Partner

Mem. Number: 044739

UDIN: 22044739AJYANJ4717

Place: Mumbai

Date: May 30, 2022



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## ANNEXURE B

### REFERRED TO IN PARAGRAPH 2 UNDER THE HEADING "REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS" OF OUR REPORT OF EVEN DATE

**Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")**

We have audited the internal financial controls over financial reporting of IKF 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 control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

#### **Auditor's Responsibility**

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting with reference to these standalone financial statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing as specified under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls and, both issued by the Institute of Chartered Accountants of India. These Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting with reference to these standalone financial statements was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls over financial reporting with reference to these standalone financial statements and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting with reference to these standalone financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The



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procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the standalone financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls over financial reporting with reference to these standalone financial statements.

## **Meaning of Internal Financial Controls Over Financial Reporting with Reference to these standalone financial statements**

A Company's internal financial control over financial reporting with reference to these standalone financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of standalone financial statements for external purpose in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting with reference to these standalone financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of standalone financial statements in accordance with generally accepted accounting Principles, and that receipts and expenditure of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisitions, use or disposition of the company's assets that could have a material effect on the standalone financial statements.

## **Inherent Limitations of Internal Financial Controls Over Financial Reporting with Reference to these standalone financial statements**

Because of the inherent limitations of internal financial controls over financial reporting with reference to these standalone financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting with reference to these standalone financial statements to future periods are subject to the risk that the internal financial control over financial reporting with reference to these standalone financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

### **Opinion**

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting with reference to these standalone financial statements and such internal financial controls over financial reporting with reference to these standalone financial statements were operating




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effectively as at March 31, 2022, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the guidance note on audit of Internal financial controls over financial reporting issued by the Institute of Chartered Accountants of India.

For SGCO & CO, LLP  
Chartered Accountants  
Firm Reg. No. : 112881WW100184

  
Suresh Murarka  
Partner  
Membership No. : 044739  
UDIN : 22044739AJYANJ4717



Place : Mumbai  
Date : - 30<sup>th</sup> May 2022

DF Finance Limited  
Balance Sheet as at March 31, 2022  
Currency: INR in Lakhs

Particulars	Note No.	As at March 31, 2022	As at March 31, 2021
<b>ASSETS</b>			
<b>(I) Financial assets</b>			
(a) Cash and cash equivalents	3	3,377.21	22,790.29
(b) Securities other than included in (a) above	4	2,328.51	2,064.92
(c) Receivables	5	-	-
(d) Trade receivables	6	-	-
(e) Loans	6	1,31,531.90	1,40,150.15
(f) Investments	8	6,251.57	4,525.11
(g) Other financial assets	7	2,485.94	1,134.74
		1,40,986.94	1,67,605.21
<b>(II) Non-financial assets</b>			
(a) Current tax assets (net)		269.24	217.90
(b) Deferred tax assets (net)	29	30.24	-
(c) Investment property	11	114.21	0.47
(d) Property, Plant and Equipment	13	280.11	248.12
(e) Right of use asset	13	83.75	24.77
(f) Intangible assets	12	214.62	270.37
(g) Other non-financial assets	9	1,237.42	361.01
		1,912.99	1,042.64
<b>Total Assets</b>		<b>1,42,899.93</b>	<b>1,68,647.87</b>
<b>LIABILITIES AND EQUITY</b>			
<b>LIABILITIES</b>			
<b>(A) Financial liabilities</b>			
<b>(i) Payables</b>			
(a) Trade payables and other payables		-	-
(b) Other non-current liabilities of non-current nature		-	-
(c) Short-term debt		-	-
(d) Trade receivable in respect of customers other than financial institutions and central banks (net)		-	-
(e) Other financial liabilities	18	15,116.17	11,697.54
(f) Other liabilities	14	109,442.04	11,705.89
(g) Borrowings (other than debt securitization)	15	3,081.15	3,266.71
(h) Subordinated liabilities	16	2,026.53	1,875.11
(i) Other financial liabilities		3,32,086.89	1,38,075.79
<b>(B) Non-financial liabilities</b>			
(a) Provisions	27	356.53	375.34
(b) Deferred tax liabilities (net)	20	-	27.13
(c) Other non-financial liabilities	22	99.50	112.09
		452.56	514.56
<b>EQUITY</b>			
(a) Equity share capital	17	5,245.11	5,147.00
(b) Other equity	23	13,413.88	29,852.27
		18,658.99	35,000.27
<b>Total liabilities and equity</b>		<b>1,42,899.93</b>	<b>1,68,647.87</b>
	2	0.58	0.00

Significant accounting policies and key accounting estimates and judgments:  
The accompanying notes form an integral part of the financial statements. Categories  
to go to page 48 of the file.

No. SGC 4 of 19  
Chartered Accountants  
(CA) Registration Number: 1088479/2008

per: *[Signature]*  
Partner  
Member of the Institute  
Place: Mumbai  
Date: 30 May 2022



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

CA. 1088479/2008

*[Signature]*  
Chairman  
1088479/2008

*[Signature]*  
Accountant and Director  
1088479/2008

*[Signature]*  
Chief Finance Officer  
1088479/2008

Date: 30 May 2022

**IKF Finance Limited**  
**Statement of Profit and Loss for the year ended March 31, 2012**  
 (Currency: INR in Lakhs)

Particulars	Year End	Year ended March 31, 2012	Year ended March 31, 2011
<b>Revenue from operations</b>			
(I) Interest income	15	21,099.20	20,215.71
(II) Income from commission income	12	160.71	130.02
<b>(I) Total revenue from operations</b>		<b>21,259.91</b>	<b>20,345.73</b>
(3) Other income	13	53.31	26.71
<b>(II) Total income (I + 3)</b>		<b>21,313.22</b>	<b>20,372.44</b>
<b>Expenses</b>			
(4) Finance costs	14	11,497.45	11,475.00
(5) Depreciation on financial instruments	25	541.75	547.25
(6) Employee benefits expenses	16	3,246.81	1,313.34
(7) Depreciation, amortization and impairment	17	130.70	144.14
(8) Other expenses	18	1,076.11	981.02
<b>(IV) Total expenses</b>		<b>16,482.82</b>	<b>14,459.75</b>
<b>(V) Profit before tax (II - IV)</b>		<b>4,830.40</b>	<b>5,912.69</b>
(VI) Tax expense:			
(i) Current Tax	25	1,487.34	715.95
(ii) Deferred Tax	26	(100.71)	718.34
(iii) Adjustment of tax relating to earlier periods	23	10.00	15.40
		<b>1,396.63</b>	<b>1,449.74</b>
<b>(VII) Profit for the period (V - VI)</b>		<b>3,433.77</b>	<b>4,462.95</b>
<b>(VIII) Other comprehensive income</b>			
(9) Items that will not be reclassified to profit or loss (specify items and amounts)			
(i) Remeasurement of the defined benefit plans	27	11.87	33.44
(ii) Changes in fair value of investments in equity instruments that will not be reclassified to profit or loss		12.79	13.95
(iii) Other comprehensive income / loss		8.33	10.05
<b>(X) Total comprehensive income for the period (VII + IX)</b>		<b>3,456.71</b>	<b>4,516.95</b>
<b>(XI) Dividends per share (Face value of Rs. 10 each)</b>			
Basic	28	7.10	6.75
Diluted	29	0.00	0.00

Significant accounting policies used for accounting are listed in the notes to the financial statements.  
 The accompanying notes form an integral part of the consolidated financial statements.  
 In per cent except otherwise stated.

The ICFR & Co., CP  
 Chartered Accountants  
 (Certificate no. 12052/2010-11)

Dr. Anand Mishra  
 Partner  
 Membership No. 244679

Date: 30th June 2012  
 Place: Varanasi



For and on behalf of the Board of Directors of  
 IKF Finance Limited  
 CIN: 240509/2010/PLC/0211234

*[Signature]*  
 Chairman  
 DIN: 00000000  
*[Signature]*  
 Chief Financial Officer

*[Signature]*  
 Vice-Chairman  
 DIN: 00000000  
*[Signature]*  
 Director  
 DIN: 00000000  
 IC No. 422/2011

Place: Varanasi  
 Date: 30 June 2012





## **1 Company Overview**

IFF Finance Limited ('the Company') is a public company domiciled in India and incorporated under the provision of the Companies Act, 1956. The Company was registered as a non-deposit accepting Non-Banking Financial Company ('NBFC-ND') with the Reserve Bank of India ('RBI') and classified as a Non-Banking Financial Company- Asset Finance Company ('NBFC-AFC') with effect from May 11, 2014. The Company provides finance for commercial vehicles, construction equipment and other loans.

## **2 Significant Accounting Policies**

### **2.1 Basis of preparation**

The financial statements for the year ended March 31, 2022 have been prepared by the Company in accordance with Indian Accounting Standards ("Ind AS") notified by the Ministry of Corporate Affairs, Government of India under the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) (Amendment) Rules, 2016, as amended from time to time, in this regard. Any application guidance/ clarifications/ directions issued by RBI or other regulators are implemented as and when they are issued/ applicable.

### **2.2 Presentation of Financial Statements**

The financial statements of the company are presented as per Division III of the Schedule III to the Companies Act, 2013 as amended from time to time, for Non-Banking Financial Companies ('NBFCs') that are required to comply with Ind-AS. The Statement of Cash Flows has been presented as per the requirements of Ind-AS 7 Statement of Cash Flows. An analysis regarding recovery or settlement within 12 months after the reporting date (current) and more than 12 months after the reporting date (non-current) is presented in Note 34 – Maturity analysis of assets and liabilities.

Financial assets and financial liabilities are generally reported gross in the balance sheet. They are only offset and reported net when, in addition to having an unconditional legally enforceable right to offset the recognised amounts without being contingent on a future event, the parties also intend to settle on a net basis in all of the following circumstances:

- The normal course of business
- The event of default
- The event of insolvency or bankruptcy of the Company and/or its counterparties

### **2.3 Basis of Measurement**

The financial statements have been prepared under the historical cost convention on the accrual basis except for certain financial instruments, plan assets of defined benefit plans and share based payment plans, which are measured at fair values at the end of each reporting period as explained in the accounting policies below. All amounts disclosed in the financial statements and notes have been rounded off to the nearest INR Lakhs in compliance with Schedule III of the Act, unless otherwise stated.



**2.4 Significant accounting judgments, estimates and assumptions**

The preparation of financial statements in conformity with Ind AS requires management to make judgments, estimates and assumptions that affect the reported amounts of assets and liabilities (including contingent liabilities) at the date of the financial statements and the reported amounts of revenues and expenses for the reporting period. The estimates and assumptions used in the accompanying financial statements are based upon management's evaluation of the relevant facts and circumstances as of the date of financial statements. Actual results could differ from these estimates. Any revisions to accounting estimates are recognized prospectively in the current and future periods.

Estimates and underlying assumptions are reviewed on an ongoing basis. Key sources of estimation of uncertainty at the date of financial statements, which may cause a material adjustment to the carrying amount of assets and liabilities within the next financial year are included in the following notes:

**a. Business model assessment**

Classification and measurement of financial assets depends on the results of the sole payments of principal and interest (SPI) and the business model test. The Company determines the business model at a level that reflects how groups of financial assets are managed together to achieve a particular business objective. This assessment includes judgement reflecting all relevant evidence including how the performance of the assets is evaluated and their performance measured, the risks that affect the performance of the assets and how those are managed and how the managers of the assets are compensated. Monitoring is part of the Company's continuous assessment of whether the business model for which the remaining financial assets are held continues to be appropriate and if it is not appropriate whether there has been a change in business model and so a prospective change to the classification of those assets.

**b. Effective Interest Rate (EIR) method**

The Company recognizes interest income / expense using a rate of return that represents the best estimate of a constant rate of return over the expected life of the loans given / issued.

This estimation, by nature, requires an element of judgement regarding the expected behaviour and lifecycle of the instruments, as well as expected charges to other fee income/expenses that are integral parts of the instrument.

**c. Impairment of loan portfolio**

The measurement of impairment losses on loan assets requires judgement, in estimating the amount and timing of future cash flows and recoverability of collateral values while determining the impairment losses and assessing a significant increase in credit risk.

The Company's Expected Credit Loss (ECL) calculation is the output of a complex model with a number of underlying assumptions regarding the choice of variable inputs and their interdependencies. Elements of the ECL model that are considered accounting judgements and estimates include:



- PD calculation includes historical data, benchmarking, assumptions and expectations of future conditions.
- The Company's criteria for assessing if there has been a significant increase in credit risk and to allowances for financial assets should be measured on a life-time expected credit loss and the qualitative assessment.
- The segmentation of financial assets when their ECL is assessed on a collective basis.
- Development of ICL models, including the various formulas and the choice of inputs.  
It is the Company's policy to regularly review its models in the context of actual loss experience and adjust when necessary.

The impairment loss on loans and advances is disclosed in more detail in Note 6-Loans and Note 42- Risk Management.

**6. Defined employee benefit assets and liabilities**

The cost of the defined benefit gratuity plan and the present value of the gratuity obligation are determined using actuarial valuation. 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.

**6. Fair value measurement:**

When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using various valuation techniques. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgment is required in establishing fair values. Judgments include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments.

**6. Operating leases**

**Company as a lessee:**

The Company has applied the AS 116 using the partial retrospective approach.

The Company assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. The Company applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low value assets. The Company recognizes 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.

#### **Lease liabilities**

At the commencement date of the lease, the Company recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. In calculating the present value of lease payments, the Company uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine semi-fixed payments) or a change in the assessment of an option to purchase the underlying asset.

#### **Short term lease**

The Company has elected not to recognise right of use asset and lease liabilities for short term leases of property that has lease term of 12 months or less. The Company recognises lease payment associated with these leases as an expense on a straight line basis over lease term.

### **g. Share based payments:**

Estimating fair value for share-based payment transactions requires determination of the most appropriate valuation model, which is dependent on the terms and conditions of the grant. This estimate also requires determination of the most appropriate inputs to the valuation model including the expected life of the share option, volatility and dividend yield and making assumptions about them.

## **2.5 Revenue recognition**

### **a. Interest Income on loans**

Interest income is recorded using effective interest rate (EIR) method for all financial assets measured at amortised cost.

EIR is the rate that exactly discounts the estimated future cash flows through the expected life of the financial instrument or a shorter period, where appropriate, to the gross carrying amount of the financial asset except for credit impaired asset.



The calculation of the effective interest rate includes transaction costs and fees (loan processing fees, commission paid to direct selling agents and other premiums or discounts) that are an integral part of the contract. Transaction costs include incremental costs that are directly attributable to the acquisition of financial asset.

**b. Rental Income**

Rental income arising from operating leases is recognised on a straight line basis over the lease term. In cases where the increase is in line with expected general inflation rental income is recognised as per the contractual terms.

Operating leases are leases where the Company does not transfer substantially all of the risk and benefits of ownership of the asset.

**c. Interest income on fixed deposits**

Interest on fixed deposits is recognised on a time proportion basis taking into account the amount outstanding and the applicable rate.

**d. Other income**

Other charges including application fees (penal interest, cheque bouncing charges, etc.) are recognised on realisation basis.

**2.6. Financial instruments**

Financial assets and financial liabilities are recognised in the Company's balance sheet when the Company becomes a party to the contractual provisions of the instrument.

Recognised financial assets and financial liabilities are initially measured at transaction price, which equates fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at FVTPL) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at FVTPL are recognised immediately in profit or loss.

A financial asset and a financial liability are offset and presented on net basis in the balance sheet when there is a current legally enforceable right to set-off the recognised amounts and it is intended to either settle on net basis or to realise the asset and settle the liability simultaneously.



**a. Classification and measurement of financial assets**

Based on the business model, the contractual characteristics of the financial assets and specific elections where appropriate, the Company classifies and measures financial assets in the following categories:

- Amortised cost
- Fair value through other comprehensive income ("FVOCI")
- Fair value through profit and loss ("FVTPL")

Financial assets at amortised cost

Financial assets are measured at amortised cost using the effective interest rate (EIR) if these financial assets are held within a business model whose objective is to hold these assets in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

After initial measurement and based on the assessment of the business model as asset held to collect contractual cash flows and SPPI, such financial assets are subsequently measured at amortised cost using effective interest rate (EIR) method. Interest income and impairment expenses are recognised in statement of profit and loss. Any gain or loss on derecognition is also recognised in statement of profit and loss.

The EIR method is a method of calculating the amortised cost of a financial instrument and of allocating interest over the relevant period. The EIR is the rate that exactly discounts estimated future cash flows (including all fees paid or received that form an integral part of the EIR, transaction costs and other premiums or discounts) through the expected life of the instrument, or, where appropriate, a shorter period, to the net carrying amount on initial recognition.

The Company records loans at amortised cost.

Financial assets at fair value through other comprehensive income (FVOCI)

Financial assets are measured at fair value through other comprehensive income if these financial assets are held within a business model whose objective is achieved by both collecting contractual cash flows that give rise on specified dates to sole payments of principal and interest on the principal amount outstanding and by selling financial assets.

Movements in the carrying amount of such financial assets are recognised in Other Comprehensive Income ("OCI"), except dividend income and interest income which is recognised in statement of profit and loss. Equity instruments at FVOCI are not subject to an impairment assessment.



Financial assets at fair value through profit or loss (FVTPL)

Financial assets are measured at fair value through profit or loss unless it is measured at amortised cost or at fair value through other comprehensive income on initial recognition. The transaction costs directly attributable to the acquisition of financial assets and liabilities at fair value through profit or loss are immediately recognised in profit or loss.

**b. Financial liabilities**

Financial liabilities are measured at amortised cost. The carrying amounts are determined based on the EIR method. Interest expense is recognised in statement of profit and loss. Any gain or loss on de-recognition of financial liabilities is also recognised in statement of profit and loss.

**c. Equity instruments**

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the Company is recognised at the proceeds received, net of directly attributable transaction costs.

**d. Reclassification**

Financial assets and liabilities are not reclassified subsequent to their initial recognition, apart from the exceptional circumstances in which the Company acquires, disposes of, or terminates a business line or in the period the Company changes its business model for managing financial assets.

**e. De-recognition of financial assets and financial liabilities**

**i. Financial Assets**

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is derecognised when the rights to receive cash flows from the financial asset have expired. The Company also derecognises the financial asset if it has both transferred the financial asset and the transfer qualifies for derecognition.

The Company has transferred the financial asset if, and only if, either:

- a. The Company has transferred its contractual rights to receive cash flows from the financial asset; or
- b. 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 these cash flows to one or more entities (the 'eventual recipients'), when all of the following three conditions are met:



## BP Finance Limited

Notes to the financial statements for the year ended March 31, 2022

(All amount in Rs. Lakhs, unless otherwise stated)

- i. The Company has no obligation to pay amounts to the eventual recipients unless it has collected equivalent amounts from the original asset, excluding short-term advances with the right to full recovery of the amount lent plus accrued interest at market rates.
- ii. The Company cannot sell or pledge the original asset other than as security to the eventual recipients.
- iii. The Company has to remit any cash flows it collects on behalf of the eventual recipients without material delay. In addition, the Company is not entitled to reinvest such cash flows, except for investments in cash or cash equivalents including interest earned, during the period between the collection date and the date of required remittance to the eventual recipients.

A transfer only qualifies for derecognition if either:

- i. The Company has transferred substantially all the risks and rewards of the asset, or
- ii. The Company has neither transferred nor retained substantially all the risks and rewards of the asset but has transferred control of the asset.

The Company considers control to be transferred if and only if, the transferee has the practical ability to sell the asset in its entirety to an unrelated third party and is able to exercise that ability unilaterally and without imposing additional restrictions on the transfer.

When the Company has neither transferred nor retained substantially all the risks and rewards and has retained control of the asset, the asset continues to be recognised only to the extent of the Company's continuing involvement, in which case, the Company also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.

## 8. Financial liabilities

A financial liability is derecognised when the obligation under the liability is discharged, cancelled or expires. Where an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a derecognition of the original liability and the recognition of a new liability. In this case, a new financial liability based on the modified terms is recognised at fair value. The difference between the carrying value of the original financial liability and the new financial liability with modified terms is recognised in statement of profit and loss.

## 9. Impairment of Financial Assets

The Company recognises impairment allowances for Expected Credit Loss (ECL) on all the financial assets that are not measured at FVTPL.

The ECL provision is based on the credit losses expected to arise over the life of the asset (the lifetime expected credit loss), unless there has been a significant increase in credit risk since origination, in which case, the allowance is based on the 12 months' expected credit loss.



The 12-month ECL is the portion of Lifetime ECL that represent the ECLs that result from default events on financial assets that are possible within the 12 months after the reporting date.

The Company performs an assessment, at the end of each reporting period, of whether a financial instrument's credit risk has increased significantly since initial recognition by considering the change in the risk of default occurring over the remaining life of the financial instrument.

Based on the above process, the Company categorises its loans into three stages as described below:

For non-impaired financial instruments:

- Stage 1 is consist of all non-impaired financial instruments which have not experienced a significant increase in credit risk (SICR) since initial recognition. A 12-month ECL provision is made for stage 1 financial instruments. In assessing whether credit risk has increased significantly, the Company compares the risk of a default occurring on the financial instrument as at the reporting date, with the risk of a default occurring on the financial instrument as at the date of initial recognition.
- Stage 2 is comprised of all non-impaired financial instruments which have experienced a SICR since initial recognition. The Company recognises lifetime ECL for stage 2 financial instruments. In subsequent reporting periods, if the credit risk of the financial instrument improves such that there is no longer a SICR since initial recognition, then entities shall revert to recognizing 12 months of ECL.

For impaired financial instruments:

Financial instruments are classified as stage 3 when there is objective evidence of impairment as a result of one or more loss events that have occurred after initial recognition with a negative impact on the estimated future cash flows of a loan or a portfolio of loans. The Company recognises lifetime ECL for impaired financial instruments.

The calculation of ECLs:

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

Probability of Default (PD) -

The Probability of Default is an estimate of the likelihood of default over a given time horizon. A default may only happen at a certain time over the assessed period, if the facility has not been previously derecognised and is still in the portfolio. The concept of PD is further explained in Note 42 - Risk Management.

Exposure at Default - The Exposure at Default is an estimate of the exposure at a future default date, considering expected changes in the exposure after the reporting date, including repayments of principal and interest, whether scheduled by contract or otherwise, expected drawdowns on committed facilities, and accrued interest from missed payments.



**Loss Given Default** – The Loss Given Default is an estimate of the loss arising in the case where a default occurs at a given time. It is based on the difference between the contractual cash flows due and those that the lender would expect to receive.

**Collateral Valuation**

To mitigate its credit risks on financial assets, the Company seeks to use collateral, where possible. The collateral comes in various forms, such as movable and immovable assets, guarantees, etc. However, the fair value of collateral affects the calculation of ECLs. To the extent possible, the Company uses active market data for valuing financial assets held as collateral. Other financial assets which do not have readily determinable market values are valued using other methodologies. Non-financial collateral, such as vehicles, is valued based on data provided by third parties or management judgements.

**Collateral repossessed**

In its normal course of business whenever default occurs, the Company may take possession of properties or other assets in its retail portfolio and generally disposes such assets through auction, to settle outstanding debt. Any surplus funds are returned to the customers/obligors. As a result of this practice, assets under legal repossession process are not recorded on the balance sheet.

**Write-offs**

Loans are written off either partially or in full when there is no realistic prospect of recovery. This is generally the case when it is determined that the customer does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subjected to write-offs. Any subsequent recoveries against such loans are credited to the statement of profit and loss.

**g. Determination of fair value**

On initial recognition, all the financial instruments are measured at fair value. For subsequent measurement, the Company measures certain categories of financial instruments (as explained in Note 41- Fair Value Measurement) at fair value at each balance sheet date.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- in the principal market for the asset or liability, or
- in the absence of a principal market, in the most advantageous market for the asset or liability.

The principal or the most advantageous market must be accessible by the Company.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.



A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

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

In order to show how fair values have been derived, financial instruments are classified based on a hierarchy of valuation techniques, as summarised below:

**Level 1 financial instruments** - Those where the inputs used in the valuation are unadjusted quoted prices from active markets for identical assets or liabilities that the Company has access to at the measurement date. The Company considers markets as active only if there are sufficient trading activities with regards to the volume and liquidity of the identical assets or liabilities and when there are binding and exercisable price quotes available on the balance sheet date.

**Level 2 financial instruments** - Those where the inputs that are used for valuation and are significant, are derived from directly or indirectly observable market data available over the entire period of the instrument's life. Such inputs include quoted prices for similar assets or liabilities in active markets, quoted prices for identical instruments in inactive markets and observable inputs other than quoted prices such as interest rates and yield curves, implied volatilities, and credit spreads. In addition, adjustments may be required for the condition or location of the asset or the extent to which it relates to items that are comparable to the valued instrument. However, if such adjustments are based on unobservable inputs which are significant to the entire measurement, the Company will classify the instruments as Level 3.

**Level 3 financial instruments** - Those that include one or more unobservable input that is significant to the measurement as a whole.

The Company recognises transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred. No such instances of transfers between levels of the fair value hierarchy were recorded during the reporting period.

## 2.7. Property, plant and equipment

Property, plant and equipment are carried at cost of acquisition less accumulated depreciation and accumulated impairment loss (if any). The total cost of the asset comprises the purchase price, taxes, duties, freight (net of rebates and discounts) and any other directly attributable costs of bringing the assets to their working condition for their intended use. Borrowing costs directly attributable to acquisition of those assets which necessarily take a substantial period of time to get ready for their intended use are capitalised. Advances paid towards the acquisition of assets outstanding at each balance sheet date are disclosed as other non-financial assets. The cost of assets not ready for their intended use at each balance sheet date is disclosed as capital work-in-progress.

Depreciation is provided on a straight-line method, over the estimated useful life of each asset as prescribed in Schedule II of the Companies Act, 2013 as follows:



**IKF Finance Limited**

Notes to the financial statements for the year ended March 31, 2022

(All amount in Rs. Lakhs, unless otherwise stated)

Asset	Useful Life
Building (Investment Property)	60 years
Office Equipment	5 years
Furniture and Fixture	10 years
Computers	3 years
Vehicles (Car, Lorry, Bus)	8 years
Vehicles (Bike, Moped, Cycle)	10 years
Servers	5 years

An item of property, plant and equipment, is de-recognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment, is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in profit or loss.

**2.8 Intangible assets**

Intangible assets are stated at acquisition cost, net of accumulated amortisation and accumulated impairment losses, if any. Cost comprise the purchase price and any attributable cost of bringing the asset to its working condition for its intended use.

Intangible assets are amortised on a straight line basis over their estimated useful life.

The estimated useful life of intangible assets are as follows:

Asset	Useful Life
Software	6 years

**2.9 Investment in Subsidiaries**

Ind AS 321 permits a first time adopter to measure its investment, at the date of transition, at cost determined in accordance with Ind AS 21, or deemed cost. The deemed cost of such investment shall be its fair value at the Company's date of transition to Ind AS, or Previous GAAP carrying amount at that date. The Company has elected to measure its investment in subsidiary at the Previous GAAP carrying amount as its deemed cost on the transition date.

**2.10 Impairment of non-financial assets**

Assessment is done at each balance sheet date as to whether there is any indication that an asset may be impaired. If any such indication exists, an estimate of the recoverable amount of the



asset/cash generating unit is made. Recoverable amount is higher of an asset's or cash generating unit's net selling price and its value in use. Value in use is the present value of estimated future cash flows expected to arise from the continuing use of an asset and from its disposal at the end of its useful life. For the purpose of assessing impairment, the recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. The smallest identifiable group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows from other assets or groups of assets, is considered as a cash generating unit (CGU). An asset or CGU whose carrying value exceeds its recoverable amount is considered impaired and is written down to its recoverable amount. Assessment is also done at each balance sheet date as to whether there is any indication that an impairment loss recognized for an asset in prior accounting years may no longer exist or may have decreased.

## 2.11 Employee benefits

### Defined Contribution Plan:

The Company has a defined contribution plan for post-employment benefits in the form of Provident Fund. Under the Provident Fund Plan, the Company contributes to a Government administered provident fund / recognized provident fund on behalf of the employees. The Company has no further obligation beyond making the contributions.

The Company's contributions to the above Plan are charged to the Statement of Profit and Loss.

### Defined Benefit Plan:

The Company provides for gratuity to all employees. The benefit is in the form of lump sum payments to vested employees on resignation, retirement, or death while in employment or on termination of employment of an amount equivalent to 15 days basic salary payable for each completed year of service as required under "The Payment of Gratuity Act, 1972". Vesting occurs upon completion of five years of service.

The cost of providing benefits under the defined benefit plan is determined using the projected unit credit method.

Remeasurements, comprising of actuarial gains and losses, the effect of the asset ceiling, and the return on plan assets (excluding amounts included in net interest in the net defined benefit liability), are recognized immediately in the balance sheet with a corresponding debit or credit to retained earnings through OCI in the period in which they occur. Remeasurements are not reclassified to statement of profit and loss in subsequent periods.

Net interest is calculated by applying the discount rate to the net defined benefit liability or asset. The Company recognises the following changes in the net defined benefit obligation as an expense in the statement of profit and loss:

- Service costs comprising current service costs, past-service costs, gains and losses on curtailments and non-routine settlements; and
- Net interest expense or income



An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, these liabilities are highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

#### Other Employee Benefits:

The employees of the Company are entitled to compensated absence and deferred compensation as per the policy of the Company, the liability in respect of which is provided, based on an actuarial valuation carried out by an independent actuary as at the year end. The actuarial valuation method used by the independent actuary for measuring the liability is the Projected Unit Credit Method.

Actuarial gains and losses comprise experience adjustments and the effects of changes in the actuarial assumptions are recognized immediately in the Statement of Profit and Loss in the year in which they arise.

Accumulated compensated absences, which are expected to be availed or encashed within 12 months from the end of the year are treated as short term employee benefits. Unutilised leave balance that accrues to employees as at the year end is charged to the Statement of Profit and Loss on an undiscounted basis.

#### 2.12 Income Taxes

Income-tax expense comprises of current tax (i.e. amount of tax for the period determined in accordance with the income-tax law) and deferred tax charge or credit (reflecting the tax effects of timing differences between accounting income and taxable income for the period). Income-tax expense is recognized in the statement of profit and loss except to the extent that it relates to items recognized directly in equity or in OCI.

##### (a) Current tax

Current tax is measured at the amount expected to be paid to the tax authorities in accordance with the Income Tax Act, 2001, enacted in India. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date.

Current tax assets and liabilities are offset only if, the Company

- has a legally enforceable right to set off the recognized amounts; and
- intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously.

##### (b) Deferred tax

Deferred tax is recognized in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes.



Deferred tax assets are reviewed at each reporting date and based on management's judgement, are reduced to the extent that it is no longer probable that the related tax benefit will be realised, such reductions are reversed when the probability of future taxable profits improve.

Unrecognised deferred tax assets are reassessed at each reporting date and recognised to the extent that it has become probable that future taxable profits will be available against which they can be used.

Deferred tax is measured at the tax rates that are expected to be applied to temporary differences, when they reverse, using tax rates enacted or substantively enacted at the reporting date.

The measurement of deferred tax reflects the tax consequences that would follow from the manner in which the Company expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets and liabilities are offset only if the Company:

- has a legally enforceable right to set off current tax assets against current tax liabilities; and
- the deferred tax assets and the deferred tax liabilities relate to income taxes levied by the same taxation authority.

### **2.13 Provision and contingencies**

A provision is recognised when the Company has a present obligation as a result of past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period. The discount rate used to determine the present value is a pre-tax rate that reflects current market assessments of the real value of money and the risks specific to the liability. The increase in the provision due to the passage of time is recognised as finance cost.

A contract is considered as onerous when the expected economic benefits to be derived by the Company from the contract are lower than the unavoidable cost of meeting its obligations under the contract.

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Company or a present obligation that is not recognised because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognised because it cannot be measured reliably. The Company does not recognise a contingent liability but discloses its existence in the financial statements.

### **2.14 Earnings per share**

The Company reports basic and diluted earnings per share in accordance with Indian Accounting Standard 33 - "Earnings Per Share". Basic earnings per share is calculated by dividing the net



profit or loss after tax for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year. Diluted earnings per share reflects the potential dilution that could occur if securities or other contracts to issue equity shares were exercised or converted during the year. Diluted earnings per share is computed by dividing the net profit after tax attributable to the equity shareholders for the year by weighted average number of equity shares considered for deriving basic earnings per share and weighted average number of equity shares that could have been issued upon conversion of all potential equity shares.

#### **2.15 Cash and cash equivalent**

For the purpose of presentation in the statement of cash flows, cash and cash equivalent includes cash on hand, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value, and bank overdrafts.

#### **2.16 Statement of cash flows**

Cash flows are reported using the indirect method, whereby net profit before tax is adjusted for the effects of transactions of non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the Company are segregated.

#### **2.17 Share based payments**

The cost of equity settled transactions is determined by the fair value at the date when the grant is made using an appropriate valuation model.

The fair value determined at the grant date of the equity settled share based payments is expensed on a straight line basis over the vesting year, based on the Company's estimate of equity instruments that will eventually vest, with a corresponding increase in equity. At the end of each reporting year, the Company reviews its estimate of the number of equity instruments expected to vest. The impact of the revision of the original estimates, if any, is recognised in Statement of Profit and Loss such that the cumulative expenses reflects the revised estimate, with a corresponding adjustment to the Share Based Payments Reserve.

#### **2.18 Statutory Reserve**

In accordance with section 45-4C of the RBI Act, 1934, the Company creates a reserve fund and transfers therein a sum not less than twenty per cent of its net profit every year as disclosed in the Statement of Profit and loss before any dividend is declared.



**IBF Finance Limited**

 Notes to financial statements for the year ended 31.12.2021  
 (Amounts in KSh only)

**1 Cash and cash equivalents**

Particulars	At 31 March 31, 2021	At 31 March 31, 2020
Cash in hand	6,42	51,39
Deposits with banks in current accounts	1,011,24	1,005,74
<b>Total</b>	<b>1,017,66</b>	<b>1,057,13</b>

**2 Cash balances after deduction of cash equivalents**

Particulars	At 31 March 31, 2021	At 31 March 31, 2020
Deposits with banks in the name of bank as savings money*	2,209,46	2,064,42
<b>Total</b>	<b>2,209,46</b>	<b>2,064,42</b>

\* Represents savings money deposits placed in bank term loans from banks, financial institutions and is not intended for conversion into cash/other transactions.

**3 Receivables**

Particulars	At 31 March 31, 2021	At 31 March 31, 2020
3 Trade receivables		
Trade receivables developed - Unsecured	-	-
Trade receivables secured	-	-
<b>Total</b>	<b>-</b>	<b>-</b>

\* No trade receivables are held as collateral in the name of the Company either personally or through any other person or firm here or elsewhere in respect of any liability of the Company, a director or a shareholder.

**4 Loans (at Amortised cost)**

Particulars	At 31 March 31, 2021	At 31 March 31, 2020
4 Term loans		
4.1 Commercial bank borrowings	1,41,98,71	1,41,98,71
4.2 Bank overdraft	48,09	60,00
<b>Total</b>	<b>1,42,46,80</b>	<b>1,42,58,71</b>
4.3 Investment in subsidiaries	1,18,42	1,18,42
<b>Total - Net of impairment loss allowance</b>	<b>1,42,65,22</b>	<b>1,43,77,13</b>
4.4 Accrued interest assets*	1,01,60,00	1,01,60,00
4.5 Trade receivables	-	-
4.6 Current tax (Government/Corporation)	-	-
4.7 Dividend	-	-
<b>Total</b>	<b>1,43,66,82</b>	<b>1,45,37,13</b>
4.8 Investment in subsidiaries	5,78,07	1,18,42
<b>Total - Net of impairment loss allowance</b>	<b>1,49,44,89</b>	<b>1,46,55,55</b>
4.9 Trade receivables		
4.10 Other	1,55,58,07	1,41,60,00
<b>Total</b>	<b>1,55,58,07</b>	<b>1,41,60,00</b>
4.11 Investment in subsidiaries	1,18,42	1,18,42
<b>Total - Net of impairment loss allowance</b>	<b>1,56,76,49</b>	<b>1,42,78,42</b>
4.12 Cash in hand	1,01,60,00	1,01,60,00
4.13 Loans receivable		
<b>Total</b>	<b>1,57,78,07</b>	<b>1,43,80,00</b>
4.14 Investment in subsidiaries	1,18,42	1,18,42
<b>Total - Net of impairment loss allowance</b>	<b>1,58,96,49</b>	<b>1,45,00,00</b>

\* Represents the accrued interest on term loans, bank overdraft and investment in subsidiaries.

**5 The table below shows the quantities and the amounts in respect of each risk factor for the commodity price and foreign exchange. The values are stated at the end of the reporting period.**

Particulars	At 31 March 31, 2021	At 31 March 31, 2020
Foreign exchange		
Buy	1,14,00,00	92,80,00
Sell	6,00,00	10,00,00
Buy	1,49,00,00	1,21,00,00
<b>Total</b>	<b>1,69,00,00</b>	<b>1,02,80,00</b>



**CP Finance Limited**

Notes to financial statements for the year ended March 31, 2022  
(Continued) - RM in million

**4.1 Movement of loans for the year ended March 31, 2022:**

Particulars	Stage 1	Stage 2	Stage 3	Total
<b>Loans carrying amount as at April 1, 2021</b>				
Term loans	8,204.23	96,862.29	4,275.96	1,05,342.48
Staff loans	43.83	-	-	43.83
New loans originated during the year				
Term loans	8,263.43	1,383.17	129.44	9,676.04
Staff loans	0.22	-	-	0.22
Inter-stage movements:				
Transfers to Stage 1	17,029.91	(17,029.91)	891.50	-
Transfers to Stage 2	(6,714.42)	6,849.61	(751.42)	-
Transfers to Stage 3	9,474.60	(9,474.60)	(2,333.84)	-
Accounts written off	-	-	(84.12)	(84.12)
Term loans	180.28	(183,644)	(284.18)	(183,547.90)
Staff loans	-	-	-	-
Loans reclassified as non-performing assets (including write-offs)				
Term loans	(86,113.07)	(14,124.36)	1,622.13	(1,00,615.30)
Staff loans	(21.39)	-	-	(21.39)
<b>Loans carrying amount as at March 31, 2022</b>				
Term loans	1,29,826.82	81,388.22	4,898.15	1,16,513.19
Staff loans	22.64	-	-	22.64

**4.2 Movement of loans for the year ended March 31, 2021:**

Particulars	Stage 1	Stage 2	Stage 3	Total
<b>Loans carrying amount as at April 1, 2020</b>				
Term loans	8,248.28	44,851.24	5,895.75	59,995.27
Staff loans	26.80	-	-	26.80
New loans originated during the year				
Term loans	42,708.71	1,113.19	(29.71)	43,592.19
Staff loans	-	-	-	-
Inter-stage movements:				
Transfers to Stage 1	10,524.71	(10,524.71)	269.26	-
Transfers to Stage 2	(64,150.04)	27,327.03	(277.12)	-
Transfers to Stage 3	1,811.97	(1,899.49)	6,648.47	-
Accounts written off	-	-	(86.08)	(86.08)
Term loans	1,018.71	(921.82)	(258.18)	(1,011.29)
Staff loans	-	-	-	-
Loans reclassified as non-performing assets (including write-offs)				
Term loans	(24,126.76)	(13,823.18)	1,133.73	(36,816.21)
Staff loans	(6.75)	-	-	(6.75)
<b>Loans carrying amount as at March 31, 2021</b>				
Term loans	82,884.27	56,788.46	4,275.96	1,43,948.69
Staff loans	49.85	-	-	49.85

**4.3 Movement of term loans during the year ended March 31, 2022:**

Particulars	Stage 1	Stage 2	Stage 3	Total
<b>Loans carrying amount as at April 1, 2021</b>	448.75	4,644.47	4,275.96	9,369.18
New loans originated during the year	14,257.71	18.41	80.41	14,356.53
Inter-stage movements:				
Transfers to Stage 1	654.22	(623.11)	(71.29)	-
Transfers to Stage 2	(311.46)	169.51	184.54	-
Transfers to Stage 3	(1.92)	29.41	19.96	-
Accounts written off	-	-	(84.12)	(84.12)
Loans reclassified as non-performing assets (including write-offs)				
Term loans	(181.81)	(1,117.28)	1,166.63	(132.46)
Staff loans	-	-	-	-
<b>Loans carrying amount as at March 31, 2022</b>				
Term loans	866.26	464.47	4,275.96	5,806.69

**4.4 Movement of term loans during the year ended March 31, 2021:**

Particulars	Stage 1	Stage 2	Stage 3	Total
<b>Loans carrying amount as at April 1, 2020</b>	654.22	1,164.24	1,457.70	3,276.16
New loans originated during the year	378.81	211.78	24.91	615.50
Inter-stage movements:				
Transfers to Stage 1	998.81	(1,144.34)	(177.10)	-
Transfers to Stage 2	(293.28)	899.15	167.43	-
Transfers to Stage 3	(23.42)	(111.17)	75.21	-
Accounts written off	(6.44)	(11.61)	(85.81)	(103.86)
Loans reclassified as non-performing assets (including write-offs)				
Term loans	(181.81)	(1,117.28)	1,166.63	(132.46)
Staff loans	-	-	-	-
<b>Loans carrying amount as at March 31, 2021</b>				
Term loans	1,242.47	1,284.47	1,279.28	3,806.22



**IG Finance Limited**

Interim Financial statements for the year ended March 31, 2021

(Continued) (Amount in Lakhs)

**F Other Financial Assets**

Particulars	As at March 31, 2021	As at March 31, 2020
Term and money deposit	117.70	140.70
Debt and equity instrument (FVTPL) securities	1,109.21	781.74
Other financial assets (non-current)	160.96	211.18
<b>Total</b>	<b>1,387.87</b>	<b>1,133.62</b>

**F Investments**

Particulars	As at March 31, 2021	As at March 31, 2020
Investment in Equity instruments		
(a) Additional 30 lakh		
of Equity Shares of ₹100/- each of	6,720.00	6,720.00
of M/s. The First Finance of		
Private Limited, 3,36,00,000 Equity Shares of Rs. 20/- each, ₹1,37,84,000 Equity Shares of Rs. 1.75/-		
per share (March 31, 2021) 3,76,36,000 Equity Shares of Rs. 20/- each (July 2020)		
<b>Total (a)</b>	<b>6,720.00</b>	<b>6,720.00</b>
(b) Investment in Debt		
(i) Investment in Debt	6,150.00	6,150.00
(ii) Investment in Debt		
<b>Total (b)</b>	<b>6,150.00</b>	<b>6,150.00</b>

\* In accordance with the Amendment to the Share Purchase Agreement dated March 11, 2021 received on October 20, 2020, the company has subscribed to the 30,00,000 Equity Shares of Rs. 100/- each at a premium of Rs. 100.00 per share in 30 Tranche Tranche being the 100% of the 30,00,000.

Further, the company, subscribed to the 30,00,000 Equity Shares of Rs. 100/- each (30,00,000) in 30 Tranche Tranche being the 100% of the 30,00,000 (March 31, 2021).

Further, the company subscribed to the 30,00,000 Equity Shares of Rs. 100/- each (30,00,000) in 30 Tranche Tranche being the 100% of the 30,00,000 (March 31, 2021).

Further, the company subscribed to the 30,00,000 Equity Shares of Rs. 100/- each (30,00,000) in 30 Tranche Tranche being the 100% of the 30,00,000 (March 31, 2021).

**G Other Non-Financial Assets**

Particulars	As at March 31, 2021	As at March 31, 2020
Prepaid expenses	224.16	26.07
Advances to related parties	1.10	9.10
Other non-current	495.98	120.12
Other non-current (non-current)	505.06	155.29
<b>Total</b>	<b>1,226.30</b>	<b>310.58</b>



**IKF Finance Limited**

Notes to financial statements for the year ended March 31, 2022

(Currency: INR in lakhs)

**10. Property, plant and equipment**

Particulars	Furniture and Fixtures	Computer & Printer	Office equipment	Vehicles	Total	Right to Use Assets
<b>Gross carrying amount</b>						
As at March 31, 2020	245.17	74.55	11.26	75.51	406.39	155.78
Additions	25.35	8.09	-	-	33.45	0.50
Disposals	-	(3.68)	-	-	(3.68)	(3.22)
As at March 31, 2021	270.52	81.96	11.26	75.51	439.26	160.25
Additions	28.52	34.05	-	-	62.57	0.92
Disposals	-	(3.25)	-	-	(3.25)	(1.97)
As at March 31, 2022	299.04	112.76	11.26	75.51	500.48	169.39
<b>Accumulated depreciation and impairment:</b>						
As at March 31, 2020	62.67	44.11	1.26	23.75	131.99	75.23
Depreciation for the year	33.58	17.36	1.18	11.61	64.95	35.22
Disposals	-	(3.20)	-	-	(3.20)	(10.96)
As at March 31, 2021	96.45	61.27	2.44	35.36	195.64	100.39
Depreciation for the year	36.58	17.62	1.76	11.69	67.93	15.17
Disposals	-	(3.20)	-	-	(3.20)	(3.69)
As at March 31, 2022	133.03	75.69	4.20	47.05	260.37	121.64
<b>Net book value:</b>						
As at March 31, 2020	182.50	30.44	7.99	51.76	272.40	80.55
As at March 31, 2021	174.07	20.70	8.82	39.95	243.52	59.77
As at March 31, 2022	166.01	37.07	7.06	28.46	238.60	47.75

Note: The Company has not realized any of its property, plant and equipment during the years ended March 31, 2022 and March 31, 2021. Hence the amount of change in gross and net carrying amount due to resolution and impairment losses/reversals is nil.



**HF Finance Limited**

Interim financial statements for the year ended March 31, 2022

(Currency: MYR in million)

**12 Investment Property**

Particulars	Kulimaya	2020/21	Total
Assets carrying amounts			
As at March 31, 2020	5.98	-	5.98
Acquisitions	-	-	-
Disposals	-	-	-
As at March 31, 2021	5.98	-	5.98
Acquisitions	-	124.31	124.31
Disposals	-	(118.28)	(118.28)
As at March 31, 2022	5.98	106.03	112.01
As at March 31, 2020	0.34	-	0.34
Depreciation for the year	(0.17)	-	(0.17)
Disposals	-	-	-
As at March 31, 2021	0.17	-	0.17
Depreciation for the year	(0.17)	-	(0.17)
Disposals	-	-	-
As at March 31, 2022	0.00	-	0.00
Net book value			
As at March 31, 2020	5.64	-	5.64
As at March 31, 2021	5.81	-	5.81
As at March 31, 2022	5.98	106.03	112.01

3) Amounts recognised in Statement of Profit and Loss for Investment Property

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Net rental income	7.03	6.38
Direct operating expense from property that generated rental income	-	-
Profit from investment properties before depreciation	7.03	6.38
Depreciation	(6.13)	(6.13)
Profit from investment properties	0.90	0.25

**34 Contractual Obligations**

The Company has no contractual obligations to purchase, construct or develop investment property. However, the responsibility for its repair, maintenance or enhancement is with the Company.

**35 Pledged Assets**

Investment properties are pledged in favor of conventional bank overdraft bank for cash credit facility.

**36 Fair Value of Investment Property**

The fair value of investment property is determined by qualified valuers given by the local government of the area where the investment properties are located.

**37 Impairment**

The Company has not reviewed any of investment property during the year ended March 31, 2022 and March 31, 2021. Hence, the amount of impairment losses and profit arising from sale of investment and impairment losses/reversals is nil.



**RF Finance Limited**

Notes to financial statements for the year ended March 31, 2022

(Amounts in Rupees)

**12. Intangible assets**

Particulars	Computer in Rupees
<b>Gross carrying amount</b>	
As at March 31, 2020	238.34
Additions	31.20
Disposal	-
As at March 31, 2021	270.34
Additions	37.54
Disposal	-
As at March 31, 2022	297.78
<b>Accumulated amortization and impairment</b>	
As at March 31, 2020	58.85
Contribution for the year	30.02
Disposal	-
As at March 31, 2021	98.87
Contribution for the year	41.70
Disposal	-
As at March 31, 2022	140.57
<b>Net book value</b>	
As at March 31, 2020	179.49
As at March 31, 2021	171.47
As at March 31, 2022	157.21

Note: The Company has not disposed any of its intangible assets during the years ended March 31, 2022 and March 31, 2021. Hence, the amount of change in gross and net carrying amount for contribution and impairment disclosed separately.



**ICI Finance Limited**

Notes to financial statements for the year ended March 31, 2012

(Currency: US Dollars)

**13. Debt Securities**

Particulars	As at March 31, 2012	As at March 31, 2011
<b>Unsecured debt</b>		
Secured		
Non-convertible debentures	11,368.58	11,820.12
Unsecured		
Fixed non-convertible debentures	2,218.22	2,781.22
Commercial Paper	-	-
<b>Total</b>	<b>13,586.80</b>	<b>14,601.34</b>
<b>Debt Secured</b>		
Mortgage notes	15,108.47	13,487.24
Auto loans	-	-
<b>Total</b>	<b>15,108.47</b>	<b>13,487.24</b>

**Notes to assets**
**Non-convertible debentures (secured)**

Non-convertible debentures are issued by an individual company or by a trust or other institution of the kind provided and managed or provided for by a trust or other institution in addition to their primary business.

The Company has either fully collateralized these loans and loans to individuals for the specific purposes which they were issued.

The Company has borrowed from banks and has used securities in the form of letters of credit from a bank to secure its obligations of current assets with banks and banks of its holding and the said securities are in a agreement with banks of account.

**Terms of repayment of Debt securities as on March 31, 2012**

Original maturity term	Unsecured debt	Secured - 1 year		Secured - 2 to 5 years		Unsecured - 5 years		Total
		No. of Instruments	Amount (US \$)	No. of Instruments	Amount (US \$)	No. of Instruments	Amount (US \$)	
<b>Monthly repayment schedule</b>								
1-3 Years								
<b>Quarterly repayment schedule</b>								
1-3 Years	8,704,682.00							
	10,019,11,200							
	11,019,11,200							
	12,019,11,200	2	100.00	2				200.00
<b>Bullet repayment schedule</b>								
1-3 Years	8,176,550.00	1	1,750.00	1	5,700.00			7,450.00
	8,176,550.00	100	1,800.00	1	6,500.00			8,300.00
	10,019,11,200							
	12,019,11,200							
<b>Total</b>			1,850.00		11,200.00			13,050.00
Auto loan term without collateral								150.00
Auto Loan term with collateral								1,250.00
<b>Total Auto term cost</b>			1,850.00		11,200.00			13,100.00

**Terms of repayment of Debt securities as on March 31, 2011**

Original maturity term	Unsecured debt	Secured - 1 year		Secured - 2 to 5 years		Unsecured - 5 years		Total
		No. of Instruments	Amount (US \$)	No. of Instruments	Amount (US \$)	No. of Instruments	Amount (US \$)	
<b>Monthly repayment schedule</b>								
1-3 Years								
<b>Quarterly repayment schedule</b>								
1-3 Years	8,076,750.00	1	1,750.00	1	1,200.00			2,950.00
	10,019,11,200							
	12,019,11,200							
	13,019,11,200	8	1,100.00	5	500.00			1,600.00
<b>Bullet repayment schedule</b>								
1-3 Years	8,176,550.00	1	91,000.00					91,000.00
	8,176,550.00			1	1,800.00			1,800.00
	10,019,11,200	2	800.00					1,600.00
	12,019,11,200			1	1,800.00			1,800.00
<b>Total</b>			91,800.00		13,200.00			105,000.00
Auto Loan term without collateral								150.00
Auto Loan term with collateral								25,000.00
<b>Total Auto term cost</b>			91,800.00		13,200.00			105,000.00



**IFP Finance Limited**

Notes to financial statements for the year ended March 31, 2020

(Amount in Lakhs INR)

**14 Borrowings (other than debt accounted)**

Particulars	As at March 31, 2020	As at March 31, 2019
<b>Amount raised</b>		
Term loans (Secured)		
From banks	14,000.00	10,800.00
From non-banking financial companies	1,000.00	1,400.00
From financial institutions	5,000.00	800.00
Term deposits in term bank (Secured)		
Cash credit from bank	10,000.00	10,000.00
Advances and loans in support of investment activities	30.00	1,000.00
<b>Total</b>	<b>29,030.00</b>	<b>23,000.00</b>
<b>Net borrowings</b>		
At the end of the year	1,000.00	23,000.00
<b>Total</b>	<b>1,000.00</b>	<b>23,000.00</b>

**Details of security**

**Term loans (Secured)**

The Term Loans from banks, financial institutions and NBFCs are secured by way of hypothecation of the plant and machinery and out of the term deposits and cash credit held by way of bank mortgage and mortgage of immovable assets of the bank in favour of their secured creditors.

**Term deposits in secured bank**

The Term Deposits are secured against the first priority charge on current assets, bank cash and bank balance including term deposits of the company in part of the agreement, further, the term loans are guaranteed by personal guarantee of the directors and the company of 99.34% (2019: 99.34%) (99.34% & 99.34%) respectively.

The company has secured the loans from banks and financial institutions for the specific purpose for which they were borrowed.

The Deposits from business banks, financial and finance institutions are in the form of security of term deposits. The Term Deposits are secured by way of cash credit from banks and financial institutions and the collateral in form of term deposits held with the banks.

**Term deposits of business bank (as at March 31, 2020)**

Original maturity date	Interest rate	As at the end of year		As at the end of 12th month		As at the end of 24th month		Total
		No. of instruments	Amount (in Lakhs)	No. of instruments	Amount (in Lakhs)	No. of instruments	Amount (in Lakhs)	
<b>Monthly repayment schedule</b>								
12th Year	8.75% - 9.00%	4	1,000.00	-	-	-	-	1,000.00
	11.25% - 12.00%	11	8,000.00	11	8,000.00	-	-	16,000.00
	14.25% - 15.00%	24	7,000.00	25	22,000.00	-	-	29,000.00
	17.25% - 18.00%	25	1,000.00	11	1,000.00	-	-	2,000.00
	19.25% - 21.00%	14	800.00	-	-	-	-	800.00
\$1,000,00,000	20	1,000.00	-	-	-	-	1,000.00	
<b>Quarterly repayment schedule</b>								
18th Year	12.25% - 13.00%	-	-	-	-	-	-	-
	14.25% - 15.00%	-	-	-	-	-	-	-
	17.25% - 18.00%	40	8,000.00	10	10,000.00	-	-	18,000.00
	19.25% - 21.00%	12	1,000.00	10	1,000.00	-	-	2,000.00
	\$1,000,00,000	7	200.00	-	-	-	-	200.00
\$1,000,00,000	-	-	-	-	-	-	-	
<b>Total</b>			<b>20,000.00</b>		<b>30,000.00</b>			<b>50,000.00</b>
As at interest accrued but not due								100.00
As at interest provisioned								100.00
<b>Total (As at March 31, 2020)</b>			<b>20,100.00</b>		<b>30,100.00</b>			<b>50,100.00</b>

**Term deposits of business bank (as at March 31, 2019)**

Original maturity date	Interest rate	As at the end of year		As at the end of 12th month		As at the end of 24th month		Total
		No. of instruments	Amount (in Lakhs)	No. of instruments	Amount (in Lakhs)	No. of instruments	Amount (in Lakhs)	
<b>Monthly repayment schedule</b>								
12th Year	8.75% - 9.00%	4	1,000.00	-	-	-	-	1,000.00
	11.25% - 12.00%	11	13,100.00	11	14,000.00	-	-	27,100.00
	14.25% - 15.00%	25	1,000.00	40	10,000.00	-	-	11,000.00
	17.25% - 18.00%	24	1,000.00	11	1,000.00	-	-	2,000.00
	19.25% - 21.00%	14	1,000.00	-	-	-	-	1,000.00
\$1,000,00,000	20	1,000.00	-	-	-	-	1,000.00	
<b>Quarterly repayment schedule</b>								
18th Year	12.25% - 13.00%	-	-	-	-	-	-	-
	14.25% - 15.00%	-	-	-	-	-	-	-
	17.25% - 18.00%	20	10,000.00	14	10,000.00	100	10,000.00	30,000.00
	19.25% - 21.00%	11	1,000.00	10	1,000.00	-	-	2,000.00
	21.25% - 22.00%	4	1,000.00	5	1,000.00	-	-	2,000.00
\$1,000,00,000	-	-	-	-	-	-	-	
<b>Total</b>			<b>16,000.00</b>		<b>31,000.00</b>			<b>47,000.00</b>
As at interest accrued but not due								100.00
As at interest provisioned								100.00
<b>Total (As at March 31, 2019)</b>			<b>16,100.00</b>		<b>31,100.00</b>			<b>47,100.00</b>



**ICF Finance Limited**

Notes to financial statements for the year ended March 31, 2022

(Currency - Sri Lanka Rupee)

**15 Subordinated liabilities**

Particulars	As at March 31, 2022	As at March 31, 2021
Unsecured - All amortised cost		
- Six convertible debentures (Term 1)	4,577.21	4,500.44
- Indus Finance Loan from banks (Term 1)	1,498.25	1,488.38
<b>Total</b>	<b>6,075.46</b>	<b>5,988.82</b>
<b>Subordinated liabilities:</b>		
- Warrant notes	6,075.46	5,988.79
- Other loan notes	-	-
<b>Total</b>	<b>6,075.46</b>	<b>5,988.79</b>

**Terms of repayment of subordinated liabilities as on March 31, 2022**

Original maturity date	Interest rate	Due within 1 year		Due between 2 to 5 Years		Due more than 5 Years		Total
		No. of Installments	Amount (Rs. Lakhs)	No. of Installments	Amount (Rs. Lakhs)	No. of Installments	Amount (Rs. Lakhs)	
<b>Warrant instrument schedule</b>								
1-7 Years	11.51% - 12.50% NPL 3.0%	1	3,500.00	2	4,500.00	-	-	8,000.00
<b>Total</b>					4,500.00			4,500.00
<b>Add - Interest accrued but not due</b>								17.17
<b>Less - Unamortised Finance Cost</b>								(14.42)
<b>Total Amortised Cost</b>								4,502.75

**Terms of repayment of subordinated liabilities as on March 31, 2021**

Original maturity date	Interest rate	Due within 1 year		Due between 2 to 5 Years		Due more than 5 Years		Total
		No. of Installments	Amount (Rs. Lakhs)	No. of Installments	Amount (Rs. Lakhs)	No. of Installments	Amount (Rs. Lakhs)	
<b>Warrant instrument schedule</b>								
1-7 Years	11.51% - 12.50% NPL 3.0%	-	-	1	1,500.00	-	-	1,500.00
		-	-	1	1,000.00	1	2,000.00	4,500.00
<b>Total</b>					2,500.00		2,000.00	4,500.00
<b>Add - Interest accrued but not due</b>								17.17
<b>Less - Unamortised Finance Cost</b>								(23.32)
<b>Total Amortised Cost</b>								4,493.85



**WFO Group Limited**

Interim financial statements for the period ended 31 March 2021  
(Unaudited)

**16 Other financial liabilities**

Particulars	RMB	
	March 31, 2021	March 31, 2020
Lease liabilities	11.61	25.69
Provision for doubtful accounts	241.75	601.79
Provision payable	4.41	7.08
Other payables	255.17	251.17
Expected credit loss allowance	301.41	601.91
Provision for doubtful accounts / accounts receivable	1,014.73	1,832.94
<b>Total</b>	<b>2,849.43</b>	<b>3,375.42</b>

**17 Provisions**

Particulars	RMB	
	March 31, 2021	March 31, 2020
Provision for doubtful	121.20	130.45
Provision for lease liabilities	184.57	165.09
<b>Total</b>	<b>305.77</b>	<b>295.54</b>

**18 Other non-current liabilities**

Particulars	RMB	
	March 31, 2021	March 31, 2020
Guarantee deposits	61.50	111.88
<b>Total</b>	<b>61.50</b>	<b>111.88</b>



25. Equity share capital

Particulars	2022		As at March 31, 2021	
	Number	Amount	Number	Amount
<b>Authorised Capital</b>				
Equity shares of INR 10 each	6,00,00,000	6,000.00	6,00,00,000	6,000.00
Preference shares of INR 100 each	25,00,000	2,500.00	25,00,000	2,500.00
	<b>6,25,00,000</b>	<b>8,500.00</b>	<b>6,25,00,000</b>	<b>8,500.00</b>
<b>Issued, subscribed and fully paid up shares</b>				
Equity Shares of INR 10 each fully paid up	4,78,79,129	4,787.94	4,78,79,129	4,787.94
Converted from Fully Paid to Fully Paid Equity Shares	51,75,000	517.50	-	-
	<b>5,30,54,129</b>	<b>5,305.44</b>	<b>4,78,79,129</b>	<b>4,787.94</b>
<b>Issued, subscribed and fully paid up shares</b>				
Preference Shares of INR 100 each, Fully paid up INR 10 on share	11,70,000	1,170.00	11,70,000	1,170.00
Partly paid up INR 100 on share in March 2021	113,79,000	11,379.00	-	-
Converted to fully Paid Equity Shares	-	-	11,70,000	1,170.00
	<b>113,79,000</b>	<b>11,379.00</b>	<b>11,70,000</b>	<b>1,170.00</b>
<b>Total</b>	<b>5,44,33,129</b>	<b>5,424.44</b>	<b>5,16,49,129</b>	<b>5,957.94</b>

A. Reconciliation of number of shares

Particulars	As at March 31, 2021		As at March 31, 2022	
	Number	Amount	Number	Amount
<b>Fully paid equity shares of INR 10 each</b>				
In the beginning of the year	4,78,79,129	4,787.94	4,78,79,129	4,787.94
Shares issued during the year	51,75,000	517.50	-	-
Converted from Fully Paid to Fully Paid Equity Shares	-	-	51,75,000	517.50
Outstanding at the end of the year	<b>5,30,54,129</b>	<b>5,305.44</b>	<b>4,78,79,129</b>	<b>4,787.94</b>
<b>Partly paid up equity shares of INR 100 equity partly paid up INR 10 on share</b>				
Partly paid up INR 100 on share in March 2021	113,79,000	11,379.00	11,70,000	1,170.00
In the beginning of the year	-	-	113,79,000	11,379.00
Amount called/issued during the year	51,75,000	5,175.00	-	-
Converted to Fully Paid Equity Shares	-	-	51,75,000	5,175.00
Outstanding at the end of the year	<b>51,75,000</b>	<b>5,175.00</b>	<b>11,70,000</b>	<b>1,170.00</b>

Notes:

1. Terms/links attached to Equity Shares

The Company has only one class of equity shares having par value of INR 10 per share fully paid up. Each holder of equity shares is entitled to one vote per share. It is voted in Indian Rupees. The dividend if and when proposed by the Board of Directors will be subject to the consent of the holders in the ordinary general meeting.

In the event of liquidation of the Company, its equity shareholders will be entitled to receive remaining assets of the Company after deduction of all preferential as the number of equity shares held by the shareholders.



**RF Finance Limited**

Notice to Financial statements for the year ended March 31, 2022

(Continued - Not audited)

**C. Details of shareholding (holding more than 1% of equity shares in the Company)**

Name of shareholder	As at March 31, 2022		As at March 31, 2021	
	No. of shares held	% Holding	No. of shares held	% Holding
<b>Equity shares of INR 10 each fully paid up</b>				
Vipulraj Gopala Kishan Prasad	1,97,43,136	20.89%	1,58,75,000	22.89%
India Business Development Trust II	1,30,51,548	28.78%	1,10,11,548	27.49%
Vinaya ITD (India) Limited (Shareholder known as Vinaya ITD Trust Company Limited) (Trustee of Business Development Trust II - India Business Development Fund II)	75,00,000	16.62%	75,00,000	21.48%
Vignesh Venkatesh Desai	24,47,265	5.02%	21,31,185	5.45%
<b>Equity Shares of INR 10 each, partly paid up (INR 5.00 per share in March 2022)</b>				
Vipulraj Gopala Kishan Prasad	-	-	8,21,241	6.02%
Vignesh Venkatesh Desai	-	-	1,11,580	3.16%
Devendra Kishan Lal Bahadur	-	-	4,81,877	3.58%
Vipulraj Gopala Kishan Prasad	-	-	5,51,470	4.20%
Vignesh Venkatesh Desai	-	-	3,21,140	2.42%

As per the records of the Company, including the register of shareholders and other declarations received from shareholders regarding their true interest, the above shareholding represents both legal and beneficial ownership of shares.

**D. Shareholding of promoters**

Shareholder by name as at the end of the year	As at March 31, 2022			As at March 31, 2021		
	No. of shares	% of Total Shares	% Change during the year	No. of shares	% of Total Shares	% Change during the year
<b>A. Equity shares of INR 10 each fully paid up *</b>						
Vipulraj Gopala Kishan Prasad	1,97,43,136	21.89%	28.26%	1,58,75,000	22.89%	11.05%
Vipulraj Gopala Kishan Prasad	35,46,242	3.23%	24.21%	18,14,062	2.75%	0.00%
Vignesh Venkatesh Desai	25,47,265	2.75%	24.21%	21,31,185	4.41%	0.00%
Devendra Kishan Lal Bahadur	44,05,154	4.75%	24.21%	30,09,117	4.21%	0.00%
Vipulraj Gopala Kishan Prasad	18,05,000	1.97%	24.21%	14,49,400	1.94%	0.00%
Vignesh Venkatesh Desai	14,94,130	1.64%	0.57%	14,94,400	1.71%	0.00%
Vinaya ITD (India) Limited	1,17,100	0.12%	0.00%	1,17,400	0.21%	0.00%
<b>B. Equity Shares of INR 10 each partly paid up (INR 5.00 per share in March 2022) *</b>						
Vipulraj Gopala Kishan Prasad	-	0.00%	-0.00%	31,05,820	4.70%	0%
Vipulraj Gopala Kishan Prasad	-	0.00%	-0.00%	1,21,240	1.22%	0%
Vignesh Venkatesh Desai	-	0.00%	0.00%	1,95,880	1.94%	0%
Devendra Kishan Lal Bahadur	-	0.00%	-0.00%	4,80,877	5.38%	0%
Vipulraj Gopala Kishan Prasad	-	0.00%	-0.00%	1,00,000	1.00%	0%

\* Partly paid shares are fully paid and converted to fully paid equity shares.

**E. Aggregate number of equity shares issued for cash (other than cash during the initial 5 year period) immediately preceding the reporting period**

Particular	As at	As at	As at	As at	As at
	March 31, 2022	March 31, 2021	March 31, 2020	March 31, 2019	March 31, 2018
Equity shares of INR 10 each, fully paid up, effected on conversion of INR 5.00 - 100% Convertible convertible preference shares of INR 10 each, fully paid up.	-	-	-	105.21	-



**OP Finance Limited**

Notes to Financial statements for the year ended 31/03/2022

(Amount in KSh)

**35. Other equity**

Particular	Year March 31, 2021	Year March 31, 2022
Capital reserve	8590	1251
Reserve for contingencies	10,076.17	1,000.00
Share based payment reserve	26.12	10.91
Statutory Reserve under section 21(4) of the Income Tax Act, 2004	4,594.95	4,124.74
General reserve	1,125.48	1,709.42
Retained earnings	19,692.71	11,576.11
<b>Total</b>	<b>21,695.43</b>	<b>20,442.29</b>

**Nature and purpose of reserve**

**a. Capital reserve**

The reserve was created to reserve the income arising from the opportunity to exercise the stock options granted through the share purchase plan. The reserve value increases by recording the capital reserve with a corresponding debit to shareholders.

**b. Statutory premium reserve**

The reserve for premium reserve is used to record the premium received on issue of shares. The reserve can be utilized only for the purpose of issue with a balance of shares that is a reserve requirement of the Companies Act, 2015.

**c. Statutory reserve**

Reserve created under Section 21(4) of the Income Tax Act, 2004

**d. Share based payment reserve**

The share based payment reserve is used to record the premium fair value of shares issued to employees of the Company in exchange for services rendered under stock option scheme of the Company.

**e. Retained earnings**

Retained earnings represent the accumulated earnings of the Company and are available for distribution to shareholders.

**36. Reserve in Other equity**

Particulars	Year March 31, 2021	Year March 31, 2022
<b>I. Capital Reserve</b>		
Opening balance	1251	8590
Add: Share based payment for year		1000
		<b>9590</b>
<b>II. Statutory premium reserve</b>		
Opening balance	9,960.28	9,185.18
Add: Premium received on issue of new shares	114.89	819.19
	<b>10,075.17</b>	<b>10,004.37</b>
<b>III. Share based payment reserve</b>		
Opening balance	26.12	10.91
Add: Share based payment for year	0.71	12.00
	<b>26.83</b>	<b>22.91</b>
<b>IV. Statutory Reserve under section 21(4) of the Income Tax Act, 2004</b>		
Balance of March 31, 2020	4,594.95	4,124.74
Opening balance	454.95	451.12
Add: Transfer from Retained earnings	4,140.00	3,673.62
	<b>4,594.95</b>	<b>4,124.74</b>
<b>V. General Reserve</b>		
Opening balance	1,125.48	1,000.00
Add: Transfer from Retained earnings	69.94	709.11
	<b>1,225.42</b>	<b>1,709.11</b>
<b>VI. Retained earnings</b>		
Opening balance	19,692.71	11,186.59
Add: Profit for the year	4,070.14	1,100.11
Add: Other comprehensive income	8.29	10.88
Appropriations	(6,040)	(486.12)
Transfer to Statutory Reserve under section 21(4) of the Income Tax Act, 2004	(151.91)	(111.53)
Transfer to Capital Reserve	10,222.81	(1,000.00)
<b>Total</b>	<b>21,695.43</b>	<b>20,442.29</b>



2023 Financial Statements

Notes to Financial Statements for the year ended March 31, 2023  
(Amount in \$ thousands)

22. Financial income

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
On financial assets measured at amortized cost:		
Interest on loans	22,717.57	21,051.21
Interest on deposits with banks	171.87	214.88
<b>Total</b>	<b>22,889.44</b>	<b>21,266.09</b>

23. Fees and commission income

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Other fees and charges	122.11	127.94
<b>Total</b>	<b>122.11</b>	<b>127.94</b>

24. Other income

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Income on mortgage refinancing	-	7.58
Income on equity	7.83	0.76
Income on other income	15.18	2.21
<b>Total</b>	<b>23.01</b>	<b>10.55</b>

25. Finance cost

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
On financial liabilities measured at amortized cost:		
Interest on deposits	75.18	84.21
Interest on borrowings	2,871.45	2,681.38
Interest on demand and saving liabilities	-	-
Interest on other loans	2,721.89	2,377.53
Interest on subordinated liabilities	800.06	442.27
Interest on bonds	261.95	191.57
Interest on other liabilities	1.11	4.77
Interest on lease liabilities	425.13	1,222.82
Interest on other liabilities	9.37	6.36
Other finance cost	169.24	428.24
<b>Total</b>	<b>4,513.42</b>	<b>3,850.86</b>

26. Impairment on financial assets at cost

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
On financial assets measured at amortized cost:		
Loans	122.17	161.57
Other receivables	112.21	1.88
Due from other entities	342.21	2,671.39
<b>Total</b>	<b>576.59</b>	<b>2,834.84</b>

27. Impaired benefits expense

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Salaries and wages	2,394.24	2,252.58
Contributions to provident and other funds	105.92	150.61
Share (SOE) dividend to shareholders	18.78	17.98
Staff welfare expenses	16.01	35.23
Other	14.28	11.09
Lease impairment	47.22	60.81
<b>Total</b>	<b>2,616.45</b>	<b>2,528.30</b>



21. Other income, amortisation and impairment

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Debit interest income, short and long term	85.00	104.33
Debit interest on treasury financing	0.07	0.07
Amortisation of intangible assets	40.70	108.81
<b>Total</b>	<b>125.77</b>	<b>213.21</b>

22. Other expenses

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Staff	320.31	468.36
Office rent/office cost	40.06	33.80
Traveling and conveyance	102.51	74.02
Repairs and maintenance	121.81	137.13
Insurance	3.84	7.92
Utilities	12.22	16.94
Depreciation and Amortization	88.40	28.57
Professional expenses	28.58	23.94
Printing and stationery	32.47	41.25
Advertisement, publicity and other promotion expenses	3.36	4.88
Donations	28.94	21.06
Legal and professional fees	138.29	107.55
Corporate social responsibility (CSR) (i)	76.51	238.38
Corporate social responsibility (CSR) (ii)	1.58	-
Loss on sale of investment property	0.33	-
Miscellaneous expenses	16.87	15.13
<b>Total</b>	<b>1,068.51</b>	<b>987.27</b>

23. Payment to the auditors

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Auditor's remuneration		
- Audit fees	21.88	31.50
- Other reports	-	-
- Consultant services	0.85	9.70
- Cost of Goods Sold (CGS)	0.16	1.08
<b>Total</b>	<b>22.89</b>	<b>42.28</b>

24.2. Corporate social responsibility

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
(i) Amounts required to be spent by the company during the year	88.81	88.26
(ii) Amount of expenditure incurred		
- (a) Corporate social responsibility (CSR) (i)	-	-
- (b) Corporate social responsibility (CSR) (ii)	88.81	345.58
(iii) Shortfall at the end of the year	-	-
(iv) Total of previous year shortfall	-	361.33
Other financial	-	-
(v) Amount for financial	NA	NA
(vi) Amount of CSR activities	Corporate social responsibility and projects	Corporate social responsibility and projects
(vii) Details of activities carried out by IGF Finance Ltd. in FY 2021-22 are as follows:-		
(a) The company is committed to CSR and has been actively engaged in CSR activities during the year.		
(b) The company is committed to CSR and has been actively engaged in CSR activities during the year.		
(c) The company is committed to CSR and has been actively engaged in CSR activities during the year.		
(d) The company is committed to CSR and has been actively engaged in CSR activities during the year.		
(e) The company is committed to CSR and has been actively engaged in CSR activities during the year.		
(f) The company is committed to CSR and has been actively engaged in CSR activities during the year.		
(g) The company is committed to CSR and has been actively engaged in CSR activities during the year.		
(h) The company is committed to CSR and has been actively engaged in CSR activities during the year.		
(i) The company is committed to CSR and has been actively engaged in CSR activities during the year.		
(j) The company is committed to CSR and has been actively engaged in CSR activities during the year.		
(k) The company is committed to CSR and has been actively engaged in CSR activities during the year.		
(l) The company is committed to CSR and has been actively engaged in CSR activities during the year.		
(m) The company is committed to CSR and has been actively engaged in CSR activities during the year.		
(n) The company is committed to CSR and has been actively engaged in CSR activities during the year.		
(o) The company is committed to CSR and has been actively engaged in CSR activities during the year.		
(p) The company is committed to CSR and has been actively engaged in CSR activities during the year.		
(q) The company is committed to CSR and has been actively engaged in CSR activities during the year.		
(r) The company is committed to CSR and has been actively engaged in CSR activities during the year.		
(s) The company is committed to CSR and has been actively engaged in CSR activities during the year.		
(t) The company is committed to CSR and has been actively engaged in CSR activities during the year.		
(u) The company is committed to CSR and has been actively engaged in CSR activities during the year.		
(v) The company is committed to CSR and has been actively engaged in CSR activities during the year.		
(w) The company is committed to CSR and has been actively engaged in CSR activities during the year.		
(x) The company is committed to CSR and has been actively engaged in CSR activities during the year.		
(y) The company is committed to CSR and has been actively engaged in CSR activities during the year.		
(z) The company is committed to CSR and has been actively engaged in CSR activities during the year.		



**IFF Finance Limited**

Interim financial statements for the year ended March 31, 2022

Currency: Sri Lanka Rupee

28 December 2021

**Statement of Income**

Particulars	For period	For period
	March 31, 2022	March 31, 2021
	Rs.	Rs.
Current tax		
Provision for current tax	1,491.04	108.14
Adjustment for current tax of the prior period	0.00	0.00
Balance nil	1,491.04	108.14
Deferred tax		
Current tax (expense) / income	12.94	98.44
Provision for current tax of the prior period	(115.00)	791.11
Balance nil	(102.06)	798.55
Income tax expense (including relating to the reclassification of other comprehensive income (OCI))	9.70	11.15
Income tax expense for the year (Rs. '000)	1,500.74	1,017.84

**Other income**

The other components of other income will be prepared in accordance with IFRS for the year ended March 31, 2022

Particulars	For period	For period	For period	For period
	March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021
	Rs.	Rs.	Rs.	Rs.
Deferred tax credit				
Provision of current tax related to the payment of provision for the current year but allowed for tax purposes in prior periods	12.94	11.15	0.70	77.11
Provision of current tax related to the reclassification of other comprehensive income	941.10	801.10	-	817.25
Provision of current tax related to the disposal of other comprehensive income charged to the Board of Directors	1.00	1.00	-	6.78
Provision of current tax related to the disposal of other comprehensive income	0.71	13.78	-	7.51
Other items	1.15	(1.15)	-	6.11
Other	-	-	-	-
Nil	700.80	700.80	0.70	788.76
Current tax addition				
Impact of introduction of provision for current tax	1,000.00	1.00	-	127.00
Impact of current tax expense and addition	99.99	99.99	-	11.00
Impact of current tax expense and contribution to provision	500.00	(1,000.00)	-	873.00
Current tax expense for the year (Rs. '000)	700.99	700.99	-	960.00
Other	6.00	6.00	-	1.71
Nil	706.99	706.99	-	961.71
Current tax expense (Rs. '000)	917.73	917.73	0.70	791.81



**NET Finance Limited**

Notes to financial statements for the year ended March 31, 2022

Currency: naira (₦)

The major non-current assets and liabilities are measured at fair value at the year end March 31, 2022.

Particulars	March 31, 2021	Reclassified as per 2022	December 31, 2021	For reference March 31, 2022
<b>Revised Tax assets</b>				
Amount of expenses charged to the statement of profit & loss in the current year but allowed for in the statement of profit & loss	1047	1115	0.00	90.00
Amount of provision for expenses not due or due	191.82	200.80	-	200.80
Amount of provision for expenses not due or due	1.90	0.00	-	0.00
Provision of losses under the AT 120	1.82	0.11	-	4.70
Current tax payable	4.41	2.80	-	7.70
Others	0.00	0.00	-	-
<b>(ii)</b>	<b>642.61</b>	<b>613.60</b>	<b>0.00</b>	<b>294.50</b>
<b>Deferred Tax Assets</b>				
Amount of amortisation of premium on acquisition of	100.24	0.00	-	100.00
Goodwill & intangible assets and liabilities	40.49	44.89	-	50.00
Amount of provision for general and special dividend	271.31	220.64	-	607.07
Revised tax assets recognised on long term assets	68.52	20.54	-	74.42
Others	-	6.34	-	0.00
<b>(iii)</b>	<b>470.56</b>	<b>291.47</b>	<b>-</b>	<b>781.59</b>
<b>Deferred Tax liability (net of A&amp;D)</b>	<b>340.42</b>	<b>288.76</b>	<b>0.00</b>	<b>371.10</b>

**(2) Taxation of other income**

Particulars	Tax credit / March 31, 2022 / ₦	Tax credit / March 31, 2021 / ₦
Trusts (2021) for 2021 (2020) (2021) (2020)	4,477.38	4,420.27
Corporate Income Tax (2021)	20,276	20,276
Capital Gains Tax (2021)	1,903.94	1,112,049
<b>Tax effected:</b>		
Effect of provisions on tax income	10,142	10,142
Effect of provisions on tax credit available to determine liability on tax	20,134	10,142
Effect of provisions on tax	-	-
Adjustments regarding tax of prior years	20,220	40,490
Others	(2,402)	2,160
<b>NET TAX EXPENSE</b>	<b>1,793.80</b>	<b>1,029.14</b>



## IFF Finance Limited

Notes to financial statements for the period ended March 31, 2022

Currency: INR in Lakhs

### 30 Corporate Benefits

#### a. Defined contribution plan (provident fund)

The company contributes to Provident Fund and Mutual Funds from 01st April, 2012. Employees of the Company are entitled to receive benefits under the provident fund, a defined contribution plan, in which both the employee and the Company contribute towards a defined fund. These contributions are made to a registered provident fund administered by Regional Provident Fund Commissioner. The employees contribute 10% of their basic salary and the Company contributes an equal amount.

The balance outstanding at 31.03.2022 amounts to INR 1,01,26,100 (Rs. 101.26 Lakhs) for provident fund and other provident funds for the financial year ended.

#### b. Defined benefit plan - Gratuity

The Company has a defined benefit gratuity plan (Gratuity). This plan is subject to certain conditions for payment of gratuity to eligible employees on cessation of employment and is a defined benefit plan (defined benefit plan) for which a separate fund is established to meet its obligations as per The Payment of Gratuity Act, 1972.

The following table summarizes the components of net benefit expense recognized in the statement of profit and loss and the funded status and amounts recognized in the balance sheet for the periods ended:

Particulars	Year March 31, 2022	Year March 31, 2021
Expense related to obligation (a)	102.27	118.61
Net change in obligations (b)	-	-
Expense related to obligation (a-b)	102.28	118.61

Particulars	Year March 31, 2022	Year March 31, 2021
Change in expense to be settled in the next 12 months	9.51	7.84
Change in expense to be settled beyond 12 months	112.77	110.77

#### Measurement of net defined benefit liability

The following table shows a reconciliation from the opening to closing of the liability (asset) for net defined benefit (asset) liability for the periods ended:

Particulars	Defined benefit liability		Fair value of plan assets		Net defined benefit liability/asset	
	Year ended March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021
Opening liability	228.65	296.82	-	-	228.65	296.82
Current service cost	17.16	39.82	-	-	17.16	39.82
Interest cost (income)	-	-	-	-	-	-
Expected return on plan assets	7.28	6.15	-	-	7.28	6.15
Defined benefit cost (income) in P&L	24.44	46.07	-	-	24.44	46.07
Other components of income	-	-	-	-	-	-
Actuarial gain/loss (gain/loss) in OCI	-	-	-	-	-	-
Change in actuarial liability	24.44	46.07	-	-	24.44	46.07
Change in net defined benefit liability	253.09	342.89	-	-	253.09	342.89
Closing liability	253.09	342.89	-	-	253.09	342.89



**Actual performance**

The following gives the principal actual performance of the reporting entity:

Particulars	As at March 31, 2022	As at March 31, 2021
Revenue (a)	9,476	9,410
Finance expense (net)	4,026	3,285
With/without/(with) finance related contingencies	3,076	3,126
Merchandise (as % of total (2022: 31) or (2021: 30))	100.00%	100.00%
Dividends (a)	3,076	3,076
<b>Capital employed average remaining working days for employees</b>	<b>18,377 (a)</b>	<b>22,200 (a)</b>

**Notes:**

(a) The above figures represent actual values and do not include timing and currency of benefit payments. It is based on the year's / rate available in applicable month even the current actual results.

(b) The index provided (the "index") shows to the Company's best estimate of an increase in salary of its employees in future years, depending on the general level of inflation, economic conditions, past experience and other relevant factors such as demand and supply (employment) market, etc.

(c) Dividends refer to actual value represents the Company's total income of a employee to cover its future other than an account of retirement, disability, termination, severance, gratuity, and other benefits, etc.

**Sensitivity analysis**

Assuming no other changes in the reporting data in case of the relevant actual performance, taking other assumptions constant, would have affected the interest benefit obligation by the amounts stated below:

Particulars	As at March 31, 2022		As at March 31, 2021	
	Increase	Decrease	Increase	Decrease
Interest expense (a) - (b)	182.58	318.20	109.44	205.25
	1.00%	-4.50%	3.40%	-4.70%
Finance rate (a) - (b)	194.85	310.33	89.19	185.07
	-0.50%	1.00%	-0.05%	1.40%
Interest rate (a) - (b)	122.87	113.80	122.23	110.41
	0.05%	-0.20%	-0.20%	0.20%

The above table is prepared on the defined benefit obligation at the reporting date and is derived by substituting one assumption which holding other parameters constant. There may be changes from the practice across the methods and assumptions underlying the reported values.

**General fund contributions**

The fund General Contributions for the Company during the two years ended as follows:

**General fund equity - Working days**

Monthly Profit of Working days contributions	
Year 1	8,142
Year 2	11,198
Year 3	11,148
Year 4	10,148
Year 5	11,021
Year 6	12,177
Year 7	10,171
Year 8	9,171
Year 9	9,171
Year 10	10,171

The weighted average number of 20,128 (a) or 20,128 (a) (a)

**Contingent liabilities**

The following provides information on contingent liabilities as at the reporting date (as of reporting date) which method based on estimate of value:

Particulars	As at March 31, 2022	As at March 31, 2021
Provision value of Contingent liabilities	294.27	113.24
Contingent liability with the balance of Profit and Loss	616.2	46.88



**BF Finance Limited**

Notes to financial statements for the year ended March 31, 2022

Currency: NIS in millions

**11. Earnings per share**

Particulars	As at	As at
	March 31, 2022	March 31, 2021
Profit for the year	4,598.84	5,098.51
Weighted average number of equity shares used in calculating basic earnings per share	515.24	602.87
Effect of potential dilutive Equity Shares on account of unexercised employee stock options	0.23	0.33
Weighted average number of equity shares and potential equity shares used in calculating diluted earnings per share	515.01	603.20
Basic earnings per share	8.92	8.46
Diluted earnings per share	8.96	8.24

**12. Segregated Reporting**

Operating expenses that are reported as a separate line item with the related reporting provided to the Chief Operating Decision Maker ("CODM") of the Company. The CODM, who is responsible for allocating resources and assessing performance of the reporting segments, has been identified as the Board of Directors of the Company. The Company operates only in one business segment (i.e. banking), hence the nature of the costs are not fixed to underwrite sales and related activities, hence they are collectively classified under a single segment. Accordingly, the Company does not have any reportable segments as per Indian Accounting Standard ("AS") 108 "Segment Reporting".



**IKF Finance Limited**

Notes to financial statements for the year ended March 31, 2022

(Continued from page 14)

**22 Transfer of financial assets****Transfer of financial assets that are not derecognized in their entirety****(i) Securitization**

The Company uses securitization as a source of finance. Such transactions generally result in the transfer of contractual cash flows from portfolios of financial assets to holders of issued debt securities. Securitization has resulted in the continued recognition of the securitized assets.

The table below outlines the carrying amounts and fair values of all financial assets transferred that are not derecognized in their entirety and associated liabilities.

Particulars	As at	As at
	March 31, 2022	March 31, 2021
Carrying amount of transferred assets measured at amortized cost	1,181.13	11,444.97
Carrying amount of associated liabilities	371.71	9,812.65

The carrying amount of these assets and liabilities is a reasonable representation of their fair values.

**Transfer of financial assets which qualify for derecognition in their entirety****(i) Assignment transaction**

The Company has sold loans and advances measured at amortized cost under subprime debt, in a series of finance. As per the terms of these debts, their substantial risks and rewards related to these debts were transferred to the buyer, the assets have been derecognized from the Company's balance sheet.

The gain arising on said transactions are received upfront by derecognizing the future cash flows arising in the form of difference of interest on such assigned loan to their present values.

The table below summarizes the carrying amount of the Gross Interest Spread (GIS) receivable on above transactions which are derecognized.

Particulars	As at	As at
	March 31, 2022	March 31, 2021
Carrying amount of GIS receivable	1,450.17	501.71



**IKF Finance Limited**

Notes to financial statements for the year ended March 31, 2022

(Amount in Lakhs)

**34. Liquidity analysis of assets and liabilities**

The table below shows an analysis of assets and liabilities entered according to when they are expected to be received or paid for

Particulars	As at March 31, 2022			As at March 31, 2021		
	Within 12 months	After 12 months	Total	Within 12 months	After 12 months	Total
<b>ASSETS</b>						
Financial assets						
Cash and cash equivalents	3,972.21	-	3,972.21	32,793.58	-	32,793.58
Investments other than cash and cash equivalents	1,716.45	312.86	2,029.31	1,812.43	3,151.25	4,963.68
Receivables	-	-	-	-	-	-
(i) Trade receivables	-	-	-	-	-	-
(ii) Other receivables	85,14.88	90,832.52	1,56,325.40	39,399.43	82,186.53	1,45,121.25
Prepayments	-	6,152.50	6,152.50	-	3,725.33	3,725.33
Other financial assets	1,173.25	6,771.13	7,944.38	731.87	289.87	1,021.74
<b>Sub-total</b>	<b>75,500.80</b>	<b>98,044.31</b>	<b>1,68,565.14</b>	<b>75,221.61</b>	<b>86,129.88</b>	<b>1,61,251.49</b>
Non-financial assets						
Current tax assets (net)	283.08	-	283.08	217.31	-	217.31
Deferred tax assets (net)	33.24	33.24	66.48	-	-	66.48
Investment Property	134.31	134.31	268.62	-	6.47	6.47
Property, plant and equipment	363.81	363.81	727.62	-	215.52	215.52
Right to use assets	22.73	22.73	45.46	-	34.79	34.79
Other non-financial assets	254.54	254.54	509.08	-	170.57	170.57
Other non-financial assets	2.33	1,003.13	1,005.46	30.31	115.30	145.61
<b>Sub-total</b>	<b>1,185.45</b>	<b>1,814.26</b>	<b>2,999.71</b>	<b>247.62</b>	<b>346.48</b>	<b>594.10</b>
<b>Total assets</b>	<b>76,686.25</b>	<b>1,00,208.25</b>	<b>1,77,894.55</b>	<b>75,469.23</b>	<b>86,476.36</b>	<b>1,61,945.59</b>
<b>LIABILITIES AND EQUITY</b>						
<b>LIABILITIES</b>						
Financial liabilities						
Payables						
(i) Trade payables and other payables						
(ii) Total outstanding dues of creditors of nature other than bank and other financial institutions						
(iii) Total outstanding dues of creditors other than banks, financial institutions and other payables						
Bank borrowings	3,096.42	21,487.15	24,583.57	22,857.81	22,820.34	45,678.15
Borrowings (Other than Bank Secured)	45,337.63	43,635.24	1,08,972.87	33,145.23	24,672.00	57,817.46
Secured financial liabilities	3,337.27	4,466.88	7,804.15	37.33	3,961.06	3,998.39
Other financial liabilities	1,856.65	221.46	2,078.11	2,287.26	281.66	2,568.92
<b>Sub-total</b>	<b>73,428.44</b>	<b>69,809.68</b>	<b>1,43,238.14</b>	<b>78,527.63</b>	<b>51,511.26</b>	<b>1,30,038.89</b>
Non-financial liabilities						
Current tax liabilities (net)	-	-	-	-	-	-
Provisions	26.76	276.61	303.37	23.14	248.75	271.89
Deferred tax liabilities (net)	-	-	-	-	21.12	21.12
Other non-financial liabilities	69.30	69.30	138.60	73.28	-	73.28
<b>Sub-total</b>	<b>136.06</b>	<b>345.91</b>	<b>481.97</b>	<b>116.52</b>	<b>270.87</b>	<b>387.39</b>
<b>Total liabilities</b>	<b>73,564.50</b>	<b>70,155.59</b>	<b>1,43,720.09</b>	<b>78,644.15</b>	<b>51,782.13</b>	<b>1,30,426.28</b>



**INF Finance Limited**

Notes to financial statements for the year ended March 31, 2022

(Currency: INR in lakhs)

**35. Changes in liabilities arising from financing activities**

Particulars	As at March 31, 2021	Cash Flows (in ₹)	Others (in ₹)*	As at March 31, 2022
Subordinated liabilities	1,230.80	-	33.62	1,264.42
Debt securities	31,617.54	(17,850.00)	(561.48)	29,195.47
Borrowing other than debt securities	91,715.90	25,530.55	5,933.61	1,03,179.06
	<b>1,261,404.64</b>	<b>(17,469.53)</b>	<b>(5,498.94)</b>	<b>1,238,436.17</b>

Particulars	As at Mar & 31, 2020	Cash Flows (in ₹)	Others (in ₹)*	As at March 31, 2021
Subordinated liabilities	1,400.18	(500.00)	50.04	899.82
Debt securities	1,188.73	27,200.00	978.17	29,467.91
Borrowing other than debt securities	99,150.17	1,180.04	(8,517.00)	85,795.93
	<b>1,05,739.08</b>	<b>27,880.04</b>	<b>(8,166.96)</b>	<b>1,25,459.96</b>

\* Others column includes the effect of accruals for not paid interest on borrowing, amortisation of premium fees and such things from issue/buyback etc.



## IF Finance Limited

Notes to financial statements for the year ended March 31, 2022

Currency: MYR (RM)

### 35. Employee Stock Option Plan (ESOP)

The Company had granted 5,67,240 Equity shares (face value of RM 1.00 each) under Employee Stock Option Plan 2015 on June 22, 2015 to the employees of IF Finance Limited. The shares will vest gradually and making of these shares is dependent on continued employment with the company.

#### A. Expenses arising from stock based payment transactions

Your expenses arising from equity-settled share-based payment transaction recognized in profit or loss as part of employee benefit expense for the year ended March 31, 2022 is RM 1,02,020 (2021: RM 51,070).

#### B. Movement during the year

The following table indicates the number and weighted average exercise prices (WAP) of EOP and movements in share options during the year:

Particulars	As at March 31, 2022	As at March 31, 2021	As at March 31, 2021	As at March 31, 2021
	Number	WAP	Number	WAP
Outstanding at 1 April	2,56,092.00	110.00	4,75,000.00	120.00
Granted during the year	-	-	-	-
Forfeited during the year	2,50,590.00	120.00	1,10,000.00	120.00
Exercised during the year	-	-	-	-
Expired during the year	2,00,000.00	110.00	1,58,910.00	120.00
Outstanding at 31 March	65,502.00	110.00	71,090.00	120.00
Not exercisable at 31 March	-	-	-	-

No share options granted during the year. No options were vested or exercised during the year.

The weighted average remaining contractual life for the share options outstanding as at March 31, 2022 is 0.78 years (March 31, 2021: 1.28 years).

The weighted average fair value of options granted during the year ending March 31, 2020 was 14.71.

#### C. Fair value of vesting award

The weighted average fair value of options granted during the year ending March 31, 2022 was 14.75. The fair value of options was determined using the Black-Scholes Model using the following inputs as follows:

Particulars	As at March 31, 2022	As at March 31, 2021
Weighted average fair value at the measurement date	14.75	14.71
Expected volatility (%)	0.30%	1.30%
Risk-free interest rate (%)	4.50%	4.20%
Expected life of share options (years)	1.00 years to 1.50 years	1.00 years to 1.50 years
Discounted average share price (%)	123.00	125.00

The expected price volatility is based on the historical volatility based on the remaining life of the option(s), adjusted for any material changes to future volatility due to M & A or possible information.



## IKF Finance Limited

Notes to financial statements for the year ended March 31, 2022  
(Continued)

### 27 Contingent liabilities and commitments

In the ordinary course of business, the Company issues debts and securities by various parties. The Company assess such debts and securities and extent of the legal involvement on an ongoing basis, with the assistance of external legal counsel, whenever necessary. The Company records a liability for any claims where a potential loss is probable and capable of being estimated and disclosure requirements in its financial statements, if material. For potential losses that are considered possible, but not probable, the Company provides disclosure in the financial statements but does not record a liability in its accounts unless the loss becomes probable.

The Company believes that the outcome of these proceedings will not have a material adverse effect on the Company's financial position and results of operations.

#### 27.1 Contingent liability

There are no Contingent Liabilities as on March 31, 2022 (March 31, 2021: Nil).

#### 27.2 Commitment

There are no commitments as on March 31, 2022 (March 31, 2021: Nil).



## IFC Finance Limited

Notes to Financial Statements for the year ended March 31, 2022

General / All Rights Reserved

### 26. Leases

#### Contract as a contract

The Company's lease contracts generally consist of lease for office spaces. The Company assesses whether a contract contains a lease, or a portion of a contract, is a lease if the contract conveys through its terms the use of an identifiable asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether: (i) the contract involves the use of an identified asset (ii) the Company has substantially all of the economic benefits from use of the asset through the term of the lease and (iii) the Company has the right to direct the use of the asset.

As the date of commencement of the lease, the Company recognizes a right-of-use asset ("ROU") and a corresponding lease liability for all lease arrangements unless it is a short-term lease, with a term of twelve months or less, from lease inception. For these short-term leases, the Company recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease.

Certain lease arrangements include the option to extend or terminate the lease before the end of the lease term. ROU assets will be leased liabilities reduced from options when it is reasonably certain that they will be exercised.

The right-of-use assets are initially recognized at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease and any other costs that are incurred. Their carrying amounts are measured at depreciated cost less accumulated impairment and expense reductions.

As a result assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset. Right-of-use assets are subjected to impairment whenever events or changes in circumstances indicate that the carrying amount of the asset exceeds its recoverable amount. The amount of impairment being the recoverable amount is the higher of the fair value less cost to sell and the value-in-use. In addition, impairment losses are reversed when the asset does not generate cash flows that are largely independent of those from other assets or cash flows. The recoverable amount is determined for the Cash Generating Unit (CGU) to which the asset belongs.

The lease liability is initially measured at present value of the promised future lease payments. The lease payments are determined using the rates at which the Company could obtain financing at the commencement date of the lease. Lease liabilities are measured with a corresponding adjustment for the effect of the lease of the Company design to account for variable lease payments as an expense over the lease term.

Following are the changes in the carrying value of right-of-use assets:

	As at March 31, 2022	As at March 31, 2021
Right-of-use assets	18.77	43.05
Depreciation	4.82	6.28
Impairment	(3.14)	(5.14)
Disposal	2.67	(28.22)
Depreciation	13.18	34.27

The following is the breakdown in lease liabilities:

Particulars	As at March 31, 2022	As at March 31, 2021
Balance at the beginning	28.08	18.21
Interest	4.87	7.51
Payments (net amount during the period)	(1.12)	4.17
Repayment of lease liability term	(21.91)	(15.24)
Balance at the end	10.92	15.65

The table below provides details regarding the contractual maturities of lease liabilities as an unaffiliated entity:

Particulars	As at March 31, 2022	As at March 31, 2021
Less than 1 year	2.16	3.78
Over 1 year to 1 year 6 months	1.78	2.34
Over 1 year 6 months to 2 year	1.13	17.05
Over 2 year to 5 years	9.85	46.49
Over 5 years	6.6	28.05

The following are the security recognized in statement of profit or loss:

Particulars	As at March 31, 2022	As at March 31, 2021
Depreciation expense of right-of-use assets	18.17	39.12
Interest expense of lease liabilities	2.12	4.71
Expenses relating to short-term leases	(1.01)	(61.58)
Total expense recognized in profit or loss	19.28	22.25

#### Future Commitments

Particulars	As at March 31, 2022
Future contractual lease payments for office the lease of about 100 sq ft, remained	

#### Extension / Termination Options

Some of the lease contracts mentioned and included a contract break option and early lease cancellation. In the absence of the lease term only the expense or non-termination can be accounted with reasonable certainty. In this case, those terms are not explicitly included in the recognition of lease liabilities as at March 31, 2022.



**IKF Finance Limited**

Notes to financial statements for the year ended March 31, 2022

(Continued from page 10)

**38 Capital Management**

The primary objectives of the Company's capital management policy are to ensure that the Company complies with externally imposed capital requirements in its regulated and maintains strong credit rating and healthy capital ratios in order to support its business and to maximize shareholder value.

The Company manages its capital structure and makes adjustments to it according to changes in economic conditions and the risk characteristics of its activities. In order to maintain or adjust the capital structure, the Company may adjust the amount of dividend payment to shareholders, return capital to shareholders or issue senior securities. No changes have been made to the objectives, policies and processes from the previous year. However, they are under constant review by the Board.

No changes have been made to the objectives, policies and processes from the previous year. However, they are under constant review by the Board.

**39 Analytical Ratios**

Particulars	FY 21 March 31, 2021		FY 22 March 31, 2022		% Variation	Request for Variation Statement 2019
	Numerator	Denominator	Numerator	Denominator		
Capital to Total Weighted Assets Ratio (CWAR)	39,672.67	113,794.91	24.11%	29.69%	3.88%	NA
Tier I CRAR	31,297.67	113,794.91	21.15%	25.52%	3.36%	NA
Tier II CRAR	4,185.04	113,794.91	2.18%	3.17%	1.00%	NA
Liquidity Coverage Ratio			NA	NA		

Note: As per the Master Direction - Non-Banking Financial Company - Systemically Important Non-Deposit Taking Company and Deposit Taking Company (Reserve Bank) Directions, 2019, liquidity coverage ratio is not applicable on the company.



## IKF Finance Limited

Notes to financial statements for the year ended March 31, 2022

Currency: INR (₹)

### 40. Fair Value Measurement

#### A. Valuation Principles

The value is the price that would be received in an arm's length sale or paid to transfer a liability in an orderly transaction in the principal (or most active) market for the instrument under current market conditions (i.e., not forced liquidation) of which the price is already observable or estimated using a valuation technique. In order to determine fair value, there have been several measures adopted based on a hierarchy of valuation techniques:

**Level 1 -** Valuation technique using quoted market prices for identical instruments with quoted prices for identical instruments in active markets that Company can access at the measurement date.

**Level 2 -** Valuation technique using observable inputs. Those where the inputs that are used for valuation and are significant, are derived from directly or indirectly observable market data available over the entire period of the instrument's life.

**Level 3 -** Valuation technique with significant unobservable inputs. Those that include one or more unobservable inputs that is significant to the measurement of the value.

#### B. Fair value of financial instruments not measured at fair value

The table below is a comparison, by date, 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.

Financial Instrument	Level	Carrying value		Fair value	
		As at March 31, 2021	As at March 31, 2022	As at March 31, 2021	As at March 31, 2022
<b>Financial Assets</b>					
Cash and cash equivalents	1	3,577.22	22,794.28	3,577.22	22,794.28
Bank balances other than cash and cash equivalents	1	2,209.65	3,964.81	2,209.65	3,964.81
Trade receivables	1				
Loans	2	1,16,525.40	1,46,191.55	1,16,622.09	1,46,191.55
Short and long term deposits	1	171.70	145.70	171.70	145.70
Other receivables	1	3,460.37	341.71	3,460.37	341.71
Other financial assets	1	132.39	531.13	132.39	531.13
		<b>1,18,476.73</b>	<b>1,74,670.68</b>	<b>1,18,476.73</b>	<b>1,74,670.68</b>
<b>Financial Liabilities</b>					
Derivatives	3	52,096.47	37,687.94	52,096.47	37,687.94
Borrowings other than debt securities	3	1,29,232.89	81,118.09	1,29,232.89	81,118.09
Subordinated liabilities	3	6,093.46	1,086.29	6,093.46	1,086.29
Other financial liabilities	3	1,116.12	1,975.12	1,116.12	1,975.12
		<b>1,88,544.94</b>	<b>1,22,777.44</b>	<b>1,88,544.94</b>	<b>1,22,777.44</b>

Investment in subsidiaries is measured at cost less impairment of ₹ 64,45,27.

#### Valuation Methodologies of Financial Instruments not measured at fair value

The use of the methodologies and assumptions used to determine fair values for the above financial instruments which are not quoted and measured at fair value in the Company's financial statements. These fair values were determined by discounting its cash flows. The below methodology and assumptions relate only to the instruments in the above table and do not apply to the instruments in the financial statements.

#### Short Term Financial Assets and Liabilities

For financial assets and financial liabilities that have a short-term maturity (less than twelve months), the carrying amounts are a reasonable approximation of their fair value. Such approximations include cash and cash equivalents, bank balances other than cash and cash equivalents, trade receivables, short and long term deposits and other financial instruments.

#### Loans and Advances to customers

The fair value of loans are determined by discounted cash flow models based on contractual cash flows using actual or estimated yield.

#### Borrowings other than debt securities, Debt securities and subordinated liabilities

The fair value of short term borrowings is determined by discounted cash flow model comparably for Company's own debt.

#### ES receivable

ES receivable is calculated by discounting the cash flows for its credit flows. The carrying value closely approximates its fair value.



## IKF Finance Limited

Annual financial statements for the year ended March 31, 2022  
(Currency: US Dollars)

### 41. Risk management

As in the original case of the Company's proposed merger with the Applicant, a critical factor in the subject of a financial reorganization, the Company's objective is to ensure sufficient liquidity and the preservation of assets, a positive and growing value added, credit, brand and market value. The Board of Directors of the Company are responsible for the overall risk management approach and for approving the risk management strategies and policies. The Company has no risk management policy which covers all the risks associated with its activities (see 2021-2022).

### 42.1 Introduction and Risk Profile

#### Risk management and mitigation

The Company is not an insurance policy provider but retains risks to the extent that they do not in normal circumstances and unexpected events, which are an element of operations and sales. The main activities of the Company have been historical operations, adjusted to what has occurred in the current circumstances.

The Company's activities are diverse and involve the financial and operating activity in relation to the appropriate risk policies and areas of risk (see 2021-2022).

It is the Company's policy to maintain a robust risk environment, to be prepared for a significant risk culture. The Company's approach to risk management is to ensure that the Company is exposed to the right level of risk. The Company's continuous monitoring and development of risk policies are based on the risk appetite and risk tolerance of the Board and the Company's risk management policies. The Company's risk management policies are based on the risk appetite and risk tolerance of the Board and the Company's risk management policies.

The Company's approach is to ensure that it is able to identify, measure, monitor, and control risk.

### 42.2 Credit Risk

Credit risk is the risk that the Company will incur a loss or failure to receive or receive partial or no payment from counterparties. The Company's credit risk is not only credit risk but also the risk of default by counterparties. The Company's credit risk is not only credit risk but also the risk of default by counterparties. The Company's credit risk is not only credit risk but also the risk of default by counterparties.

Credit risk is managed by the credit department of the Company. The credit department is responsible for the credit risk management. The credit department is responsible for the credit risk management. The credit department is responsible for the credit risk management.

The credit risk is managed by the credit department of the Company. The credit department is responsible for the credit risk management. The credit department is responsible for the credit risk management.

#### Impairment assessment

The impairment of the trade receivables of the Company's impairment assessment and management approach is set out in the notes. It should be used in conjunction with the summary of significant accounting policies.

#### Definition of credit risk

The Company considers a financial instrument credit risk and therefore Stage 1 credit impairment on Expected Credit Loss (ECL) is defined as a loan when the borrower has more than 3 months overdue on its contractual payments.

#### The ECL is calculated as follows:

Class of receivables	Stage
Trade receivables	Stage 1
Other receivables	Stage 1
Other receivables	Stage 1

The Company considers a financial instrument credit risk and therefore Stage 3 credit impairment for ECL situations is defined when the borrower has more than 3 months overdue on its contractual payments.

It is the Company's policy to consider a financial instrument credit risk and therefore credit risk Stage 3 when the borrower has more than 3 months overdue on its contractual payments. The Company considers a financial instrument credit risk and therefore credit risk Stage 3 when the borrower has more than 3 months overdue on its contractual payments. The Company considers a financial instrument credit risk and therefore credit risk Stage 3 when the borrower has more than 3 months overdue on its contractual payments.

#### Duration of credit risk

The duration of credit risk is defined as the period between the date of the financial instrument and the date of the maturity date, whether the instrument is a loan or a trade receivable with a contractual maturity date of 30 days or more.

The Company considers a financial instrument credit risk and therefore credit risk Stage 3 when the borrower has more than 3 months overdue on its contractual payments. The Company considers a financial instrument credit risk and therefore credit risk Stage 3 when the borrower has more than 3 months overdue on its contractual payments.



**ICF Finance Limited**

Interim financial statements for the six months ended March 31, 2019  
 Company No. 16176

**Probability of default (POD)**

The Probability of Default is an estimate of the likelihood of default over a 12-month horizon. To measure the POD for a Stage 1 loan, the Company considers the greatest default events within 12 months for the calculation of the 12-month POD. For Stage 2 and Stage 3 financial assets, the maximum potential is considered for events over the lifetime of the instrument. The Company's credit risk management policies are available under item 19.

**Impairment losses (Gross)**

12D is the impairment loss of the Company's right asset of the Company's assets. The Company determines its security portfolio based on evaluating the recovery trends between 12D, collateral value and related recoveries (i.e. cash outflow).

12D ratios have been calculated based on the historical recoveries (i.e. calculated as a ratio of recoveries divided by amount of recoveries) and are updated during the year.

When estimating 12D, the Company considers a portfolio of similar assets. The Company will do the same portfolio for assessing whether there has been a significant increase in credit risk since initial recognition.

**Significant increase in credit risk**

The Company periodically monitors all assets subject to 12D to assess to determine whether an increase in a credit risk of investments is subject to 12 month 12D or 12 month 12D. The Company assesses whether there has been a forward which could cause a significant increase in the credit risk of the underlying asset or the customer's ability to pay and according to paragraph 12 month 12D less than 12D.

Financial assets have more than 30 days past due 12D ratio but subject to have increased significantly since initial recognition.

**Classification of Credit Risk**

Company's loan portfolio is categorized in 12D and 12D or 12D or 12D. The Company manages an assessment of its assets to be categorized in 12D. The following table shows the high value concentrations of the Company's:

Category	As of 3/31/2019	As of 3/31/2018
12D	27,660,111	26,171,229
12D or 12D	1,221,229	5,280,124
Total	28,881,340	31,451,353

**Quantitative Information of Collateral**

Net value of total loan loans in value of total 12D or 12D or 12D.

As of March 31, 2019	year to value		
	2019	2018	Total
Real Estate	1,174,229	20,175,111	21,349,340
Automotive	1,174,229	20,175,111	21,349,340
Commercial	1,174,229	20,175,111	21,349,340
Other	1,174,229	20,175,111	21,349,340
Total	4,717,826	40,620,443	45,338,269



**ICF Finance Limited**

Notes to financial statements for the year ended on 31, 2022

(Amount in Lakhs)

Particulars, etc.	March 31, 2022			
	2022	2021	2020	2019
Bank loans	1,02,20	1,08,07	1,01,00	1,04,00
Current Liabilities	2,96,44	3,16,35	2,78,61	4,62,00
Provisional Expenses	1,62,76	1,46,50	1,52,21	1,48,00
Prepaid expenses	1,00,00	1,00,00	1,00,00	1,00,00
Trade	1,00,00	1,00,00	1,00,00	1,00,00
Other	1,00,00	1,00,00	1,00,00	1,00,00
Net	1,00,00	1,00,00	1,00,00	1,00,00
Total	1,00,00	1,00,00	1,00,00	1,00,00

**3.3 Liquidity Risk**

In assessing the Company's liquidity position, management will be guided by (i) current and anticipated cash flows (ii) present and anticipated working capital requirements (iii) sources of funds, and (iv) sources of credit. The Company maintains a portfolio of financial assets that are available to be used by the Company to meet its liquidity needs which can be used as a hedge against an unforeseen increase in cash flow. The Company maintains the appropriate level of working capital as well as cash resources to meet its liquidity needs. The Company's liquidity risk is managed through a policy of maintaining a portfolio of financial assets that are available to be used by the Company to meet its liquidity needs. The Company's liquidity risk is managed through a policy of maintaining a portfolio of financial assets that are available to be used by the Company to meet its liquidity needs.

**Analysis of financial assets and liabilities by maturity, including committed maturities**

The table below summarizes the maturity profile of the financial assets and liabilities of the Company's financial assets and liabilities as at March 31, 2022

Particulars	Less than 3 months	Over 3 months & upto 6 months	Over 6 months upto 1 year	Over 1 year & upto 2 years	Over 2 years	Total
<b>Financial Assets</b>						
Bank and cash balances	1,02,20	-	-	-	-	1,02,20
Trade receivables (other than included in Current Liabilities)	1,00,00	1,00,00	1,00,00	1,00,00	1,00,00	5,00,00
Trade receivables	1,00,00	1,00,00	1,00,00	1,00,00	1,00,00	5,00,00
Loans	1,00,00	1,00,00	1,00,00	1,00,00	1,00,00	5,00,00
Investments	1,00,00	1,00,00	1,00,00	1,00,00	1,00,00	5,00,00
Other financial assets	1,00,00	1,00,00	1,00,00	1,00,00	1,00,00	5,00,00
Total (including bank and cash balances)	1,02,20	2,00,00	2,00,00	2,00,00	2,00,00	10,02,20
<b>Financial Liabilities</b>						
Trade payables	-	-	-	-	-	-
Other payables	1,00,00	1,00,00	1,00,00	1,00,00	1,00,00	5,00,00
Current and long term debt	1,00,00	1,00,00	1,00,00	1,00,00	1,00,00	5,00,00
Trade payables	1,00,00	1,00,00	1,00,00	1,00,00	1,00,00	5,00,00
Other payables (other than bank and cash balances)	1,00,00	1,00,00	1,00,00	1,00,00	1,00,00	5,00,00
Loans	1,00,00	1,00,00	1,00,00	1,00,00	1,00,00	5,00,00
Other financial liabilities	1,00,00	1,00,00	1,00,00	1,00,00	1,00,00	5,00,00
Total (including bank and cash balances)	2,00,00	2,00,00	2,00,00	2,00,00	2,00,00	10,00,00
Net (including bank and cash balances)	1,02,20	1,00,00	1,00,00	1,00,00	1,00,00	5,02,20

The table below summarizes the maturity profile of the financial assets and liabilities of the Company's financial assets and liabilities as at March 31, 2021

Particulars	Less than 3 months	Over 3 months & upto 6 months	Over 6 months upto 1 year	Over 1 year & upto 2 years	Over 2 years	Total
<b>Financial Assets</b>						
Bank and cash balances	1,02,20	-	-	-	-	1,02,20
Trade receivables (other than included in Current Liabilities)	1,00,00	1,00,00	1,00,00	1,00,00	1,00,00	5,00,00
Trade receivables	1,00,00	1,00,00	1,00,00	1,00,00	1,00,00	5,00,00
Loans	1,00,00	1,00,00	1,00,00	1,00,00	1,00,00	5,00,00
Investments	1,00,00	1,00,00	1,00,00	1,00,00	1,00,00	5,00,00
Other financial assets	1,00,00	1,00,00	1,00,00	1,00,00	1,00,00	5,00,00
Total (including bank and cash balances)	1,02,20	2,00,00	2,00,00	2,00,00	2,00,00	10,02,20
<b>Financial Liabilities</b>						
Trade payables	-	-	-	-	-	-
Other payables	1,00,00	1,00,00	1,00,00	1,00,00	1,00,00	5,00,00
Current and long term debt	1,00,00	1,00,00	1,00,00	1,00,00	1,00,00	5,00,00
Trade payables	1,00,00	1,00,00	1,00,00	1,00,00	1,00,00	5,00,00
Other payables (other than bank and cash balances)	1,00,00	1,00,00	1,00,00	1,00,00	1,00,00	5,00,00
Loans	1,00,00	1,00,00	1,00,00	1,00,00	1,00,00	5,00,00
Other financial liabilities	1,00,00	1,00,00	1,00,00	1,00,00	1,00,00	5,00,00
Total (including bank and cash balances)	2,00,00	2,00,00	2,00,00	2,00,00	2,00,00	10,00,00
Net (including bank and cash balances)	1,02,20	1,00,00	1,00,00	1,00,00	1,00,00	5,02,20



**RF Finance Limited**

Notes to financial statements for the year ended March 31, 2022  
 Currency: US Dollars

The table below shows the contractual expiry for tenors of the Company's contingent liabilities and commitments. Each column represents tenors for which the time limit expiring the entire liability is shown as follows:

Particulars	On Demand	Less than 3 months	Over 3 months & less than 6 months	Over 6 months & less than 1 year	Over 1 year & less than 5 years	Over 5 years
<b>As at March 31, 2022</b>						
Contingent liability (contingent)	-	-	-	-	-	-
Contingent liability of contracts remaining to be executed at period end (contractual obligations)	-	-	-	-	-	-
<b>Total commitments</b>	-	-	-	-	-	-
<b>As at March 31, 2021</b>						
Contingent liability (contingent)	-	-	-	-	-	-
Contingent liability of contracts remaining to be executed at period end (contractual obligations)	-	-	-	-	-	-
<b>Total commitments</b>	-	-	-	-	-	-

**42.1 Market risk**

Market risk is the risk that the fair value of the financial instruments or the future cash flows of a financial instrument will fluctuate because of changes in market prices. Such changes in the value of financial instruments may result from changes in the interest rates, credit, liquidity and other market changes. The objective of market risk management is to avoid the risk exposure of the company and to identify, measure and monitor risk exposure to the volatility of market prices in its business. The market risk management strategy is to avoid market risk, and to hedge risk. The Company has not made investments in equity and instruments in other capital markets and hence has no exposure to equity price risk. However, it is in the need to hedge.

**Market rate risk**

Market rate risk is the risk that the fair value of financial instruments or the future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company has not made investments in equity and instruments in other capital markets and hence has no exposure to equity price risk. However, it is in the need to hedge.

The Company has taken knowledge of financial market conditions in interest rate risk, interest rates are highly sensitive to many factors beyond control, including the monetary policy of the Reserve Bank of India, development of the financial sector in India, country and international economic and political conditions and other factors. In order to manage interest rate risk, the Company uses its periodic monitoring profile between a short-term and long-term view. The Company enters into floating interest rate swap contracts as a hedging option to minimize cash flow volatility of funds. It also uses derivatives like interest rate swap contracts to hedge the cash flows based on their maturity. The interest rate swap contracts are entered into at any competitive rate through derivatives clearing and depository services.

The following table demonstrates the sensitivity to a reasonably possible change in the market rate on the position of borrowings, which at other variables held constant, the profit before tax of the Group for the year ended March 31, 2022 is as follows:

Impact on Profit before tax	As at March 31, 2022	As at March 31, 2021
On Floating Rate Borrowings		
1% increase in interest rates	(21.79)	(16.71)
1% decrease in interest rates	21.79	16.71

**42.2 Foreign exchange**

Foreign exchange risk is the risk that the Company will incur a financial loss because its cash flows and performance may be exposed to exchange rate risk. The Company has not made investments in equity and instruments in other capital markets and hence has no exposure to equity price risk. However, it is in the need to hedge.

**42.3 Operational and business risk**

Operational risk is the risk of loss arising from systems failure, human error, fraud or external events, which causes or is likely to cause a financial loss or damage to the company's reputation. The Company takes steps to minimize its operational risk, but it continues to manage these risks through a sound framework and by monitoring and responding to external risks. Controls include a robust segregation of duties, checks, balances and other internal processes, staff education and a compliance program, such as the one of the standards.



**IF Finance Limited**

Notes to financial statements for the year ended March 31, 2022

Currency : INR in lakhs

**13 Related Party Disclosure****a. Name of related party and nature of relationship:**

<b>Enterprises having a significant influence</b>	India Business Excellence Fund -IIA Vistra ITC (India) Limited (formerly known as IL and FS Trust Company Limited) (Trustee of Business Excellence Trust -II- India Business Excellence Fund - II)
<b>Subsidiary</b>	IKF Home Finance Limited (formerly known as IKF Housing Finance Private Limited)
<b>Enterprises in which directors are interested</b>	SVR Finance & Leasing Private Limited
<b>Enterprises significantly influenced by Key Management Personnel and their relatives</b>	IKF Infratech Private Limited
<b>Relative of Key Management Personnel</b>	Mrs. D. Vasantha Lakshmi Mr. V. Raghu Ram Mr. Simha Satsenand Chandan Mrs. Durgam Rani Chandan
<b>Key Management Personnel (KMP)</b>	Mr V.G.K.Prasad — Chairman Mrs. V. Indira Devi — Whole time Director Mrs. K Vasunochi Devi — Managing Director Mr. Sreepal Gulabchand Jain- Chief Financial Officer Mr. Ch. Sreenivasa Rao - Company Secretary







65. Disclosure pursuant to Reserve Bank of India notification D.O. (P&T) CC/CP No. 879 /21-36,126/2019-20 dated 23rd March, 2020 - Single institution of Indian Accounting Standards.

A comparison between provision required under IAS/IF and capital asset allowance as under Ind AS 109

As at March 31, 2021

Asset Classification as per RBI Norms	IAS/IF Classification as per Ind AS 109	Carrying Amount as per Ind AS	Less Allowance Provision as Required under Ind AS 109	Net Carrying Amount	Provision required as per IAS/IF norms*	Difference between Ind AS 109 provision and IAS/IF norms
(i)	(ii)	(iii)	(iv)	(v) = (iii) - (iv)	(vi)	(vii) = (v) - (vi)
Performing Assets						
Standard	Stage 1	1,28,844.41	989.84	1,28,854.57	510.49	847.75
	Stage 2	25,733.72	563.87	24,517.73	238.95	434.52
Subtotal for Performing Assets		1,54,578.13	1,553.71	1,53,024.42	749.44	802.27
Non-Performing assets (NPA)						
Substandard	Stage 3	1,034.98	694.11	1,210.94	107.98	106.19
Classified - up to 1 year	Stage 4	2,261.85	771.20	1,814.08	637.18	1199.90
Classified - 1 to 3 years	Stage 5	-	-	-	-	-
Classified - more than 3 years	Stage 6	-	-	-	-	-
Loss	Stage 7	-	-	-	-	-
Subtotal for NPA		3,296.83	1,465.31	2,831.52	837.38	215.25
Other items such as guarantees, loan commitments, etc. which are in the scope of Ind AS 109, but not covered under current Internal Backlogging, Asset Classification and Provisioning (IACB) norms	Stage 1	-	-	-	-	-
	Stage 2	-	-	-	-	-
	Stage 3	-	-	-	-	-
Subtotal for other items		-	-	-	-	-
	Stage 1	1,29,883.39	990.95	1,28,892.44	518.47	847.75
	Stage 2	25,733.72	563.87	24,517.73	238.95	434.52
	Stage 3	1,034.98	694.11	1,071.84	107.98	106.19
	Total	1,56,652.09	2,249.93	1,54,402.16	1,465.40	1,317.42

\* If multiple exposures are IAS/IF NPAs in and subject provision as per Ind AS 109 is derived from Stage 2 items.







**BP Finance Limited**

Notes to financial statements for the year ended March 31, 2022  
 Currency: INR (₹)

**40.05 Details of financial assets held to cover liabilities/financial assets exclusively for same counterparty**

The Company has not held financial assets to back liabilities/financial assets exclusively for same counterparty.

**40.06 Details of loans transferred/ acquired during the quarter ended March 31, 2022 under RBI Master Direction on transfer of loan (applicable w.e.f. September 30, 2021)**

In details of loans sold or taken back transferred/acquired through assignment during the year ended March 31, 2022

Particulars	Transferred	Acquired
Percentage (in % of loans transferred/ acquired) to (a) (i) (ii)	100%	100%
in respect of loans transferred/ acquired	0.00%	0.00%
in respect of loans acquired/ sold	0.00%	0.00%
Percentage (in % of loans transferred/ acquired) to (a) (i) (iii)	100%	100%
in respect of loans transferred/ acquired	0.00%	0.00%
in respect of loans acquired/ sold	0.00%	0.00%
Percentage (in % of loans transferred/ acquired) to (a) (i) (iv)	100%	100%
in respect of loans transferred/ acquired	0.00%	0.00%
in respect of loans acquired/ sold	0.00%	0.00%

- \* Reclassified to (a) (i) (ii) (iii)
- (i) The Company has not transferred any loans to (i) (ii) (iii)
- (ii) The Company has not transferred any loans to (i) (ii) (iii) and back to (i) (ii) (iii)
- (iii) The Company has not transferred any loans to (i) (ii) (iii) through assignment
- (iv) The Company has not transferred any loans to (i) (ii) (iii)

**40.07 Value of deposits on credit of GP Bank**

The Company has not reported any goods/bills in value of deposits of GP Bank to RBI.

**40.08 Exposure to Foreign Currency**

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Net exposure to foreign currency	0.00	0.00
0000	0.00	0.00

**40.09 Savings in Foreign Currency**

The Company does not have any savings in foreign currency.

**40.10 Details of asset/liability on credit of RBI**

The Company has not reported any deposits to RBI by financial assets in the consolidated statement.

**40.11 Exposure to Bank/other entities**

The Company has no exposure to the RBI or other banks or financial institutions in the consolidated statement.

**40.12 Exposure to Capital Market**

The Company has no exposure to the capital market in the consolidated statement.

**40.13 Covering of Asset (Security/Protein)**

The Company has not reported any assets on credit of bank/other entities.

**40.14 Significance (LTV) Group Borrowing (LTV)**

The Company has not reported any borrowings in the consolidated statement in the consolidated statement.

**40.15 Operational Risks**

The Company has not reported any operational risks in the consolidated statement.

**40.16 Regulatory/Other Disclosures/Other Disclosures**

The Company is registered with the Reserve Bank of India. The financial regulations are described by Ministry of Finance, India.  
 RBI  
 Ministry of Finance, India  
 Reserve Bank of India, Mumbai - 400004



40 Finance Limited

Subsidiary Financial statements for the year ended March 31, 2021

(Company - RM in lakhs)

45.17 Assets

No particular assets reported by the company other than those disclosed in the above table.

45.18 Goodwill

Particulars	RM	RM
	March 31, 2021	March 31, 2020
Balance at commencement	46,000 / 4,60,000	46,000 / 4,60,000
Goodwill acquired	0	0
Goodwill amortised	0	0
Goodwill written back	0	0
Goodwill at the end of the year	46,000 / 4,60,000	46,000 / 4,60,000

Particulars	RM	RM
	March 31, 2021	March 31, 2020
Balance at commencement	1,000 / 10,000	1,000 / 10,000
Goodwill acquired	0	0
Goodwill amortised	0	0
Goodwill written back	0	0
Goodwill at the end of the year	1,000 / 10,000	1,000 / 10,000

45.19 Provisions

Particulars	RM	RM
	March 31, 2021	March 31, 2020
Provision for doubtful debts	1,000 / 10,000	1,000 / 10,000
Provision for doubtful investments	0	0
Provision for doubtful liabilities	0	0

45.20 Shareholder's investments

There has been no share issued from companies during the year ended March 31, 2021 (previous year: Nil)

45.21 Government securities

Particulars	RM	RM
	March 31, 2021	March 31, 2020
Total (RM) to Government of India (RM)	1,000 / 10,000	1,000 / 10,000
Percentage of shares to Government of India (RM)	100%	100%

45.22 Classification of all deposits (including off-balance sheet amounts)

Particulars	RM	RM
	March 31, 2021	March 31, 2020
Total deposits to banks (RM)	1,000 / 10,000	1,000 / 10,000
Percentage of deposits to banks (RM)	100%	100%

45.23 Classification of credit impaired loans

Particulars	RM	RM
	March 31, 2021	March 31, 2020
Total impaired loans (RM)	0	0

45.24 Assets Under Management (AUM) under held

Particulars	RM	RM
	March 31, 2021	March 31, 2020
Equity	1,000	1,000
Debt	0	0
Other	0	0
Total	1,000	1,000



45.20 Movement of Derivative Instruments (Taka)

Particulars	2021 March 31, 2021	2020 March 31, 2020
45.20.01 Interest Rate derivatives (Taka)		
(a) Movement of bank deposits (Taka)	1,079	1,079
(b) Movement of bank deposits (Taka) under the RCF Contract		
(i) Opening balance	52,63,36	1,35,044
(ii) Deposits withdrawn during the year	11,14	75,17
(iii) Closing balance	4,15,112	62,756
45.20.02 Movement of bank derivatives		
(a) Opening balance	4,247,94	1,41,120
(b) Deposits withdrawn during the year	7,28,118	9,92,12
(c) Closing balance	1,7,12,84	1,31,108
45.20.03 Movement of long-term deposits (Taka)		
(a) Opening balance	1,17,9,71	1,25,445
(b) Deposits withdrawn during the year	277,58	1,15,117
(c) Closing balance	1,05,91	1,10,328

45.25 Other Assets

The Company does not hold any other assets in a subsidiary entered in the Financial Statements for 2021/22.

45.27 Off-Balance Sheet (Taka) (continued) (Taka) (continued) (Taka) (continued) (Taka) (continued)

The Company does not disclosed any off-balance sheet (Taka)

45.28 Derivatives Contingents

Particulars	2021 March 31, 2021	2020 March 31, 2020
45.28.01 Derivatives Contingents (Taka) (continued) (Taka) (continued)		
(a) Derivatives Contingents (Taka) (continued) (Taka) (continued)		
(i) Derivatives Contingents (Taka) (continued) (Taka) (continued)	0	0
(ii) Derivatives Contingents (Taka) (continued) (Taka) (continued)	0	0
(iii) Derivatives Contingents (Taka) (continued) (Taka) (continued)	0	0

45.29 As required by the IFRSs in December 2019, IAS 39/IFRS 9 is applied from September 29, 2019 to October 31, 2019 to measure of bank deposits / deposits as follows:

Particulars	As at March 31, 2021	As at March 31, 2020
Amount booked off	-	-
Amount Recovered	-	-
Amount withdrawn/credited	-	-
Balance	-	-

45.30 Derivatives with Top Executive Director

Name of the TOPI/DA/MD/CEO	Transaction Type	Transaction March 31, 2021	Transaction March 31, 2020
Top Executive Director	Payment of Bonus	100	-

45.31 Contingencies (if financial institution)

Under Rule 23 (contingencies) for the purpose of the financial statements, the Company has not recognized pending contingencies of the nature of

45.32 Guarantees, credit and performance

There are no provisions made to such extent as consistent with the above said and Million Corporate Development Act, 2000 (MCD) pending in court or other authorities.

For the year ended March 31, 2022, the company has not made any provision for contingencies of the nature of pending in court or other authorities.

45.33 Qualitative Disclosures for the year ended 31 March 2022 (continued) (Taka) (continued) (Taka) (continued) (Taka) (continued) (Taka) (continued)

Type of instrument	Disclosures to be made - classified as financial instruments Impairment provision of residual value - Position at the end of the period (Taka)	IFRS 9, 4001 - The value of the instrument (Taka)	IFRS 9, 4001 - The value of the instrument (Taka)	IFRS 9, 4001 - The value of the instrument (Taka)	Disclosures to be made - classified as financial instruments Impairment provision of residual value - Position at the end of the period (Taka)
Financial assets	-	-	-	-	-
Financial liabilities	-	-	-	-	-
Other financial assets	-	-	-	-	-
Other financial liabilities	-	-	-	-	-
Total	-	-	-	-	-

\*\* As per Rule 23 of the Companies Act 1993, 1994  
 \*\*\* Customer has not provided any information on the subject of the above said.

Statement of Financial Position of the Company for the year ended March 31, 2022 is not audited by the Chartered Accountants of the company.



**BO Finance Limited**

Notes to Financial Statements for the year ended March 31, 2017

(Amount in Lakhs)

**28.01** Asset liability management

Statement of assets based on asset and liabilities as at 31.03.2017

Particulars	31.03.2017 2016	31.03.2017 2016	31.03.2017 2016	31.03.2017 2016	31.03.2017 2016	31.03.2017 2016	31.03.2017 2016	31.03.2017 2016	31.03.2017 2016	31.03.2017 2016	Total
<b>Assets</b>											
Investment in Securities	511.28	1,128.31	786.30	2,281.24	1,438.81	3,098.88	65,752.72	51,384.76	1,384.21		81,407.47
Other Assets	28.71	31.59	178.74	21.74	375.87	1,752.37	4,055.24	1,881.47			10,014.81
Other Liabilities	21.33		138.59	131.58	1,478.40	575.78	7,522.37	1,724.80	4,531.55		10,559.48
<b>Liabilities</b>											
Equity	6,027.45	7,121.95	8,328.70	7,887.24	4,858.70	10,827.75	31,475.38	29,427.94	3,327.46	1,121.31	1,46,227.35
Reserves										6,211.31	1,46,227.35

Statement of assets based on asset and liabilities as at 31.03.2016

Particulars	31.03.2017 2016	31.03.2017 2016	31.03.2017 2016	31.03.2017 2016	31.03.2017 2016	31.03.2017 2016	31.03.2017 2016	31.03.2017 2016	31.03.2017 2016	31.03.2017 2016	Total
<b>Assets</b>											
Investment in Securities	581.75		511.36	1,281.37	1,738.30	3,431.33	71,353.13	51,341.70	1,881.47	23,128	78,285.55
Other Assets		3,081.21	1,288.87	4,121.70	551.75	4,212.70	5,755.25	3,444.13			14,246.54
Other Liabilities	21.33		138.59	131.58	1,478.40	575.78	7,522.37	1,724.80	4,531.55	3,371.31	14,757.15
<b>Liabilities</b>											
Equity	1,281.70	4,121.21	3,154.13	6,675.33	4,858.70	10,827.75	31,475.38	29,427.94	3,327.46	1,121.31	1,46,227.35
Reserves										6,211.31	1,46,227.35

The above statement showing asset and liabilities is subject to audit of BO



## MF Finance Limited

Notes to financial statements for the year ended March 31, 2022

(Currency: INR in Lakhs)

- 45.35 Disclosure on liquidity risk (refer MF Finance Ltd. AN/2019-20/18 DCA/98FC (P) CL. No. 90/03.14.00/2019-20 dated November 04, 2019 on Liquidity Risk Management Framework for MF (Building Financial Capabilities and Core Investment Capabilities) on March 31, 2022.

- a) Funding Concentration based on significant counterparty (both deposit and borrowing)

Sl. No	No. of Significant Counterparty	As at March 31, 2022		As at March 31, 2021		
		Amount ₹	% of Total Liabilities*	Amount ₹	% of Total Liabilities*	
1	25	1,27,13,14*	64	85,54,56	1,71,54,56	64

- b) Top 20 large deposits – Not Applicable.

- b) Top 10 Borrowings

As at March 31, 2022		As at March 31, 2021	
Amount ₹	% of Total Liabilities*	Amount ₹	% of Total Liabilities*
85,11,47	43.3%	81,11,17	51.0%

- c) Funding Concentration based on significant instruments/invest

Sl. No.	Name of the instrument	As at March 31, 2022		As at March 31, 2021	
		Amount ₹	% of Total Liabilities*	Amount ₹	% of Total Liabilities*
1	Term Loan	76,15,48	37.22%	14,158.02	42.23%
2	Short Certificate Deposits	14,316.00	7.12%	11,15,00	29.80%
3	Inventory capital / short term securities	31,47,14	15.52%	16,67,34	48.07%
	Total	1,22,08,62	61.86%	1,18,80,36	41.88%

- d) Swap Rates

Sl. No.	Particulars	31 March, 2022	31 March, 2021
	Liabilities Payable to Third Parties	0.00%	0.00%
	Liabilities Payable to MF (2022)	0.00%	0.00%
	MF's (Original Maturity) Issues to Third Parties	1.00%	1.00%
	MF's (Original Maturity) Issues to Third Parties	0.00%	0.00%
	Other Short Term Liabilities to "Financial Institutions"	3.00%	4.27%
	Other Short Term Liabilities to Third Parties	3.00%	1.00%

- e) Institutional set up for liquidity risk management:

The Company has an Asset-Liability Management Committee (ALCO), a non-supervised committee to handle liquidity risk management. The ALCO meetings are held at periodic intervals. At the same level, the Risk Management Committee (RMC), a sub-committee of the Board of Directors of the Company, oversees the liquidity risk management. The RMC subsequently reports the Board of Directors on the same.

\* Amount does not include amount for (a) cash balances and (b) borrowings and investments of amount less than ₹100 Lakhs.

† Total Cash flow does not include Net Worth.



## IEF Finance Limited

Notes to financial statements for the year ended March 31, 2022

(Currency: INR in lakhs)

### 46 Registration of charges or mortgages with Registrar of Companies (ROC)

All charges or mortgages are registered with ROC within the statutory period for the financial year ended March 31, 2022. No charges or mortgages are yet to be registered with ROC beyond the statutory period.

### 47 Compliance with number of layers of companies

The Company has complied with the number of layers prescribed under clause (57) of section 2 of the Act read with Companies (Nutrition on number of layers) Rules, 2022 for the financial year ended March 31, 2022 and March 31, 2021.

### 48 Compliance with approved Scheme(s) of Arrangements

The Board of Directors of the Company did not approve any scheme or Arrangements during the financial year ended March 31, 2022 and March 31, 2021.

### 49 Utilization of borrowed funds and share premium

The Company, as part of its normal business, grants loans and advances, makes investments. These constitute a part of Company's normal non-banking finance business, which is conducted ensuring adherence to all regulatory requirements.

Other than the transactions described above, no funds have been advanced or loaned or rendered (either from borrowed funds or share premium or any other sources or kind of funds) by the Company or on its behalf (either by its directors or employees, including foreign entities ("intermediaries")) with the understanding, whether recorded in writing or otherwise, that the intermediary shall lend or apply or invest in part or in whole on behalf of the Company (if borrowings are involved). The Company has also not received any fund from any parties (banking party) with the understanding that the Company shall, directly or indirectly, lend or invest in other persons or entities identified by or on behalf of the funding party ("ultimate beneficiaries") or provide any guarantee, security or the like on behalf of the ultimate beneficiaries.

### 50 Unutilized income

There are no transactions not recorded in the books of accounts.

### 51 Title deeds of immovable Properties not held in name of the Company

The Company does not possess the immovable property (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee) where title deeds are not held in the name of the Company during the financial year ended March 31, 2022 and March 31, 2021.

### 52 Details of Crypto Currencies or Virtual Currency

The Company has not traded or invested in Crypto currencies or Virtual currency during the financial years ended March 31, 2022 and March 31, 2021.

### 53 Details of Secured Property Held

No proceedings have been initiated or pending against the Company for holding any bonded property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and related laws thereunder in the financial years ended March 31, 2022 and March 31, 2021.

### 54 Willful Defaulter

The Company has not been declared as a willful defaulter by any bank or financial institution or other lender in the financial years ended March 31, 2022 and March 31, 2021.

### 55 Relationship with struck off Companies

The Company does not have any investments with companies whose names have been struck off under section 249 of Companies Act, 2013 or section 490 of Companies Act, 1956 in the financial years ended March 31, 2022 and March 31, 2021.

### 56 Investment in Associates and Structured Entities

The Company does not have any Associates and Structured Entities.



## ICF Finance Limited

Notes to Financial statements for the year ended 31st July 2021

(Company Act 1992)

### 57 Impact on COVID-19

Consequent to the outbreak of the COVID-19 pandemic, the Indian government announced a lockdown in March 2020. Subsequently, the national lockdown was lifted by the government for certain activities in a phased manner under specified government zones, but regional lockdowns were continued to be implemented in areas with a significant number of COVID-19 cases.

The impact of COVID-19, including changes in customer behaviour and payment terms, as well as restrictions on business and individual activities, has led to significant volatility in global and Indian financial markets and a significant decrease in global and local economic activities. The slowdown during the period has led to a decrease in both aggregate and individual efficiencies. The extent to which the COVID-19 pandemic, including the current "second wave", has had a significant impact on the number of COVID-19 cases, will continue to impact the Company's operations and interests related to acquisition of assets including loans to customers, will depend on future developments, including, among other things, any new information concerning the severity of the COVID-19 pandemic and any action or failure to spread or mitigate its impact which is government standard or directed by the Company.

In accordance with Section 123 of the Companies Act, 2013, the Company's directors have passed a resolution on March 27, 2020 and May 21, 2020, the Company has offered moratorium on the payment of all instalments and/or interest, as applicable, falling due between March 1, 2020 to August 31, 2020 to all eligible customers. Further, the Company offered moratorium plan to its customers pursuant to RBI's guidelines (Resolution Framework for COVID-19 related Lending) dated 8 August 2020.

COVID-19 and associated assumptions applied in preparing these financial statements, especially for determining the impairment allowance for the Company's financial assets, loans, are based on historical experience and other event-driven-based issuing factors as known to the directors. The Company believes that the factors considered are reasonable under the current circumstances. The Company has good collection of payments since it provides its work and services in advance due to COVID-19 moratorium along with the credit worthiness of COVID-19 in developing the infrastructure and services to assist the impacted business owners on loans. Given the dynamic nature of the pandemic situation, these estimates are subject to uncertainties and may be affected by severity and duration of the pandemic. In the event the impact are more severe or prolonged than anticipated, it will have a corresponding impact on the carrying value of financial assets, the financial position and performance of the Company.

The Company holds adequate liquidity and reserves as at March 31, 2021 including the potential impact of COVID-19 based on the information available as at March 31, 2021.

- 58 In accordance with the instructions of the circular number MCA211-2017 dated April 7, 2021, all pending instalments that related to equity shares are waived to all borrowers who are not a high rated working capital holders during the moratorium period. In view of the waiver of instalments has been fully or partially waived or not available. However to these borrowers, the Indian Bank Association (IBA) in consultation with other lenders participating in IBA's initiative for moratorium for extension of the amount of such waiver in respect of moratorium (re-extended amount). Accordingly, the Company has returned Rs. 1,61,55 lakhs and made provision for refund of amount on March 31, 2021.

### 59 Note on COVID-19 Social Security, 2020

The Indian Parliament has approved the Social Security Code, 2020 which subsumes the Provident Fund and the Gratuity Act and other provisions. The Ministry of Labour and Employment has also released draft rules thereunder on December 22, 2020 and has invited suggestions from stakeholders which are under active consideration by the Ministry. The Company will submit its views, upon the receipt, if any and assist for the same and its rules as notified and become effective.

- 60 Management's information have been reported or verified wherever necessary to correspond with current year's audited financial statements.

For ICF & Co. LLP  
Chartered Accountants  
CA Firm registration number: U21000GJ2015PLC017111

211 South Main Road  
Tumkur  
Mandya District  
Karnataka  
Date: 31st May 2022



For and on behalf of the Board of Directors of  
ICF Finance Limited  
CIN: U21000GJ2015PLC017111

V. K. Prasad  
Chairman  
DN: 431, 20th  
Mysuru  
Chief Executive Officer

Place: Mysuru  
Date: 30th May 2022

Vasumathi Rajesh  
Managing Director  
DN: 431, 20th  
Mysuru  
Chief Executive Officer  
MCA No. 431, 20th

**IKF Finance Limited**
**Notes to financial statements for the year ended March 31, 2022**

(Currency : INR in lakhs)

**Schedule to Balance Sheet**

Particulars		As at March 31, 2022	
		Amount outstanding	Amount overdue
<b>Liabilities side</b>			
(1)	Loans and advances availed by the non-banking financial company inclusive of interest accrued thereon but not paid :		
	(a) Debentures : Secured	11,199.58	-
	Unsecured	3,816.89	-
	(Other than falling within the meaning of public deposits*)		
	(b) Deferred Credits	-	-
	(c) Term Loans	75,000.48	-
	(d) Inter-corporate loans and borrowing	-	-
	(e) Commercial Paper	-	-
	(f) Public Deposits*	-	-
	(g) Other Loans - Subordinate Debts	6,002.45	-
	- Cash Credit	32,661.04	-
	- Securitization Transaction	871.72	-
	* Please see Note 1 below		
(2)	Break-up of (1)(g) above (Outstanding public deposits inclusive of interest accrued thereon but not paid) :		
	(a) In the form of Unsecured debentures	-	-
	(b) In the form of partly secured debentures (i.e. debentures where there is a	-	-
	(c) Other public deposits	-	-
	* Please see Note 1 below		
<b>Assets side</b>		<b>Amount outstanding</b>	
(3)	Break-up of Loans and Advances including bills receivables (other than those included in (4) below) :		
	(a) Secured		1,59,343.81
	(b) Unsecured		-
(4)	Break-up of Leased Assets and stock on hand and other assets counting towards :		
	(i) Lease assets including lease rentals		
	(a) Financial lease		-
	(b) Operating lease		-
	(ii) Stock on hand including hire charges		-
	(a) Assets on hire		-
	(b) Repossessed Assets		-
	(iii) Other loans counting towards asset financing activities		
	(a) Loans where assets have been repossessed		-
	(b) Loans other than (a) above		-





<p>(7) Investor group-wise classification of all investments (current and long term) in shares and securities (both quoted and unquoted): Please see note 3 below</p>	Category	Market Value / Break up or fair value or NAV
	1. Related Parties **	
	(a) Subsidiaries	6,252.92
	(b) Companies in the same group	-
	(c) Other related parties	-
2. Other than related parties	-	
<b>Total</b>		<b>6,252.92</b>
** As per Accounting Standard of ICAI (Please see Note 3)		
<p>(8) Other information</p>	Particulars	Amount
	(i) Gross Non-Performing Assets	
	(a) Related parties	-
	(b) Other than related parties	4,334.15
	(ii) Net Non-Performing Assets	
	(a) Related parties	-
(b) Other than related parties	2,872.84	
(iii) Assets acquired in satisfaction of debt		106.01

Notes:

- As defined in point xiv) of paragraph 3 of Chapter 3 of Master Direction - Non-Banking Financial Company - Systemically Important Non-Deposit taking Company and Deposit taking Company (Reserve Bank) Directions, 2016.
- Provisioning norms shall be applicable as prescribed in Indian Accounting Standards by MCA.
- All Accounting Standards and Guidance Notes issued by ICAI are applicable including for valuation of investments and other assets as also assets acquired in satisfaction of debt. However, market value in respect of quoted investments and break up / fair value / NAV in respect of unquoted investments shall be disclosed irrespective of whether they are classified as long term or current in (7) above.



# SGCO & Co.LLP

Chartered Accountants

## INDEPENDENT AUDITOR'S REPORT

To the Members of IKF Finance Limited

Report on the audit of Consolidated financial statements

### Opinion

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

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

### Basis for Opinion

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

### Emphasis of matter

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

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www.sgco.co.in



### Key Audit Matters

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

Key audit Matters	How our audit addressed the key audit matter
<p>Impairment of Financial Instruments (expected credit Losses) has been described in Note 24.a, 25.f and 6 of the financial statements.</p> <p>Management estimates impairment provision using Expected Credit loss model for the loan exposure as per the Board approved policy which is in line with Ind AS and the Regulations. Measurement of loan impairment involves application of significant judgement by the management. The most significant judgements are:</p> <ul style="list-style-type: none"> <li>• Timely identification and classification of the impaired loans, including classification of assets to stage 1, 2, or 3 using criteria in accordance with Ind AS 109 which also include considering the impact of RBI's regulatory circulars,</li> <li>• The segmentation of financial assets when their ECL is assessed on a collective basis,</li> <li>• Determination of probability of defaults (PD) and loss given defaults (LGD) based on the default history of loans, subsequent recoveries made and other relevant factors and</li> <li>• Assessment of qualitative factors having an impact on the credit risk.</li> </ul>	<ul style="list-style-type: none"> <li>• We evaluated the design and operating effectiveness of controls across the processes relevant to ECL, including the judgements and estimates.</li> <li>• We tested the completeness of loans and advances included in the Expected Credit Loss calculations as of March 31, 2022 by reconciling it with the balances as per loan balance register and loan commitment report as on that date.</li> <li>• We tested assets in stage 1, 2 and 3 on sample basis to verify that they were allocated to the appropriate stage.</li> <li>• Tested samples to ascertain the completeness and accuracy of the input data used for determining the PD and LGD rates and agreed the data with underlying books of accounts and records.</li> <li>• For samples of exposure, we tested the appropriateness of determining EAD, PD and LGD.</li> <li>• For exposure determined to be individually impaired, we tested samples of loans and advances and examined management's estimate of future cash flows, assessed their reasonableness and checked the resultant provision calculations.</li> <li>• We performed an overall assessment of the ECL provision levels at each stage including management's assessment and provision on account of Company's portfolio, risk profile, credit risk management practices.</li> </ul>



- |  |   |
|--|---|
|  | <ul style="list-style-type: none"><li>• We assessed the adequacy and appropriateness of disclosures in compliance with the Ind AS 107 in relation to ECL, especially in relation to judgements used in estimation of ECL provision.</li></ul> |
|--|---|

#### Other information

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

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

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

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

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

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

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

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



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

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

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

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

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

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



internal control that we identify during our audit.

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

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

#### **Other Matter**

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

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

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

#### **Report on Other Legal and Regulatory Requirements**

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

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

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

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

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



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

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

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

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

- i. The Group does not have any pending litigations which would impact its consolidated financial position;
- ii. The Group did not have any material foreseeable losses in long-term contracts including derivative contracts during the year ended March 31, 2022;
- iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Holding Company and its subsidiary, incorporated in India during the year ended March 31, 2022.

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

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



## SGCO & Co. LLP

Chartered Accountants

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

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

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

**For SGCO & CO. LLP**

Chartered Accountants

Firm Reg. No. :- 112081WW/00184

  
**Suresh Murarka**

Partner

Membership No. :- 044739

UDIN :- 22044739AJYAXW7961

Place :- Mumbai

Date :- 30-05-2022



**ANNEXURE A REFERRED TO IN PARAGRAPH 2(f) UNDER THE HEADING "REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS" OF OUR REPORT OF EVEN DATE**

**Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")**

In conjunction with our audit of the consolidated financial statements of ICF Finance Limited (hereinafter referred to as the "Holding Company") as of and for the year ended March 31, 2022, we have audited the internal financial controls with reference to consolidated financial statements of the Holding Company and its subsidiary (the Holding Company and its subsidiary 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 control over financial reporting criteria established by the Holding Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (ICAI). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the respective company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

**Auditor's Responsibility**

Our responsibility is to express an opinion on the 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") and the Standards on Auditing, specified under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls, both, issued by 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 consolidated financial statements was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to consolidated financial statements and their operating effectiveness. Our audit of internal financial controls with reference to consolidated financial statements included obtaining an understanding of internal financial controls with reference to 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 judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.



We believe that the audit evidence we have obtained as if the audit evidence obtained by the other auditor, in terms of his report referred to in the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls with reference to consolidated financial statements.

#### **Meaning of Internal Financial Controls Over Financial Reporting with Reference to Consolidated financial statements**

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

#### **Inherent Limitations of Internal Financial Controls Over Financial Reporting with Reference to these Consolidated financial statements**

Because of the inherent limitations of internal financial controls with reference to these 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 consolidated financial statements to future periods are subject to the risk that the internal financial control over financial reporting with reference to these 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, maintained in all material respects, adequate internal financial controls with reference to consolidated financial statements and such internal financial controls with reference to consolidated financial statements were operating effectively as at March 31, 2022, based on the internal control over financial reporting criteria established by the Holding Company considering the essential components of internal control stated in the Guidance Note issued by the ICAI.



**Other Matters**

Our report under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls with reference to consolidated financial statements of the Holding Company, in so far as it relates to one subsidiary, which is incorporated in India, is based on the corresponding report of the auditor of such subsidiary.

**For SGCO & CO. LLP**

Chartered Accountants

Firm's Reg. No., 112081WW100164

  
**Suresh Murarka**

Partner

Membership No. - 044739

UDIN - 220447394/YAXW7961

Place - Mumbai

Date - 30<sup>th</sup> May, 2022



Particulars	Item No.	Rs. in	Rs. in
		March 31, 2022	March 31, 2021
<b>ASSETS</b>			
<b>(I) Non-current assets</b>			
(a) Cash and cash equivalents	1	5,880.23	16,175.62
(b) Fixed deposits (other than included in (a) above)	4	2,553.01	3,214.83
(c) Investments	6	-	-
(d) Other financial assets	5	26.22	13.82
(e) Loans	3	3,675,194.11	1,42,791.14
(f) Intangible assets	8	-	-
(g) Other financial assets	7	3,207.47	1,072.53
		<u>12,442.04</u>	<u>1,63,067.94</u>
<b>(II) Non-physical assets</b>			
(a) Current tax assets (net)	20	285.25	117.84
(b) Deferred tax assets (net)	21	78.24	-
(c) Investments in property	12	114.71	6.47
(d) Property, plant and equipment	13	41,535	9,664.07
(e) Right of use asset	14	1,833.1	1,175
(f) Intangible assets	15	1,47,377	107.50
(g) Goodwill	16	774.62	774.62
(h) Other non-physical assets	17	1,183.21	86.74
		<u>1,79,539.48</u>	<u>1,20,524.24</u>
<b>Total assets</b>		<u>1,27,713.75</u>	<u>1,83,592.18</u>
<b>LIABILITIES AND EQUITY</b>			
<b>LIABILITIES</b>			
<b>(I) Financial liabilities</b>			
(a) Deposits from credit customers		14.88	-
(b) Payables		-	-
(c) Trade payables and other payables		-	-
(i) Total including those of which enterprise and small enterprises		-	-
(ii) Total excluding those of which other than small enterprises and other companies		14.88	21.32
(d) Bank borrowings	18	14,827.15	41,134.78
(e) Borrowings (other than bank borrowings)	19	1,28,179.67	65,144.89
(f) Subordinated liabilities	22	6,031.65	5,046.75
(g) Other financial liabilities	23	5,113.24	1,21,577
		<u>1,49,966.92</u>	<u>1,13,065.68</u>
<b>(II) Non-physical liabilities</b>			
(a) Current tax liabilities (net)	24	-	1,135
(b) Provisions	25	841.24	333.22
(c) Deferred tax liabilities (net)	26	361.75	150.42
(d) Other non-physical liabilities	27	21,177	145.75
		<u>917.98</u>	<u>640.49</u>
<b>EQUITY</b>			
(a) Equity share capital	28	5,255.11	5,255.11
(b) Other equity	29	16,762.89	16,762.89
(c) Reserves	30	1,05,705.75	61,574.58
		<u>1,27,723.75</u>	<u>83,592.58</u>
<b>Total liabilities and equity</b>		<u>1,27,723.75</u>	<u>1,83,592.18</u>

Signatures of directors and other authorized persons  
 The accompanying notes form an integral part of these consolidated financial statements  
 As per the report of our audit

ST Finance Ltd. Ltd.  
 Director/Authorized Signatory  
 Director Registration Number: U12501GJ2009PL000004

and Representatives  
 Name:  
 Address:  
 Pin Code:  
 Date: 30/04/22



For and on behalf of the Board of Directors of  
 ST Finance Ltd.  
 Director Registration Number: U12501GJ2009PL000004

*V. K. S. / V. K. S. / V. K. S.*  
 Director  
 Director Registration Number: U12501GJ2009PL000004

Name:  
 Address:  
 Pin Code:  
 Date: 30/04/22

Name:  
 Address:  
 Pin Code:  
 Date: 30/04/22

For: V. K. S.  
 Date: 30/04/22

**BE Finance Limited**  
**Consolidated Statement of Profit and Loss for the year ended March 31, 2021**  
 (Currency: INR in Lakhs)

Particulars	Item No.	Year ended March 31, 2021	Year ended March 31, 2020
<b>Revenue from operations</b>			
(I) Interest Income	21	76,301.63	73,473.50
(II) Financial services income	22	669.33	1,950.7
<b>(E) Total income from operations</b>		<b>76,970.96</b>	<b>75,424.27</b>
(III) Other income	23	207.31	51.21
<b>(F) Total income [(E) + (III)]</b>		<b>77,178.27</b>	<b>75,475.48</b>
<b>Expenses</b>			
(I) Provision for	24-1	13,037.81	12,863.63
(II) Fee loss or fee waiver charge	24-2	8.37	-
(III) Impairment on financial investments	25	511.31	781.77
(IV) Employee benefits expenses	26	4,490.41	4,438.30
(V) Depreciation, amortisation and impairment	27	180.33	104.18
(VI) Others expenses	28	1,551.29	1,218.14
<b>(G) Total expenses</b>		<b>20,779.52</b>	<b>19,405.92</b>
<b>(H) Profit before tax [(F) - (G)]</b>		<b>56,398.75</b>	<b>56,069.56</b>
(I) Tax Expenses			
(I) Current Tax	29	1,781.78	1,094.14
(II) Deferred Tax	30	24.00	411.30
(III) Adjustment of tax relating to earlier periods	31	15.06	63.46
<b>(J) Profit for the period [(H) - (I)]</b>		<b>54,587.91</b>	<b>54,511.66</b>
<b>Other comprehensive income</b>			
(A) Items that will not be reclassified to profit or loss (type by items and amounts)			
(i) Remeasurement of fair value of investments	32	12.86	16.74
(ii) Items relating to OCI that will not be reclassified to profit or loss		(3.77)	(4.08)
<b>Other comprehensive income / loss</b>		<b>8.09</b>	<b>12.66</b>
<b>(K) Total comprehensive income for the period [(J) + (A)]</b>		<b>54,596.00</b>	<b>54,524.32</b>
<b>Attributable to:</b>			
Owners of the Company		5,487.52	5,726.88
Non-controlling interest		16.18	37.24
<b>(L) Earnings per share (equity share, par value of INR 10/-)</b>			
Basic	33	5.83	5.14
Diluted	34	5.89	5.14

Sufficient accounting policies and key accounting estimates and judgments  
 The accompanying notes form an integral part of the Consolidated Financial Statements  
 INR in Lakhs of equities

The B.E.F. & Co. LLP  
 Chartered Accountants  
 CIN No. registration number - 1100007620008

per Board Minutes  
 Author  
 Member No. 204772  
 Date: 30 May 21  
 Place: Mumbai



For and on behalf of the Board of Directors of  
 BE Finance Limited  
 CIN: U65100KA2019PL001750

V. G. Kulkarni  
 V.G. Kulkarni  
 Director  
 DIN: 0221750  
 Chief Executive Officer

Deemodh Kogale  
 Deemodh Kogale  
 Managing Director  
 DIN: 0221120  
 Chief Financial Officer  
 DIN: ACSI1720



Date: 30 May 21



**IF Finance Limited**

Consolidated Statement of Changes in Equity for the year ended March 31, 2022  
(Amounts in Lakhs)

**A. Statement of Equity**

**Consolidated Equity**

Particulars	Balance at the beginning of the current reporting period as at March 31, 2021	Change in Reserves/Guarantee Capital during the reporting period	Net Profit/(Loss) after tax of the reporting period	Change in Reserves/Guarantee Capital during the reporting period	Balance at the beginning of the current reporting period as at March 31, 2022
Equity (Attributed net of tax - fully paid) (Shareholders of 15,22,74,545 equity shares)	4,747.54	-	4,747.54	13.57	9,495.05
Reserves (Attributed net of tax - fully paid) (Shareholders of 15,22,74,545 equity shares and 1,17,40,000 preference shares of Rs 100 each)	462.11	-	468.12	447.17	-

**Reserves/Equity**

Particulars	Balance at the beginning of the current reporting period as at March 31, 2021	Dividend/Dividend in Kind/Dividend in Cash paid during the reporting period	Reserves/Guarantee Capital at the beginning of the current reporting period	Change in Reserves/Guarantee Capital during the reporting period	Balance at the beginning of the current reporting period as at March 31, 2022
Equity (Attributed net of tax - fully paid) (Shareholders of 15,22,74,545 equity shares)	4,747.54	-	4,747.54	-	9,495.05
Reserves (Attributed net of tax - fully paid) (Shareholders of 15,22,74,545 equity shares and 1,17,40,000 preference shares of Rs 100 each)	462.11	-	468.12	133.89	602.01

**B. Statement of Financial Position**

Particulars	Statement of Financial Position						Total
	Share Capital	Capital Reserve	Reserves/Guarantee Capital	Reserves/Provision	Shareholder's Loan/Debt	Other Reserves	
Balance at March 31, 2021	4,771.88	87.40	4,000.00	380.12	17.46	11,856.86	25,613.72
Profit for the year	-	-	-	-	-	4,733.99	4,733.99
Other comprehensive income for the year	-	-	-	-	-	13.15	13.15
Prior period items	-	-	-	-	-	1.00	1.00
Transfer of intangible assets for the year (Net of offset)	-	-	-	-	-	1,500.00	1,500.00
Transfer to Statutory Reserves	751.91	-	-	-	-	971.47	971.47
Transfer to General Reserve	-	-	-	148.22	-	148.22	148.22
Loss of equity shares	-	-	471.29	-	-	-	471.29
Share based payment expense	-	-	-	-	-	11.98	11.98
Balance at March 31, 2022	5,523.79	87.40	4,471.29	528.32	17.46	14,038.26	32,583.31
Profit for the year	-	-	-	-	-	4,691.19	4,691.19
Other comprehensive income for the year	-	-	-	-	-	1.14	1.14
Prior period items	-	-	-	-	-	6.61	6.61
Total comprehensive income for the year (Net of tax)	-	-	-	-	-	4,798.94	4,798.94
Transfer to Statutory Reserves	1,564.11	-	-	-	-	1,564.11	1,564.11
Transfer to General Reserve	-	-	-	148.70	-	148.70	148.70
Transfer to Intangible Assets	-	-	-	-	-	1,171.13	1,171.13
Loss of equity shares	-	-	468.89	-	-	-	468.89
Share based payment expense	-	-	-	-	-	13.02	13.02
Balance at March 31, 2022	5,523.79	87.40	4,471.29	528.32	17.46	14,038.26	32,583.31

**As per Annexure I over page**

For IFC Finance Ltd.,  
Chartered Accountants  
100, High Street, 10th Floor, 100000, New Delhi

For and on behalf of the Board of Directors of  
IFC Finance Ltd.  
100, High Street, 10th Floor, 100000, New Delhi

Dr. Anand K. Singh  
Partner  
Membership No. 100000

Dr. Anand K. Singh  
Partner  
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## 1 Group information

IGF Finance Limited ("the Company" or "the Holding Company") is a public company domiciled in India and incorporated under the provision of the Companies Act, 1956. The Company was registered as a non-deposit accepting Non-Banking Financial Company (NBFC-ND) with the Reserve Bank of India (RBI) and classified as a Non-Banking Financial Company- Asset Finance Company ("NBFC-AFC") with effect from May 31, 2014. The Company provides finance for commercial vehicles, construction equipment and other loans.

The consolidated financial statements relates to the Company and its subsidiary company IGF Home Finance Limited (IGFHF) ("together hereinafter referred to as "Group").

### 1.1 Basis of Consolidation

i. The financial statements of the subsidiary company used in the consolidation are drawn up to the same reporting date as of the Company i.e. year ended March 31, 2022 and are prepared based on the accounting policies consistent with those used by the Company.

ii. Notes to these consolidated financial statements are intended to serve as a means of informative disclosure and a guide to better understanding of the consolidated position of the companies. Recognizing this purpose, the Company has disclosed only such notes from the individual financial statements, which fairly present the needed disclosures. The accounting policies, notes and disclosures made by the parent are best viewed in its standalone financial statements.

The consolidated financial statements have been prepared on the following basis:

a. The financial statements of the Company and its subsidiary company has been combined on a line-by-line basis by adding together the items of assets, liabilities, income and expenses. The intra-group balances and intra-group transactions have been fully eliminated except where losses are realized.

b. The excess of cost to the Company of its investments in the subsidiary company over its share of equity of the subsidiary company, at the dates on which the investments in the subsidiary company is made, is recognized as 'Goodwill' being an asset in the consolidated financial statements. Alternatively, where the share of equity in the subsidiary company as on the date of investment is in excess of cost of investment of the Company, it is recognized as 'Capital Reserve' and shown under the head 'Reserves and Surplus', in the consolidated financial statements.

c. Minority interest in the net assets of the consolidated subsidiaries consist of the amount of equity attributable to the minority shareholders at the date on which investments in the subsidiary companies were made and further movements in their share in the equity, subsequent to the dates of investments. Net profit / loss for the year of the subsidiaries attributable to minority interest is identified and adjusted against the profit after tax of the Group to arrive at the income attributable to shareholders of the Company.

d. Goodwill arising on consolidation is not amortized but tested for impairment.

Subsidiary Considered in preparation of these consolidated financial statements are as under:

Name of the subsidiary	Country of its incorporation	Proportion of ownership
IGF Home Finance Limited	India	92.49%



## 2 Significant Accounting Policies

### 2.1 Basis of preparation

The financial statements for the year ended March 31, 2022 have been prepared by the Group in accordance with Indian Accounting Standards ("Ind AS") notified by the Ministry of Corporate Affairs, Government of India under the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) (Amendment) Rules, 2016, as amended from time to time, in this regard. Any application guidance/ clarifications/ directions issued by IRI or other regulator are implemented as and when they are issued/ applicable.

### 2.2 Presentation of financial Statements

The financial statements are presented as per Division (i) of the Schedule III to the Companies Act 2013 as amended from time to time, for Non-Banking Financial Companies ("NBFC") that are required to comply with Ind-AS. The Statement of Cash Flow has been presented as per the requirements of Ind-AS 7 Statement of Cash Flows. An analysis regarding recovery or settlement within 12 months after the reporting date (current) and more than 12 months after the reporting date (non-current) is presented in Note 34 - Maturity analysis of assets and liabilities.

Financial assets and financial liabilities are generally reported gross in the balance sheet. They are only offset and reported net when, in addition to having an unconditional legally enforceable right to offset the recognized amount without being contingent on a future event, the parties also intend to settle on a net basis in all of the following circumstances:

- The normal course of business;
- The event of default;
- The event of insolvency or bankruptcy of the Group and/or its counterparties.

### 2.3 Basis of Measurement

The financial statements have been prepared under the historical cost convention on the accrual basis except for certain financial instruments, plan assets of defined benefit plans and share based payment plans, which are measured at fair values at the end of each reporting period as explained in the accounting policies below. All amounts disclosed in the financial statements and notes have been rounded off to the nearest INR Lakhs in compliance with Schedule III of the Act, unless otherwise stated.

### 2.4 Significant accounting judgments, estimates and assumptions

The preparation of financial statements in conformity with Ind AS requires management to make judgments, estimates and assumptions that affect the reported amounts of assets and liabilities (including contingent liabilities) at the date of the financial statements and the reported amounts of revenues and expenses for the reporting period. The estimates and assumptions used in the accompanying financial statements are based upon management's evaluation of the relevant facts and circumstances as of the date of financial statements. Actual results could differ from these estimates. Any revisions to accounting estimates are recognized prospectively in the current and future periods.

Estimates and underlying assumptions are reviewed on an ongoing basis. Key sources of estimation uncertainty at the date of financial statements, which may cause a material adjustment to the carrying amount of assets and liabilities within the next financial year are included in the following notes:



**a. Business model assessment:**

Classification and measurement of financial assets depends on the results of the solely payments of principal and interest (SPPI) and the business model test. The 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. 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.

**b. Effective Interest Rate (EIR) method**

The Group recognizes interest income / expense using a rate of return that represents the best estimate of a constant rate of return over the expected life of the loans given / taken.

This estimation, by nature, requires an element of judgement regarding the expected behaviour and lifecycle of the instruments, as well as expected changes to other fee income/expense that are integral parts of the instrument.

**c. Impairment of loans portfolio**

The measurement of impairment losses on loan assets requires judgement, in estimating the amount and timing of future cash flows and recoverability of collateral values while determining the impairment losses and assessing a significant increase in credit risk.

The Group's Expected Credit Loss (ECL) calculator is the output of a complex model with a number of underlying assumptions regarding the choice of variable inputs and their interdependencies. Elements of the ECL model that are considered accounting judgements and estimates include:

- PD calculation includes historical data, benchmarking, assumptions and expectations of future conditions.
- The Group's criteria for assessing if there has been a significant increase in credit risk and its allowances for financial assets should be measured on a life-time expected credit loss and the qualitative assessment.
- The segmentation of financial assets when their ECL is assessed on a collective basis
- Development of ECL models, including the various formulas and the choice of inputs

It is the Group's policy to regularly review its models in the context of actual loss experience and adjust when necessary.

The impairment loss on loans and advances is disclosed in more detail in Note 6-Loans and Note 41-Risk Management.



**d. Defined employee benefit assets and liabilities**

The cost of the defined benefit gratuity plan and the present value of the gratuity obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

**e. Fair value measurement**

When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using various valuation techniques. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgment is required in establishing fair values. Judgments include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments.

**f. Operating Leases**

**Group as a lessee**

The Group has applied Ind AS 116 using the partial retrospective approach.

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. The Group applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Group recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

**Right to 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 depreciations and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets.

**Lease Liabilities**

At the commencement date of the lease, the 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 (including in substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. In calculating the present value of lease payments, the 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 reassessed if there is a modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

**Short term lease**



The Group has elected not to recognise right of use asset and lease liabilities for short term lease of property that has lease term of 12 months or less. The Group recognises lease payment associated with these leases as an expense on a straight line basis over lease term.

**g. Share based payments**

Estimating fair value for share-based payment transactions requires determination of the most appropriate valuation model, which is dependent on the terms and conditions of the grant. This estimate also requires determination of the most appropriate inputs to the valuation model including the expected life of the share option, volatility and dividend yield and making assumptions about them.

**2.5 Revenue recognition**

**a. Interest Income on loans**

Interest income is recorded using effective interest rate (EIR) method for all financial assets measured at amortised cost and at fair value through other comprehensive (FVOCI) income.

EIR is the rate that exactly discounts the estimated future cash flows through the expected life of the financial instrument or a shorter period, where appropriate, to the gross carrying amount of the financial asset except for credit impaired asset.

The calculation of the effective interest rate includes transaction costs and fees (loan processing fees, commission paid to direct selling agents and other premiums or discounts) that are an integral part of the contract. Transaction costs include incremental costs that are directly attributable to the acquisition of financial asset.

When a financial asset becomes credit-impaired, the Group calculates interest income by applying the effective interest rate to the net amortised cost of the financial asset. If the financial asset cures and is no longer credit-impaired, the Group reverts to calculating interest income on a gross basis.

**b. Rental Income**

Rental income arising from operating leases is recognised on a straight line basis over the lease term. In cases where the increase is in line with expected general inflation rental income is recognised as per the contractual terms.

Operating leases are leases where the Group does not transfer substantially all of the risk and benefits of ownership of the asset.

**c. Interest Income on fixed deposits**

Interest on fixed deposits is recognised on a time proportion basis taking into account the amount outstanding and the applicable rate.

**d. Other Income**

Other charges including application fees (postal interest, cheque bearing charges, etc.) are recognised on realization basis.



**2.8 Financial Instruments**

Financial assets and financial liabilities are recognised in the Group's balance sheet when the Group becomes a party to the contractual provisions of the instrument.

Recognised financial assets and financial liabilities are initially measured at transaction price, which equates fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at FVTPL) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at FVTPL are recognised immediately in profit or loss.

A financial asset and a financial liability are offset and presented on net basis in the balance sheet when there is a current legally enforceable right to set-off the recognised amounts and it is intended to either settle on net basis or to realise the asset and settle the liability simultaneously.

**a. Classification and measurement of Financial assets**

Based on the business model, the contractual characteristics of the financial assets and specific elections where appropriate, the Group classifies and measures financial assets in the following categories:

- Amortised cost
- Fair value through other comprehensive income (FVOCI)
- Fair value through profit and loss (FVTPL)

Financial assets at amortised cost

Financial assets are measured at amortised cost using the effective interest rate (EIR) if these financial assets are held within a business model whose objective is to hold these assets in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

After initial measurement and based on the assessment of the business model as asset held to collect contractual cash flows and SPPI, such financial assets are subsequently measured at amortised cost using effective interest rate (EIR) method. Interest income and impairment expenses are recognised in statement of profit and loss. Any gain or loss on derecognition is also recognised in statement of profit and loss.

The EIR method is a method of calculating the amortised cost of a financial instrument and of allocating interest over the relevant period. The EIR is the rate that exactly discounts estimated future cash flows (including all fees paid or received that form an integral part of the EIR, transaction costs and other premiums or discounts) through the expected life of the instrument, or, where appropriate, a shorter period, to the net carrying amount on initial recognition.

The Group records loans at amortised cost.

Financial assets at fair value through other comprehensive income (FVOCI)

Financial assets are measured at fair value through other comprehensive income if these financial assets are held within a business model whose objective is achieved by both collecting contractual cash flows that give rise on specified dates to sole payments of principal and interest on the principal amount outstanding and by selling financial assets.



Movements in the carrying amount of such financial assets are recognised in Other Comprehensive Income ('OCI'), except dividend income and interest income which is recognised in statement of profit and loss. Equity instruments at FVOCI are not subject to an impairment assessment.

**Financial assets at fair value through profit or loss (FVTPL)**

Financial assets are measured at fair value through profit or loss unless it is measured at amortised cost or at fair value through other comprehensive income on initial recognition. The transaction costs directly attributable to the acquisition of financial assets and liabilities at fair value through profit or loss are immediately recognised in profit or loss.

**b. Financial Liabilities**

Financial liabilities are measured at amortised cost. The carrying amounts are determined based on the EIR method. Interest expense is recognised in statement of profit and loss. Any gain or loss on de-recognition of financial liabilities is also recognised in statement of profit and loss.

**c. Equity Instruments**

An equity instrument is any contract that entitles a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the Group is recognised at the proceeds received, net of directly attributable transaction costs.

**d. Reclassification**

Financial assets are not reclassified subsequent to their initial recognition, apart from the exceptional circumstances in which the Group acquires, disposes of, or terminates a business line or in the period the Group changes its business model for managing financial assets. Financial liabilities are not reclassified.

**e. De-recognition of financial assets and financial liabilities**

**i. Financial Assets**

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is derecognised when the rights to receive cash flows from the financial asset have expired. The Group also derecognises the financial asset if it has both transferred the financial asset and the transfer qualifies for derecognition.

The Group has transferred the financial asset if, and only if, either:

- i. The Group has transferred its contractual rights to receive cash flows from the financial asset, or
- ii. It retains the rights to the cash flows but has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement.

Pass-through arrangements are transactions whereby the 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:

- i. The Group has no obligation to pay amounts to the eventual recipients unless it has collected equivalent amounts from the original asset, including 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.

#### 4. Financial liabilities

A financial liability is derecognised when the obligation under the liability is discharged, cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a derecognition of the original liability and the recognition of a new liability. In this case, a new financial liability based on the modified terms is recognised at fair value. The difference between the carrying value of the original financial liability and the new financial liability with modified terms is recognised in statement of profit and loss.

#### F. Impairment of Financial Assets

The Group recognises impairment allowances for Expected Credit Loss (ECL) on all the financial assets that are not measured at FVTPL.

The ECL provision is based on the credit losses expected to arise over the life of the asset (the lifetime expected credit loss), unless there has been no significant increase in credit risk since origination, in which case, the allowance is based on the 12 months' expected credit loss.

The 12-month ECL is the portion of Lifetime ECL that represent the ECLs that result from default events on financial assets that are possible within the 12 months after the reporting date.

The Group performs an assessment, at the end of each reporting period, of whether a financial instrument's credit risk has increased significantly since initial recognition by considering the change in the risk of default occurring over the remaining life of the financial instrument.

Based on the above process, the Group categorises its loans into three stages as described below:

#### For non-impaird financial instruments



- Stage 1 is comprised of all non-impaired financial instruments which have not experienced a significant increase in credit risk (SICR) since initial recognition. A 12-month ECL provision is made for stage 1 financial instruments. In assessing whether credit risk has increased significantly, the Group compares the risk of a default occurring on the financial instrument as at the reporting date, with the risk of a default occurring on the financial instrument as at the date of initial recognition.
- Stage 2 is comprised of all non-impaired financial instruments which have experienced a SICR since initial recognition. The Group recognises lifetime ECL for stage 2 financial instruments. In subsequent reporting periods, if the credit risk of the financial instruments improves such that there is no longer a SICR since initial recognition, then entities shall revert to recognizing 12 months of ECL.

#### For Impaired Financial Instruments:

Financial instruments are classified in stage 3 when there is objective evidence of impairment as a result of one or more loss events that have occurred after initial recognition with a negative impact on the estimated future cash flows of a loss or a portfolio of loans. The Group recognises lifetime ECL for impaired financial instruments.

#### The calculation of ECLs

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

#### Probability of Default (PD) -

The Probability of Default is an estimate of the likelihood of default over a given time horizon. A default may only happen at a certain time over the assessed period, if the facility has not been previously derecognized and is still in the portfolio. The concept of PD is further explained in Note 41- Risk Management.

**Exposure at Default -** The Exposure at Default is an estimate of the exposure at a future default date, considering expected changes in the exposure after the reporting date, including repayments of principal and interest, whether scheduled by contract or otherwise, expected drawdowns on committed facilities, and accrued interest from missed payments.

**Loss Given Default -** The Loss Given Default is an estimate of the loss arising in the case where a default occurs at a given time. It is based on the difference between the contractual cash flows due and those that the lender would expect to receive.

#### Collateral Valuation

To mitigate its credit risks on financial assets, the Group seeks to use collateral, where possible. The collateral comes in various forms, such as movable and immovable assets, guarantees, etc. However, the fair value of collateral affects the calculation of ECLs. To the extent possible, the Group uses active market data for selling financial assets held as collateral. Other financial assets which do not have readily determinable market values are valued using other methodologies. Non-financial collateral, such as vehicles, is valued based on data provided by third parties or management judgements.

#### Collateral repossessed

In its normal course of business whenever default occurs, the Group may take possession of properties or other assets in its retail portfolio and generally dispose such assets through auction, to settle outstanding debt. Any surplus funds are returned to the customers/obligors. As a result of this practice, assets under legal repossession processes are not recorded on the balance sheet.



**Write-offs**

Loans are written off (either partially or in full) when there is no realistic prospect of recovery. This is generally the case when it is determined that the customer does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subjected to write-off. Any subsequent recoveries against such loans are credited to the statement of profit and loss.

**g. Derivative Financial Instruments**

A derivative is a financial instrument or other contract with all of the following characteristics:

- Its value changes in response to the change in a specified interest rate, financial instrument price, commodity price, foreign exchange rate, index of prices or rates, credit rating or credit index, or other variable, provided that, in the case of a non-financial variable, it is not specific to a party to the contract (i.e. underlying)
- It requires no initial net investment or an initial net investment that is smaller than would be required for other types of contracts expected to have a similar response to changes in market factors.
- It is settled at future date.
- The Company enters into derivative transactions with various counterparties to hedge its foreign currency risks and interest rate risks. Derivative transaction consists of hedging of foreign exchange transactions, which includes interest rate and currency swaps, interest rate options and forwards. The Company undertakes derivative transactions for hedging on-balance sheet liabilities.

**Hedge Accounting:**

**Initial Recognition and subsequent re-measurement:**

The group uses derivative financial instruments, such as forward currency contracts, to hedge its foreign currency risks. Such derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently re-measured at fair value. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative. Any gains and losses arising from changes in the fair value of derivatives are taken directly to profit or loss.

**h. Determination of fair value**

On initial recognition, all the financial instruments are measured at fair value. For subsequent measurement, the Group measures certain categories of financial instruments (as explained in Note 40- Fair Value Measurement) at fair value on each balance sheet date.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or to 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.

In order to show how fair values have been derived, financial instruments are classified based on a hierarchy of valuation techniques, as summarised below:

**Level 1 Financial Instruments** - Those where the inputs used in the valuation are unadjusted quoted prices from active markets for identical assets or liabilities that the Group has access to at the measurement date. The Group considers markets as active only if there are sufficient trading activities with regards to the volume and liquidity of the identical assets or liabilities and when there are binding and executable price quotes available on the balance sheet date.

**Level 2 Financial Instruments** - Those where the inputs that are used for valuation and are significant, are derived from directly or indirectly observable market data available over the entire period of the instrument's life. Such inputs include quoted prices for similar assets or liabilities in active markets, quoted prices for identical instruments in inactive markets and observable inputs other than quoted prices such as interest rates and yield curves, implied volatilities, and credit spreads. In addition, adjustments may be required for the condition or location of the asset or the extent to which it relates to items that are comparable to the valued instrument. However, if such adjustments are based on unobservable inputs which are significant to the entire measurement, the Group will classify the instruments as level 3.

**Level 3 Financial Instruments** - Those that include one or more unobservable input that is significant to the measurement as whole.

The Group recognises transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred. No such instances of transfer between levels of the fair value hierarchy were recorded during the reporting period.

## 2.7 Property, plant and equipment

Property, plant and equipment are carried at cost of acquisition less accumulated depreciation and accumulated impairment loss (if any). The total cost of the asset comprises the purchase price, taxes, duties, freight (net of rebates and discounts) and any other directly attributable costs of bringing the assets to their working condition for their intended use. Borrowing costs directly attributable to acquisition of these assets which necessarily take a substantial period of time to get ready for their intended use are capitalised. Advances paid towards the acquisition of assets outstanding at each balance sheet date are disclosed as other non-financial assets. The cost of assets not ready for their intended use at each balance sheet date is disclosed as capital work-in-progress.

Depreciation is provided on a straight-line method, over the estimated useful life of each asset as prescribed in Schedule II of the Companies Act, 2013 as follows:

Asset	Useful Life
Building	30 years
Office Equipment	5 years
Furniture and Fixture*	10 years



Computers	3 years
Vehicles (Car, Lorry, Bus)	8 years
Vehicles (Bike, Moped, Cycle)	10 years
Servers	6 years

\*Useful life for Furniture and Fixture for IKF Home Finance Limited is 5 Years. For these class of assets, based on internal assessment and independent technical evaluation carried out by external valuers the management believes that the useful lives as given above best represent the period over which management expects to use those assets. Hence the useful lives for these assets is different from the useful lives as prescribed under Part C of Schedule II of the Companies Act 2013.

An item of property, plant and equipment, is de-recognized upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment, is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognized in profit or loss.

## 2.8 Intangible assets

Intangible assets are stated at acquisition cost, net of accumulated amortisation and accumulated impairment losses, if any. Cost comprise the purchase price and any attributable cost of bringing the asset to its working condition for its intended use.

Intangible assets are amortised on a straight line basis over their estimated useful life.

The estimated useful life of Intangible assets are as follows:

Asset	Useful Life
Software	5 years

## 2.9 Impairment of non-financial assets:

Assessment is done at each balance sheet date as to whether there is any indication that an asset may be impaired. If any such indication exists, an estimate of the recoverable amount of the asset/cash generating unit is made. Recoverable amount is higher of an asset's or cash generating unit's net selling price and its value in use. Value in use is the present value of estimated future cash flows expected to arise from the continuing use of an asset and from its disposal at the end of its useful life. For the purpose of assessing impairment, the recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. The smallest identifiable group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows from other assets or groups of assets, is considered as a cash generating unit (CGU). An asset or CGU whose carrying value exceeds its recoverable amount is considered impaired and is written down to its recoverable amount. Assessment is also done at each balance sheet date as to whether there is any indication that an impairment loss recognized for an asset in prior accounting years may no longer exist or may have decreased.



### 2.13 Employee benefits

#### Defined Contribution Plan

The Group has a defined contribution plan for post-employment benefits in the form of Provident Fund. Under the Provident Fund Plan, the Group contributes to a Government administered provident fund / recognized provident fund on behalf of the employees. The Group has no further obligation beyond making the contributions.

The Group's contributions to the above Plan are charged to the Statement of Profit and Loss.

#### Defined Benefit Plan:

The Group provides gratuity to all employees. The benefit is in the form of lump sum payments to vested employees on resignation, retirement, or death while in employment or on termination of employment of an amount equivalent to 15 days basic salary payable for each completed year of service as required under "The Payment of Gratuity Act, 1972". Vesting occurs upon completion of five years of service.

The cost of providing benefits under the defined benefit plan is determined using the projected unit credit method.

Remeasurements, comprising of actuarial gains and losses, the effect of the asset ceiling, and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability), are recognized immediately in the balance sheet with a corresponding debit or credit to retained earnings through OCI in the period in which they occur. Remeasurements are not reclassified to statement of profit and loss in subsequent periods.

Net interest is calculated by applying the discount rate to the net defined benefit liability or asset. The Group recognizes the following changes in the net defined benefit obligation as an expense in the statement of profit and loss:

- Service costs comprising current service costs, past-service costs, gains and losses on curtailments and non-routine settlements; and
- Net interest expense or income

An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, these liabilities are highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

#### Other Employee Benefits:

The employees of the Group are entitled to compensated absence (or deferred compensation) as per the policy of the Group, the liability in respect of which is provided, based on an actuarial valuation carried out by an independent actuary as at the year end. The actuarial valuation method used by the independent actuary for measuring the liability is the Projected Unit Credit Method.

Actuarial gains and losses comprise experience adjustments and the effects of changes in the actuarial assumptions are recognized immediately in the Statement of Profit and Loss in the year in which they arise.

Accumulated compensated absences, which are expected to be settled or encashed within 12 months from the end of the year are treated as short term employee benefits. Unutilised leave balances that accrues to employees as at the year end is charged to the Statement of Profit and Loss on an undiscounted basis.



**2.11 Income Taxes**

Income tax expense comprises of current tax (i.e. amount of tax for the period determined in accordance with the income tax law) and deferred tax charge or credit (reflecting the tax effects of timing differences between accounting income and taxable income for the period). Income tax expense is recognised in the statement of profit and loss except to the extent that it relates to items recognised directly in equity or in OCI.

**(a) Current tax**

Current tax is measured at the amount expected to be paid to the tax authorities in accordance with the Income Tax Act, 1961, enacted in India. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date.

Current tax assets and liabilities are offset only if the Group:

- has a legally enforceable right to set off the recognised amounts; and
- intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

**(b) Deferred tax**

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes.

Deferred tax assets are reviewed at each reporting date and based on management's judgement, are reduced to the extent that it is no longer probable that the related tax benefit will be realised, such reductions are reversed when the probability of future taxable profits improves.

Unrecognised deferred tax assets are reassessed at each reporting date and recognised to the extent that it has become probable that future taxable profits will be available against which they can be used.

Deferred tax is measured at the tax rates that are expected to be applied to temporary differences when they reverse, using tax rates enacted or substantively enacted at the reporting date.

The measurement of deferred tax reflects the tax consequences that would follow from the manner in which the Group expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets and liabilities are offset only if the Group:

- has a legally enforceable right to set off current tax assets against current tax liabilities; and
- the deferred tax assets and the deferred tax liabilities relate to income taxes levied by the same taxation authority.

**2.12 Provision and contingencies**

A provision is recognised when the Group has a present obligation as a result of past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period. The discount rate used to determine the present value is a pre-tax rate that



reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision due to the passage of time is recognized as finance cost.

A contract is considered as onerous when the expected economic benefits to be derived by the Group from the contract are lower than the unavoidable cost of meeting its obligations under the contract.

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Group or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognized because it cannot be measured reliably. The Group does not recognize a contingent liability but discloses its existence in the financial statements.

### **2.13 Earnings per share**

The Group reports basic and diluted earnings per share in accordance with Indian Accounting Standard 33 – "Earnings Per Share". Basic earnings per share is calculated by dividing the net profit or loss after tax for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year. Diluted earnings per share reflects the potential dilution that could occur if securities or other contracts to issue equity shares were exercised or converted during the year. Diluted earnings per share is computed by dividing the net profit after tax attributable to the equity shareholders for the year by weighted average number of equity shares considered for deriving basic earnings per share and weighted average number of equity shares that could have been issued upon conversion of all potential equity shares.

### **2.14 Cash and cash equivalent**

For the purpose of presentation in the statement of cash flows, cash and cash equivalents includes cash on hand, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value, and bank overdrafts.

### **2.15 Statement of cash flows**

Cash flows are reported using the indirect method, whereby net profit before tax is adjusted for the effects of transactions of non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the Group are segregated.

### **2.16 Share based payments**

The cost of equity-settled transactions is determined by the fair value at the date when the grant is made using an appropriate valuation model.

The fair value determined at the grant date of the equity-settled share based payments is expensed on a straight line basis over the vesting year, based on the Group's estimate of equity instruments that will eventually vest, with a corresponding increase in equity. At the end of each reporting year, 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 recognized in Statement of Profit and Loss such that the cumulative expense reflects the revised estimate, with a corresponding adjustment to the Share Based Payments Reserve.



**ITF Finance Limited**

 Notes forming part of Consolidated Financial Statements for the Year ended March 31, 2023  
 (Amounts in Lakhs)

**3 Capital and reserves**

Particulars	As at March 31, 2023	As at March 31, 2022
Equity fund	107.02	107.02
Reserves with heads in compliance with	3,577.38	34,279.50
<b>Total</b>	<b>3,684.40</b>	<b>34,386.52</b>

**4 Goodwill acquired in the acquisition of subsidiaries**

Particulars	As at March 31, 2023	As at March 31, 2022
Reserves with heads in compliance with all major heads**	2,133.85	4,339.82
<b>Total</b>	<b>2,133.85</b>	<b>4,339.82</b>

\*\*Reserves with heads include amounts placed in small term bank fixed deposits, financial institutions and in bank of abroad in connection with acquisition of subsidiaries.

**5 Receivables**

Particulars	As at March 31, 2023	As at March 31, 2022
Trade receivables		
Securities receivable (gross) - Unsettled	28.75	46.07
Less: Provision for impairment	28.75	46.07
<b>Total</b>	<b>28.75</b>	<b>28.40</b>

For trade or other receivables are the first parties or other parties of the Company either jointly or solely with any other person, or firm, firm or private company, respectively in which any director is a partner, a director or a member.

**Trade Receivables Aging (March - 23)**

Particulars	Less than 3 months	3 months - 1 year	1-2 years	More than 2 years	Total
(A) Unsettled Trade receivables - Unsettled gross	28.75	-	-	-	28.75
(B) Unsettled Trade receivables - which have significant increase in credit risk	-	-	-	-	-
(C) Settled Trade Receivables - which are settled	-	-	-	-	-
(D) Settled Trade Receivables - Unsettled gross	-	-	-	-	-
(E) Settled Trade Receivables - which have significant increase in credit risk	-	-	-	-	-
(F) Settled Trade Receivables - which are settled	-	-	-	-	-

**Trade Receivables Aging (March - 22)**

Particulars	Less than 3 months	3 months - 1 year	1-2 years	More than 2 years	Total
(A) Unsettled Trade receivables - Unsettled gross	28.40	-	-	-	28.40
(B) Unsettled Trade receivables - which have significant increase in credit risk	-	-	-	-	-
(C) Unsettled Trade Receivables - which are settled	22.00	-	21.00	-	43.00
(D) Settled Trade Receivables - Unsettled gross	-	-	-	-	-
(E) Settled Trade Receivables - which have significant increase in credit risk	-	-	-	-	-
(F) Settled Trade Receivables - which are settled	-	-	-	-	-



4. Loans

Particulars	31st 03, 2022	31st 03, 2021
(A) Term loans	1,52,821.27	1,52,821.27
(B) Term loans - related parties	-	-
(C) Short term loans	16.04	16.04
<b>Total</b>	<b>1,52,837.31</b>	<b>1,52,837.31</b>
Less: Impairment loss allowance	1,677.26	1,677.26
<b>Total - Net all impairment loss allowance</b>	<b>1,51,160.05</b>	<b>1,51,160.05</b>
(D) Secured by tangible assets*	1,51,867.94	1,51,867.94
(E) Secured by intangible assets	-	-
(F) Covered by Asset/Government Guarantees	-	-
(G) Unsecured	1,52,837.31	1,52,837.31
<b>Total</b>	<b>1,52,837.31</b>	<b>1,52,837.31</b>
Less: Impairment loss allowance	1,677.26	1,677.26
<b>Total - Net all impairment loss allowance</b>	<b>1,51,160.05</b>	<b>1,51,160.05</b>
(H) Public deposits	-	-
(I) Other	1,51,160.05	1,51,160.05
<b>Total</b>	<b>1,51,160.05</b>	<b>1,51,160.05</b>
Less: Impairment loss allowance	1,677.26	1,677.26
<b>Total - Net all impairment loss allowance</b>	<b>1,49,482.79</b>	<b>1,49,482.79</b>
(J) Assets under	1,52,837.31	1,52,837.31
(K) Assets under hold	-	-
<b>Total</b>	<b>1,52,837.31</b>	<b>1,52,837.31</b>
Less: Impairment loss allowance	1,677.26	1,677.26
<b>Total - Net all impairment loss allowance</b>	<b>1,51,160.05</b>	<b>1,51,160.05</b>

\*Secured against liquidation of assets including land, stocks, equities etc. (up to the amount of proceeds etc.)

4.1 The table below discloses credit quality and the maximum exposure to credit risk based on the nature of assets and counterparties. The numbers are in Lakhs of Pakistani Rupees.

Particulars	31st 03, 2022	31st 03, 2021
Term loans	1,52,821.27	1,52,821.27
Other	16.04	16.04
<b>Total</b>	<b>1,52,837.31</b>	<b>1,52,837.31</b>



**IPF Finance Limited**

 Notes forming part of Consolidated Financial Statements for the year ended March 31, 2022  
 (Continued)

**7 Other Financial Assets**

Particulars	Rs. in March 31, 2022	Rs. in March 31, 2021
Bank and other deposits	205.17	175.11
Debt instrument (prepaid) receivables	1,75,934	1,50,843
Other receivable, unsecured part	374.63	333.49
<b>Total</b>	<b>1,76,513.77</b>	<b>1,61,351.61</b>

**8 Investments**

Particulars	Rs. in March 31, 2022	Rs. in March 31, 2021
Investment in Equity instruments		
<b>Total (A)</b>		
(i) Investments in stock		
(ii) Investments in debt instruments		
<b>Total (B)</b>		

The company holds the investment in the Green Finance Agreement dated March 31, 2020 executed on October 30, 2020. The company has also filed to be 1,20,00,000 Equity shares of Rs. 10 each (fully paid) at a premium of Rs. 1.000 per share in IPF Green Finance (P) Ltd. during the year ended March 31, 2022.

Further, the company subscribed to the IPF Green Finance (P) Ltd. 10,00,00,000 Equity shares of Rs. 10 each (fully paid) at par on preferential subscription basis in IPF Green Finance (P) Ltd. during the year ended March 31, 2022.

Further, the company subscribed to the IPF Green Finance (P) Ltd. 10,00,00,000 Equity shares of Rs. 10 each with a premium of Rs. 1.00 per share (fully paid of Rs. 2,75) at par on preferential subscription basis in IPF Green Finance (P) Ltd. during the year ended March 31, 2022.

**9 Other Non Financial Assets**

Particulars	Rs. in March 31, 2022	Rs. in March 31, 2021
Prepaid expenses	110.00	14.00
Advance towards assets	1.00	5.40
Other receivable	600.00	500.00
Other receivable, unsecured part	500.00	10.00
<b>Total</b>	<b>1,211.00</b>	<b>629.40</b>



6.1 Statement of assets for the year ended March 31, 2021

Particulars	Stage I	Stage II	Stage III	Total
Assets carrying amount as at April 1, 2021				
Term loans	1,90,000.00	84,700.00	4,000.00	2,78,700.00
Staff loans	40.00	-	-	40.00
New loans originated during the year				
Term loans	62,100.00	1,01,170	244.00	1,63,514.00
Staff loans	6.00	-	-	6.00
Other stage movements				
Term loans				
Transfers to Stage 1	21,710.00	11,000.00	110.00	-
Transfers to Stage 2	2,550.00	4,000.00	70.00	-
Transfers to Stage 3	(22.00)	(1,010.00)	3,300.00	-
Interest on stage 1 loans	-	-	23.00	23.00
Interest written off				
Term loans	140.00	(50.00)	(84.00)	10.00
Staff loans	-	-	-	-
Assets derecognised or repaid (including write offs)				
Term loans	(44,900.00)	(4,400.00)	(1,000.00)	(50,300.00)
Staff loans	(21.00)	-	-	(21.00)
Assets carrying amount as at March 31, 2021				
Term loans	1,69,710.00	76,660.00	4,200.00	2,50,570.00
Staff loans	19.00	-	-	19.00

6.2 Statement of assets for the year ended March 31, 2022

Particulars	Stage I	Stage II	Stage III	Total
Assets carrying amount as at April 1, 2021				
Term loans	88,250.00	46,000.00	1,000.00	1,35,250.00
Staff loans	18.00	-	-	18.00
New loans originated during the year				
Term loans	91,730.00	8,500.00	700.00	1,00,930.00
Staff loans	-	-	-	-
Other stage movements				
Term loans				
Transfers to Stage 1	2,040.00	10,000.00	900.00	-
Transfers to Stage 2	22,500.00	27,000.00	(2,100.00)	-
Transfers to Stage 3	(1,700.00)	(2,000.00)	4,000.00	-
Interest on stage 1 loans	-	-	90.00	90.00
Interest written off				
Term loans	2,000.00	(2,000.00)	(900.00)	1,100.00
Staff loans	-	-	-	-
Assets derecognised or repaid (including write offs)				
Term loans	(24,500.00)	(2,000.00)	(1,000.00)	(27,500.00)
Staff loans	(0.70)	-	-	(0.70)
Assets carrying amount as at March 31, 2022				
Term loans	1,66,000.00	69,500.00	4,200.00	2,39,700.00
Staff loans	17.30	-	-	17.30

6.3 Statement of term loans during the year ended March 31, 2021

Particulars	Stage I	Stage II	Stage III	Total
Assets carrying amount as at April 1, 2021				
Term loans	1,75,000.00	1,000.00	1,000.00	1,77,000.00
New loans originated during the year				
Term loans	900.00	70.00	30.00	1,000.00
Other stage movements				
Term loans				
Transfers to Stage 1	800.00	(800.00)	30.00	-
Transfers to Stage 2	1,000.00	400.00	(1,000.00)	-
Transfers to Stage 3	(200.00)	(600.00)	1,200.00	-
Interest written off	(1.00)	(1.00)	(900.00)	(902.00)
Assets derecognised or repaid (including write offs)				
Term loans	(200.00)	(100.00)	(800.00)	(1,100.00)
Assets carrying amount as at March 31, 2021				
Term loans	1,54,000.00	900.00	1,000.00	1,55,900.00

6.4 Statement of term loans during the year ended March 31, 2022

Particulars	Stage I	Stage II	Stage III	Total
Assets carrying amount as at April 1, 2021				
Term loans	1,50,000.00	1,000.00	1,000.00	1,52,000.00
New loans originated during the year				
Term loans	800.00	200.00	30.00	1,030.00
Other stage movements				
Term loans				
Transfers to Stage 1	600.00	(600.00)	30.00	-
Transfers to Stage 2	(500.00)	(500.00)	(1,000.00)	-
Transfers to Stage 3	(200.00)	(600.00)	1,000.00	-
Interest written off	(0.00)	(100.00)	(100.00)	(200.00)
Assets derecognised or repaid (including write offs)				
Term loans	(1,000.00)	(100.00)	(1,000.00)	(2,100.00)
Assets carrying amount as at March 31, 2022				
Term loans	1,49,200.00	1,000.00	1,000.00	1,51,200.00



**BF Finance Limited**

Notes forming part of Consolidated Financial Statements for the Year ended March 31, 2023

(Currency : PKR in Lakhs)

**10. Property, plant and equipment**

Particulars	Leasehold improvements	Furniture and Fixtures	Computer & Printer	Office equipment	Vehicle	Total	Right-to-Use Assets
<b>Cost carrying amount</b>							
As at March 31, 2020	25.13	250.67	180.50	27.51	111.54	595.35	100.50
Additions	-	38.57	16.20	1.33	-	56.10	23.21
Disposals	-	-	(9.10)	-	-	(9.10)	(14.21)
As at March 31, 2021	25.13	289.24	187.60	28.84	111.54	642.35	109.50
Additions	-	82.53	82.36	0.26	-	165.15	4.82
Disposals	-	-	(6.23)	-	-	(6.23)	(1.27)
As at March 31, 2022	25.13	371.77	181.73	29.10	111.54	809.27	109.05
<b>Accumulated depreciation and impairment</b>							
As at March 31, 2020	7.50	68.67	43.70	8.06	25.53	153.46	100.35
Depreciation for the year	2.95	16.43	14.90	4.15	13.07	51.50	49.23
Disposals	-	-	(0.94)	-	-	(0.94)	(10.24)
As at March 31, 2021	10.45	85.10	57.66	12.21	38.60	204.02	139.34
Depreciation for the year	2.95	40.47	28.10	3.09	15.05	90.66	35.14
Disposals	-	-	(0.23)	-	-	(0.23)	(0.21)
As at March 31, 2022	13.40	125.57	85.53	15.30	53.65	313.45	174.07
<b>Net book value</b>							
As at March 31, 2020	17.63	182.00	136.80	19.45	86.01	441.89	0.15
As at March 31, 2021	14.68	204.14	130.94	16.63	72.94	439.33	0.16
As at March 31, 2022	11.73	246.20	96.20	13.80	57.89	325.82	0.07

Note: The Company has not received any of its property, plant and equipment during the years ended March 31, 2022 and March 31, 2021. Hence, the amount of change in gross and net carrying amount due to depreciation and impairment losses/overlays is 0.



**IBF Finance Limited**

 Notes forming part of Consolidated Financial Statements for the Year ended March 31, 2022  
 (Amount in Lakhs)

**51. Investment Property**

Particulars	Buildings	Vacant Site	Total
Gross carrying amount			
As at March 31, 2021	6.98	6.98	13.96
Additions	-	-	-
Disposals	-	-	-
As at March 31, 2022	6.98	6.98	13.96
Additions	-	124.11	124.11
Disposals	-	(216.18)	(216.18)
As at March 31, 2021	6.98	(189.05)	(182.07)
As at March 31, 2022	6.98	-	6.98
Depreciation for the year	0.17	-	0.17
Deposits	-	-	-
As at March 31, 2021	0.58	-	0.58
Depreciation for the year	0.17	-	0.17
Disposals	-	-	-
As at March 31, 2022	0.68	-	0.68
Net book value			
As at March 31, 2021	6.40	(182.07)	(175.67)
As at March 31, 2022	6.30	(182.07)	(175.77)

**(B) Amounts recognised in Statement of Profit and Loss for Investment Property**

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
IBFGL income	7.50	6.38
Direct operating expenses from property that generated rental income	-	-
Profit from investment properties before depreciation	7.50	6.38
Depreciation	0.17	0.17
Profit from investment properties	7.33	6.21

**(C) Contractual obligations**

The Company has no contractual obligations to purchase, construct or develop investment property. However, the responsibility for its repair, maintenance or replacement is with the Company.

**(D) Pledged assets**

Investment property pledged in favor of creditors located in Karnataka for bank credit facility.

**(E) Determination of fair value**

The fair value of investment property is determined by guidance value given by the local government of the area where the investment properties are located.

**(F) Impairment**

The Company has not realized any of its investment property during the year ended March 31, 2022 and March 31, 2021. Hence, the amount of change in gross and net carrying amount due to realisation and impairment losses/reversals is nil.



**IKF Finance Limited**

Notes forming part of Consolidated Financial Statements for the Year ended March 31, 2022

(Currency - Bill in lakhs)

**12 Intangible assets**

Patents etc.	Computer software
Gross carrying amount	
As at March 31, 2020	118.88
Additions	47.35
Depreciation	-
As at March 31, 2021	166.23
Additions	17.27
Depreciation	-
As at March 31, 2022	183.50
Amortisation - amortisation and impairment	
As at March 31, 2020	95.19
Amortisation for the year	19.31
Impairment	-
As at March 31, 2021	114.50
Amortisation for the year	61.64
Impairment	-
As at March 31, 2022	176.14
Net book value	
As at March 31, 2020	23.69
As at March 31, 2021	51.73
As at March 31, 2022	7.00

Note: The Company has not received any of its intangible assets during the year ended March 31, 2022 and March 31, 2021. Hence, the amount of change in gross and net carrying amount due to realisation and impairment losses/reversals is nil.



**IKF Finance Limited**

Notes forming part of Consolidated Financial Statements for the Year ended March 31, 2021

(Currency: PKR in Lakhs)

**13 Debt Securities**

Particulars	As at March 31, 2021	As at March 31, 2020
<b>At amortised cost:</b>		
Secured		
Non-convertible debentures	25,507.02	41,448.34
Unsecured		
Other non-convertible debentures	3,833.99	1,701.82
Commercial Paper	-	-
<b>Total</b>	<b>29,341.01</b>	<b>43,150.16</b>
<b>Debt Securities:</b>		
Movable	25,507.01	43,218.76
Dedible Int'n	-	-
<b>Total</b>	<b>25,507.01</b>	<b>43,218.76</b>

**Nature of Security****Non-convertible debentures (secured)**

Non-convertible debentures are secured by an exclusive charge by way of hypothecation of specific non-realizable moved out of the non-current asset category of directors in addition to their personal guarantee.

The Company has utilized the funds raised from banks and fixed in securities for the specific purpose for which they were

The Company has borrowed funds from banks and fixed in securities on the basis of security of current assets. It has filed quarterly returns in statements of current assets with banks and State of institutions and the statements are in agreement with books of accounts.



**BF Finance Limited**

Notice forming part of Consolidated Financial Statements for the Year ended March 31, 2022

Currency: INR in Lakhs

**Terms of repayment of Debt securities as on March 31, 2022**

Original maturity loan	Interest rate	Due within 1 year		Due between 2 to 5 Years		Due more than 5 Years		Total
		No. of Installments	Amount (In lakhs)	No. of Installments	Amount (In lakhs)	No. of Installments	Amount (In lakhs)	
<b>Monthly repayment schedule</b>								
1-7 Years	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-
<b>Quarterly repayment schedule</b>								
1-5 Years	8.40% - 10.00%	-	-	-	-	-	-	-
	10.01% - 11.50%	-	-	-	-	-	-	-
	11.51% - 12.50%	-	-	-	-	-	-	-
	12.51% - 12.50%	3	150	-	-	-	-	600.00
<b>Yearly repayment schedule</b>								
1-5 Years	8.11% - 9.50%	-	-	-	-	-	-	-
	9.51% - 10.50%	1	800.00	1	800.00	-	-	1,600.00
	10.51% - 11.50%	-	-	-	-	-	-	-
	11.51% - 12.50%	-	-	-	-	-	-	-
<b>Bullet repayment schedule</b>								
1-7 Years	8.51% - 9.50%	1	1,250	1	5,000	-	-	6,250.00
	9.51% - 10.50%	1	1,500	1	7,000	-	-	8,500.00
	10.51% - 11.50%	-	-	8	4,500	-	-	3,600.00
	11.51% - 12.50%	-	-	-	-	-	-	-
<b>Total</b>			<b>4,210.00</b>		<b>16,800.00</b>			<b>21,010.00</b>
Add: Interest accrued but not due								810.00
Less: Unamortized Finance Cost								(810.00)
<b>Total Amortized Cost</b>								<b>21,010.00</b>

**Terms of repayment of Debt securities as on March 31, 2021**

Original maturity loan	Interest Rate	Due within 1 year		Due between 2 to 5 Years		Due more than 5 Years		Total
		No. of Installments	Amount (In lakhs)	No. of Installments	Amount (In lakhs)	No. of Installments	Amount (In lakhs)	
<b>Monthly repayment schedule</b>								
1-7 Years	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-
<b>Quarterly repayment schedule</b>								
1-5 Years	9.02% - 10.00%	1	3,750.00	1	1,250.00	-	-	5,000.00
	10.01% - 11.00%	-	-	-	-	-	-	-
	11.01% - 12.00%	-	-	-	-	-	-	-
	12.01% - 12.50%	4	1,400.00	3	600.00	-	-	2,000.00
<b>Yearly repayment schedule</b>								
1-5 Years	8.51% - 9.50%	-	-	-	-	-	-	-
	9.51% - 10.50%	1	800.00	2	5,000.00	-	-	5,800.00
	10.51% - 11.50%	-	-	-	-	-	-	-
	11.51% - 12.50%	-	-	-	-	-	-	-
<b>Bullet repayment schedule</b>								
1-7 Years	9.11% - 9.50%	2	11,000.00	-	-	-	-	22,000.00
	9.51% - 10.50%	-	-	2	5,000.00	-	-	10,000.00
	10.51% - 11.50%	2	900.00	2	3,000.00	-	-	7,800.00
	11.51% - 12.50%	-	-	1	5,000.00	-	-	5,000.00
<b>Total</b>			<b>21,700.00</b>		<b>16,000.00</b>			<b>37,700.00</b>
Add: Interest accrued but not due								1,486.87
Less: Unamortized Finance Cost								(196.87)
<b>Total Amortized Cost</b>								<b>37,700.00</b>



**BT Finance Limited**

Interim financial part of Consolidated Financial Statements for the Year ended March 31, 2022

(Currency: INR in lakhs)

**14 Borrowings (other than debt securities)**

Particulars	Rs. in March 31, 2022	Rs. in March 31, 2021
	<b>As ascertained cost</b>	
<b>Term loans (Secured)</b>		
Term loans	74,321.25	42,212.41
Interest bearing financial arrangements	11,994.81	8,811.29
Loan for fixed capitalization	5,625.44	3,875.85
Term loan from financial institution	3,081.36	2,185.14
<b>Term loans (As Secured)</b>		
From other parties	-	171.00
<b>Loans repayable on demand (Secured)</b>		
Cash credit from bank	33,470.48	26,560.47
<b>Loans received in respect of pre-arranged transactions</b>	875.72	6,881.68
<b>Total</b>	<b>1,52,258.96</b>	<b>80,742.75</b>
<b>Borrowings:</b>		
Within 12 months	1,52,258.96	80,742.75
Over 12 months	-	-
<b>Total</b>	<b>1,52,258.96</b>	<b>80,742.75</b>

**Nature of security****Term loans (Secured)**

Term loans from bank, financial institutions and NBFCs are secured by an exclusive charge by way of hypothecation of goods, term receivables, current and fixed deposits and other movable property of the borrower and certain immovable property of the borrower in addition to their personal guarantee.

**Loans repayable on demand (Secured)**

These loans are secured against the first part payment charge on current assets, bank deposits and receivables including loans & advances of the Company as per the agreement. Further, the loans are also secured by personal guarantee of directors in favour of the lender of INR 140,20,000 (March 31, 2022), INR 10,00,000 (March 31, 2021).

The Company has utilized the funds raised from banks and financial institutions for the specific purpose for which they were borrowed.

The Company has borrowed funds from banks and financial institutions on the basis of security of current assets. It has filed quarterly reports in compliance of terms & conditions with banks and financial institutions and the said returns/statements are agreeable with books of accounts.



Terms of repayment of borrowings (other than debt) as on March 31, 2022

Original maturity term	Interest rate	Due within 1 year		Due between 2 to 5 years		Due more than 5 years		Total
		No. of installments (in lakhs)	Amount (in lakhs)	No. of installments	Amount (in lakhs)	No. of installments	Amount (in lakhs)	
<b>Monthly repayment schedule</b>								
3-7 Years	5.00%-6.00%	1	343.00	-	-	-	-	343.00
	6.00%-7.00%	4	5,315.00	-	-	-	-	5,315.00
	7.00%-8.00%	10	316.72	11	330.70	-	-	1,600.19
	8.00%-9.00%	100	9,563.48	102	13,118.25	-	-	26,877.52
	9.00%-10.00%	100	2,601.18	114	3,340.66	-	-	6,642.02
	10.00%-11.00%	20	1,006.13	28	3,145.87	-	-	1,269.63
11.00%-12.00%	28	1,891.40	-	-	-	-	1,892.41	
<b>Quarterly repayment schedule</b>								
3-6 Years	5.00%-7.00%	12	321.88	04	1,209.98	10	477.31	1,809.17
	7.00%-8.00%	8	238.90	28	710.88	-	-	986.91
	8.00%-9.00%	70	10,001.01	100	23,893.68	8	1,572.42	31,204.12
	9.00%-10.00%	10	338.72	64	1,214.30	11	866.31	31,707.41
	10.00%-11.00%	10	1,201.04	10	716.39	-	-	1,148.82
	11.00%-12.00%	-	-	-	-	-	-	-
<b>Other repayment schedule</b>								
3-14 Years	5.00%-6.00%	-	-	-	-	-	-	-
	6.00%-7.00%	-	-	-	-	-	-	-
	10.00%-11.00%	-	-	-	-	-	-	-
	11.00%-12.00%	-	-	-	-	-	-	-
12.00%	-	-	-	-	-	-	-	
<b>Repayable on Demand</b>								
	5.00%-10.00%	-	-	-	-	-	-	-
<b>Total</b>			<b>37,491.80</b>		<b>50,614.86</b>		<b>1,216.58</b>	<b>89,323.24</b>
<b>Add : Interest accrued but not due</b>								169.01
<b>Less : Unamortized Finance Cost</b>								(112.20)
<b>Total Amortized Cost</b>			<b>37,548.61</b>		<b>50,562.66</b>		<b>1,104.38</b>	<b>89,215.65</b>

Terms of repayment of borrowings (other than debt) as on March 31, 2021

Original maturity term	Interest rate	Due within 1 year		Due between 2 to 5 years		Due more than 5 years		Total
		No. of installments (in lakhs)	Amount (in lakhs)	No. of installments	Amount (in lakhs)	No. of installments	Amount (in lakhs)	
<b>Monthly repayment schedule</b>								
3-7 Years	5.00%-7.00%	1	880.00	-	-	-	-	880.00
	7.00%-8.00%	20	1,512.80	21	1,671.75	-	-	3,184.55
	8.00%-9.00%	98	1,740.31	132	5,708.81	8,00	4.89	12,453.12
	9.00%-10.00%	82	4,418.38	108	5,119.29	-	-	9,637.67
	10.00%-11.00%	80	1,790.75	27	730.38	-	-	3,346.79
	11.00%-12.00%	84	4,010.88	74	5,151.31	-	-	9,172.52
<b>Quarterly repayment schedule</b>								
3-6 Years	5.00%-7.00%	4	37.80	31	123.03	10,00	121.00	281.83
	7.00%-8.00%	9	289.80	28	813.03	1,00	75.00	1,177.83
	8.00%-9.00%	18	1,812.00	74	11,786.71	1,00	210.00	13,808.71
	9.00%-10.00%	17	4,313.47	38	5,073.81	-	-	12,029.28
	10.00%-11.00%	4	384.47	11	872.99	-	-	1,686.86
	11.00%-12.00%	10	361.31	89	1,241.89	-	-	1,637.20
<b>Other repayment schedule</b>								
3-14 Years	5.00%-6.00%	8	430.00	-	-	-	-	430.00
	6.00%-7.00%	-	-	-	-	-	-	-
	10.00%-11.00%	-	-	-	-	-	-	-
	11.00%-12.00%	-	-	-	-	-	-	-
12.00%	-	-	-	-	-	-	-	
<b>Repayable on Demand</b>								
	8.00%-10.00%	8	171.00	-	-	-	-	171.00
<b>Total</b>			<b>21,338.30</b>		<b>31,125.52</b>		<b>462.81</b>	<b>52,926.63</b>
<b>Less : Interest accrued but not due</b>								97.41
<b>Less : Unamortized Finance Cost</b>								(303.81)
<b>Total Amortized Cost</b>			<b>21,131.90</b>		<b>30,911.71</b>		<b>158.99</b>	<b>52,781.61</b>



**IKF Finance Limited**

Notes forming part of Consolidated Financial Statements for the Year ended March 31, 2022

(Currency: INR in Lakhs)

**35 Subordinated Liabilities**

Particulars	As at March 31, 2022	As at March 31, 2021
Unsecured - At amortized cost		
Non convertible debentures (Tier-I)	4,165.22	4,300.44
Notes repayable from banks (Tier-I)	1,488.23	1,488.31
<b>Total</b>	<b>5,653.45</b>	<b>5,788.75</b>
Subordinated liabilities:		
WFOV loans	6,000.40	5,980.78
Out to life table	-	-
<b>Total</b>	<b>6,000.40</b>	<b>5,980.78</b>

**Terms of repayment of subordinated liabilities as on March 31, 2022**

Original maturity loan	Interest rate	Due within 1 year		Due between 1 to 3 Years		Due more than 3 Years		Total
		No. of installments	Amount (in lakhs)	No. of installments	Amount (in lakhs)	No. of installments	Amount (in lakhs)	
<b>Ballot repayment schedule</b>								
3-7 Years	11.25% - 12.50% +12.50%	1,000	1,500.00	2	4,100.00	-	-	6,600.00
<b>Total</b>					4,100.00			6,600.00
Add: Interest accrued but not due								57.17
Less: Unamortized Finance Cost								(13.82)
<b>Total Amortized Cost</b>								<b>6,643.35</b>

**Terms of repayment of subordinated liabilities as on March 31, 2021**

Original maturity loan	Interest rate	Due within 1 year		Due between 1 to 3 Years		Due more than 3 Years		Total
		No. of installments	Amount (in lakhs)	No. of installments	Amount (in lakhs)	No. of installments	Amount (in lakhs)	
<b>Ballot repayment schedule</b>								
3-7 Years	11.51% - 12.20% +13.00%	-	-	1	1,500.00	-	-	1,500.00
		-	-	1	1,600.00	1	2,380.00	4,580.00
<b>Total</b>					3,100.00		2,380.00	5,480.00
Add: Interest accrued but not due								57.71
Less: Unamortized Finance Cost								(20.92)
<b>Total Amortized Cost</b>								<b>5,516.79</b>



**IBF Finance Limited**

Notes forming part of Consolidated Financial Statements for the year ended March 31, 2022  
(Amount in Lakhs)

**25 Other financial liabilities**

Particulars	As at March 31, 2021	As at March 31, 2022
Lease liabilities	20.09	48.89
Employee benefits payable	237.31	153.90
Dividend payable	1.45	7.49
Other payables	619.29	676.59
Deposit from franchisees	141.41	161.83
Payable towards subcontractors / assignment transactions	1,446.51	1,190.50
<b>Total</b>	<b>3,131.06</b>	<b>2,139.17</b>

**27 Provisions**

Particulars	As at March 31, 2021	As at March 31, 2022
Provision for doubtful	130.43	121.59
Provision for share buyback	194.71	175.64
<b>Total</b>	<b>325.14</b>	<b>297.23</b>

**28 Other non-financial liabilities**

Particulars	As at March 31, 2021	As at March 31, 2022
Liability due payable	217.27	148.79
<b>Total</b>	<b>217.27</b>	<b>148.79</b>



**NEP Financial Statements**

 Reporting part of Consolidated Financial Statements for the Year ended March 31, 2022  
 Company: NEPC Limited

**30. Other equity**

Particulars	As at March 31, 2022	As at March 31, 2021
Capital reserve	50.00	50.00
Reserve of Wholly owned	122,752.17	9,868.00
Share Based Payment reserve	21.62	35.46
Statutory Reserve (under section 205 of the Income Tax Ordinance Act, 1987)	1,095.86	1,220.21
Statutory Reserve (under section 205 of the Income Tax Ordinance Act, 1987)	1,024.71	980.00
Provision for Statutory Reserve Act, 1987	17.46	17.46
Statutory Reserve	1,133.46	1,214.67
Statutory Reserve	21,834.48	14,940.13
<b>Total</b>	<b>157,792.30</b>	<b>27,086.47</b>

**31. Reserves provided for income**
**A. Capital reserve**

This reserve is provided to meet the losses arising out of operations when the public issue is taken through public subscription. The reserve is also provided by creating the capital fund in conformity with corresponding income statements.

**B. Reserve of Wholly owned**

This reserve of Wholly owned is used to cover the activities undertaken in form of loans. The reserve can be utilized for the purposes as laid down in the Finance Rules of the Government of Sindh.

**C. Statutory reserve**

Statutory reserve under Section 205 of The Income Tax Ordinance Act, 1987.

**D. Share Based Payment reserve**

This reserve is provided to meet the cost of employee's share-based payment. It is a liability to be paid to employees of the Company for the activities performed in the past and future of the Company.

**E. Statutory Reserve**

Reserve set aside for the purpose of the Statutory Reserve of the Company and is available for the Statutory Reserve.

**F. Reserves for Dividend**

Particulars	As at March 31, 2022	As at March 31, 2021
<b>I. Capital Reserve</b>		
Opening Balance	50.00	50.00
Add: Share issued during the year		
	<b>50.00</b>	<b>50.00</b>
<b>II. Reserve of Wholly owned</b>		
Opening Balance	122,752.17	9,868.00
Add: Provision provided in favor of Wholly owned	1,133.46	1,214.67
	<b>123,885.63</b>	<b>11,082.67</b>
<b>III. Share Based Payment reserve</b>		
Opening Balance	21.62	35.46
Add: During the year		
	<b>21.62</b>	<b>35.46</b>
<b>IV. Statutory Reserve (under section 205 of the Income Tax Ordinance Act, 1987)</b>		
Opening Balance	1,095.86	1,220.21
Add: Provision for Statutory Reserve	1,024.71	980.00
	<b>2,120.57</b>	<b>2,200.21</b>
<b>V. Statutory Reserve (under section 205 of the Income Tax Ordinance Act, 1987)</b>		
Opening Balance	980.00	1,214.67
Add: Provision for Statutory Reserve	1,133.46	1,214.67
	<b>2,113.46</b>	<b>2,429.34</b>
<b>VI. Reserve of Wholly owned</b>		
Opening Balance	122,752.17	9,868.00
Add: Provision for Wholly owned	1,133.46	1,214.67
	<b>123,885.63</b>	<b>11,082.67</b>
<b>VII. Statutory Reserve</b>		
Opening Balance	1,095.86	1,220.21
Add: Provision for Statutory Reserve	1,024.71	980.00
	<b>2,120.57</b>	<b>2,200.21</b>
<b>VIII. Reserves for Dividend</b>		
Opening Balance	5,199.07	1,080.00
Add: Statutory Reserve Act, 1987	1,133.46	1,214.67
Add: Share Based Payment	21.62	35.46
Add: Reserve of Wholly owned	1,133.46	1,214.67
Appropriation		
Transfer to Statutory Reserve (under section 205 of the Income Tax Ordinance Act, 1987)	200.00	180.00
Transfer to Statutory Reserve	190.00	180.00
Transfer to Statutory Reserve	10.00	10.00
Transfer to Statutory Reserve	10.00	10.00
	<b>5,199.07</b>	<b>1,080.00</b>
<b>Total</b>	<b>157,792.30</b>	<b>27,086.47</b>



**99' Finca sa Limited**

 Notes forming part of Consolidated Financial Statements for the year ended March 31, 2022  
 (Company, INR in lakhs)

**39. Equity share capital**

Particulars	As at March 31, 2022		As at March 31, 2021	
	Number	Amount	Number	Amount
<b>Authorised Capital</b>				
Equity shares of INR 20 each	4,00,00,000	8,000.00	4,00,00,000	8,000.00
Preference shares of INR 200 each	10,00,000	2,000.00	10,00,000	2,000.00
	<b>4,10,00,000</b>	<b>10,000.00</b>	<b>4,10,00,000</b>	<b>10,000.00</b>
<b>Issued, subscribed and fully paid-up shares</b>				
Equity Shares of INR 20 each fully paid up	4,74,75,375	4,747.54	4,74,75,375	4,747.54
Converted from Partly Paid to Fully Paid Equity Shares	11,79,088	117.87	-	-
	<b>5,86,52,067</b>	<b>5,218.81</b>	<b>4,74,75,375</b>	<b>4,747.54</b>
<b>Issued, subscribed and fully paid-up shares</b>				
Equity Shares of INR 20 each, fully paid up INR 10 per share	11,79,088	117.87	11,79,088	117.87
(Partly paid up INR 8.10 per share in March 2021)	(11,79,088)	(117.87)	-	-
Converted to Fully Paid Equity Shares	-	-	11,79,088	117.87
	<b>0</b>	<b>0</b>	<b>11,79,088</b>	<b>117.87</b>
<b>Total</b>	<b>4,26,58,217</b>	<b>5,218.81</b>	<b>4,26,58,217</b>	<b>5,218.81</b>

**A. Reconciliation of number of shares**

Particulars	As at March 31, 2022		As at March 31, 2021	
	Number	Amount	Number	Amount
<b>Fully paid equity share of INR 20 each</b>				
At the beginning of the year	4,74,75,375	4,747.54	4,74,75,375	4,747.54
Shares issued during the year	-	-	-	-
Converted from Partly Paid to Fully Paid Equity Shares	11,79,088	117.87	-	-
Outstanding at the end of the year	<b>5,86,52,067</b>	<b>5,218.81</b>	<b>4,74,75,375</b>	<b>4,747.54</b>
<b>Partly paid up equity share of INR 20 each, partly paid up INR 8.10 per share</b>				
Partly paid up INR 8.10 per share in March 2021	11,79,088	117.87	11,79,088	117.87
At the beginning of the year	-	-	-	-
Amount called raised during the year	-	29.41	-	29.41
Converted to Fully Paid Equity Shares	(11,79,088)	(117.87)	-	-
Outstanding at the end of the year	<b>0</b>	<b>0</b>	<b>11,79,088</b>	<b>117.87</b>

**Notes:**
**8. Dividend/Dividend declared to equity shares**

The Company has only one class of equity shares having par value of INR 20 per share fully paid up. Each holder of equity share is entitled to one vote per share. A dividend is not declared. The dividend if and when proposed by the Board of Directors will be subject to the approval of shareholders at the ensuing Annual General Meeting.

In the event of liquidation of the Company, the equity shareholders will be entitled to receive remaining assets of the Company, after distribution of all preferential assets. Number of equity shares held by the shareholders.



**DF Finance Limited**

 Notes forming part of Consolidated Financial Statements for the year ended March 31, 2022  
 Currency: INR in lakhs

**E. Details of shareholders holding more than 2% of equity shares in the Company:**

Name of Shareholder	As at March 31, 2022		As at March 31, 2021	
	No. of shares held	% Holding	No. of shares held	% Holding
<b>Equity shares of INR 20 each, fully paid up</b>				
Vijayanand Capital Gainers Private	1,57,62,134	37.89%	1,58,75,026	38.05%
India Business Excellence Fund III	1,30,51,346	31.73%	1,30,51,346	31.65%
Vista (SI) India Limited (Formerly known as I Ltd and SI Trust Company Limited) (Director of Business Excellence Trust II - India Business Excellence Fund III)	36,68,243	8.81%	36,68,243	8.84%
Legend Investment Deal	26,47,236	6.31%	23,31,286	5.68%
<b>Equity Shares of INR 20 each, partly paid up INR 8.12 per share in March 2021</b>				
Vijayanand Capital Gainers Private	-	0.00%	25,15,821	6.710%
Legend Investment Deal	-	0.00%	2,35,988	0.66%
Director of Business Excellence	-	0.00%	6,88,877	0.19%
Vijayanand Capital Gainers	-	0.00%	3,50,973	0.79%
Vijayanand India Deal	-	0.00%	3,21,242	0.23%

As per the records of the Company, including its register of shareholders's entries and other details as required from the shareholders regarding beneficial interest, the above detailing represents both legal and beneficial ownership of shares.

**F. Shareholding of Promoters**

Shares held by promoters at the end of the year	As at March 31, 2022			As at March 31, 2021		
	No. of Shares	% of Total Shares	% Change during the year	No. of Shares	% of Total Shares	% Change during the year
<b>a. Equity shares of INR 20 each fully paid up *</b>						
Vijayanand Capital Gainers Private	1,57,44,134	37.89%	31.88%	1,58,75,026	38.44%	0.00%
Vijayanand India Deal	16,18,172	4.13%	34.21%	18,26,302	2.79%	0.00%
Legend Investment Deal	26,47,168	6.02%	29.21%	23,31,286	4.40%	0.00%
Director of Business Excellence	26,31,784	4.72%	24.21%	30,08,117	4.22%	0.00%
Vijayanand Capital Gainers	18,31,170	4.01%	34.21%	14,49,706	3.02%	0.00%
Devi Raju Chaudhari	14,24,100	3.08%	0.00%	14,09,237	3.21%	0.00%
Shri Sanyamal Choudhari	1,17,700	0.22%	0.00%	1,17,711	0.22%	0.00%
<b>b. Equity shares of INR 20 each partly paid up INR 8.12 per share in March 2021 *</b>						
Vijayanand Capital Gainers Private	-	0.00%	-0.00%	25,15,821	37.88%	0%
Vijayanand India Deal	-	0.00%	-0.00%	2,35,242	3.20%	0%
Legend Investment Deal	-	0.00%	-0.00%	2,15,988	2.92%	0%
Director of Business Excellence	-	0.00%	-0.00%	6,88,877	9.98%	0%
Vijayanand Capital Gainers	-	0.00%	-0.00%	3,20,242	4.69%	0%

\* Partly paid shares are full paid and converted to fully paid equity shares.

**G. Aggregate number of equity shares held for consolidation other than cash during the period of the year immediately preceding the reporting year**

Particulars	As at March 31, 2022	As at March 31, 2021	As at March 31, 2020	As at March 31, 2019	As at March 31, 2018
Equity shares of ₹ 20 each, fully paid up, effected on conversion of 16,52,172/- 8.05% Convertible preference shares of INR 20 each, fully paid up	-	-	-	165.21	-



**RP PFLUO LIMITED**

 Notice for the part of Consolidated Financial Statements for the year ended March 31, 2022  
 (in Rupee '000/-)

**11 Finance Income**

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
On financial assets measured at amortised cost		
Interest on loans	15,046.87	15,000.48
Interest on deposits with banks	132.30	131.40
<b>Total</b>	<b>15,179.17</b>	<b>15,131.88</b>

**12 Fee and commission income**

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Administration charges	881.25	921.81
<b>Total</b>	<b>881.25</b>	<b>921.81</b>

**13 Other Income**

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Dividend on equity investments		7.08
Interest income	7.50	4.26
Miscellaneous income	100.00	42.20
<b>Total</b>	<b>107.50</b>	<b>53.54</b>

**14.1 FINANCE COSTS**

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
On financial liabilities measured at amortised cost		
Interest on deposits	75.21	81.87
Interest on borrowings	8,332.24	8,373.49
Interest on commercial paper and bank	-	-
Interest on debentures	2,789.91	2,707.72
Interest on secured bank facilities	770.21	803.27
Interest on CCB		
Interest on lease liabilities	8.70	4.37
Interest on interest free loans	452.12	1,035.40
Bank charges	10.96	12.40
Other finance cost	503.01	211.75
<b>Total</b>	<b>11,028.43</b>	<b>12,860.10</b>

**14.2 Net interest income charges**

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Net loss on financial charges	4.41	-
<b>Total</b>	<b>4.41</b>	<b>-</b>

**15 Impairment on financial instruments**

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
On financial instruments measured at amortised cost		
Loans	290.70	290.23
Trade receivables	201.18	5.90
Other receivables and other assets	461.15	1,075.69
<b>Total</b>	<b>953.03</b>	<b>1,361.82</b>

**16 Employee benefits expense**

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Salaries and wages	4,294.44	4,303.04
Contribution to provident fund and other funds	281.45	289.00
Short term employee benefits	18.18	14.09
Staff welfare expenses	80.85	54.71
Gratuity	47.55	24.21
Leave encashment	41.41	34.20
<b>Total</b>	<b>4,863.88</b>	<b>4,919.25</b>



**RF Private Limited**

 Note forming part of Consolidated Financial Statements for the year ended March 31, 2023  
 Annexure - III to AOC

**27 Depreciation, amortisation and impairment**

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Depreciation on property, plant and equipment	19.43	19.76
Depreciation on intangible property	0.00	0.17
Amortisation of intangible assets	63.23	55.01
<b>Total</b>	<b>82.66</b>	<b>75.94</b>

**28 Other expenses**

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Fuel	94.20	199.64
Commodities for sale	26.79	96.57
Traveling and conveyance	190.20	62.60
Phone and other	179.45	126.29
Insurance	14.17	6.27
Construction and Demolition	70.16	70.25
Repairs and maintenance	77.16	49.00
Printing and stationery	30.30	34.17
Transport in vehicle (Other than B.E.)	30.33	64.46
Advertisement, publicity and other promotional expenses	1.00	4.18
Other related cost	90.18	80.28
Legal and professional fees	121.44	122.60
Contingency and provision for (Other than B.E.)	111.78	214.10
Director's remuneration	1.83	-
Loss on sale of property, plant and equipment	-	-
Loss on sale of Investment Property	4.20	-
Other financial expenses	17.11	18.97
<b>Total</b>	<b>1,664.69</b>	<b>1,274.64</b>

**28.1 Expenses for auditors**

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Auditor's remuneration		
- Audit Fee	14.40	11.00
- Other services	-	-
- Contribution towards	62.11	9.11
Other related expenses	1.80	1.11
<b>Total</b>	<b>78.31</b>	<b>21.22</b>

**28.2 Corporate social responsibility**

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
a) Amount required to be spent for the activities during the year	100.00	100.00
b) Amount of expenditure incurred		
- Government/Regulation of requirement	-	-
- All other activities of the CSR scheme	101.78	100.00
c) Unspent amount at the end of the year	-	100.00
d) Total of provision (year ended)	-	100.00
e) Not Spent		
f) No work for charity	NA	NA
g) Reasons of CSR activities	Charity work Religious and Festivals	Charity work Religious and Festivals
h) Report of unspent amount on activities, e.g., unutilised amount and added by the company or returned to CSR approval authority as per relevant laws (applicable to all)	-	-
i) Where a provision is made with respect to a liability, incurred by entering into a financial liability, the amounts in the provision during the year shall be utilised as per law.	-	-



INF Finance Limited

Financial statements of Consolidated Financial Statements for the year ended March 31, 2021  
(Amount in INR Lakhs)

28 Income tax

(a) Income tax expense

Particulars	Year ended March 31, 2021 (Rs)	Year ended March 31, 2020 (Rs)
Current tax		
Current tax payable for the year	1,760.28	1,044.17
Adjustment for current tax of the prior periods	17.08	81.95
Deferred tax	1,743.24	1,328.90
Reconciliation		
Decrease/Increase in deferred tax assets	45.79	23.09
Decrease/Increase in deferred tax liabilities	(81.77)	(22.14)
Net (Rs) (Rs)	3,484.32	4,435.17
Reconciled tax equity (including relating to items recognized in other financial statements income (P))	(3.21)	(4.85)
Amount for expense for the year (Rs) (Rs)	1,777.41	1,828.17

(b) Deferred tax

The major components of deferred tax (Rs) Lakhs arising on account of timing differences for the year ended March 31, 2021

Particulars	Net balance March 31, 2021	Recognized in profit or loss	Recognized in P&ID	Net balance March 31, 2020
Deferred tax assets				
Impact of provisions charged to the statement of profit and loss in the current year but allowed for the purposes of income tax	71.22	(9.80)	(3.22)	68.24
Impact of provisions for expense and credit loss on assets	533.42	(12.79)	-	520.63
Impact of differences between tax depreciation and depreciation/ amortization charged for the financial reporting	2.69	5.61	-	18.11
Impact of losses under cost of sale	7.24	(6.72)	-	7.84
Impact of losses on assets and liabilities	(88.48)	(19.89)	-	(108.37)
Overhead expenses	7.72	(5.52)	-	4.88
Others	-	-	-	-
(Rs)	503.31	(49.13)	(3.22)	550.96
Deferred tax liabilities				
Impact of provisions of warranty-bearing cost	13.83	1.56	-	12.04
Impact of financial assets and liabilities	36.68	(6.51)	-	29.99
Impact of fixed equipment and assets under development	601.44	(73.85)	-	675.29
Impact of income recognized on capital gains	75.19	(8.03)	-	104.61
Others	8.34	(8.51)	-	2.73
(Rs)	1,085.28	(104.45)	-	1,290.66
Deferred tax (net) (Rs) (Rs)	(581.97)	(55.32)	(3.22)	(739.70)

The major components of current tax (Rs) Lakhs arising on account of timing differences for the year ended March 31, 2021

Particulars	Net balance March 31, 2021	Recognized in profit or loss	Recognized in P&ID	Net balance March 31, 2020
Current tax assets				
Impact of provisions charged to the statement of profit and loss in the current year but allowed for the purposes of income tax	12.87	(27.21)	(60.75)	75.83
Impact of provisions for expense and credit loss on assets	261.20	(88.21)	-	208.41
Impact of differences between tax depreciation and depreciation/amortization charged for the financial reporting	2.69	(8.17)	-	2.11
Impact of losses under cost of sale	1.09	0.80	-	2.89
Impact of losses on assets and liabilities	(11.08)	(6.81)	-	(40.29)
Overhead expenses	4.64	(3.29)	-	7.73
Others	0.24	(4.34)	-	3.86
(Rs)	310.43	(106.53)	(60.75)	347.12
Current tax liabilities				
Impact of provisions of warranty-bearing cost	130.22	(11.85)	-	118.07
Impact of provisions of deferred tax liability	6.07	(9.17)	-	30.99
Impact of financial assets and liabilities	45.44	(66.50)	-	36.99
Impact of fixed equipment and assets under development	630.17	(101.46)	-	671.80
Impact of income recognized on capital gains	88.50	(86.80)	-	14.80
Others	6.85	(3.12)	-	6.29
(Rs)	1,407.25	(386.86)	-	1,528.95
Current tax (net) (Rs) (Rs)	(109.82)	(280.39)	(60.75)	(118.13)



107 Finance Details

Manufacturing plant of Fincel India Private Limited for the financial year 2021  
 (Amount in Lakhs)

10. Breakdown of expenses

Particulars	For ending	For ending
	March 31, 2022	March 31, 2021
	(INR)	(INR)
Profit before tax as per Statement of profit and loss (B)	6,691.43	5,022.07
Profit before income tax (C)	5,176	31,179
Corporate Income Tax Expense (D)	1,515.32	3,083.91
Tax effect (E)		
Effect of income exempt from tax	21.55	40.43
Effect of expense attributable to directors in determining taxable profit	51.16	54.51
Effect of financial tax rate	-	-
Adjustment related to loss of prior year	13.09	42.42
Others	242.17	38.01
Income tax expense	1,702.14	1,024.87



### 30) Reserve Identified

Being being part of the consolidated Financial Statements for the year ended March 31, 2021  
(Amount in Lakhs)

#### 31) Key facts/events

##### a. Defined contribution plan - provident fund

In accordance with Employees' Provident Fund and Miscellaneous Provisions Act, 1952, all employees of the Company are entitled to contribute towards the provident fund, a defined contribution plan, in which, both the employees and the Company contribute monthly as a determined rate. These contributions are made to a regulated provident fund administered by Registered Provident Fund Commissioner. The employees contribute 12% of their basic salary and the Company contributes an equal amount.

The Company recognized Net Defined Benefit (DF - DF) of ₹ 21.82 Lakhs for year ended March 31, 2021, for provident fund over the financial year statement of profit and loss.

##### b. Defined benefit plan - Gratuity

The Company has defined benefit gratuity plan (retiree's) over employees who has completed five or more years of service is eligible for gratuity to be received at the time of retirement and a computation of gratuity value (provision) for each employee over of same subject to limit of ₹ 10 Lakhs in per the terms of Gratuity Act, 1972.

The following table summarizes the components of net defined benefit obligation by categories of assets and liabilities held by the Company as at year ended March 31, 2021 as per the Balance Sheet for the relevant year.

Particulars	As at	As at
	March 31, 2021	March 31, 2020
Present value of obligations (A)	138.27	117.54
Fair value of plan assets (B)	-	-
Present value of obligations (A-B)	138.27	117.54

Particulars	As at	As at
	March 31, 2021	March 31, 2020
Major expense to be settled in the next 12 months	13.34	1.00
Major expense to be settled beyond next 12 months	124.93	116.54

##### Movement in net defined benefit (asset)/ liability

The following table shows a reconciliation from the opening amount to the closing amount for net defined benefit (asset)/ liability at end of the accounting period.

Particulars	Defined benefit liability		Net defined benefit asset		Net defined benefit (asset) liability	
	March 1, 2020	March 31, 2020	March 31, 2020	March 31, 2020	March 31, 2021	March 31, 2021
Opening balance	117.54	138.27	-	-	117.54	138.27
Current service cost	48.88	52.13	-	-	48.88	52.13
Interest cost	-	-	-	-	-	-
Interest and income	8.52	7.28	-	-	8.52	7.28
Net defined benefit cost (included in P&L)	65.48	67.47	-	-	65.48	67.47
Other comprehensive income						
Actuarial gain (loss) arising from changes in assumptions	-	-	-	-	-	-
Plan assets - contributions	18.96	17.74	-	-	18.96	17.74
Plan assets - contributions	28.11	17.77	-	-	28.11	17.77
Total comprehensive income	112.05	102.98	-	-	112.05	102.98
Other						
Transfer to plan	112.05	102.98	-	-	112.05	102.98
Closing balance	232.60	237.87	-	-	232.60	237.87

##### Additional disclosures:

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

Particulars	As at	As at
	March 31, 2021	March 31, 2020
<b>NET FINANCED LIABILITIES</b>		
Discount rate	7.85%	6.11%
Salary scale inflation rate	5.00%	5.00%
Withdrawal rate for non-vested employees	0.00%	0.00%
Mortality rate for 0-64 years (MILT20-2010, Mortality Table)	100.00%	100.00%
Disability rate	0.00%	0.00%
Respected employee average remaining working lives of all planees	24.97 years	25.08 years
<b>NET UNFINANCED LIABILITIES</b>		
Discount rate	7.85%	6.11%
Salary scale inflation rate	5.00%	5.00%
Withdrawal rate for non-vested employees	0.00%	0.00%
Mortality rate for 0-64 years (MILT20-2010, Mortality Table)	100.00%	100.00%
Disability rate	0.00%	0.00%
Respected employee average remaining working lives of all planees	25.08 years	25.07 years



**MF Finance Limited**

Semi-Annual Report of Consolidated Financial Statements for the Financial Month 01, 2022

(Currency - INR in Lakhs)

**Notes**

(1) The financial statements should reflect the corresponding and a portion of financial statements of a part of the entity/units available at applicable level as on the current reporting date.

(2) The salary growth rate indicated above is the Company's best estimate of an increase in salary of the employees of Finance sector. Management maintains the goal of merit increase, consistency, cross-sector pay equity base and other relevant factors such as demand and supply, employment market, etc.

(3) Additional details about operations of the Company's top 20% of employees (except in Finance sector) are as follows: (a) list of employees, (b) list of subsidiaries, (c) details of their operations (such as nature of business, revenue policy, industry factors, etc.) as well as others, etc.

**Significant changes**

Significantly adverse changes of the reporting date to any of the financial ratios/parameters (including other significant indicators), variations of the debt/benefit obligations to the amounts shown below:

Particulars	As at March 31, 2022		As at March 31, 2021	
	INR Lakhs	Percentage	INR Lakhs	Percentage
Salary escalation Rate (1% - 2%)	241.21	291.42	221.32	228.61
MF Finance	1,296	6,199	1,409	6,705
MF Home Finance	11,129	9,776	11,024	69,495
Insurance Rate (1% - 2%)	211.48	261.34	208.24	217.71
MF Finance	6,296	1,449	4,649	1,189
MF Home Finance	9,182	10,475	1,005	11,492
Withdrawal Rate (2% - 1%)	152.67	181.31	127.39	127.81
MF Finance	6,499	6,479	5,279	6,295
MF Home Finance	6,499	6,499	5,179	6,499

The Directors is performed to discharge its fiduciary obligations in the respective role/positions due to modifying one parameter within existing other parameters. There are no changes from the previous year to the next fiscal and company can continue to up the profitable business.

**Significant future commitments**

The best estimate Contribution for the company during the next year would be INR 60.

**Estimated cash flow for following years**

Majority profile of defined benefit obligations	
Year 1	22.24
Year 2	14.17
Year 3	11.96
Year 4	26.67
Year 5	22.24
Year 6	16.19
Year 7	14.69
Year 8	11.96
Year 9	11.17
Year 10	16.67

The weighted average duration of the defined benefit obligation for MF Finance is 3.00 for MF Home Finance is 10.00.

**1. Compensation related:**

The Company provides for its qualified compensation statement as at the balance sheet date using probability and credit weighted based on structure of members.

Particulars	As at	As at
	March 31, 2022	March 31, 2021
Present value of calculated obligations	114.71	1,14,111
Balance recognized in the Statement of Profit and Loss	41.82	69.99



**IKF Finance Limited**

Notes forming part of Consolidated Financial Statements for the Year ended March 31, 2022

(Amount in Lakhs)

**31 Earnings per share**

Particulars	As at	As at
	March 31, 2022	March 31, 2021
Profit for the year	6,015.06	3,786.11
Weighted average number of equity shares used in calculating basic earnings per share	151.75	152.89
Effect of potential dilutive equity shares on account of unexercised employee stock options	0.01	0.01
Weighted average number of equity shares and potential equity shares used in calculating diluted earnings per share	151.76	152.90
Basic earnings per share	3.97	2.48
Diluted earnings per share	3.97	2.33

**32 Segment Reporting**

Segment reporting is a report in a manner consistent with the manner reporting provided to the Chief Operating Decision Maker ("CODM") of the Company. The CODM, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the Promoter of the Company. The Company operates only in one Business Segment i.e. banking, since the nature of the loans are recorded in debit side and credit in profit, hence they are collectively operating under a single segment, irrespective of the nature of the loan and respective segments as per India Accounting Standard (SIC) "Operating Segments".



**IBF Finance Limited**

Notes forming part of Consolidated Financial Statements for the Year ended March 31, 2022

(Currency: INR in lakhs)

**28 Transfer of financial assets****Transfer of financial assets that are not derecognised in their entirety****(i) Securitizations**

The Company uses securitizations as a source of finance. Such transactions generally result in the transfer of contractual cash flows from portfolios of financial assets to holders of issued debt securities. Securitization has resulted in the continued recognition of the securitized assets.

The table below outlines the carrying amounts, and fair values of all financial assets transferred that are not derecognised in their entirety and associated liabilities.

Particulars	As at	
	March 31, 2022	March 31, 2021
Carrying amount of transferred assets measured at amortised cost	1,175.10	12,444.57
Carrying amount of associated liabilities	871.72	6,871.66

The carrying amount of above assets and liabilities is a reasonable approximation of their fair values.

**Transfer of financial assets which qualify for derecognition in their entirety****(i) Assignment transaction**

The Company has sold loans and advances measured at amortised cost under assignment deals, as a source of finance. As per the terms of these deals, except substantial risk and rewards related to these assets were transferred to the buyer, the assets have been derecognised from the Company's balance sheet.

The gain arising on said transactions are recorded upfront by discounting the future cash flows arising in the form of differential interest on each assigned loan to their present value.

The table below summarizes the carrying amount of the Excess Interest Spread (EIS) receivable on above transaction which are derecognised.

Particulars	As at	
	March 31, 2022	March 31, 2021
Carrying amount of EIS receivable	2,710.50	1,548.41



**KF Finance Limited**

 Notes forming part of Consolidated Financial Statements for the Year ended March 31, 2022  
 (Currency: PKR in lakhs)

**34 Maturity analysis of assets and liabilities**

The table below shows an analysis of assets and liabilities as presented according to when they are expected to be recovered or settled

Particulars	As at March 31, 2021			As at March 31, 2022		
	Within 12 months	After 12 months	Total	Within 12 months	After 12 months	Total
<b>ASSETS</b>						
<b>Financial assets</b>						
Cash and cash equivalents	9,886.33	-	9,886.33	11,876.42	-	11,876.42
Bank balances other than cash and cash equivalents	1,275.78	1,236.05	2,511.83	3,833.43	1,211.39	5,044.82
Investments						
(ii) Trade receivables	35.35	-	35.35	35.88	-	71.23
(iii) Other receivables	-	-	-	-	-	-
Loans	60,027.85	1,22,712.27	1,82,740.12	60,327.73	81,196.97	1,41,524.70
Investments	-	-	-	-	-	-
Other financial assets	1,026.82	2,148.36	3,175.18	763.37	1,277.38	2,040.75
<b>Subtotal</b>	<b>72,252.73</b>	<b>1,24,896.68</b>	<b>1,97,149.41</b>	<b>76,807.00</b>	<b>1,23,684.74</b>	<b>1,99,491.74</b>
<b>Non-financial assets</b>						
Deferred tax assets (Net)	282.14	17.01	299.15	217.84	-	217.84
Deferred Tax assets (Gross)	-	70.34	70.34	-	-	70.34
Investment Property	-	324.21	324.21	-	6.47	6.47
Property, plant and equipment	-	343.03	343.03	-	510.43	510.43
Right to Use Assets	-	15.67	15.67	-	15.79	15.79
Other intangible assets	-	175.57	175.57	-	287.21	287.21
Other non-financial assets	11.37	1,869.07	1,880.44	43.17	381.11	424.28
<b>Subtotal</b>	<b>293.51</b>	<b>3,635.06</b>	<b>3,928.57</b>	<b>260.98</b>	<b>994.51</b>	<b>1,255.49</b>
<b>Total assets</b>	<b>72,546.24</b>	<b>1,28,531.74</b>	<b>1,99,077.98</b>	<b>77,067.98</b>	<b>1,24,679.25</b>	<b>1,99,747.23</b>
<b>LIABILITIES AND EQUITY</b>						
<b>LIABILITIES</b>						
<b>Financial liabilities</b>						
Derivative financial instruments	18.88	-	18.88	-	-	18.88
Payables						
(ii) Trade payables and other payables	-	-	-	-	-	-
(iii) Financial liabilities of creditors other than bank acceptance and small enterprises	7.00	-	7.00	20.21	-	27.21
Debt Securities	2,812.76	15,175.19	17,987.95	21,217.80	21,108.28	42,326.08
Borrowings (Other than Debt Securities)	72,022.86	68,220.21	1,40,243.07	54,933.92	37,445.24	92,379.16
Subordinated liabilities	1,273.23	4,088.08	5,361.31	51.78	3,148.08	3,199.86
Other Financial liabilities	2,873.84	229.79	3,103.63	3,780.91	782.74	4,563.65
<b>Subtotal</b>	<b>81,817.67</b>	<b>87,513.17</b>	<b>1,69,330.81</b>	<b>79,773.71</b>	<b>62,384.29</b>	<b>1,42,158.00</b>
<b>Non-Financial liabilities</b>						
Current tax liabilities (Net)	-	-	-	71.80	-	71.80
Provisions	51.80	113.25	165.05	27.24	175.81	203.05
Deferred tax liabilities (Net)	-	361.35	361.35	-	138.83	138.83
Other non-financial liabilities	157.23	-	157.23	218.76	-	218.76
<b>Subtotal</b>	<b>309.03</b>	<b>494.60</b>	<b>803.63</b>	<b>317.80</b>	<b>314.64</b>	<b>632.44</b>
<b>Total liabilities</b>	<b>82,126.70</b>	<b>87,997.77</b>	<b>1,69,134.34</b>	<b>79,091.51</b>	<b>62,708.93</b>	<b>1,41,800.44</b>



**IFP Finance Limited**

 Notes forming part of consolidated financial statements for the four weeks March 31, 2022  
 (Currency: HK dollar)

**25 Changes in liabilities arising from financing activities**

Particulars	As at March 31, 2021	Cash flows (out)	Others (net)*	As at March 31, 2022
Subordinated liabilities	5,886.81	-	88.21	5,975.02
Debt securities	49,213.75	(17,216.00)	(1,462.89)	30,534.86
Borrowing other than debt securities	83,148.70	90,018.15	(70,028.18)	1,12,138.67
	1,45,249.26	72,802.15	(71,402.86)	1,66,648.55

Particulars	As at March 31, 2021	Cash flows (out)	Others (net)*	As at March 31, 2022
Subordinated liabilities	6,450.75	(110.00)	86.24	6,426.99
Debt securities	6,109.77	86,310.00	800.98	93,220.75
Borrowing other than debt securities	1,00,792.33	(1,311.28)	(3,051.13)	97,430.92
	1,13,352.85	84,888.72	(3,174.91)	1,45,066.66

\* Others column includes the effect of amount set-aside with respect on borrowing, amortization of proceeding fees and cash flow from court settlement.



## IF Finance Limited

Being the part of Consolidated Financial Statements for the year ended March 31, 2022

(Company: A/c-566)

### 30. Employee Stock Option Plan (ESOP)

The Company has granted 542,160 Equity shares (Face value of INR 20/- each) under Employee Stock Option Plan (ESOP) on June 11, 2017 to the employees of IF Finance Limited. The shares will vest gradually and vesting of these shares is dependent on continued employment with the Company.

#### A. Expenses arising from share-based payment transactions

Total expenses arising from equity-settled share-based payment transactions recognized in profit or loss as part of employee benefit expense for the year ended March 31, 2022 is INR 3,02,61,616 (March 31, 2021 - INR 12,09,987).

#### B. Movement during the year

The following table illustrates the number and weighted average exercise price (WAP) of, and movements in, share options during the year:

Particulars	As at March 31, 2022	As at March 31, 2021	As at March 31, 2021	As at March 31, 2020
	Number	WAP	Number	WAP
Outstanding at 1 April	5,76,200.00	112.00	4,75,560.00	127.00
Granted during the year	-	-	-	-
Forfeited during the year	1,50,000.00	219.00	1,18,820.00	179.00
Expired during the year	-	-	-	-
Outstanding at 31 March	4,26,200.00	110.00	3,56,740.00	129.00
Exerciseable at 31 March	52,730.00	110.00	71,480.00	129.00

No share options were exercised during the year. No options were exercised or expired during the year.

The weighted average exercise price payable for the share options outstanding as at March 31, 2022 is 0.18 year (March 31, 2021: 0.21) years.

The weighted average fair value of options granted during the year ending March 31, 2020 was 14.75.

#### C. Fair value of options granted

The weighted average fair value of options granted during the year ending March 31, 2020 was 14.75. The fair value of options was determined using the Black-Scholes Model using the following inputs as follows:

Particulars	As at March 31, 2022	As at March 31, 2021
Weighted average fair value at the measurement date	14.75	14.75
Expected volatility (%)	2.10%	3.10%
Risk-free interest rate (%)	4.10%	4.10%
Expected life of share options (years)	1.80 years to 4.20 years	1.80 years to 1.20 years
Weighted average share price (INR)	110.00	129.00

The expected price volatility included in the inputs to volatility (based on the remaining life of the options), adjusted for any decided changes to fair value volatility due to actual fair value fluctuations.



21 Contingent liabilities and commitments

In the ordinary course of business, the Company faces claims and counterclaims by various parties. The Company assesses such claims and counterclaims and monitors the legal environment on an ongoing basis, with the assistance of external legal counsel, wherever necessary. The Company records a liability for any claims where a potential loss is probable and capable of being estimated or not disclosed such matters in its financial statements. If material, the potential loss has not been estimated, but not probable, the Company provides disclosures in the financial statements but does not record a liability in its accounts unless this has become probable.

The Company believes that the outcome of these proceedings will not have a materially adverse effect on the Company's financial position and results of operations.

21.1 Contingent liability

There are no Contingent Liabilities as on March 31, 2022 (March 31, 2021: Nil).

21.2 Guarantees

There are no guarantees as on March 31, 2022 (March 31, 2021: Nil).



## 167 Finance Limited

Notes forming part of Consolidated Financial Statements for the year ended March 31, 2022

Summary: INR Lakhs

### 24 Leases

#### Contract or a Lease

The Company's lease asset classes primarily consist of leases for office spaces. The Company assesses whether a contract contains a lease, or (in the case of a contract) a contract is, or contains, a lease if (i) the contract conveys the right to control the use of an identified asset for a period of time in exchange for a consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether (i) the contract involves the use of an identified asset (ii) the Company has substantially all of the economic benefits from use of the asset through the period of the lease and (iii) the Company has the right to direct the use of the asset.

At the date of commencement of the lease, the Company recognizes a right of use asset ("ROU") and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short-term leases). For these short-term leases, the Company recognizes the total payments as an operating expense as it is not required to recognize ROU assets or lease liabilities.

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

The right-of-use assets are initially recognized at cost, which comprises the total amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses.

Right-of-use assets are depreciated from the commencement date at a straight-line basis over the shorter of the lease term and useful life of the underlying asset. Right of use assets are evaluated for impairment when there are indicators of impairment. The fair value of the right-of-use assets will not be determined, but the purchase of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined. If an indicator of impairment exists, the right-of-use assets are tested for impairment with those that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the cash-generating unit (CGU) to which the asset belongs.

The lease liability is initially measured at amortized cost at the present value of the future lease payments. The lease payments are determined using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rate in the country of the lease. Lease liability are remeasured with a corresponding adjustment to the related right of use asset if the Company changes its assessment of whether it will exercise an extension or a termination option.

Following are the changes in the carrying value of right of use assets

Particulars	As at March 31, 2022	As at March 31, 2021
Opening	45.71	75.74
Additions	4.93	14.01
Deletions	(5.46)	(8.44)
Depreciation	(38.26)	(15.30)
Closing Balance	16.92	45.71

The following is the movement in lease liabilities:

Particulars	As at March 31, 2022	As at March 31, 2021
Balance at the beginning	42.59	41.01
Additions	4.45	17.74
Finance cost accrued during the period	3.16	4.01
Payments of lease liabilities	(33.23)	(25.73)
Balance at the end	21.97	47.03

The table below provides details regarding the contractual maturity of lease liabilities as at consolidated balance

Particulars	As at March 31, 2022	As at March 31, 2021
Less than 3 months	1.74	12.77
Over 3 months & upto 6 months	2.23	11.93
Over 6 months & upto 1 year	5.48	21.64
Over 1 year & upto 3 years	12.33	16.30
Over 3 years	6.19	36.41

The following are the amounts recognized in statement of profit or loss

Particulars	As at March 31, 2022	As at March 31, 2021
Depreciation expense of right of use assets	40.70	40.33
Interest expense on lease liabilities	2.08	4.28
Gain on selling to a third party leases	(24.20)	(23.17)
Total amount recognized in profit or loss	28.58	21.44

#### Lease Commitments

Particulars	As at March 31, 2022
Contractual undiscounted lease payments for all of the leases having non-zero components	-

#### Leases / Extension Options

Some of the leases contain extension and termination options. Such options are taken into account in the determination of the lease term only if extension or termination is considered to be necessary with reasonable certainty. The following table shows such amounts included in the measurement of lease liabilities as at March 31, 2022.



## BNF Finance Limited

Notes forming part of Consolidated Financial Statements for the Year ended March 31, 2021

(Currency: All in Birr)

### 23 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 maximize the shareholder value. The Group monitors capital in accordance with the capital adequacy ratio prescribed by the Reserve Bank of Ethiopia ("RBE") and the Housing Bank ("HB") as applicable.



## 107 Items Listed

Interim reporting period of Consolidated Financial Statements for the Year ended March 31, 2022  
 (Amount in Rupees Lakhs)

### At Fair Value Measurement:

#### A. Valuation Technique

For what is the price that would be received to sell an asset or group of assets in an orderly transaction in the principal or most advantageous market at the measurement date under current market conditions, as an exit price, regardless of whether that price is directly observable or estimated using a valuation technique. In order to apply fair value, the valuation technique used must be based on the fair value of the underlying asset.

Level 1 - Valuation technique using quoted market prices. Financial instruments with quoted prices for identical instruments in active markets. Derivatives that are traded in active markets.

Level 2 - Valuation technique using observable inputs. These values are inputs that are used for valuation and are not directly or indirectly observable market data available over the entire period of the instrument's life.

Level 3 - Valuation technique with significant unobservable inputs. These values are inputs that are not directly or indirectly observable over the entire period of the instrument's life.

#### B. Fair value of the financial instrument not measured at fair value

The table below is a comparison, by class, of the carrying amounts and fair values of the Company's financial instruments that are not covered at fair value in the Financial Statements. This table does not include the fair values of the financial assets and liabilities measured at fair value.

Particulars	Level	Carrying value		Fair value	
		As at March 31, 2022	As at March 31, 2021	As at March 31, 2022	As at March 31, 2021
<b>Financial Assets</b>					
Cash and cash equivalents	1	3,054.31	24,474.43	3,054.31	14,974.43
Bank balances other than cash and cash equivalents	1	1,711.01	4,834.07	1,711.01	4,834.07
Trade receivables	2	28.98	75.67	28.98	75.67
Loans	1	1,80,170.11	1,18,784.68	1,80,170.11	1,18,784.68
Investment in equity instruments	1	289.17	0.00	289.17	0.00
Due receivables	1	1,770.08	1,930.73	1,770.08	1,930.73
Other financial assets	1	114.04	813.58	114.04	813.58
		<b>1,82,057.60</b>	<b>1,78,982.56</b>	<b>1,82,057.60</b>	<b>1,82,057.60</b>
<b>Financial liabilities</b>					
Short-term financial liabilities	1	38.88	38.88	38.88	38.88
Trade payables	1	1.88	18.51	1.88	18.51
Other payables	1	22,871.51	16,212.78	22,871.51	16,212.78
Provision for contract liabilities (net of asset)	1	1,31,125.07	12,918.89	1,31,125.07	12,918.89
Interest-bearing liabilities	1	8,811.41	8,861.78	8,811.41	8,861.78
Other financial liabilities	1	1,111.08	1,549.87	1,111.08	1,549.87
Total financial liabilities		<b>1,43,468.83</b>	<b>1,49,090.81</b>	<b>1,43,468.83</b>	<b>1,43,468.83</b>

Valuation technique of the assets or liabilities measured at fair value

Below are the main inputs and assumptions used to determine fair value for the above financial instruments which are not quoted and measured at fair value in the Company's Financial Statements. These fair values are calculated by discounting cash flows only. The below methodologies and assumptions relate only to the measurements in the above table and, in each case, may differ from the techniques and inputs used elsewhere in the report.

#### Short Term Financial Assets and Liabilities

For financial assets and financial liabilities that have a short-term maturity from their issue or maturity, the carrying amounts are a reasonable approximation of their fair value. Such instruments include cash and cash equivalents, bank balances other than cash and cash equivalents, trade receivables, interest-bearing assets and other financial assets.

#### Loans and advances to customers

The fair value of loans are estimated by discounting cash flows based on the estimated cost of borrowing and/or relevant credit risk.

Provision for contract liabilities (net of asset)

The fair value of provision is calculated by a discounting cash flows based on the Company's cost of funds.

#### Other assets

Other assets are valued at fair value based on the carrying amount less impairment loss in the case.

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

Particulars	Level	As at March 31, 2022	As at March 31, 2021
Total assets measured at fair value in recurring basis		-	-
Total assets measured at fair value through profit or loss		-	-
Trade receivables		-	-
Investment in equity instruments		-	-
Total assets measured at fair value on a non-recurring basis (1)		-	-
Total assets measured at fair value (1+2)		-	-
Total liabilities measured at fair value through profit or loss		-	-
Trade payables		-	-
Provision for contract liabilities (net of asset)		-	-
Interest-bearing liabilities		-	-
Total liabilities measured at fair value through profit or loss		0.00	-



## 187 Finance Control

Notes covering part of Government financial statements for the year ended March 31, 2021

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### 1) Risk management

As an integral part of the Company's business and risk management is referred to the activities, a financial necessary, the Company is required to consider and estimate the risk and the government to the which it operates and thereby identify, evaluate and manage risk. The Board of Directors of the Company are responsible for the overall risk management approach and for approving the risk management strategy and a budget. The Company has a risk management policy which covers the full range of risks to assets and liabilities.

### 1.1.7 Evaluation of Risk Profile

#### Risk management and mitigation

The Company's risk is measured using a method that identifies the exposure that it faces to risks in respect of operations and its assets of loans, with an assessment of the relative materiality. This is done using one of a number of methods from financial economics, as part of the identification and assessment of risks.

The Company's policy is to ensure access to the capital markets by way of debt for its aggregate debt exposure in order to fund its operations.

It is the Company's policy to ensure that a robust risk assessment is undertaken in its operations of its risks. Employees are required to take necessary care to be accountable for the risk the Company is exposed to that applies to him. The Company's continuous training and development programmes encourage employees to make use of the Company's resources and this is supported in that risk management approach to ensure that employees are able to identify the Company's risk areas to risk.

The Company is generally exposed to credit risk, liquidity risk, interest rate, government financial performance risk.

### 1.1.2 Credit Risk

Credit risk is the risk that the Company will incur a loss because its counterparties do not discharge their contractual obligations. The Company manages and controls credit risk by setting limits on the amount of risk it is willing to incur to mitigate counterparty and the geographic concentration, and by monitoring default in relation to our clients.

Credit risk is managed by the credit department of the Company. It is managed through a number of ways such as credit risk assessment, credit ratings and credit limits, and arrangements for the recovery of loan management and support both for the credit manager, as well as the loan risk department, credit risk systems, policies, monitoring reporting.

The credit risk management aims to allow the Company to ensure the potential losses as a result of the risks to which it is exposed are taken care of, unless

#### Requirement disclosure

The disclosure table shows where the Company's requirement is present and the company approved it. It is not in this table, it should be noted in our annual audited accounts or appropriate accounting policies.

#### Definition of default and loss

The Company considers a financial instrument as defaulted and therefore stops its credit exposure for defaulted credit loss provisions in a timely manner to prevent losses from further increases, and also early cash collateral payments.

#### Classification of loans based on the maturity of the loans

Less than 3 months	Stage 1
From 3 months	Stage 2
Between 1 month to 3 months	Stage 2
More than 3 months	Stage 3

The Company considers a financial instrument as defaulted and therefore Stage 3 credit exposure for all assets that are not in the financial statements and that the amount is 3 months or less contractual payments.

It is the Company's policy to classify a financial instrument as "Stage 1" and therefore to provide for a stage 1 credit loss provision of the loan. The decision to move to Stage 2 or Stage 3 credit loss depends on the earlier credit stage, at the time of the loan, and whether the indicator there has been a significant increase in credit risk since the last credit stage.

#### Impairment at default (EAD)

The exposure at default (EAD) represents the gross carrying amount of the financial instrument subject to the required adjustment, including both the ability to recover to account with appropriate collateral and other adjustments.

To calculate the EAD for a Stage 1 loan, the EAD is defined as the possible default event within 12 months for the calculation of the 12 months EAD.

For Stage 2 and Stage 3 financial assets, the exposure at default is calculated using the carrying value at the time of the instrument.



**IF Finance Limited**

New listing part of Consolidated Financial Statements for the year ended March 31, 2022

(In Rupee '000 in lakhs)

**Probability of Default (PD)**

The Probability of Default is an estimate of the likelihood of default over a given time horizon. To estimate the PD, for a Stage 1 asset, the Company assesses the credit risk at each event within 12 months for its classification of the Standard SL. For Stage 2 and Stage 3 financial assets, the exposure at default is considered for assets over the lifetime of the instrument. The Company uses historical information whenever available to determine PD.

**Impairment Default (IDD)**

IDD is the amount that, if the Company might face if the borrower defaults. The Company determines its history and present value for applying the incurred credit loss, however using adjusted value and is posted provision from value at cost.

IDD has not been recognized internally because the credit asset exposures or defaulted accounts (if any) are not written off (recognized) and approved during the year.

When estimating IDD on a portfolio basis for a group of similar assets, the Company applies the principles for assessing whether there has been a significant increase in credit risk over a 12-month period.

**Significant increase in credit risk**

The Company uses several indicators of asset subject to IAS to assess its likelihood whether an instrument or a portfolio of instruments is subject to 12 month SL or Standard SL. The Company considers whether there has been an event which results in a significant increase in the credit risk of the underlying asset or the customer's ability to pay and accordingly change the 12 month SL to a 36 month SL.

If contractual payments are over 120 days past due, the credit risk is deemed to have increased significantly over 120 days past due.

**Geographical Concentration Risk**

Company's loan portfolio is predominantly in Finance commercial with its focus. The Company's credit portfolio is not primarily by geographical region. The following table shows the geographical concentration of business loans.

Geography	March 31, 2022	March 31, 2021
Total	16,47,946	11,41,128
Central	6,141,891	6,000,217
South	1,01,71,239	1,11,79,191
	1,32,057.91	54,120.91

**Quantitative information on collateral**

The value of total loan items to amount of collateral is as follows:

As at March 31, 2022	Value of Collateral			
	Collateral 2022	Collateral 2021	Value Ratio 2022	Value Ratio 2021
Loan to a Bank	1,234.11	11,100.11	14.30.11	14.30.11
Loan to other financial institutions	1,230.40	30,170.11	14.30.11	14.30.11
Collateral 2022 Value Ratio	4,111.80	41,270.22	11.24.11	11.24.11
Loan to Finance	88.80	1,111.80	1.00.11	1.00.11
Finance	111.80	1,111.80	1.00.11	1.00.11
Non-Finance	1,111.80	1,111.80	1.00.11	1.00.11
Collateral 2021	1,111.80	1,111.80	1.00.11	1.00.11
Collateral 2021 Value Ratio	1,111.80	1,111.80	1.00.11	1.00.11
Total	1,111.80	1,111.80	1.00.11	1.00.11



**KF Finance Limited**

Interim financial statements for the period ended March 31, 2021

(Continued from page 10)

As at March 31, 2021	Units in lakhs			
	April 2020	229-2020	March 2021	Total
Call & Loan	1,471.24	17,088.24	15,419.94	32,579.42
Overseas Deposits	1,893.46	25,348.15	17,728.51	44,970.12
Overseas Investments	1,529.76	17,129.71	1,719.71	20,379.28
Trade Receivables	348.89	1,045.11	1,123.34	2,517.34
Prepaid	290.49	1,282.13	418.27	1,990.89
Due to Banks	1,566.51	1,749.44	1,548.81	4,864.80
Due to Others	1,199.10	1,014.11	11,148.87	13,362.08
Other	1,027.14	1,186.81	1,448.41	3,662.36
Other Assets	1,121.24	1,247.17	-	2,368.41
Non-current Financial Assets	36,459.11	74,144.11	44,678.89	1,55,282.11

**4.4 Impairment**

As regarding the Company's financial position, consideration shall be given to: (i) Current and credit period; (ii) Current and future earnings capacity; (iii) Historical and long-term performance; (iv) Current liquidity position; (v) Anticipated future trading needs; and (vi) size of funds. The Company maintains a portfolio of investments which has been structured to be highly diversified and a prudent risk management can be used in the event of an unforeseen loss in any such line. The Company also enters into non-inventive financial instrument as well as pass through syndicated of their own portfolio, the having time which can be extended to meet liquidity needs. The liquid assets consist of cash and short-term bank deposits. Borrowings from banks and financial institutions and issue of non-current liabilities are considered as financial assets of funds in financial reporting statements.

**Analysis of financial assets and liabilities by remaining contractual maturities**

The table below summarizes the maturity profile of the contractual cash flows of the Company's financial assets and liabilities as at March 31, 2021.

Particulars	Less than 3 months	Over 3 months & upto 6 months	Over 6 months & upto 1 year	Over 1 year & upto 5 years	Over 5 years	Total
<b>Financial assets</b>						
Call and cash equivalents	5,876.11	-	-	-	-	5,876.11
Trade Receivables other than included in call above	107.05	809.51	531.81	998.25	511.39	2,957.01
Trade receivables	28.35	-	-	-	-	28.35
Loans	1,817.96	16,177.13	94,008.30	71,087.08	41,177.49	2,35,268.26
Investments	-	-	-	5,712.12	6,312.61	12,024.73
Other financial assets	148.17	606.89	461.71	107.25	1,684.74	3,908.76
<b>Total contractual financial assets</b>	<b>8,059.29</b>	<b>17,593.53</b>	<b>94,999.11</b>	<b>1,82,009.64</b>	<b>18,495.84</b>	<b>3,23,157.41</b>
<b>Financial liabilities</b>						
Due to Banks/Financial institutions	38.08	-	-	-	-	38.08
Trade payables	6.84	-	-	-	-	6.84
Other payables	-	-	-	-	-	-
Governmental liabilities	186.70	1,899.15	304.00	4,311.46	1,084.47	8,585.78
Loan receivables	1,149.27	1,123.81	1,849.44	10,993.08	-	14,115.60
Accruals (to be from other assets)	14,526.11	1,109.61	32,881.78	74,593.51	1,044.94	1,23,155.95
Deposits	-	-	-	-	-	-
Other Financial Liabilities	1,161.91	10.02	71.08	371.23	6.08	1,620.32
<b>Total contractual financial liabilities</b>	<b>17,182.81</b>	<b>3,042.64</b>	<b>34,206.26</b>	<b>76,078.24</b>	<b>11,124.34</b>	<b>1,41,634.29</b>
<b>Net contractual financial assets / (liabilities)</b>	<b>6,876.48</b>	<b>14,550.89</b>	<b>60,792.85</b>	<b>1,05,931.40</b>	<b>7,371.50</b>	<b>1,81,522.12</b>

The table below summarizes the maturity profile of the contractual cash flows of the Company's financial assets and liabilities as at March 31, 2021.

Particulars	Less than 3 months	Over 3 months & upto 6 months	Over 6 months & upto 1 year	Over 1 year & upto 5 years	Over 5 years	Total
<b>Financial assets</b>						
Call and cash equivalents	11,740.24	-	-	-	-	11,740.24
Trade Receivables other than included in call above	107.05	1,888.24	769.31	1,172.18	-	4,836.78
Trade receivables	40.28	-	-	-	-	40.28
Loans	17,412.08	16,595.51	11,114.78	81,948.13	18,816.54	1,45,887.14
Investments	-	-	-	5,712.12	6,312.61	12,024.73
Other financial assets	148.17	1,072.07	148.78	1,074.15	1,717.74	4,156.91
<b>Total contractual financial assets</b>	<b>39,307.54</b>	<b>19,555.82</b>	<b>13,032.87</b>	<b>93,647.10</b>	<b>26,856.98</b>	<b>1,92,400.31</b>
<b>Financial liabilities</b>						
Trade payables	-	-	-	-	-	-
Other payables	-	-	-	-	-	-
Governmental liabilities	186.70	1,899.15	304.00	2,807.77	1,084.47	6,071.19
Loan receivables	1,149.27	1,123.81	1,144.77	10,874.78	-	14,292.63
Accruals (to be from other assets)	11,111.46	1,111.61	11,111.61	11,111.61	1,111.61	35,567.00
Deposits	-	-	-	-	-	-
Other Financial Liabilities	1,161.91	10.02	107.12	371.14	6.08	1,656.27
<b>Total contractual financial liabilities</b>	<b>13,498.34</b>	<b>3,042.64</b>	<b>12,773.50</b>	<b>43,165.30</b>	<b>11,878.19</b>	<b>83,458.07</b>
<b>Net contractual financial assets / (liabilities)</b>	<b>25,809.20</b>	<b>16,513.18</b>	<b>20,259.37</b>	<b>50,481.80</b>	<b>14,978.79</b>	<b>1,08,942.24</b>



## IKF Finance Limited

Notes forming part of Consolidated Financial Statements for the three months ended 31/03/2023

(Amount in MYR'000,000)

The table below reports the contractual liability by its nature at the Group's reporting date and movements. Each contract has an embedded option included in the option itself resulting in the netted liability for the end year 2023.

Account	31/03/2023	31/03/2022	Over & underly & option included	Over & underly & option 1 year	Over & underly & option 2 years	Over & underly
As at March 31, 2023						
Guarantee and counter guarantee						
Embedded option in derivatives contracts to be exercised on capital account and off balance						
Total commitments						
As at March 31, 2022						
Guarantee and counter guarantee						
Embedded option in contracts to be exercised on capital account and off balance						
Total commitments						

### 6.4.4 Market risk

Market risk is the risk that the fair value or the future cash flows of a financial instrument will fluctuate because of changes in market prices. Such changes in the value of financial instruments may result from changes in the interest rates, equity, liquidity, and other market changes. The objective of market risk management is to minimize the adverse effects of market price and volume risk exposure to the Group's performance. There are broadly two types of market risk: (1) interest rate risk, and (2) FX risk. The Company is an net assets investment in equities, equity instruments or other valued investments and hence is not exposed to equity price risk. Major risk factors are discussed below.

#### Interest rate risk

Interest rate risk is the risk that the fair value of financial items of a financial instrument will fluctuate because of changes in market interest rates. The Company is exposed to interest rate risk, primarily due to loans to customers at fixed rates and its liability periods shorter than the floating rates.

The Company provides borrowings in floating rates given that to interest rate risk, interest rate is a factor needed to many factors beyond control, including the monetary policies of the Reserve Bank of India, disintegration of the financial sector in India, domestic and international economic and political conditions, inflation and other factors. In order to manage interest rate risk, the Company seeks to optimize borrowing portfolio between short-term and long-term loans. The Company adopts floating rate loans in order diversified investment in long term and shorter maturity of term. Assets and liability are categorized into short term to short term, long term to long term. The interest rate risk is mitigated by making funds to be converted into short through the swap for hedging and for different terms.

The following table demonstrates the sensitivity to a reasonably possible change in the interest rate on the portfolio of borrowings affected, with all other variables held constant. Impact is before tax effect through the impact on floating rate borrowings are as follows:

Impact on Profit before tax	As at March 31, 2023	As at March 31, 2022
On Floating Rate Borrowings		
2% increase in floating rate	189.12	177.29
2% decrease in floating rate	179.17	177.29

### 6.4.5 Foreign exchange risk

Foreign exchange risk is the risk that the Company will incur a financial loss because it conducts a set of transactions denominated in foreign currencies or assets and liabilities in different currencies, such as fixed rate loans to its when interest rate risk.

### 6.4.6 Operational and business risk

Operational risk is the risk of loss arising from systems failures, human errors, fraud or external events. While events can be caused effectively, operational risk can occur through its operations, from legal or regulatory requirements, or lead to financial loss. The Company cannot avoid its operational risk, but it can mitigate its impact through a control framework and by monitoring and reporting to external stakeholders. Controls include effective segregation of duties, robust approval and authorization procedures, staff education and improved processes, such as the use of financial audit.

### 6.4.7 Liquidity risk

The Company is exposed to liquidity risk in context of its borrowing in foreign currency. The fixed capital currency of the Company is in Indian Rupee. The Company can borrow foreign currency to hedge its company risk, also with a maturity of less than one year from the existing debt.

The Company does not plan to invest in financial instruments for trading or as available purchase.

Following are the financial instruments to hedge the foreign exchange rate at March 31, 2023 and March 31, 2022:

Portfolio	currency	currency	Fixed Currency	As at March 31, 2023	As at March 31, 2022
DERIVATIVES	USD	INR	USD	0	0



**IF Finance Limited**

Notes forming part of Consolidated Financial Statements for the Year ended March 31, 2022  
(Amount in ₹ Lakhs)

**42 Related Party Disclosures**

**a. Name of related party and nature of relationship:**

Enterprises having a significant influence	India Keynote Capital Fund - I Vizra FC (India) Limited (Formerly known as E and IS Trust Company Limited) (Trustee of Business Excellence Trust - I) & Business Excellence Fund - I
Subsidiary	IF Home Finance Limited (Formerly known as IF Housing Finance Private Limited)
Enterprises in which directors are interested	S&H Finance & Leasing Private Limited
Enterprises significantly influenced by Key Management Personnel and their relatives	IF Infrastructure Waste Limited
Relative of Key Management Personnel	Mr. D. Viswanth Lakshmi - Managing Director (IF Home Finance Limited) Mr. V. Raju Ram Mr. Intho Sarwanand Chundun Mrs. George Raj Chundun
Key Management Personnel (KMP)	Mr. V.G.K.Pooja - Chairman Mr. V. Indir Devi - Whole Time Director Mrs. A. Vasanthi Devi - Managing Director Mr. Srujan Choudhary - Joint Chief Finance Officer Mr. Ch. Srinivasa Rao - Company Secretary Mr. Vibhav Kumar Indu - Corporate Secretary (IF Home Finance Limited)





**Form No. 100**  
**Financial Statement of the Government of Karnataka**  
**Year: 2011-12**

1. Name of the Government  
 2. Name of the Department

Particulars	Description	2011-12				2010-11			
		Actual	Revised	Actual	Revised	Actual	Revised	Actual	Revised
Total		100	100	100	100	100	100	100	100
Total		100	100	100	100	100	100	100	100
Total		100	100	100	100	100	100	100	100

Particulars	2011-12	2010-11
Total	100	100
Total	100	100
Total	100	100
Total	100	100

1. This statement is prepared in accordance with the provisions of the Government of Karnataka Act, 1956.  
 2. The figures are in Lakhs of Rupees.  
 3. The figures are subject to audit and verification by the Comptroller and Auditor General of India.  
 4. The figures are subject to audit and verification by the Comptroller and Auditor General of India.  
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 9. The figures are subject to audit and verification by the Comptroller and Auditor General of India.  
 10. The figures are subject to audit and verification by the Comptroller and Auditor General of India.



**30 Finance Limited**

Annual financial performance of Consolidated Financial Statements for the Year ended March 31, 2022  
(Continued)

**35 Value of Equity indicated on CF Books**

The Company has not indicated any cash flow value of equity on CF books to N

**36 Expenses in Foreign Currency**

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Legal and professional fees	0.00	-
Total	0.00	-

**37 Earnings in Foreign Currency**

The Company does not have any earnings in foreign currency.

**38 Assets**

We are not aware of any assets held by the company during the current year.

**39 Share Issue - Total Share Issue**

There has been no share issue from the company during the year ended March 31, 2022 (previous year: Nil)

**40 Requirements of Reserve Provisions**

After note 1, there are no provisions for the above reasons. It will cover up to the legal and financial requirements of the company.

**41 Due to Creditors and Creditors in Foreign**

There are no amounts that need to be distributed in accordance with creditors' demand and claims. The company is not aware of any amounts that need to be distributed in accordance with creditors' demand and claims.

For the year ended March 31, 2022, we have not received any information from the Company about its financial performance in any other financial year. We are not aware of any amounts that need to be distributed in accordance with creditors' demand and claims.

**42 Disclosure of Director's Remuneration - 300 Shareholders of the Company indicated their details and total remuneration in terms of NRSD under 101/2011/31/2022, 101/2011/31/2021 and 101/2011/31/2020.**

Type of Remuneration	Expense to directors classified as Director's remuneration in accordance with the provisions of the Companies Act, 2011	51 (a) Remuneration to directors in NRSD during the half year	51 (c) Amount paid or payable during the half year	51 (c) Amount paid by the directors during the half year	Expense to directors classified as Director's remuneration in accordance with the provisions of the Companies Act, 2011
Remuneration of Directors	0.00	0.00	-	0.00	0.00
Remuneration of Directors	0.00	0.00	-	0.00	0.00
Total	0.00	0.00	-	0.00	0.00

1. An amount in terms of 101/2011/31/2022, 101/2011/31/2021 and 101/2011/31/2020.

2. An amount in terms of "other" category. Directors are paid cash and their remuneration in terms of NRSD is not applicable in accordance with the provisions of the Companies Act, 2011.

Disclosure for Remuneration of Directors in accordance with the provisions of the Companies Act, 2011 is not applicable in the Company as none of the directors are paid for the remuneration plan.



## IKF Finance Limited

Notes forming part of Consolidated Financial Statements for the Year ended March 31, 2022

(Currency: INR in Crores)

### 51. Registrations of charges or satisfaction with Registrar of Companies (ROC)

All charges or satisfaction are registered with ROC within the statutory period for the financial year ended March 31, 2022. No charges or satisfactions are yet to be registered with ROC beyond the statutory period.

### 52. Compliance with number of layers of companies

The Company has complied with the number of layers prescribed under clause (b)(1) of section 2 of the Act read with Companies (Restriction on Number of Layers) Rules, 2017 for the financial years ended March 31, 2022 and March 31, 2021.

### 53. Compliance with approved Scheme(s) of Arrangements

The Board of Directors of the Company did not approve any scheme of Arrangements during the financial year ended March 31, 2022 and March 31, 2021.

### 54. Utilisation of borrowed funds and share premium

The Company, as part of its normal business, grants loans and advances, makes investment. These transactions are part of Company's normal non-banking finance business, which is conducted ensuring adherence to all regulatory requirements.

Other than the transactions described above, no funds have been advanced or loaned or lent or invested (other than borrowed funds) or share premium or any other sources or kind of funds) by the Company to or in any other persons or entities, including foreign entities ("intermediaries") with the understanding, whether received in writing or otherwise, that the intermediaries shall lend or invest in part, identified by or on behalf of the Company (Ultimate Beneficiaries). The Company has also not received any fund from any person (Funding Party) with the understanding that the Company shall utilize, directly or indirectly and in or out of other persons or entities identified by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

### 55. Unrecorded Income

There are no transactions not recorded in the books of accounts.

### 56. Title deeds of immovable properties not held in name of the Company

The Company does not possess any immovable property (other than properties where the Company is the lessee and the lease agreement is duly executed in favour of the lessee) whose title deeds are not held in the name of the Company during the financial year ended March 31, 2022 and March 31, 2021.

### 57. Details of Crypto Currency or Virtual Currency

The Company has not traded or invested in Crypto currency or Virtual currency during the financial years ended March 31, 2022 and March 31, 2021.

### 58. Details of Benami Property held

No proceedings have been initiated or pending against the Company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (55 of 1988) and rules made thereunder in the financial years ended March 31, 2022 and March 31, 2021.

### 59. Willful Defaulter

The Company has not been declared as a willful defaulter by any bank or financial institution or other lender in the financial years ended March 31, 2022 and March 31, 2021.

### 60. Relationship with Struck off Companies

The Company does not have any transactions with companies whose names have been struck off under section 248 of Companies Act, 2013 or section 560 of Companies Act, 1956 in the financial years ended March 31, 2022 and March 31, 2021.

### 61. Investment in Associates and Structured Entities

The Company does not have any Associates and Structured Entities.



**100. Finance Method**

State/leading partial Consolidated Financial Statements for the Year ended March 31, 2022

Company: Wipro Ltd.

**11. Report date is 02/04/22**

Consequent to the outbreak of the Covid-19 pandemic, the Indian government, amongst other measures in March 2020, subsequently, the central lockdown was lifted by the government for certain activities in a phased manner under specified restrictions. However, the impact of lockdown on our business to be experienced is varied with a significant number of Covid-19 cases.

The impact of Covid-19, including changes in consumer behaviour and work from home, as well as restrictions on business and educational activities, has led to significant volatility in global and Indian financial markets and a significant decrease in global and local economic activities. The slowdown during the year has led to decrease in lead acquisitions, and collection efficiency. The extent to which the Covid-19 pandemic, including the current "second wave" that has significantly increased the number of cases in India, will continue to impact the Company's operations and activities related to investment of assets for using loans to subsidiaries, will depend on future developments, including, among other things, any new restrictions concerning the severity of the Covid-19 pandemic and the extent to which its spread or mitigation is impacted by government mandated or related by the Company.

In accordance with Section 124 of the Income Tax Act relating to Covid-19 Regulatory package issued March 27, 2020 and April 27, 2020 and May 22, 2020, the Company has offered respite on the payment of all instalments under Income Tax Act, including, being due between April 1, 2020 to August 31, 2020 to all eligible taxpayers. Further, the Company offered respite also to its customers pursuant to the regulatory package to respite for Covid-19 related goods and services August 2020.

Benefits and associated uncertainties involved in preparing these financial statements, especially for determining the impairment allowance for the Company's financial assets (loans) are based on financial statements and other supporting financial records on account of the pandemic. The Company follows IFRS in the future financial statements under the current circumstances. The Company has also evaluated the potential impact on availability of funds and operations at various due to Covid-19 pandemic along with the second wave of Covid-19 in developing the activities and assumptions to assess the impairment loss allowance on loans. Given the dynamic nature of the pandemic situation, these estimates are subject to uncertainty and maybe affected by severity and duration of the pandemic. In the event the impact are more severe or prolonged than anticipated, this will have a corresponding impact on the carrying value of financial assets, the financial position and performance of the Company.

The Company has also evaluated impairment allowance on its loans 31,2022 including the potential impact of Covid-19 based on the latest available data as at March 31, 2022.

In accordance with the instructions of SEBI under number: SE/2021/22/27 dated April 5, 2021, all lending institutions shall refer to "eligible entities list" in all loan contracts including those who have opted working capital facilities during the moratorium period. irrespective of whether moratorium has been fully or partially availed or not availed. Pursuant to these instructions, the Indian banks' guidelines 2020 in conjunction with other industry participants' codes updated the methodology for calculation of risk weighted as interest covered ratios (interest cover). Accordingly, the Company has estimated its 2021 ratio and made provision for interest expense as at March 31, 2021.

**12. Note on Code of Social Responsibility, 2002**

The Indian Parliament has approved the Code of Social Responsibility, 2002 which subverts the Pro-2011 F-100 and the Statutory Act, and sets the standards. The Ministry of Labour and Employment has also revised skill rules Parameter on November 13, 2020 and has invited suggestions from stakeholders which are under active consideration by the Ministry. The Company will evaluate the ideas, assess the impact, if any and account for the same in the future revised and enhanced CSR plan.

In the past year's statement has been registered/qualified/where necessary to comply with current provisions of the Companies Act, 2013.

For Wipro Limited  
 Chartered Accountants  
 ICAI Registration Number: 1132899W/010003  
  
 per Sumit Kumar  
 Partner  
 Member since 04/04/20  
 Firm Number  
 Luck: 07/04/22



For and on behalf of the Board of Directors of  
 Wipro Limited  
 CIN: WIPRO000012002206  
  
 V. K. Prasad  
 Chairman  
 DIN: 00011102  
  
 V. Venkatesh  
 Chief Financial Officer  
 For Wipro Finance  
 Date: 30/04/22  
  
 V. Venkatesh  
 Managing Director  
 DIN: 00011102  
  
 V. Venkatesh  
 Company Secretary  
 M.No. AC31729

Sl. No.	Particulars		Estimated		Actual		Remarks	
	Amount	Unit	Amount	Unit	Amount	Unit		
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