Independent Auditors' Report

To
The Members of
Truhome Finance Limited
(Formerly known as Shriram Housing Finance Limited)

Report on the Audit of the Ind AS Financial Statements

1. Opinion

We have audited the Ind AS financial statements of Truhome Finance Limited (Formerly known as Shriram Housing Finance Limited) ("the Company"), which comprise the Balance Sheet as at March 31, 2025, the Statement of Profit and Loss, the Statement of Changes in Equity and the Statement of Cash Flows for the year then ended, and notes to the Ind AS financial statements, including a summary of material accounting policies and other explanatory information (hereinafter referred to as "Ind AS financial statements") for the year ended on that date.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Ind AS Financial Statements give the information required by the Companies Act, 2013 (''the Act'') in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards (''Ind AS'') prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2025, its profit, total comprehensive income, changes in equity and its cash flows for the year ended on that date.

2. Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Ind AS 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 together with the ethical requirements that are relevant to our audit of the Ind AS financial statements under the provisions of the Companies Act, 2013 and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on the Ind AS financial statements.

3. Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the Ind AS financial statements of the current period. These matters were addressed in the context of our audit of the Ind AS financial statements as a whole and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

Sr. No.	Key Audit Matter	Auditor's Response
1.	**Impairment of Financial Instruments** Ind AS 109 Financial instruments (Ind AS 109) requires the Company to provide for impairment of its financial instruments (designated as amortized cost or fair value through other comprehensive income) using the expected credit loss (ECL) approach. ECL involves an estimation and a significant degree of judgement by the management for development of ECL model and its corresponding application in the ECL model. These judgement and estimates include: 1. Determination of loan book segmentation based on homogeneity probability of defaults, loss given defaults and exposure at default.	Our audit procedures included the following : • Read the accounting policy for impairment of financial instruments (Refer Note 7) and assessed its compliance with Ind AS 109 and the governance framework approved by the Board of Directors. • Evaluated the management response upon implementation of various RBI circulars and tested the implementation of requirements as per these circulars on sample basis. • Performed end to end process walkthroughs to identify the key systems, applications and controls used in the ECL processes. • Assessed the design of general IT and application controls over key systems used in the ECL process and tested the relevant manual controls.

Sr. No.	Key Audit Matter	Auditor's Response
	2. Estimating the behavioural life of the product 3. Qualitative and quantitative factors used in staging the loan assets measured at amortised cost 4. Judgements used in projecting economic scenarios and probability weights applied to reflect future economic conditions. 5. Modification of assets in terms of restructuring. 6. Compliance with RBI Circulars and assess the levels of credit impairment of financial instrument. Refer Note 7 of the financial statements	• Assessed the reasonableness of the management estimates by understanding the process of ECL estimation and related assumptions. • Tested the operating effectiveness of the controls for staging of loans and advances based on their past-due status. • Tested the arithmetical accuracy of computation of ECL provision performed by the Company. • Obtained written representations from the management on the reasonableness of the significant assumptions used in computation of ECL provision. • Assessed the disclosures included in the Ind-AS financial statements with respect to such allowance/estimate are in accordance with the requirements of Ind AS 109 and Ind AS 107 Financial Instruments: Disclosures and also as per RBI guidelines
2.	**Evaluation of Company's Information Technology (IT) systems and system Controls over Financial Reporting** The financial accounting and reporting systems of the Company are fundamentally reliant on IT systems and IT controls. The information system is a critical component of Company's operations enabling efficient processing of transactions, safeguarding of information, and supporting decision-making. Appropriate controls contribute to mitigating the risk of potential fraud or errors as a result of changes to applications and data. As such, it is important for us to evaluate the effectiveness of information system controls to ensure the correctness, integrity, availability, and confidentiality of data. We identified 'IT systems and controls including audit trail (audit log)' as key audit matter because of the pervasive nature of IT environment and the scale and complexity of the IT architecture.	Our audit procedures included the following : • With the assistance of our IT specialists, we obtained an understanding of the Company's IT applications, databases and operating systems relevant to financial reporting and the control environment during the audit period. • Testing IT general controls related to User Change Management Controls, Information Security Controls, Log management and Data backup and application controls. • Assessment and identification of key IT applications including those identified by the management for audit trail (audit log) further verifying, testing, and reviewing the design and operating effectiveness of the IT system based on reports and other financial and non-financial information generated from the system on a test check basis.

4. Information other than the Ind AS financial statements and Auditor's report thereon

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Annual Report, but does not include the Ind AS financial statements and our Auditor's Report thereon. The Directors Report & Annual Report is expected to be made available to us after the date of our audit report.

Our opinion on the Ind AS 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 Ind AS financial statements, our responsibility is to read the other information and, in doing so, consider whether other information is materially inconsistent with the Ind AS Financial Statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

When we read the other information included in the above reports, if we conclude that there is material misstatement therein, we are required to communicate the matter to those charged with governance and determine the actions under the applicable laws and regulations.

5. Management's Responsibility for the Ind AS Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these Ind AS Financial Statements that give a true and fair view of the financial position, financial performance, total comprehensive income, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, as amended.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate implementation and maintenance of accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Ind AS financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

6. Auditor's Responsibilities for the Audit of the Ind AS financial statements

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

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

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

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

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

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

- Evaluate the overall presentation, structure and content of the Ind AS Financial Statements, including the disclosures, and whether the Ind AS Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

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

7. Report on Other Legal and Regulatory Requirements

I. 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.

II. As required by Section 143(3) of the Act, based on our audit we report that:

a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of Ind AS Financial Statements.

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

c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, the statement of changes in equity and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.

d) In our opinion, the aforesaid Ind AS financial statements comply with the Ind AS specified under Section 133 of the Act.

e) On the basis of the written representations received from the directors as on March 31, 2025 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2025 from being appointed as a director in terms of Section 164 (2) of the Act.

f) With respect to the adequacy of the internal financial controls with reference to Ind AS financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in **"Annexure B"**.

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

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

i. The Company has disclosed the impact of pending litigations on its financial position in Note 48 of its Ind AS financial statements;

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

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

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

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

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

v. (a) The Company has not paid any dividend during the year.

(b) The Board of Directors of the Company has neither proposed nor paid any dividend for the year.

vi. Based on our examination which included test checks, the company has used an accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software. Based on our procedures performed we did not notice any instance of the audit trail feature being tampered with. The audit trail has been preserved by the company as per the statutory requirements for record retention.

8. Other matters

The comparative financial figures for the year April 1, 2023 to March 31, 2024 and as at March 31, 2024 were audited by predecessor audit firm, where they have expressed an unmodified opinion vide report dated April 24, 2024.

Our report on the financial results is not modified in respect of these matters.

For **Mukund M. Chitale & Co.**
Chartered Accountants
Firm's Registration No. 106655W

S. M. Chitale
Partner
Membership no - 111383
UDIN :25111383BMKWMO9347
Place: Mumbai
Date: April 24, 2025

Annexure A

to the Independent Auditor's Report of even date on the Ind AS financial statements of Truhome Finance Limited (Formerly known as Shriram Housing Finance Limited)

Referred to in paragraph [7(I)] under Report on Other Legal and Regulatory Requirements of our report of even date

According to the information and explanations sought by us and given by the Company and the books of account and records examined by us in the normal course of audit and to the best of our knowledge and belief, we state that:

i. a) A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment, capital work-in-progress and relevant details of right-of-use assets which are being updated.

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

b) The Property, Plant and Equipment, including right-of-use assets, are physically verified by the management during the year in phased manner, which in our opinion is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the verification, the Property, Plant and Equipment have been physically verified by management during the year and discrepancies if any are being reconciled.

c) Based on the examination of the registered sale deed and name change documents of the Company provided to us, we report that, the title deeds, comprising all the immovable properties of land and buildings which are freehold, disclosed in the Ind AS financial statements are held in the name of the Company as at the balance sheet date.

d) The Company has not revalued its Property, Plant and Equipment (including Right of Use assets) and intangible assets during the year.

e) According to the information and explanations given to us, no proceedings have been initiated or is pending against the Company during the year for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder.

ii. (a) The Company is engaged primarily in lending activities and consequently does not hold any physical inventory. Accordingly, paragraph 3(ii)(a) of the Order is not applicable to the Company.

(b) According to the information and explanations given to us, the Company has been sanctioned working capital limits in excess of ₹ 5 Crores, in aggregate, from banks on the basis of security of loans (assets). No reconciliation items were observed in the quarterly returns or statements filed by the Company with such banks or financial institutions as compared to the books of account maintained by the Company.

iii. The Company is a Housing finance company registered with the National Housing Bank (NHB) and as a part of its business activities is engaged in the business of lending across various types of customers for construction or purchase of residential property and loans against property.

The Company has not made investments in and provided any guarantee or security to Companies, Firms, Limited Liability Partnerships or any other parties. During the year, in the ordinary course of its business, the Company has 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 loans and advances:

a) The principal business of the Company is to give loans and hence reporting under clause (iii)(a) of the Order is not applicable;

b) In our opinion, having regard to the nature of the Company's business, the investments made, guarantees provided, security given and the terms and conditions of the grant of all loans and advances in the nature of loans and guarantees provided are not prejudicial to the Company's interest;

c) In respect of loans and advances in nature of loans, granted by the Company during the normal course of its business, having regard to the voluminous nature of loan transactions, it is not practicable to furnish entity-wise details of amount, due date for repayment or receipt and the extent of delay in this report (as suggested in the Guidance Note on CARO 2020, issued by the Institute of Chartered Accountants of India for reporting under this clause), in respect of loans and advances which were not repaid / paid when they were due or were repaid / paid with a delay. Further for loans where there are delays or defaults in repayment of principal and / or payment of interest as at the balance sheet date, the summary of the same are disclosed by Management in Note 7 of Notes to Financial Statements.

d) The total amount overdue for more than ninety days, in respect of loans and advances in the nature of loans, as at 31 March 2025 is Rs. 20,382.45 Lakhs. Reasonable steps are being taken by the Company for recovery of the principal and interest.

e) The principal business of the Company is to give loans and hence reporting under clause (iii)(e) of the Order is not applicable.

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

iv. The Company has not granted any loans, made investments or provided guarantees and securities which attract the provisions of section 185 and section 186 of the Act. Accordingly, clause 3(iv) of the Order is not applicable to the Company.

v. The Company has not accepted any deposits from the public to which the directives issued by the Reserve Bank of India and the provisions of Section 73 to 76 or any other relevant provisions of the Act and the Rules framed thereunder apply. Hence reporting under clause 3 (v) of the Order is not applicable.

vi. The maintenance of cost records has not been specified by the Central Government under Section 148(1) of the Companies Act, 2013 for the business activities carried out by the Company. Hence reporting under clause 3 (vi) of the Order is not applicable.

vii. (a) According to the information and explanations given to us, the Company is generally regular in depositing undisputed statutory dues including provident fund, employees' state insurance, income-tax goods and services Tax, duty of customs, duty of excise, cess and any other statutory dues with the appropriate authorities.

According to the information and explanations given to us, following are undisputed dues in respect of profession tax liability which are outstanding, at the end, for a period of more than six months from the date they became payable –

Nature of dues	Amount unpaid (₹ In Lakhs)
Professional tax	1.46

(b) According to the records of the Company, the dues outstanding of income-tax, sales tax, service tax, duty of customs, value added tax and cess on account of any dispute, are as follows:

Name of the statute	Nature of dues	Amount Involved (₹ Lakhs)	Amount Unpaid (₹ Lakhs)	Period to which the amount relates	Forum where dispute is pending
Income tax Act, 1961	Income tax	5,739.63	5,739.63	FY 2017-18 to FY 2022-23	National faceless appeal center
GST	GST	327.38	327.38	2017-2023	Appellate Deputy Commissioner

viii. According to the information and explanations given to us, there were no transactions relating to previously unrecorded income that were surrendered or disclosed as income in the tax assessments under the Income Tax Act, 1961 (43 of 1961).

ix. (a) The Company has not defaulted in the repayment of loans or other borrowings or in the payment of interest thereon to banks or financial institutions or government or any government authority.

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

(c) To the best of our knowledge and belief, in our opinion, term loans availed by the Company were, applied by the Company during the year for the purposes for which the loans were obtained, other than temporary deployment pending application.

(d) On an overall examination of the Ind AS financial statements of the Company, funds raised on short-term basis have, prima facie, not been used during the year for long-term purposes by the Company.

(e) The Company did not have any subsidiary or associate or joint venture during the year and hence reporting under clause (ix)(e) of the Order is not applicable to the Company.

(f) The Company did not have any subsidiary or associate or joint venture during the year and hence reporting under clause (ix)(f) of the Order is not applicable to the Company

x. (a) According to the information and explanations given by the management, the Company has not raised any money by way of initial public offer or further public offer (including debt instruments) or term loans and hence reporting under paragraph 3(x)(a) of the Order is not applicable to the Company.

During the year, the Company has made preferential allotment of equity shares and the requirement of section 42 and section 62 of the Companies Act, 2013 have been complied with and the funds raised during the year have been utilised for the purposes for which the funds were raised.

xi. (a) During the course of our examination of books of accounts and as far as records/details made available and verified by us and according to the information and explanations given to us, one instance of fraud on the Company (Amounting to ₹ 48.36 Lakhs) was 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 by the Statutory Auditors and upto the date of this report.

(c) As represented to us by the Management, there were no whistle blower complaints received by the Company during the year and upto the date of this report.

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

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

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

(b) We have taken into consideration, the reports of the Internal Auditors received by the company during the year and provided to us while determining the nature, timing and extent of audit procedures.

xv. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or person connected with them. Accordingly reporting under clause 3 (xv) of the Order are not applicable to the Company.

xvi. (a) As the Company is a Non-banking financial company and registered under National Housing Bank (NHB) Act, 1987 , the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Hence, reporting under clause 3(xvi)(a), (b) and (c) of the Order is not applicable.

(b) The Company has a valid certificate obtained from National Housing Bank (NHB).

(c) The company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India and hence reporting under clause 3 (xvi)(c) is not applicable to the Company.

(d) The Group does not have any Core Investment Company (CIC) as part of the Group and hence reporting under clause 3(xvi)(d) of the Order is not applicable to the Company.

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

xviii. There has been no resignation of the statutory auditors of the Company during the year. Hence, the provisions of clause clause 3(xviii) of the Order are not applicable.

xix. On the basis of 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 that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

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

(b) In respect of ongoing projects, the company has transferred unspent amount to a special account, within a period of thirty days from the end of the financial year in compliance with section 135(6) of the said Act.

xxi. The Company does not have any subsidiary or associates and does not require to present consolidated financial statement. Accordingly, reporting under the clause (xxi) of the Order is not applicable.

For **Mukund M. Chitale & Co.**
Chartered Accountants
Firm's Registration No. 106655W

S. M. Chitale
Partner
Membership no - 111383
UDIN :25111383BMKWMO9347

Place: Mumbai
Date: April 24, 2025

Annexure B

to the Independent Auditor's Report of even date on the Ind AS financial statements of Truhome Finance Limited

Referred to in paragraph [7(II)(f)] under 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")

1. We have audited the internal financial controls with reference to Ind AS financial statements of Truhome Finance Limited (Formerly known as Shriram Housing Finance Limited) ("the Company") as of March 31, 2025 in conjunction with our audit of the Ind AS financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

2. The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control with reference to Ind AS financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") issued by the Institute of Chartered Accountants of India" (ICAI). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility

3. Our responsibility is to express an opinion on the Company's internal financial controls with reference to Ind AS financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing as specified under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls and both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to Ind AS financial statements were established and maintained and if such controls operated effectively in all material respects.

   Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system with reference to Ind AS financial statements and their operating effectiveness. Our audit of internal financial controls with reference to Ind AS financial statements included obtaining an understanding of internal financial controls with reference to Ind AS 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 Ind AS financial statements, whether due to fraud or error.

   We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system with reference to Ind AS financial statements.

Meaning of Internal Financial Controls with reference to Ind AS financial statements

4. A company's internal financial control with reference to Ind AS financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of Ind AS financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control with reference to Ind AS 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 Ind AS financial statements in accordance with generally accepted accounting principles, and that income 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 Ind AS financial statements.

Inherent Limitations of Internal Financial Controls with reference to Ind AS financial statements

5. Because of the inherent limitations of internal financial controls with reference to Ind AS 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 Ind AS financial statements to future periods are subject to the risk that the internal financial control with reference to Ind AS financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

6. In our opinion, the Company has, in all material respects, an adequate internal financial controls system with reference to Ind AS financial statements and such internal financial controls with reference to Ind AS financial statements were operating effectively as at March 31, 2025, based on the internal control with reference to Ind AS financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For **Mukund M. Chitale & Co.**
Chartered Accountants
Firm's Registration No. 106655W

S. M. Chitale
Partner
Membership no - 111383
UDIN :25111383BMKWMO9347

Place: Mumbai
Date: April 24, 2025

Balance Sheet as at March 31, 2025

(₹ in Lakhs)

Particulars	Note No.	As at March 31, 2025 Audited	As at March 31, 2024 Audited
I ASSETS			
1 Financial assets			
(a) Cash and cash equivalents	4	50,749.55	16,899.24
(b) Bank balance other than (a) above	5	27,184.57	19,117.05
(c) Derivative financial instrument	17	-	-
(d) Receivables	6		
(i) Trade Receivables		-	-
(ii) Other Receivables		1,486.56	807.58
(e) Loans	7	13,36,062.48	10,76,619.73
(f) Investments	8	43,138.02	19,933.40
(g) Other financial assets	9	40,175.09	30,487.72
Total financial assets		**14,98,796.27**	**11,63,864.72**
2 Non-financial Assets			
(a) Current tax assets (Net)	10	2,583.08	2,052.23
(b) Investment property	11	0.28	0.28
(c) Property, plant and equipment	12	3,875.57	2,614.67
(d) Right of use assets	14	9,249.00	6,916.08
(e) Other intangible assets	13	171.74	94.38
(f) Other non financial assets	15	3,558.50	3,279.00
Total non-financial assets		**19,438.17**	**14,956.64**
3 Assets held for sale	16	4,795.51	7,037.43
Total Assets		**15,23,029.95**	**11,85,858.79**
II LIABILITIES AND EQUITY			
1 Financial Liabilities			
(a) Derivative financial instrument	17	1,833.98	400.05
(b) Payables			
(i) Trade payables	18		
(i) total outstanding dues of micro enterprises and small enterprises		-	-
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises		5,299.12	3,412.93
(ii) Other payables			
(i) total outstanding dues of micro enterprises and small enterprises		-	-
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises		-	-
(c) Debt securities	19	1,66,035.31	1,50,207.03
(d) Borrowings (other than debt securities)	21	9,60,385.21	8,00,364.25
(e) Subordinate Debts	20	15,017.41	14,922.63
(f) Lease liabilities	22	9,916.51	7,227.64
(g) Other financial liabilities	23	13,677.44	10,996.71
Total financial liabilities		**11,72,164.98**	**9,87,531.24**
2 Non-financial Liabilities			
(a) Provisions	24	1,029.19	857.33
(b) Deferred tax liabilities (Net)	43	5,031.25	4,923.27
(c) Other non-financial liabilities	25	1,142.24	173.51
Total non-financial liabilities		**7,202.68**	**5,954.12**
3 Equity			
(a) Equity share capital	26	45,884.45	33,008.28
(b) Instruments entirely equity in nature	27	-	39,740.71
(c) Other equity	28	2,97,777.84	1,19,624.44
Total equity		**3,43,662.29**	**1,92,373.43**
Total Liabilities and Equity		**15,23,029.95**	**11,85,858.79**

The accompanying notes form an integral part of the financial statements 1-108

Summary of material accounting policy information 3

In terms of our report attached

For Mukund M Chitale & Co
Chartered Accountants
Firm Registration No: 106655W

For and on behalf of the Board of Directors
TRUHOME FINANCE LIMITED (Formerly known as Shriram Housing Finance Limited)

S M Chitale
Partner
Membership No:111383

Subramanian Jambunathan
Managing Director and CEO
DIN:00969478

Ajay Kumar Choudhary
Independent Director
DIN: 09498080

Gauri Shankar Agarwal
Chief Financial Officer
DIN:02979228

Puja R Shah
Company Secretary
M.No:A46987

Place: Mumbai
Date: April 24, 2025

Place: Mumbai
Date: April 24, 2025

Statement of Profit and Loss for the year ended 31 March, 2025

(₹ in Lakhs)

Particulars	Note No.	For the year ended March 31, 2025 Audited	For the year ended March 31, 2024 Audited
Revenue from operations			
(i) Interest income	29	1,50,147.33	1,11,243.45
(ii) Fees and commission income	30	15,968.63	7,457.82
(iii) Net gain on fair value changes	31	3,626.57	4,905.38
(iv) Net gain on derecognition of financial instruments under amortised cost category	32	17,992.74	18,015.25
(v) Others	33	6,239.14	1,283.95
(I) Total Revenue from operations		**1,93,974.41**	**1,42,905.85**
(II) Other income	34	95.97	51.17
(III) Total Income (I+II)		**1,94,070.38**	**1,42,957.02**
Expenses			
(i) Finance costs	35	95,503.32	73,014.04
(ii) Fees and Commission Expenses	36	370.08	403.77
(iii) Impairment on financial instruments	37	9,139.39	3,399.48
(iv) Net loss on derecognition of financial instruments under amortised cost category	38	1,280.07	-
(v) Employee benefits expenses	39	33,813.59	25,592.57
(vi) Depreciation, amortization and impairment	40	3,273.83	1,877.00
(vii) Others expenses	41	13,651.39	9,638.28
(IV) Total Expenses (IV)		**1,57,031.67**	**1,13,925.14**
(V) Profit before exceptional items and tax (III-IV)		**37,038.71**	**29,031.88**
(VI) Exceptional items		-	-
(VII) Profit before tax (V -VI)		**37,038.71**	**29,031.88**
Tax expense:			
(1) Current Tax	42	8,183.18	5,032.28
(2) Deferred Tax	42	350.21	2,190.40
(3) Tax adjustment for earlier years	42	(118.85)	65.73
Total Tax Expenses (VIII)		**8,414.54**	**7,288.41**
(IX) Profit for the year from continuing operations (VII-VIII)		**28,624.17**	**21,743.47**
(X) Other comprehensive income			
(i) Items that will not be reclassified to profit or loss			
Remeasurement gain/(loss) on defined benefit plan		45.97	(33.71)
(ii) Income tax relating to items that will not be reclassified to profit or loss		(11.57)	16.97
		34.40	**(16.74)**
(i) Items that will be reclassified to profit or loss			
Cash flow hedge Reserve			
Gain / (Loss) on Effective portion of hedging instruments in a cash flow hedge		(1,008.40)	13.55
(ii) Income tax relating to items that will be reclassified to profit or loss		253.79	(3.41)
		(754.61)	**10.14**
Other comprehensive income (i + ii)		(720.21)	(6.60)
(XI) Total Comprehensive Income for the year		**27,903.96**	**21,736.90**
(XII) Earnings per equity share (Face Value of ₹ 10/-)	44		
Basic (₹)		7.34	6.62
Diluted (₹)		7.33	6.61

The accompanying notes form an integral part of the financial statements 1-108
Summary of material accounting policy information 3

In terms of our report attached

For Mukund M Chitale & Co
Chartered Accountants
Firm Registration No: 106655W

For and on behalf of the Board of Directors
TRUHOME FINANCE LIMITED (Formerly known as Shriram Housing Finance Limited)

S M Chitale
Partner
Membership No:111383

Subramanian Jambunathan
Managing Director and CEO
DIN:00969478

Ajay Kumar Choudhary
Independent Director
DIN: 09498080

Gauri Shankar Agarwal
Chief Financial Officer
DIN:02979228

Puja R Shah
Company Secretary
M.No:A46987

Place: Mumbai
Date: April 24, 2025

Place: Mumbai
Date: April 24, 2025

Cash Flow Statement for the year ended March 31, 2025

(₹ in Lakhs)

Particulars	Note No.	As at March 31, 2025 Audited	As at March 31, 2024 Audited
A) Cash flow from operating activities			
Net profit before taxation		37,038.71	29,031.88
Adjustment for :			
Depreciation, amortization and impairment on PPE, Intangible & ROU Assets	40	3,273.83	1,877.00
loss on sale of Property, plant & equipment (net)		16.11	1.33
Interest Income on Loan	29	(1,45,041.88)	(1,06,052.62)
Cash Inflow from Interest Income on Loan	29	1,35,005.51	99,560.39
Finance cost	35	95,503.32	73,014.04
Cash outflow towards Finance Cost	35	(87,369.66)	(64,169.37)
Bad debts written off	37	4,415.22	672.45
Impairment of financial instruments	37	4,724.16	2,727.08
Impairment on lease receivables	37	-	(0.04)
Net gain on derecognition of investments	31	(3,626.57)	(4,909.84)
Provision for lease rental		(2.53)	(8.56)
Interest received on deposit with banks	29	(4,119.04)	(1,903.87)
Remeasurement of defined employee benefit plans through OCI		45.97	(33.71)
Net loss on fair value changes on investments	31	-	4.46
Fair valuation of ESOP	39	488.72	129.78
Net gain of derecognition of financial instruments under amortised cost category	32	(17,992.74)	(18,015.25)
Net loss on derecognition of financial instruments under amortised cost category	38	1,280.07	-
Interest income on fair valuation of security deposit	29	(82.64)	(41.06)
Amortisation of investments on PTCs		0.07	0.07
Mortgage guarantee fee written off	41	29.02	41.65
Gain on remeasurement of leases	34	(27.15)	(9.86)
Lease rent waiver	34	(0.35)	(0.96)
Interest income of lease receivable	34	-	(0.00)
Operating profit before working capital changes		**23,558.15**	**11,914.99**
Movement in working capital:			
Increase in loans and advances	7	(2,58,080.75)	(3,58,177.39)
(Increase) / decrease in other non financial assets		1,487.16	(5,143.54)
(Increase) / decrease in other financial assets		(1,693.16)	3,938.30
Increase in other non financial liabilities		845.03	1,530.09
Increase in other financial liabilities		4,815.23	7,004.15
Increase / (decrease) in other payables		-	-
Cash used in operation		**(2,29,068.33)**	**(3,38,933.39)**
Direct taxes net of refund / (direct taxes paid)		(8,649.02)	(6,020.83)
Net cash flow used in operating activities (A)		**(2,37,717.35)**	**(3,44,954.23)**
B) Cash flow from investing activities			
Purchase of fixed and intangible assets	12-13	(2,626.18)	(1,989.32)
Proceeds from sale of fixed assets	12-13	2.51	0.92
Interest received (others)	29	4,119.04	1,903.87
Proceeds from sale of security receipts	8	0.33	370.21
Purchase of investments	8	(14,79,343.67)	(17,42,627.54)
Proceeds from sale of investments	8	14,59,973.68	17,51,493.03
Investment in commercial paper	8	(28,522.96)	(67,619.67)
Proceeds on maturity of commercial paper	8	29,000.00	69,497.32
Investment in fixed deposit		(64,162.88)	(2,08,412.65)
Proceeds on maturity of fixed deposits		57,099.83	1,95,889.83
Net cash flow used in investing activities (B)		**(24,460.30)**	**(1,494.00)**

Cash Flow Statement for the year ended March 31, 2025

(₹ in Lakhs)

Particulars	Note No.	As at March 31, 2025 Audited	As at March 31, 2024 Audited
C) Cash flow from financing activities			
Amount Received From Debt Securities	19	1,23,500.00	1,29,000.00
Repayment of Debt Securities	19	(1,08,450.00)	(1,05,450.00)
Amount Received from Subordinate Debts	20	-	7,500.00
Issue of equity shares (including share premium)	26-27	1,22,898.42	403.67
Proceeds from issue of Compulsory Convertible Debentures	27	-	40,000.00
Lease liabilities paid	22	(2,269.43)	(2,349.70)
Amount Received from borrowings (Other Than Debt Securities)	21	4,65,573.39	5,90,156.83
Repayment of borrowings (Other Than Debt Securities)	21	(3,05,054.23)	(3,38,105.38)
NCD issue expenses		(170.19)	(302.76)
Compulsory Convertible Debenture Issue expenses		-	(259.14)
Net cash flow generated from financing activities (C)		**2,96,027.96**	**3,20,593.52**
Net increase / (decrease) in cash and cash equivalents (A+B+C)		**33,850.32**	**(25,854.71)**
Cash and cash equivalents at the beginning of the year		**16,899.24**	**42,753.95**
Cash and cash equivalents at the end of the year		**50,749.55**	**16,899.24**

(₹ in Lakhs)

Component of cash and cash equivalents	As at March 31, 2025 Audited	As at March 31, 2024 Audited
Cash on hand	-	-
Balances with banks:		
- Current Account /Cash Credit Account	50,744.51	15,998.84
- in deposit accounts having original maturity less than three months	5.04	900.40
Total Cash and cash equivalents	**50,749.55**	**16,899.24**

The accompanying notes form an integral part of the financial statements 1-108

Summary of material accounting policy information 3

In terms of our report attached

For Mukund M Chitale & Co
Chartered Accountants
Firm Registration No: 106655W

For and on behalf of the Board of Directors
TRUHOME FINANCE LIMITED (Formerly known as Shriram Housing Finance Limited)

S M Chitale
Partner
Membership No:111383

Subramanian Jambunathan
Managing Director and CEO
DIN:00969478

Ajay Kumar Choudhary
Independent Director
DIN: 09498080

Gauri Shankar Agarwal
Chief Financial Officer
DIN:02979228

Puja R Shah
Company Secretary
M.No:A46987

Place: Mumbai
Date: April 24, 2025

Place: Mumbai
Date: April 24, 2025

Statement of Changes in Equity for the year ended March 31, 2025

a. Equity Share Capital

(₹ in Lakhs)

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Balance at the beginning of the reporting year	**33,008.28**	**32,604.61**
Changes in equity share capital due to prior period errors	-	-
Restated balance at the beginning of the reporting year	33,008.28	32,604.61
Changes in equity share capital during the year	12,876.17	403.67
Balance at the end of the reporting year	**45,884.45**	**33,008.28**

b.Instrument entirely in equity nature

Compulsory convertible debenture

(₹ in Lakhs)

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Balance at the beginning of the reporting year	**39,740.71**	**-**
Changes in compulsory convertible debenture due to prior period errors	-	-
Restated balance at the beginning of the reporting year	39,740.7	-
Changes in compulsory convertible debenture during the year (note no. 27)	(39,740.7)	39,740.71
Balance at the end of the reporting year	**-**	**39,740.71**

C. Other Equity

(₹ in Lakhs)

Particulars	Other Equity						Other Comprehensive Income		Total
	Statutory reserve	Share option outstanding Accounts	Share application money pending allotment	Securities premium account	Deemed Investment (SCUF)	Retained Earnings	Effective Portion of Cash flow Hedges	Remeasurement Gain or Loss on defined benefit plans	
Opening Balance as at April 1, 2024	**13,726.09**	**244.87**	**5.83**	**51,973.08**	**-**	**53,633.34**	**6.49**	**34.74**	**1,19,624.44**
Profit for the year						28,624.17			28,624.17
Additions / (Deletions) during year				1,50,022.26	0.00	-	(754.61)		1,49,267.65
Remeasurement of the net defined benefit liability/asset								34.40	34.40
Transferred from retained earnings to statutory reserve	5,727.68					(5,727.68)			-
Transfer from retained earnings									-
Transfer to Security premium		(220.97)		220.97					-
Transfer to retained earnings		-							-
Share Application Money		-	(5.83)	-255.72					(261.55)
Share-based payments		488.72							488.72
Balance as at March 31, 2025	**19,453.77**	**512.62**	**-**	**2,01,960.66**	**-**	**76,529.83**	**(748.11)**	**69.14**	**2,97,777.84**

Statement of Changes in Equity for the year ended March 31, 2025

C. Other Equity (Contd..)

(₹ in Lakhs)

Particulars	Other Equity						Other Comprehensive Income		Total
	Statutory reserve	Share option outstanding Accounts	Share application money pending allotment	Securities premium account	Deemed investment (SCUF)	Retained Earnings	Effective Portion of Cash flow Hedges	Remeasurement Gain or Loss on defined benefit plans	
Opening Balance as at April 1, 2023	**9,375.22**	**588.81**	**-**	**51,071.44**	**183.91**	**36,046.92**	**-3.65**	**51.47**	**97,314.13**
Profit for the year						21,743.47			21,743.47
Additions during year				437.92	(183.91)	183.91	10.14		448.06
Remeasurement of the net defined benefit liability/asset								(16.74)	(16.74)
Transferred from retained earnings to statutory reserve	4,350.87					(4,350.87)			-
Transfer from retained earnings									-
Transfer to retained earnings									-
Transfer to Security premium		(463.72)		463.72					
Transfer to retained earnings		(10.00)				10.00			
Share Application Money		-	5.83						5.83
Share-based payments		129.78							129.78
Balance as at March 31, 2024	**13,726.09**	**244.87**	**5.83**	**51,973.08**	**-**	**53,633.34**	**6.49**	**34.74**	**1,19,624.44**

The accompanying notes form an integral part of the financial statements 1-108

Summary of material accounting policy information 3

In terms of our report attached

For Mukund M Chitale & Co
Chartered Accountants
Firm Registration No: 106655W

S M Chitale
Partner
Membership No:111383

Place: Mumbai
Date: April 24, 2025

For and on behalf of the Board of Directors
TRUHOME FINANCE LIMITED (Formerly known as Shriram Housing Finance Limited)

Subramanian Jambunathan
Managing Director and CEO
DIN:00969478

Ajay Kumar Choudhary
Independent Director
DIN: 09498080

Gauri Shankar Agarwal
Chief Financial Officer
DIN:02979228

Puja R Shah
Company Secretary
M.No:A46987

Place: Mumbai
Date: April 24, 2025

Notes to Financial Statements for the year ended March 31, 2025

1. Corporate Information

Truhome Finance Limited (Formerly Shriram Housing Finance Limited) (the Company) is a public limited company domiciled in India and is incorporated under the provisions of the Companies Act, 1956. The Corporate Identification Number (CIN) is CIN U65929TN2010PLC078004.The Company received its Certificate of Registration from National Housing Bank (NHB) as required under Section 29A of the National Housing Bank Act, 1987, on August 4, 2011. The Company on January 09, 2025 has received Certificate of Registration dated January 08, 2025 from the Reserve Bank of India vide Certificate No. DOR- 00094 (in lieu of COR No. 08.0094.11 dated 04.08.2011 issued by NHB) with new name "Truhome Finance Limited" (formerly Shriram Housing Finance Limited). During the year, Truhome also got registered as a corporate agent with the Insurance Regulatory and Development Authority of India (IRDAI). The Company is primarily engaged in the business of providing loans for construction or purchase of residential property and loans against property, Company's non-convertible debentures & commercial papers are listed with BSE limited.

The registered office of the Company is at Srinivasa Tower, 1st floor, Door No.5, Old No. 11, 2nd Lane, Cenotaph Road, Alwarpet, Teynampet, Chennai - 600018

2. Basis of preparation and presentation

The Balance Sheet, the Statement of Profit and Loss and the Statement of Changes in Equity are prepared and presented in the format prescribed in the Division III of Schedule III to the Companies Act, 2013 (the "Act"). The Statement of Cash Flows has been prepared and presented as per the requirements of Ind AS 7 "Statement of Cash Flows". The Balance Sheet, Statement of Profit and Loss, Statement of Cash Flow and Statement of Changes in Equity are together referred as the financial statement of the Company.

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

The financial statements have been prepared under the historical cost convention, as modified by the application of fair value measurements for certain financial instruments required or allowed by relevant Ind AS. Material Accounting policies have been consistently applied to all periods presented, unless otherwise stated.

The financial statements are presented in Indian Rupees (₹) which is the functional currency of the Company and the currency of the primary economic environment in which the Company operates and all values are rounded to the nearest lakh, except when otherwise indicated.

Financial assets and financial liabilities are generally reported on a gross basis except when, there is an unconditional legally enforceable right to offset the recognised amounts without being contingent on a future event and the parties intend to settle on a net basis in the following circumstances:

i. The normal course of business

ii. The event of default

iii. The event of insolvency or bankruptcy of the Company and/or its counterparties

3. Material accounting policies

3.1 Use of estimates, judgements and assumptions

The preparation of financial statements in conformity with the Ind AS requires the management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and the accompanying disclosure and the disclosure of contingent liabilities, at the end of the reporting period. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised and future periods are affected. The Management believes that the estimates used in preparation of the financial statements are prudent and reasonable. Future results could differ due to these estimates and the differences between the actual results and the estimates are recognised in the periods in which the results are known / materialise.

(a) Judgements:

Information about judgements made in applying material accounting policies that have most significant effect on the amount recognised in the financial statements is included in the following note:

- Note 3.11.1 - Classification of financial assets: assessment of the business model within which the assets are held and assessment of whether the contractual terms of the financial asset are solely

Notes to Financial Statements for the year ended March 31, 2025

payments of principal and interest on the principal amount outstanding.

(b) Assumptions and estimation of uncertainties:

Information about assumptions and estimation of uncertainties that have a significant risk of resulting in a material adjustment for the year ended 31st March 2025 are included in the following notes:

- Note 3.3(ii) - Defined employee benefit assets and liabilities
- Note 3.13 - Fair value measurement
- Note 3.14 - Impairment of loans portfolio
- Note 3.19 & Note 3.20 - Contingent liabilities and provisions other than impairment on loan portfolio
- Note 3.2(i) & Note 3.3(i) - Effective Interest Rate (EIR) method
- Note 3.3(viii) - Significant judgments are involved in determining the provision for income taxes, including amount expected to be paid / recovered for uncertain tax positions
- Note 3.22 - Share based payments

3.2 Revenue from operations

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

(i) Interest and similar income

Interest income is recognised by applying the Effective Interest Rate (EIR) to the gross carrying amount of financial assets measured at amortised cost other than credit-impaired assets and financial assets classified as measured at Fair value through Profit and loss (FVTPL).

The EIR in case of a financial asset is computed

a. As the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the gross carrying amount of a financial asset.

b. By considering all the contractual terms of the financial instrument in estimating the cash flows

c. Including all fees received between parties to the contract that are an integral part of the effective interest rate, transaction costs, and all other premiums or discounts.

Any subsequent changes in the estimation of the future cash flows is recognised in interest income with the corresponding adjustment to the carrying amount of the assets. Interest income on credit impaired assets is recognised by applying the effective interest rate to the net amortised cost amount (i.e.net of ECL provision) of the financial asset.

Interest on delayed payments by customers are treated to accrue only on realisation, due to uncertainty of realisation and are accounted accordingly.

(ii) Dividend Income

Dividend income is recognised when the right to receive the payment is established.

(iii) Fees & Commission Income

Fees and commissions are recognised when the Company satisfies the performance obligation, at fair value of the consideration received or receivable based on a five-step model as set out below, unless included in the effective interest calculation:

Step 1: Identify contract(s) with a customer: A contract is defined as an agreement between two or more parties that creates enforceable rights and obligations and sets out the criteria for every contract that must be met.

Step 2: Identify performance obligations in the contract: A performance obligation is a promise in a contract with a customer to transfer a good or service to the customer.

Step 3: Determine the transaction price: The transaction price is the amount of consideration to which the Company expects to be entitled in exchange for transferring promised goods or services to a customer, excluding amounts collected on behalf of third parties.

Step 4: Allocate the transaction price to the performance obligations in the contract: For a contract that has more than one performance obligation, the Company allocates the transaction price to each performance obligation in an amount that depicts the amount of consideration to which the Company expects to be entitled in exchange for satisfying each performance obligation

Step 5: Recognise revenue when (or as) the Company satisfies a performance obligation.

Notes to Financial Statements for the year ended March 31, 2025

(iv) Net gain/loss on Fair value changes

Any differences between the fair values of financial assets classified as fair value through the profit or loss (refer Note 31), held by the Company on the balance sheet date is recognised as an unrealised gain/ loss. In cases there is a net gain in the aggregate, the same is recognised in "Net gains on fair value changes "under Revenue from operations and if there is a net loss the same is disclosed under "Expenses" in the statement of Profit and Loss.

Similarly, any realised gain or loss on sale of financial instruments measured at FVTPL and debt instruments measured at Fair value through Other Comprehensive Income ("FVOCI") is recognised in net gain/ loss on fair value changes.

However, net gain / loss on derecognition of financial instruments classified as amortised cost is presented separately under the respective head in the Statement of Profit and Loss.

3.3 Expenses

(i) Finance costs

Finance costs represents Interest expense recognised by applying the Effective Interest Rate (EIR) to the gross carrying amount of financial liabilities.

The EIR in case of a financial liability is computed

a. As the rate that exactly discounts estimated future cash payments through the expected life of the financial liability to the gross carrying amount of the amortised cost of a financial liability.

b. By considering all the contractual terms of the financial instrument in estimating the cash flows

c. Including all fees paid between parties to the contract that are an integral part of the effective interest rate, transaction costs, and all other premiums or discounts.

Any subsequent changes in the estimation of the future cash flows is recognised in interest expenses with the corresponding adjustment to the carrying amount of the liability.

Interest expense includes issue costs that are initially recognized as part of the carrying value of the financial liability and amortized over the expected life using the effective interest method.

Interest on lease liability is recognized on the basis incremental borrowing rate used for discounting the lease liability.

Net interest on net defined liability of defined employee benefit plan (i.e. interest cost on defined benefit obligation net of any interest income on plan investments) which reflects change in net liability arising from passage of time forms part of finance cost.

(ii) Retirement and other employee benefits

Short term employee benefit

All employee benefits payable wholly within twelve months of rendering the service are classified as short-term employee benefits. The undiscounted amount of short-term employee benefits expected to be paid in exchange for the services rendered by employees is recognised as an expense during the period. Benefits such as salaries, wages, etc. and the expected cost of the bonus/ex-gratia are recognised in the period in which the employee renders the related service.

Post-employment employee benefits

a) Defined contribution schemes

Eligible employees of the Company are entitled to receive benefits under the Provident Fund and Employees State Insurance scheme, defined contribution plans in which both the employee and the Company contribute monthly at a stipulated rate. The Company has no liability for future benefits other than its annual contribution and recognises such contributions as an expense in the period in which employee renders the related service.

b) Defined benefit schemes

The Company provides for the gratuity, a defined benefit retirement plan covering all employees. The plan provides for lump sum payments to employees upon death while in employment or on separation from employment after serving for the stipulated years mentioned under 'The Payment of Gratuity Act, 1972'. The present value of the obligation under such defined benefit plan is determined based on actuarial valuation,

Notes to Financial Statements for the year ended March 31, 2025

carried out by an independent actuary at each Balance Sheet date, using the Projected Unit Credit method, which recognizes each period of service as giving rise to an additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation.

The obligation is measured at the present value of the estimated future cash flows. The discount rates used for determining the present value of the obligation under defined benefit plan are based on the market yields on Government Securities as at the Balance Sheet date.

Net interest recognized in profit or loss is calculated by applying the discount rate used to measure the defined benefit obligation to the net defined benefit liability or asset. The actual return on the plan assets above or below the discount rate is recognized as part of re-measurement of net defined liability or asset through other comprehensive 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, attrition 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 annually.

The Company contributes on a lump sum basis towards the ascertained liabilities to the Trustees – Shriram Housing Finance Limited Employees Group Gratuity Fund Scheme. Trustees administer contributions made to the trust and contributions are invested in a scheme of insurance with the IRDA approved Insurance Companies.

Re-measurement, comprising of actuarial gains and losses 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. Re-measurements are not reclassified to profit and loss in subsequent periods.

Other long-term employee benefits

Company's liabilities towards compensated absences to employees are accrued on the basis of valuations, as at the Balance Sheet date, carried out by an independent actuary using Projected Unit Credit Method. Actuarial gains and losses comprise experience adjustments and the effects of changes in actuarial assumptions and are recognised immediately in the Statement of Profit and Loss.

(iii) Leases:

The determination of whether an arrangement is a lease, or contains a lease, is based on the substance of the arrangement and requires an assessment of whether the fulfilment of the arrangement is dependent on the use of a specific asset or assets or whether the arrangement conveys a right to use the asset. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a time in exchange for a consideration. The Company, at the inception of a contract, assesses whether the contract is a lease or not lease. For arrangements entered into prior to 1st April 2019, the Company has determined whether the arrangement contains a lease on the basis of facts and circumstances existing on the date of transition.

The Company's lease asset classes consist of leases for buildings, service amenities and furniture therein and motor vehicle.

The Company recognises a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received. The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the end of the lease term.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the Company's incremental borrowing rate at the transition date in case of leases existing as on the date of transition date and in case of leases entered after transition date, incremental borrowing rate as on the date of lease commencement date. In case of existing leases the said date would be

Notes to Financial Statements for the year ended March 31, 2025

the date of transition. It is remeasured when there is a change in future lease payments arising from a change in an index or rate, if there is a change in the Company's estimate of the amount expected to be payable under a residual value guarantee, or if the Company changes its assessment of whether it will exercise a purchase, extension or termination option. When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset, or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

The Company has elected not to recognise right-of-use assets and lease liabilities for short-term leases that have a lease term of 12 months or less and leases of low-value assets. The Company recognises the lease payments associated with these leases as an expense over the lease term.

In case of subleases, the Company assesses whether the sublease is a finance lease or operating lease at its commencement on basis of its contractual terms and conditions. The discount rate used for the head lease is used to measure the investment in the sublease in case it is a finance lease.

In case of leases where Ind AS 116 is not applicable and where the Company has opted for exemption available in Ind AS 116, rent expense representing operating lease payments are recognised as an expense in the statement of profit and loss on a straight-line basis over the lease term, unless the increase is in line with expected general inflation, in which case lease payments are recognised based on contractual terms.

(iv) Impairment of non-financial assets

The carrying amount of assets is reviewed at each balance sheet date if there is any indication of impairment based on internal/external factors. An impairment loss is recognized wherever the carrying amount of an asset exceeds its recoverable amount. The recoverable amount is the greater of the assets, net selling price and value in use. In assessing value in use, the estimated future cash flow discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and risks specific to the asset.

In determining net selling price, recent market transactions are taken into account, if available. If no such transactions can be identified, an appropriate valuation model is used. After impairment, depreciation is provided on the revised carrying amount of the asset over its remaining useful life.

(v) Rating Expenses

The company evaluates whether rating fee is directly attributable and incremental to each borrowing/NCD. If such fees are directly attributable to the acquisition of the borrowing, then same is considered for EIR. If such fees are not directly attributable to the acquisition of the borrowing, then the same is charged to Profit and Loss proportionately as and when the borrowing facility is availed.

(vi) Mortgage Guarantee Fee not written off

Mortgage Guarantee fee is the guarantee fee paid to a Mortgage Insurance for risk mitigation when any loan becomes Non-Performing Asset. The Company has decided to amortise such fee on straight line basis over the expected life of loan as expected by management or actual life of loan whichever is earlier.

(vii) Other expenses

All Other expenses are recognized in the period they accrue.

(viii) Taxes

Income tax expense comprises of current and deferred income tax. Income tax expense is recognized in net profit in the Statement of Profit and Loss except to the extent that it relates to items recognized directly in equity, in which case it is recognized in other comprehensive income.

Current Tax

Current tax assets and liabilities for the current and prior years are measured at the amount expected to be recovered from, or paid to, the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted, or substantively enacted, by the reporting date where the Company operates and generates taxable income.

Advance taxes and provisions for current income taxes are presented in the balance sheet after off-setting advance tax paid and income tax provision arising in the same tax jurisdiction and where the relevant taxpaying unit intends to settle the asset and liability on a net basis.

Notes to Financial Statements for the year ended March 31, 2025

Deferred tax

Deferred tax assets and liabilities are recognised for temporary differences arising between the tax bases of assets and liabilities and their carrying amounts. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantively enacted by the reporting date and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred tax assets are only recognised for temporary differences, unused tax losses and unused tax credits if it is probable that future taxable amounts will arise to utilise those temporary differences and losses. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised.

Deferred tax assets and liabilities are offset where there is a legally enforceable right to offset current tax assets and liabilities and they relate to income taxes levied by the same tax authority on the same taxable entity, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities are realised simultaneously.

Goods and services tax /value added taxes paid on acquisition of assets or on incurring expenses

Expenses and assets are recognised net of the goods and services tax/value added taxes paid, except:

1. When the tax incurred on a purchase of assets or services is not recoverable from the taxation authority, in which case, the tax paid is recognised as part of the cost of acquisition of the asset or as part of the expense item, as applicable.
2. When receivables and payables are stated with the amount of tax included.

As per the extant guidelines issued by the competent authority related to input tax credits.

The net amount of tax recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the balance sheet.

3.4 Property, plant and equipment

An item is recognised as an asset, if and only if, it is probable that the future economic benefits associated with the item will flow to the Company and its cost can be measured reliably. PPE are initially recognised at cost. The initial cost of Property, plant and equipment (PPE) comprises its purchase price, freight, duties, taxes and any other incidental expenses directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by the management. Subsequent to initial recognition, Property, plant and equipment (PPE) are measured at cost less accumulated depreciation and accumulated impairment, (if any). Changes in the expected useful life are accounted for by changing the amortisation period or methodology, as appropriate, and treated as changes in accounting estimates.

Subsequent expenditure related to an item of tangible asset are added to its gross value only if it increases the future benefits of the existing asset, beyond its previously assessed standards of performance and cost can be measured reliably. Other repairs and maintenance costs are expensed off as and when incurred.

Depreciation

Depreciation is calculated using the straight–line method to write down the cost of property and equipment to their residual values over their estimated useful lives estimated by the management.

The estimated useful lives are as follows:

Particulars	Useful life as prescribed by Schedule II to Companies Act, 2013	Useful life estimated by Company
Electrical/Electronic installation and equipment	10 years	5 years
Furniture and fixture	10 years	10 years
Office equipment	5 years	5 years
Computer	3 years	3 years
Servers	6 years	3 years

Leasehold improvements are amortised on a straight-line basis over the period of lease or estimated period of useful life of such improvement, subject to a maximum period of 60 months. Leasehold improvements include all expenditure incurred on the leasehold premises that have future economic benefits.

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed annually.

Notes to Financial Statements for the year ended March 31, 2025

Property, plant and equipment is derecognised on disposal or when no future economic benefits are expected from its use. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is recognised in other income/ expense in the statement of profit and loss in the year the asset is derecognised. The date of disposal of an item of property, plant and equipment is the date the recipient obtains control of that item in accordance with the requirements for determining when a performance obligation is satisfied in Ind AS 115.

3.5 Intangible assets

An intangible asset is recognised only when its cost can be measured reliably and it is probable that the expected future economic benefits that are attributable to it will flow to the Company.

Intangible assets acquired separately are measured on initial recognition at cost. The cost of an intangible asset comprises its purchase price and any directly attributable expenditure on making the asset ready for its intended use and net of any trade discounts and rebates. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and any accumulated impairment losses.

The Company considers that the useful life of an intangible asset comprising of computer software will not exceed 3 years from the date when the asset is available for use. Changes in the expected useful life, or the expected pattern of consumption of future economic benefits embodied in the asset, are accounted for by changing the amortisation period or methodology, as appropriate, which are then treated as changes in accounting estimates.

Amortisation is calculated using the straight–line method to write down the cost of intangible assets to their residual values over their estimated useful lives. Amortisation on assets acquired/sold during the year is recognised on a pro-rata basis to the Statement of Profit and Loss from/ up to the date of acquisition/sale.

Gains or losses from derecognition of intangible assets are measured as the difference between the net disposal proceeds and the carrying amount of the asset are recognised in the Statement of Profit and Loss when the asset is derecognised.

3.6 Investment Property

Investment property consists of vacant land. Investment properties are measured initially at cost including transaction costs. Investment property being land is not depreciated.

Investment properties are derecognised either when they have been disposed of or when they are permanently withdrawn from use and no future economic benefit is expected from their disposal. The difference between the net disposal proceeds and the carrying amount of the asset is recognised in profit or loss in the period of derecognition.

3.7 Foreign currency translation

(i) Functional and presentational currency

The standalone financial statements are presented in Indian Rupees which is also functional currency of the Company and the currency of the primary economic environment in which the Company operates.

(ii) Transactions and balances

Initial recognition:

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions.

Conversion:

Monetary assets and liabilities denominated in foreign currency, which are outstanding as at the reporting date, are translated at the reporting date at the closing exchange rate and the resultant exchange differences are recognised in the Statement of Profit and Loss.

Non–monetary items that are measured at historical cost in a foreign currency are translated using the spot exchange rates as at the date of recognition.

3.8 Assets held for sale:

Assets held for sale comprises of house & land properties, which were held as collaterals against the loans given to customer, whose physical and legal possessing has been taken over by the company due to customers' default on repayment of the loan. Management intends to sell these properties for which regular auctions are conducted.

Such assets are classified as held for sale when their carrying amount is intended to be recovered principally through sale rather than through continued use.

At the time of initial classification as assets held for sale, these assets are measured at the lower of carrying amount and fair value plus directly attributable cost related to Asset recovered under SARFESAI Act. The fair value of the assets is determined by an independent valuer. These assets are carried at the fair value determined on initial recognition, unless there are indicators of significant changes in real estate market condition requiring a revised valuation.

Notes to Financial Statements for the year ended March 31, 2025

Asset will have to be sold within three years from possession date and if the investment in such properties (land and buildings) exceeds 20% of capital fund as per NBFC – Housing Finance Company (Reserve Bank) directions, 2021 (of which such investment over and above 10% of owned fund shall be in residential units), the excess shall be written off.

3.9 Cash and cash equivalents

Cash and cash equivalents comprise the short-term, highly liquid investments that are readily convertible to known amounts of cash (short-term deposits with an original maturity of three months or less) and are subject to an insignificant risk of change in value, cheques on hand and balances with banks. They are held for the purposes of meeting short-term cash commitments (rather than for investment or other purposes).

For the purpose of the statement of cash flows, cash and cash equivalents consist of cash, balance with banks and short-term deposits, as defined above

3.10 Cash Flow Statement

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

3.11 Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity. Financial assets and financial liabilities are recognised when the Company becomes a party to the contractual provisions of the instruments.

3.11.1 Financial Assets

3.11.1.1 Classification

The Company classifies its financial assets into the following measurement categories:

1. Financial assets to be measured at amortised cost
2. Financial assets to be measured at fair value through other comprehensive income(FVOCI)
3. Financial assets to be measured at fair value through profit or loss account (FVTPL)

The classification depends on the contractual terms of the financial assets' cash flows and the Company's business model for managing financial assets which are explained below:

1. Business model assessment

The Company determines its business model at the level that best reflects how it manages groups of financial assets to achieve its business objective. The Company's business model is not assessed on an instrument-by-instrument basis, but at a higher level of aggregated portfolios and is based on observable factors such as:

a. How the performance of the business model and the financial assets held within that business model are evaluated and reported to the entity's key management personnel

b. The risks that affect the performance of the business model (and the financial assets held within that business model) and the way those risks are managed

c. How managers of the business are compensated (for example, whether the compensation is based on the fair value of the assets managed or on the contractual cash flows collected)

d. The expected frequency, value and timing of sales are also important aspects of the Company's assessment. The business model assessment is based on reasonably expected scenarios without taking 'worst case' or 'stress case' scenarios into account. If cash flows after initial recognition are realised in a way that is different from the Company's original expectations, the Company does not change the classification of the remaining financial assets held in that business model, but incorporates such information when assessing newly originated or newly purchased financial assets going forward.

Notes to Financial Statements for the year ended March 31, 2025

2. **The Solely Payments of Principal and Interest (SPPI) test**

   As a second step of its classification process the Company assesses the contractual terms of financial assets to identify whether they meet the SPPI test. 'Principal' for the purpose of this test is defined as the fair value of the financial asset at initial recognition and may change over the life of the financial asset (for example, if there are repayments of principal or amortisation of the premium/discount). In making this assessment, the Company considers whether the contractual cash flows are consistent with a basic lending arrangement i.e. interest includes only consideration for the time value of money, credit risk, other basic lending risks and a profit margin that is consistent with a basic lending arrangement. Where the contractual terms introduce exposure to risk or volatility that are inconsistent with a basic lending arrangement, the related financial asset is classified and measured at fair value through profit or loss.

3.11.1.2 Initial Recognition –Financial assets are initially recognised at fair value.

3.11.1.3 Subsequent Measurement

Financial assets measured at amortised cost

Debt instruments

Debt instruments are measured at amortised cost where they have:

a) contractual terms that give rise to cash flows on specified dates, that represent solely payments of principal and interest on the principal amount outstanding; and

b) are held within a business model whose objective is achieved by holding to collect contractual cash flows.

These debt instruments are initially recognised at fair value plus directly attributable transaction costs and subsequently measured at amortised cost using the effective interest rate (EIR) method.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in Interest income in the profit or loss. The losses arising from impairment are recognised in the Statement of Profit and Loss.

The measurement of credit impairment is based on the three-stage expected credit loss model described below in Note 3.14 Impairment of financial assets.

Financial assets measured at fair value through other comprehensive income

Debt instruments

Investments in debt instruments are measured at fair value through other comprehensive income where they have:

a) contractual terms that give rise to cash flows on specified dates, that represent solely payments of principal and interest on the principal amount outstanding; and

b) are held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets.

These debt instruments are initially recognised at fair value plus directly attributable transaction costs and subsequently measured at fair value. Gains and losses arising from changes in fair value are included in other comprehensive income within a separate component of equity. Impairment losses or reversals, interest revenue and are recognised in profit and loss. Upon disposal, the cumulative gain or loss previously recognised in other comprehensive income is reclassified from equity to the statement of profit and loss. The measurement of credit impairment is based on the three-stage expected credit loss model as applied to financial assets at amortised cost. The expected credit loss model is described below in Note 3.14 Impairment of financial assets.

Equity instruments

Investment in equity instruments that are neither held for trading nor contingent consideration recognised by the Company in a business combination to which Ind AS 103 'Business Combination' applies, are measured at fair value through other comprehensive income, where an

Notes to Financial Statements for the year ended March 31, 2025

irrevocable election can be made by management and when such instruments meet the definition of Equity under Ind AS 32 Financial Instruments: Presentation. Such classification is determined on an instrument-by-instrument basis. As at reporting date, there are no equity instruments measured at FVOCI.

Amounts presented in other comprehensive income are not subsequently transferred to profit or loss. Dividends on such investments are recognised in profit or loss.

Financial assets measured at fair value through profit or loss

Items at fair value through profit or loss comprise:

- Investments (including equity shares) held for trading;
- Items specifically designated as fair value through profit or loss on initial recognition; and
- Debt instruments with contractual terms that do not represent solely payments of principal and interest.

Financial instruments held at fair value through profit or loss are initially recognised at fair value, with transaction costs recognised in the statement of profit and loss as incurred. Subsequently, they are measured at fair value and any gains or losses are recognised in the statement of profit and loss as they arise.

Financial instruments designated as measured at fair value through profit or loss

Upon initial recognition, financial instruments may be designated as measured at fair value through profit or loss. A financial asset may only be designated at fair value through profit or loss if doing so eliminates or significantly reduces measurement or recognition inconsistencies (i.e. eliminates an accounting mismatch) that would otherwise arise from measuring financial assets or liabilities on a different basis. As at the reporting date, the Company does not have any financial instruments designated as measured at fair value through profit or loss.

3.11.2 Financial Liabilities & Equity Instruments

3.11.2.1 Classification as debt or equity

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

A financial liability is a contractual obligation to deliver cash or another financial asset or to exchange financial assets or financial liabilities with another entity under conditions that are potentially unfavourable to the Company or a contract that will or may be settled in the Company's own equity instruments and is a non-derivative contract for which the Company is or may be obliged to deliver a variable number of its own equity instruments, or a derivative contract over own equity that will or may be settled other than by the exchange of a fixed amount of cash (or another financial asset) for a fixed number of the Company's own equity instruments.

The Company classifies its financial liabilities at amortised costs unless it has designated liabilities at fair value through the profit and loss account or is required to measure liabilities at fair value through profit or loss such as derivative liabilities.

A financial liability may be designated at fair value through profit or loss if it eliminates or significantly reduces an accounting mismatch or:

- if a host contract contains one or more embedded derivatives; or
- if financial assets and liabilities are both managed and their performance evaluated on a fair value basis in accordance with a documented risk management or investment strategy.

3.11.2.2 Initial Measurement

Financial liabilities are initially measured fair value minus, in case of financial liability not at FVTPL, transaction costs directly attributable to acquisition or issue. The company's financial liabilities include loans and borrowings and other payables.

Notes to Financial Statements for the year ended March 31, 2025

3.11.2.3 Subsequent Measurement

Financial liabilities, except those at FVTPL, are subsequently carried at amortized cost using the effective interest method. Where a financial liability is designated at fair value through profit or loss, the movement in fair value attributable to changes in the Company's own credit quality is calculated by determining the changes in credit spreads above observable market interest rates and is presented separately in other comprehensive income. As at the reporting date, the Company has not designated any financial instruments as measured at fair value through profit or loss.

3.11.3 Embedded Derivatives

An embedded derivative is a component of a hybrid instrument that also includes a non-derivative host contract with the effect that some of the cash flows of the combined instrument vary in a way similar to a stand-alone derivative.

If the hybrid contract contains a host that is a financial asset within the scope of Ind AS 109, the Company does not separate embedded derivatives. Rather, it applies the classification requirements contained in Ind AS 109 to the entire hybrid contract.

3.11.4 Financial Guarantees

Financial guarantees given are initially recognised in the financial statements at fair value, being the premium received. Subsequent to initial recognition, the Company's liability under each guarantee is measured at the higher of the amount initially recognised less cumulative amortisation recognised in the statement of profit and loss. The premium is recognised in the statement of profit and loss on a straight-line basis over the life of the guarantee.

Financial guarantees received are recognised in the financial statements at fair value of the premium paid. In case of guarantees received without consideration from group companies, the fair value of premium payable over the life of the guarantee is recognised as deemed investment. The fair value of premium is recognised as expense in the statement of profit and loss on a straight-line basis over the life of the guarantee.

3.11.5Derivatives

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:

The Company has adopted hedge accounting. The Company makes use of derivative instruments to manage exposures to interest rate risk and foreign currency risk. In order to manage particular risks, the Company applies hedge accounting for transactions that meet specified criteria. The Company has formally designated and documented the hedge relationship to which the Company wishes to apply hedge accounting and the risk management objective and strategy for undertaking the hedge. The documentation includes the Company's risk management objective and strategy for undertaking hedge, the hedging/economic relationship, the hedged item or transaction, the nature of the risk being hedged, hedge ratio and how the Company would assess the effectiveness of changes in the hedging instrument's fair value in offsetting the exposure to changes in the hedged item's cash flows attributable to the hedged risk. Such hedges are

Notes to Financial Statements for the year ended March 31, 2025

expected to be highly effective in achieving offsetting changes in cash flows and are assessed on an on-going basis to determine that they actually have been highly effective throughout the financial reporting periods for which they were designated.

Hedges that meet the criteria for hedge accounting and qualify as cash flow hedges are accounted as follows:

Cash flow hedge:

A cash flow hedge is a hedge of the exposure to variability in cash flows that is attributable to a particular risk associated with a recognised asset or liability and could affect the statement of profit and loss. For designated and qualifying cash flow hedges, the effective portion of the cumulative gain or loss on the hedging instrument is initially recognised directly in other comprehensive income as cash flow hedge reserve. The ineffective portion of the gain or loss on the hedging instrument is recognised immediately as finance cost in the statement of profit and loss. When the hedged cash flow affects the statement of profit and loss, the effective portion of the gain or loss on the hedging instrument is recorded in the corresponding income or expense line of the statement of profit and loss. When a hedging instrument expires, is sold, terminated, exercised, or when a hedge no longer meets the criteria for hedge accounting, any cumulative gain or loss that has been recognised in OCI at that time remains in OCI and is recognised when the hedged forecast transaction is ultimately recognised in the statement of profit and loss. When a forecast transaction is no longer expected to occur, the cumulative gain or loss that was reported in OCI is immediately transferred to the statement of profit and loss.

3.12 Reclassification of financial assets and liabilities

The Company reclassifies a financial asset or a group of financial assets only on change in business model for managing that financial asset or group of financial assets. Financial liabilities are never reclassified.

3.13 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 3.11 above) at fair value on each balance sheet date.

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

i) In the principal market for the asset or liability, or

ii) In the absence of a principal market, in the most advantageous market for the asset or liability. 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 as 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

Notes to Financial Statements for the year ended March 31, 2025

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 inputs those are significant to the measurement as whole.

Difference between transaction price and fair value at initial recognition.

The best evidence of the fair value of a financial instrument at initial recognition is the transaction price (i.e. the fair value of the consideration given or received) unless the fair value of that instrument is evidenced by comparison with other observable current market transactions in the same instrument (i.e. without modification or repackaging) or based on a valuation technique whose variables include only data from observable markets. When such evidence exists, the Company recognises the difference between the transaction price and the fair value in profit or loss on initial recognition (i.e. on day one).

When the transaction price of the instrument differs from the fair value at origination and the fair value is based on a valuation technique using only inputs observable in market transactions, the Company recognises the difference between the transaction price and fair value in net gain on fair value changes. In those cases where fair value is based on models for which some of the inputs are not observable, the difference between the transaction price and the fair value is deferred and is only recognised in profit or loss when the inputs become observable, or when the instrument is derecognised.

3.14 Impairment of financial assets

Overview of the ECL principles

The Company records allowance for expected credit losses for all loans, other debt financial assets not held at FVTPL, together with financial guarantee contracts and loan commitments, lease receivables, and financial assets held at FVOCI; in this section all referred to as 'financial instruments'. Equity instruments are not subject to impairment under Ind AS 109.

The ECL allowance is based on 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.

Lifetime ECL are the expected credit losses resulting from all possible default events over the expected life of a financial instrument. The 12-month ECL is the portion of Lifetime ECL that represent the ECLs that result from default events on a financial instrument that are possible within the 12 months after the reporting date.

Both Lifetime ECLs and 12-month ECLs are calculated on a collective basis, depending on the nature of the underlying portfolio of financial instruments. The Company has grouped its loan portfolio into housing loan, non-housing loan, and project finance.

The Company has established a policy to perform an assessment, at the end of each reporting period, of whether a financial instrument's credit risk has increased significantly since initial recognition, by considering the change in the risk of default occurring over the remaining life of the financial instrument. The Company does the assessment of significant increase in credit risk at a borrower level. If a borrower has various facilities having different past due status, then the highest days past due (DPD) is considered to be applicable for all the facilities of that borrower.

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

Stage 1:12-months ECL

All exposures where there has not been a significant increase in credit risk since initial recognition or that has low credit risk at the reporting date and that are not credit impaired upon origination are classified under this stage. The company classifies all loan advances up to 30 days default under this category. Stage 1 loan advances also include facilities where the credit risk has improved, and the loan has been reclassified from Stage 2. For these assets, 12-month ECL are recognized and interest revenue is calculated on the gross carrying amount of the asset.

For Investments measured at FVOCI the investment is classified as a Stage 1 in case there is no change in the credit rating or a change of one notch downward in the credit rating.

Notes to Financial Statements for the year ended March 31, 2025

Stage 2: Lifetime ECL – not credit impaired

All exposures where there has been a significant increase in credit risk since initial recognition but are not credit impaired are classified under this stage. More than 30 Days Past Du More than 30 days past due but upto 90 days past due is considered as significant increase in credit risk. For these assets, lifetime ECL are recognized, but interest revenue is still calculated on the gross carrying amount of the asset.

For Investments measured at FVOCI, in case there is a downgrade in credit rating by two or more notches, the investment is taken as at Stage 2 and life time PD is applied.

Stage 3: Lifetime ECL – credit impaired

All exposures assessed as credit impaired when one or more events that have a detrimental impact on the estimated future cash flows of that asset have occurred are classified in this stage. For exposures that have become credit impaired, a lifetime ECL is recognised and interest revenue is calculated by applying the effective interest rate to the amortised cost (net of provision) rather than the gross carrying amount. More than 90 Days Past Due is considered as default for classifying a financial instrument as credit impaired. If an event (for e.g. any natural calamity) warrants a provision higher than as mandated under ECL methodology, the Company may classify the financial asset in Stage 3 accordingly.

Upgradation of accounts classified as Stage 3/Non-performing assets (NPA) - The Company upgrades loan accounts classified as Stage 3/NPA to "standard" asset category only if the entire arrears of interest, principal are paid by the borrower and there is no change in the material accounting policy followed by the company in this regard.

For Investments measured at FVOCI, any investment which is non performing or in default or restructured is taken to be as at Stage 3.

Credit-impaired financial assets:

At each reporting date, the company assesses whether financial assets carried at amortised cost and debt financial assets carried at FVOCI are credit-impaired. A financial asset is 'credit-impaired' when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred.

Evidence that a financial asset is credit-impaired includes the following observable data:

a) Significant financial difficulty of the borrower or issuer;

b) A breach of contract such as a default or past due event;

c) The restructuring of a loan or advance by the company on terms that the company would not consider otherwise;

d) It is becoming probable that the borrower will enter bankruptcy or other financial reorganisation;

e) The disappearance of an active market for a security because of financial difficulties.

ECLs are recognised as impairment on financial instruments in profit and loss. In the case of debt instruments measured at fair value through other comprehensive income, the measurement of ECLs is based on the three-stage approach as applied to financial assets at amortised cost.

ECL on Debt instruments measured at fair value through OCI

The ECLs for debt instruments measured at FVOCI do not reduce the carrying amount of these financial assets in the balance sheet, which remains at fair value. Instead, an amount equal to the allowance that would arise if the assets were measured at amortised cost is recognised in OCI as an accumulated impairment amount, with a corresponding charge to profit or loss. The accumulated loss recognised in OCI is recycled to the profit and loss upon derecognition of the assets. As at the reporting date, the Company does not have any debt instruments measured at fair value through OCI.

Financial guarantee contracts

The Company's liability under financial guarantee is measured at the higher of the amount initially recognised less cumulative amortisation recognised in the statement of profit and loss, and the ECL provision. For this purpose, the Company estimates ECLs by applying a credit conversion factor. As at the reporting date, the Company does not have any such instruments.

Undrawn Loan commitments

ECL is calculated on the undrawn loan commitments considering of same stage for part disbursed cases and Stage 1 for fully undisbursed cases. This is shown in the balance sheet as a provision.

Lease receivables

The Company has adopted simplified approach for ECL on lease receivable and calculates Lifetime ECL using inputs similar to those used for loan portfolio.

The mechanics of ECL

The Company calculates ECLs based on probability-weighted scenarios to measure the expected cash shortfalls, discounted at an approximation to the EIR. A cash shortfall is the difference between the cash flows that are due to the

Notes to Financial Statements for the year ended March 31, 2025

Company in accordance with the contract and the cash flows that the Company expects to receive.

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. Company calculates the 12 month PD by taking into account the past historical trends of the portfolio and its credit performance. In case of assets where there is a significant increase in credit risk, lifetime PD has been applied which is computed based on survival analysis. For credit impaired assets, a PD of 100% has been applied.

Exposure at Default (EAD) - The Exposure at Default is an estimate of the exposure at a future default date.

Loss Given Default (LGD) - The Loss Given Default is an estimate of the loss arising in the case where a default occurs at a given time. It is based on the difference between the contractual cash flows due and those that the Company would expect to receive, including from the realisation of any collateral in respect of assets which has defaulted.

Forward looking information

While estimating the expected credit losses, the Company reviews macro-economic developments occurring in the economy and market it operates in. On a periodic basis, the Company analyses if there is any relationship between key economic trends like GDP, unemployment rates, benchmark rates set by the Reserve Bank of India, inflation etc. with the estimate of PD, LGD determined by the Company based on its internal data. While the internal estimates of PD, LGD rates by the Company may not be always reflective of such relationships, temporary overlays, if any, are embedded in the methodology to reflect such macro-economic trends reasonably.

Collateral Valuation

To mitigate its credit risks on financial assets, the Company seeks to use collateral, wherever possible. The collateral comes in the form of immovable properties. The fair value of collateral affects the calculation of ECLs. Collateral is valued based on data provided by independent valuer.

Collateral repossessed

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

3.15 Write-offs

The Company reduces the gross carrying amount of a financial asset when the Company has no reasonable expectations of recovering a financial asset in its entirety or a portion thereof. This is generally the case when the Company determines that the borrower does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subjected to write-offs. Any subsequent recoveries against such loans are credited to the statement of profit and loss. However, financial assets that are written off could still be subject to enforcement activities in order to comply with the company's procedures for recovery of amounts due.

3.16 Recognition and derecognition of financial assets and liabilities

Recognition:

a) Loans and Advances are initially recognised when the cheque is issued or funds are transferred to the customers

b) Investments are initially recognised on the settlement date.

c) Debt securities and borrowings are initially recognised when funds reach the Company.

d) Other financial assets and liabilities are initially recognised on the trade date, i.e., the date that the Company becomes a party to the contractual provisions of the instrument. This includes regular way trades: purchases or sales of financial assets that require delivery of assets within the time frame generally established by regulation or convention in the market place.

Derecognition

Derecognition of financial assets due to substantial modification of terms and conditions:

The Company derecognises a financial asset, such as a loan to a customer, when the terms and conditions have been renegotiated to the extent that, substantially, it becomes a new loan, with the difference recognised as derecognition gain or loss, to the extent that an impairment loss has not already been recorded. The newly recognised loans are classified as Stage 1 for ECL measurement purposes, unless

Notes to Financial Statements for the year ended March 31, 2025

the new loan is deemed to be Purchased or Originated as Credit Impaired (POCI).

If the modification does not result in cash flows that are substantially different, the modification does not result in derecognition. Based on the change in cash flows discounted at the original EIR, the Company records a modification gain or loss, to the extent that an impairment loss has not already been recorded.

Derecognition of financial assets other than due to substantial modification

a) **Financial assets**

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

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

i. The Company has transferred its contractual rights to receive cash flows from the financial asset, or

ii. It retains the rights to the cash flows, but has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass–through' arrangement.

Pass-through arrangements are transactions whereby the Company retains the contractual rights to receive the cash flows of a financial asset (the 'original asset'), but assumes a contractual obligation to pay those cash flows to one or more entities (the 'eventual recipients'), when all of the following three conditions are met:

i. The Company has no obligation to pay amounts to the eventual recipients unless it has collected equivalent amounts from the original asset, excluding short-term advances with the right to full recovery of the amount lent plus accrued interest at market rates.

ii. The Company cannot sell or pledge the original asset other than as security to the eventual recipients.

iii. The Company has to remit any cash flows it collects on behalf of the eventual recipients without material delay. In addition, the Company is not entitled to reinvest such cash flows, except for investments in cash or cash equivalents including interest earned, during the period between the collection date and the date of required remittance to the eventual recipients.

A transfer only qualifies for derecognition if either:

i. The Company has transferred substantially all the risks and rewards of the asset, or

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

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

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

When, as a result of transfer, a financial asset is derecognised in its entirety but the transfer results in the Company obtaining a new financial asset, the Company recognises the new financial asset at fair value.

b) **Financial liabilities**

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

Notes to Financial Statements for the year ended March 31, 2025

3.17 Deemed investment

Fair value of corporate guarantee taken from Holding company is recognised as Deemed Investment and corresponding effect has been fully amortized.

3.18 Offsetting

Financial assets and financial liabilities are generally reported on a gross basis except when, there is an unconditional legally enforceable right to offset the recognised amounts and intends to settle on a net basis or to realise the asset and settle the liability simultaneously in all of the following circumstances:

i. The normal course of business

ii. The event of default

iii. The event of insolvency or bankruptcy of the Company and/or its counterparties

3.19 Provisions

Provisions are recognised when the enterprise has a present obligation (legal or constructive) as a result of past events, and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

When the effect of the time value of money is material, the company determines the level of provision by discounting the expected cash flows at a pre-tax rate reflecting the current rates specific to the liability. As at reporting date, the Company does not have any such provision where effect of time value of money is material. The expense relating to any provision is presented in the statement of profit and loss net of any reimbursement. The timing of recognition and quantification of the liability requires the application of judgement to existing facts and circumstances, which can be subject to change. The carrying amounts of provisions and liabilities are reviewed regularly and revised to take account of changing facts and circumstances.

3.20 Contingent Liabilities

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 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 Company does not recognize a contingent liability but discloses its existence in the financial statements. When there is a possible obligation or a present obligation in respect of which likelihood of outflow of resources embodying economic benefits is remote, no provision or disclosure is made.

3.21 Earning Per Share

The Company reports basic and diluted earnings per share in accordance with Ind AS 33 on Earnings per share. Basic EPS is calculated by dividing the net profit or loss for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year.

For the purpose of calculating diluted earnings per share, the net profit or loss for the year attributable to equity shareholders and the weighted average number of shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares. Dilutive potential equity shares are deemed converted as of the beginning of the period, unless they have been issued at a later date. In computing the dilutive earnings per share, only potential equity shares that are dilutive and that either reduces the earnings per share or increases loss per share are included.

3.22 Employee Stock Option Plan

Employees of the Company receive remuneration in the form of equity settled share-based payments in consideration of the services rendered.

The Company recognizes compensation expense relating to share-based payments as employee benefit expenses' with a corresponding increase in equity, over the vesting period, using the grant date fair-value of the option in accordance with Ind AS 102, Share-based Payments. The grant date fair value of the options is calculated using the Black-Scholes model.

The estimated fair value of the awards is charged to income on a straight-line basis over the requisite service period for each separately vesting portion of the award as if the award was in substance, multiple awards with a corresponding increase to share options outstanding account. At the end of each reporting period, the expense is reviewed and adjusted to reflect changes to the level of options expected to vest. When the options are exercised, the Company issues fresh equity shares.

3.23 Recent accounting pronouncements

Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. For the period ended December 11, 2024, MCA has not notified any new standards or amendments to the existing standards applicable to the Company.

Notes to Financial Statements for the year ended March 31, 2025

Note 4: Cash and cash equivalents

(₹ in Lakhs)

Particulars	As at March 31, 2025	As at March 31, 2024
Cash on hand*	-	-
Balances with banks		
- in current accounts	50,744.51	15,998.84
- in deposit accounts having original maturity less than three months	5.04	900.40
Total	**50,749.55**	**16,899.24**

Short term deposits are made for varying periods of between one day and three months, depending on the immediate cash requirements of the company and earn interest at the respective short-term deposit rates.

* Cash on hand of ₹ Nil. (March 31,2024 ₹ 462).

Note 5: Bank balance other than above

(₹ in Lakhs)

Particulars	As at March 31, 2025	As at March 31, 2024
Other Bank Balances		
Fixed deposit with original maturity for more than 3 months but up to 12 months	123.25	5.87
Fixed deposit with original maturity of more than 12 months	579.19	597.13
Balances with banks to the extent held as margin money or security against the borrowings, guarantees, other commitments**	26,482.13	18,514.05
Total	**27,184.57**	**19,117.05**

**Fixed deposit is under lien for bank Guarantee purpose to the extent for ₹ 36.91 Lakhs (March 31, 2024 ₹ 40.25 Lakhs)

**Fixed deposit is under lien for Overdraft purpose to the extent for ₹ 5.83 Lakhs (March 31, 2024 ₹ 5.49 Lakhs)

**Fixed deposit is under lien with bank pending completion of formalities relating to a borrower to the extent of ₹ 122.40 Lakhs (March 31, 2024 ₹ 115.20 Lakhs)

**Fixed deposit is under lien to the extent for ₹ 13,151.69 Lakhs (March 31, 2024 ₹8589.76 Lakhs) marked in favour of "IDBI Trusteeship Services Limited" in respect to securitization as cash collateral.

**Fixed deposit is under lien to the extent for ₹ 1298.35 Lakhs (March 31, 2024 ₹ 689 Lakhs) marked in favour of "AXIS Trusteeship Services Limited" in respect to securitization as cash collateral.

**Fixed Deposit is under lien to extent of ₹ 109.99 lakh (March 31, 2024 ₹ 103.56 Lakhs) in favour of ICICI Bank in respect of sourcing and servicing agreement.

**Fixed Deposit is under lien to extent of ₹ 1100 lakh (March 31, 2024 ₹1100 lakh) marked in favour of Catalyst Trusteeship Limited toward DSRA requirement of LIC who is the investor for issuance of NCD Series XXVIII

**Fixed deposit is under lien for ECB (Canara bank) purpose to the extent for ₹ 9985.96. Lakhs (March 31, 2024 ₹8565.28 Lakhs)

**Fixed deposit is under lien for Margin Call Money (DBS bank) purpose to the extent for ₹ 671 Lakhs (March 31, 2024 Nil)

Note 6: Receivables

(₹ in Lakhs)

Particulars	As at March 31, 2025	As at March 31, 2024
Secured, considered good	-	-
Unsecured, considered good	1,486.56	807.58
Unsecured, considered Doubtful	-	-
Total	**1,486.56**	**807.58**

Notes to Financial Statements for the year ended March 31, 2025

Note 6: Receivables (Contd..)

Other receivable ageing schedule as at March 31, 2025

(₹ in Lakhs)

Particulars	Unbilled	Not Due for payment	Outstanding for following periods from due date of payment					Total
			Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed other receivables – considered good	0	0	1,447.70	11.61	25.23	2.02	-	1,486.56
(ii) Undisputed other receivables – which have significant increase in credit risk	0	0	-	-	-	-	-	-
(iii) Undisputed other receivables – credit impaired	0	0	-	-	-	-	-	-
(iv) Disputed other receivables – considered good	0	0	-	-	-	-	-	-
(v) Disputed other receivables – which have significant increase in credit risk	0	0	-	-	-	-	-	-
(vi) Disputed other receivables – credit impaired	0	0	-	-	-	-	-	-
Total	**0**	**0**	**1,447.70**	**11.61**	**25.23**	**2.02**	**-**	**1,486.56**

Other receivable ageing schedule as at March 31, 2024

(₹ in Lakhs)

Particulars	Unbilled	Not Due for payment	Outstanding for following periods from due date of payment					Total
			Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed other receivables – considered good	-	-	799.20	6.37	2.02	-	-	807.58
(ii) Undisputed other receivables – which have significant increase in credit risk	-	-	-	-	-	-	-	-
(iii) Undisputed other receivables – credit impaired	-	-	-	-	-	-	-	-
(iv) Disputed other receivables – considered good	-	-	-	-	-	-	-	-
(v) Disputed other receivables – which have significant increase in credit risk	-	-	-	-	-	-	-	-
(vi) Disputed other receivables – credit impaired	-	-	-	-	-	-	-	-
Total	**-**	**-**	**799.20**	**6.37**	**2.02**	**-**	**-**	**807.58**

i) The management expects no default in receipt of other receivables; also there is no history of default observed by the management. Hence, no ECL has been recognised on other receivables.

ii) No trade or other receivable are due from directors or other officers of the Company either severally or jointly with any other person. Nor any trade or other receivable are due from firms or private companies respectively in which any director is a partner, a director or a member

Notes to Financial Statements for the year ended March 31, 2025

Note 7: Loans

(₹ in Lakhs)

Particulars	As at March 31, 2025						As at March 31, 2024					
		At Fair value						At Fair value				
	Amortised Cost	Through other comprehensive income	Through profit or loss	Designated at through profit or loss	Sub-total	Total	Amortised Cost	Through other comprehensive income	Through profit or loss	Designated at through profit or loss	Sub-total	Total
(A)												
i) Term loans	13,48,244.28	-	-	-	-	13,48,244.28	10,84,203.03	-	-	-	-	10,84,203.03
Total (A) - Gross	**13,48,244.28**	**-**	**-**	**-**	**-**	**13,48,244.28**	**10,84,203.03**	**-**	**-**	**-**	**-**	**10,84,203.03**
Less : Impairment loss allowance	(12,181.80)	-	-	-	-	(12,181.80)	(7,583.30)	-	-	-	-	(7,583.30)
Total (A) - Net	**13,36,062.48**	**-**	**-**	**-**	**-**	**13,36,062.48**	**10,76,619.73**	**-**	**-**	**-**	**-**	**10,76,619.73**
(B)												
i) Secured by tangible assets	13,44,387.24	-	-	-	-	13,44,387.24	10,76,045.74	-	-	-	-	10,76,045.74
ii) Secured by book debts	2,557.66					2,557.66	6,361.04	-	-	-	-	6,361.04
iii) Secured by Shares	-	-	-	-	-	-	1,092.53	-	-	-	-	1,092.53
iv) Unsecured	1,299.38					1,299.38	703.72	-	-	-	-	703.72
Total (B) - Gross	**13,48,244.28**	**-**	**-**	**-**	**-**	**13,48,244.28**	**10,84,203.03**	**-**	**-**	**-**	**-**	**10,84,203.03**
Less : Impairment loss allowance	(12,181.80)	-	-	-	-	(12,181.80)	(7,583.30)	-	-	-	-	(7,583.30)
Total (B) - Net	**13,36,062.48**	**-**	**-**	**-**	**-**	**13,36,062.48**	**10,76,619.73**	**-**	**-**	**-**	**-**	**10,76,619.73**
(C)												
Loans in India												
i) Public sector	-	-	-	-	-	-	-	-	-	-	-	-
ii) Others												
Individuals	12,49,908.62					12,49,908.62	9,95,310.25					9,95,310.25
Corporates	98,335.66					98,335.66	88,892.78					88,892.78
Total - Gross	**13,48,244.28**	**-**	**-**	**-**	**-**	**13,48,244.28**	**10,84,203.03**	**-**	**-**	**-**	**-**	**10,84,203.03**
Less: Impairment Loss Allowance	(12,181.80)	-	-	-	-	(12,181.80)	(7,583.30)	-	-	-	-	(7,583.30)
Total - Net	**13,36,062.48**	**-**	**-**	**-**	**-**	**13,36,062.48**	**10,76,619.73**	**-**	**-**	**-**	**-**	**10,76,619.73**
Loans outside India	-	-	-	-	-	-	-	-	-	-	-	-
Less: Impairment loss allowance	-	-	-	-	-	-	-	-	-	-	-	-
Total - Net	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Total (C)	**13,36,062.48**	**-**	**-**	**-**	**-**	**13,36,062.48**	**10,76,619.73**	**-**	**-**	**-**	**-**	**10,76,619.73**

Notes to Financial Statements for the year ended March 31, 2025

Note 7: Loans (Contd..)

7(a) Reconciliation of gross carrying amount is given below:

(₹ in Lakhs)

Particulars	As at March 31, 2025				As at March 31, 2024			
	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total
Gross carrying amount opening balance	10,57,995.37	15,068.95	11,138.72	10,84,203.04	6,57,150.68	9,970.19	6,243.16	6,73,364.03
New assets originated or purchased	7,09,938.18	1,869.32	1,165.71	7,12,973.21	7,55,569.46	1,863.82	1,622.14	7,59,055.42
Assets derecognised or repaid (excluding write offs)	(4,34,185.94)	(5,270.23)	(6,795.94)	(4,46,252.11)	(3,41,027.59)	(3,487.46)	(3,701.36)	(3,48,216.42)
Transfers to Stage 1	7,598.81	(5,838.06)	(1,760.74)	-	3,954.34	(2,670.13)	(1,284.22)	-
Transfers to Stage 2	(20,259.42)	20,689.65	(430.23)	-	(11,318.75)	11,564.33	(245.58)	(0.00)
Transfers to Stage 3	(14,852.37)	(2,728.04)	17,580.41	-	(6,332.78)	(2,171.80)	8,504.58	-
Amounts written off	(386.13)	(1,778.26)	(515.47)	(2,679.86)	-	-	-	-
Gross carrying amount closing balance	**13,05,848.50**	**22,013.33**	**20,382.45**	**13,48,244.28**	**10,57,995.37**	**15,068.95**	**11,138.72**	**10,84,203.03**

Reconciliation of ECL balance is given below:

(₹ in Lakhs)

Particulars	Year ended March 31, 2025					Year ended March 31, 2024				
	Stage 1	Stage 2	Stage 3	Additional Provision	Total	Stage 1	Stage 2	Stage 3	Additional Provision	Total
ECL allowance - opening balance	3,501.80	1,151.34	2,530.16	400.00	7,583.29	3,214.05	427.21	1,587.99	-	5,229.25
New assets originated or purchased	1,806.78	74.28	217.27		2,098.33	1,815.96	61.38	284.65	-	2,161.98
Assets derecognised or repaid (excluding write offs)	(706.03)	(55.49)	(1,445.20)	-	(2,206.71)	(1,622.37)	(387.74)	(778.19)	-	(2,788.30)
Transfers to Stage 1	493.80	(165.90)	(327.90)		-	382.65	(114.18)	(268.47)	-	-
Transfers to Stage 2	(88.50)	161.46	(72.96)		-	(163.19)	212.47	(49.28)	-	0.00
Transfers to Stage 3	(81.96)	(57.31)	139.28		-	(125.30)	(76.27)	201.57	-	-
Impact on year end ECL of exposures transferred between stages during the year	(364.57)	779.47	4,316.92		4,731.82	-	328.47	1,551.90	-	1,880.37
Amounts written off	(1.29)	(821.44)	(111.45)		(934.18)	-	-	-	-	-
Additional provision				909.24	909.24	-	700.00	-	400.00	1,100.00
ECL allowance - closing balance	**4,560.03**	**1,066.41**	**5,246.11**	**1,309.24**	**12,181.80**	**3,501.80**	**1,151.34**	**2,530.16**	**400.00**	**7,583.30**

During the year out of loan balance, written off ₹ 2679.86 Lakhs (March 31, 2024: Nil), ₹ 490.55 (March 31, 2024: Nil) are subject to enforcement activity by the company.

During the year, the company has provided additional ECL of ₹ 909.24 Lakhs (March 31, 2024: ₹ 400 lakhs) on account of macro economic factor in relation to stage 3 asset

Notes to Financial Statements for the year ended March 31, 2025

Note 7: Loans (Contd..)

7(b) Loans granted by the Company are secured by any or all of the following as applicable, based on their categorisation:

a) Equitable / registered mortgage of property.

b) Hypothecation on loan receivables

c) Undertaking to create a security.

d) The personal guarantees of borrowers.

e) Assignment of insurance policies.

7(c) Company has obtained guarantee on pool of home loan contracts with a mortgage guarantee extended by India Mortgage Guarantee Corporation Pvt. Ltd (IMGC). The guarantee from IMGC helps in mitigating credit losses.

7(d) There were no loans given against collateral of gold jewellery during the year (March 31, 2024 ₹ Nil).

Note 7(e): A comparison between provisions required under Income recognition, asset classification and provision norms (IRACP) and impairment allowances made under IND AS 109

As at March 31, 2025

(₹ in Lakhs)

Asset classification as per RBI norms	Asset classification as per Ind AS 109	Gross carrying amount as per Ind AS	Loss allowances (provisions) as required under Ind AS 109	Net carrying amount	Provisions required as per IRACP norms	Difference between Ind AS 109 provisions and IRACP norms
1	2	3	4	(5)=(3)-(4)	6	(7) = (4)-(6)
Performing Assets						
Standard	Stage 1	13,05,848.49	4,560.03	13,01,288.46	4,496.53	63.50
	Stage 2	22,013.33	1,066.41	20,946.92	96.36	970.05
Subtotal		**13,27,861.83**	**5,626.44**	**13,22,235.38**	**4,592.88**	**1,033.55**
Non-Performing Assets (NPA)						
Substandard	Stage 3	**18,742.52**	**4,758.72**	**13,983.80**	**2,329.64**	**2,429.08**
Doubtful - up to 1 year	Stage 3	1,377.24	396.11	981.13	294.34	101.77
1 to 3 years	Stage 3	262.69	91.29	171.40	100.15	(8.86)
More than 3 years	Stage 3			-	-	-
Subtotal for doubtful		**1,639.93**	**487.39**	**1,152.54**	**394.49**	**92.90**
Loss		-	-	-	-	-
Subtotal for NPA	Stage 3	**20,382.45**	**5,246.12**	**15,136.32**	**2,724.13**	**2,521.98**
Other items such as guarantees, loan commitments, etc. which are in the scope of Ind AS 109 but not covered under current Income recognition, asset classification and provisioning (IRACP) norms	Stage 1	1,21,748.28	400.72	1,21,347.55	-	400.72
	Stage 2	43.94	0.76	43.18	-	0.76
	Stage 3	-	-	-	-	-
Subtotal		**1,21,792.22**	**401.48**	**1,21,390.72**	**-**	**401.48**
Total	Stage 1	14,27,596.77	4,960.76	14,22,636.02	4,496.53	464.22
	Stage 2	22,057.27	1,067.17	20,990.10	96.36	970.81
	Stage 3	20,382.45	5,246.12	15,136.33	2,724.13	2,521.98
	Macro Economic factor		1,309.24	(1,309.24)	-	1,309.24
	Total	**14,70,036.50**	**12,583.28**	**14,57,453.21**	**7,317.03**	**5,266.26**

Notes to Financial Statements for the year ended March 31, 2025

Note 7: Loans (Contd..)

As at March 31, 2024

(₹ in Lakhs)

Asset classification as per RBI norms	Asset classification as per Ind AS 109	Gross carrying amount as per Ind AS	Loss allowances (provisions) as required under Ind AS 109	Net carrying amount	Provisions required as per IRACP norms	Difference between Ind AS 109 provisions and IRACP norms
1	2	3	4	(5)=(3)-(4)	6	(7) = (4)-(6)
Performing Assets						
Standard	Stage 1	10,57,995.37	3,501.79	10,54,493.58	3,996.50	(494.71)
	Stage 2	15,068.95	1,151.33	13,917.62	308.36	842.97
Subtotal		**10,73,064.32**	**4,653.12**	**10,68,411.20**	**4,304.86**	**348.26**
Non-Performing Assets (NPA)						
Substandard	Stage 3	**9,312.69**	**2,063.89**	**7,248.80**	**1,261.25**	**802.64**
Doubtful - up to 1 year	Stage 3	947.83	233.51	714.32	197.07	36.44
1 to 3 years	Stage 3	802.77	217.78	584.98	256.02	(38.24)
More than 3 years	Stage 3	75.43	14.99	60.44	46.63	(31.64)
Subtotal for doubtful		**1,826.03**	**466.28**	**1,359.74**	**499.72**	**(33.44)**
Loss		-	-	-	-	-
Subtotal for NPA	Stage 3	**11,138.72**	**2,530.17**	**8,608.54**	**1,760.97**	**769.20**
Other items such as guarantees, loan commitments, etc. which are in the scope of Ind AS 109 but not covered under current Income recognition, asset classification and provisioning (IRACP) norms	Stage 1	73,245.56	210.51	73,035.06	-	210.51
	Stage 2	72.61	1.27	71.34	-	1.27
	Stage 3	-	-	-	-	-
Subtotal		**73,318.17**	**211.78**	**73,106.40**	**-**	**211.78**
Total	Stage 1	11,31,240.93	3,712.30	11,27,528.64	3,996.50	(284.21)
	Stage 2	15,141.57	1,152.61	13,988.96	308.36	844.25
	Stage 3	11,138.72	2,530.17	8,608.55	1,760.97	769.20
	Macro Economic factor	-	400.00	(400.00)	-	400.00
	Total	**11,57,521.22**	**7,795.07**	**11,49,726.14**	**6,065.84**	**1,729.24**

Notes to Financial Statements for the year ended March 31, 2025

Note 7: Loans (Contd..)

Note 7(f): Details of resolution plan implemented under the Resolution framework for COVID - 19-related stress as per RBI circular dated August 06, 2020 (Resolution framework 1.0) and May 05, 2021 (Resolution framework 2.0), as at March 31, 2025 are given below:

(₹ in Lakhs)

Type of borrower	Exposure to accounts classified as standard consequent to implementation of resolution plan — position as at the end of the March 31, 2024#^	Of (A), aggregate debt that slipped into NPA during the half year ended September 30,2024	Of (A) amount written off during the half year	Of(A) amount paid by the borrowers during the half year	Exposure to accounts classified as standard consequent to implementation of resolution plan — position as at the end September 2024#^
Personal Loans*	5,493.60	481.41	-	634.22	4,377.97
Corporate persons	1,079.09	-	1,079.09	-	-
Of which MSMEs	-	-	-	-	-
Others	-	-	-	-	-
Total	**6,572.69**	**481.41**	**1,079.09**	**634.22**	**4,377.97**

(₹ in Lakhs)

Type of borrower	Exposure to accounts classified as standard consequent to implementation of resolution plan — position as at the end September 2024#^	Of (A), aggregate debt that slipped into NPA during the half year ended March 31,2025	Of (A) amount written off during the half year	Of(A) amount paid by the borrowers during the half year	Exposure to accounts classified as standard consequent to implementation of resolution plan — position as at the end March 31, 2025#^
Personal Loans*	4,377.97	404.42	-	515.50	3,458.05
Corporate persons	-	-	-	-	-
Of which MSMEs	-	-	-	-	-
Others	-	-	-	-	-
Total	**4,377.97**	**404.42**	**-**	**515.50**	**3,458.05**

excludes other facilities to the borrowers which have not been restructured

^ includes additions due to interest capitalization

*Personal loans includes housing loans & non housing loans

Note 7(g): There are no loans or advances granted to promoters, directors, KMPs and related parties (as defined under Companies Act, 2013), either severally or jointly with any other person without specifying any terms or period of repayments or repayable on demands (March 31, 2024 ₹ Nil).

Note 7(h):Emergency Credit Line Guarantee Scheme (ECLGS)

(₹ in Lakhs)

Particulars	As at March 31, 2025	As at March 31, 2024
No. of Loans	120.00	120.00
Amount outstanding (₹ in Lakhs)	60.76	305.11

Note 7(i): Aggregate amount of sanctioned loans and advances disclosed as per Master Direction – Non-Banking Financial Company – Housing Finance Company (Reserve Bank) Directions, 2021 (RBI/2020-21/73 DOR.FIN. HFC.CC.No.120/03.10.136/2020-21) dated February 17, 2021 read with Circular RBI/2022-23/26 DOR.ACC.REC. No.20/21.04.018/2022-23 dated April 19, 2022 as amended from time to time

(₹ in Lakhs)

Particulars	As at March 31, 2025	As at March 31, 2024
Directors and their relatives	1,750.00	629.16
Entities associate with Directors and their relatives	-	-
Senior officers and their relatives	150.00	563.84

Notes to Financial Statements for the year ended March 31, 2025

Note 8: Investments

(₹ in Lakhs)

Particulars	As at March 31, 2025							As at March 31, 2024						
		At Fair value							At Fair value					
	Amortised cost	Through other comprehensive income	Through profit or loss	Designated at fair value through profit & loss	Sub-total	Others	Total	Amortised cost	Through other comprehensive income	Through profit or loss	Designated at fair value through profit & loss	Sub-total	Others	Total
i) Pass through certificates (unquoted)	9,171.08	-	-	-	-	-	9,171.08	4,115.23	-	-	-	-	-	4,115.23
ii) Security receipts	-	-	273.11	-	273.11	-	273.11	-	-	273.42	-	273.42	-	273.42
iii) Investment in treasury bill	11,973.10	-	-	-	-	-	11,973.10	-	-	-	-	-	-	-
iv) Investment in Government Securities	8,548.63	-	-	-	-	-	8,548.63	10,751.98		-		-	-	10,751.98
v) Investment in state development loan	8,173.90	-	-	-	-	-	8,173.90	4,793.31	-	-	-	-	-	4,793.31
vi) Investment in Shares	2,500.00	-	-	-	-	-	2,500.00	-	-	-	-	-	-	-
vii) Investment in Bonds	2,498.44	-	-	-	-	-	2,498.44	-	-	-	-	-	-	-
Total Gross (A)	**42,865.15**	**-**	**273.11**	**-**	**273.11**	**-**	**43,138.26**	**19,660.52**	**-**	**273.42**	**-**	**273.42**	**-**	**19,933.94**
i) Investments outside India	-	-	-	-	-	-	-	-	-	-	-	-	-	-
ii) Investments in India	42,865.15	-	273.11		273.11	-	43,138.26	19,660.52	-	273.42		273.42	-	19,933.94
Total Gross (B)	**42,865.15**	**-**	**273.11**	**-**	**273.11**	**-**	**43,138.26**	**19,660.52**	**-**	**273.42**	**-**	**273.42**	**-**	**19,933.94**
Less : Allowance for impairment loss (C)	(0.24)	-	-		-	-	(0.24)	(0.54)	-	-		-	-	(0.54)
Total - Net D = (A) + (C)	**42,864.91**	**-**	**273.11**	**-**	**273.11**	**-**	**43,138.02**	**19,659.98**	**-**	**273.42**	**-**	**273.42**	**-**	**19,933.40**

Notes to Financial Statements for the year ended March 31, 2025

Note 8: Investments (Contd..)

(a) An analysis of changes in gross carrying amount is as follows:

(₹ in Lakhs)

Particulars	As at March 31, 2025	As at March 31, 2024
Fair value – Opening balance	19,933.94	25,689.08
New assets originated or purchased	14,81,317.36	18,77,318.18
Change in fair value	-	(4.46)
Assets derecognised or matured	(14,58,113.04)	(18,83,068.86)
Fair value - Closing balance	**43,138.26**	**19,933.94**

(b) An analysis of changes in the corresponding ECLs is as follows:

(₹ in Lakhs)

Particulars	As at March 31, 2025	As at March 31, 2024
Opening balance in ECL	0.54	0.73
New assets originated or purchased	5.36	13.93
Assets derecognised or matured (excluding write offs)	(5.66)	(14.12)
ECL assumption changes	-	-
Closing balance in ECL	**0.24**	**0.54**

Note 9: Other financial assets

(₹ in Lakhs)

Particulars	As at March 31, 2025	As at March 31, 2024
Security deposits	1,132.87	574.11
Excess interest spread receivable on assignments	38,034.93	29,756.31
Less : ECL on excess interest spread receivable on assignments	(246.81)	(192.77)
Advance against Salary	25.38	50.69
Other receivables	1,228.72	299.38
Total	**40,175.09**	**30,487.72**

Reconciliation of impairment allowance

(₹ in Lakhs)

Particulars	General approach			
	Excess interest spread receivable on assignments			
	Stage 1	Stage 2	Stage 3	Total
Impairment allowance as at March 31, 2023	**80.42**	**4.80**	**22.15**	**107.37**
Add: Addition/(Reduction) during the year	15.42	0.32	69.66	85.40
Impairment allowance as at March 31, 2024	**95.84**	**5.12**	**91.80**	**192.77**
Add: Addition/(Reduction) during the year	38.18	13.27	2.59	54.04
Impairment allowance as at March 31, 2025	**134.03**	**18.39**	**94.39**	**246.81**

Notes to Financial Statements for the year ended March 31, 2025

Note 10: Current Tax Assets (Net)

(₹ in Lakhs)

Particulars	As at March 31, 2025	As at March 31, 2024
Advance income tax & self assessment tax (Net of cumulative provision for Income tax)	2,583.08	2,052.23
Total	**2,583.08**	**2,052.23**

Note 11. Investment property

(₹ in Lakhs)

Particulars	As at March 31, 2025 Land-Freehold	As at March 31, 2024 Land-Freehold
At cost or fair value at the beginning of the year	0.28	0.28
Additions	-	-
Disposals	-	-
At cost or fair value at the end of the year	**0.28**	**0.28**
Depreciation and impairment		
Accumulated depreciation and impairment as at the beginning of the year	-	-
Depreciation charge for the year	-	-
Disposals	-	-
Accumulated depreciation and impairment as at the end of the year	**-**	**-**
Net carrying amount as at the end of the year	**0.28**	**0.28**

a) Fair value of investment property as on March 31, 2025 ₹ 0.28 lakh (March 31, 2024 : ₹ 0.28 lakh)

b) The Company confirms that the title deeds of immovable properties are held in the name of the Company.

c) Investment property having net carrying value amounting to ₹ 0.28 lakh is mortgaged against Debt securities (Refer note: Note 19 (ii))

Notes to Financial Statements for the year ended March 31, 2025

Note 12: Property, Plant and Equipment

(₹ in Lakhs)

Particulars	As at March 31, 2025						As at March 31, 2024					
	Computers	Electrical installation and equipment	Furniture & fixtures	Office equipment	Leasehold improvement	Total	Computers	Electrical installation and equipment	Furniture & fixtures	Office equipment	Leasehold improvement	Total
At cost at the beginning of the year	1,771.40	894.27	202.22	18.88	1,636.95	4,523.72	1,094.53	466.15	144.55	5.19	906.74	2,617.16
Additions	563.27	271.75	36.53	155.88	1,473.77	2,501.20	677.14	451.35	59.49	13.68	745.80	1,947.46
Disposals	(83.49)	-	(1.03)	-	(51.32)	(135.84)	(0.27)	(23.23)	(1.82)	-	(15.59)	(40.91)
At cost at the end of the year	**2,251.18**	**1,166.02**	**237.72**	**174.75**	**3,059.41**	**6,889.08**	**1,771.40**	**894.27**	**202.22**	**18.88**	**1,636.95**	**4,523.71**
Accumulated Depreciation and impairment as at the beginning of the year	906.87	274.67	54.36	6.87	666.27	1,909.04	547.47	202.50	38.12	4.76	455.37	1,248.22
Depreciation for the year	490.05	171.06	21.52	27.11	511.95	1,221.69	359.67	93.98	17.38	2.11	226.34	699.49
Disposals	(77.33)	-	(0.64)	-	(39.25)	(117.22)	(0.27)	(21.81)	(1.15)	-	(15.43)	(38.66)
Accumulated Depreciation and impairment as at the end of the year	**1,319.58**	**445.73**	**75.24**	**33.98**	**1,138.98**	**3,013.51**	**906.87**	**274.67**	**54.36**	**6.87**	**666.27**	**1,909.04**
Net Carrying amount as at the end of the year	**931.60**	**720.29**	**162.49**	**140.77**	**1,920.42**	**3,875.57**	**864.53**	**619.60**	**147.86**	**12.00**	**970.68**	**2,614.67**

Notes to Financial Statements for the year ended March 31, 2025

Note 13: Other intangible assets

(₹ in Lakhs)

Particulars	As at March 31, 2025 Software	As at March 31, 2024 Software
At cost, beginning of the year	936.32	894.44
Additions	124.99	41.87
Disposals	(0.43)	-
Total cost	**1,060.88**	**936.32**
Accumulated amortisation and impairment:		
At the beginning of the year	841.95	812.90
Amortisation	47.60	29.04
Disposals	(0.41)	-
Total amortisation and impairment	**889.14**	**841.94**
Net carrying amount as at the end of the year	**171.74**	**94.38**

Note 14: Right of use assets

(₹ in Lakhs)

Particulars	As at March 31, 2025			As at March 31, 2024		
	Office premises	Furniture & fixtures	Total	Office premises	Furniture & fixtures	Total
Opening Balance	**9,683.73**	**414.17**	**10,097.90**	**5,427.79**	**414.17**	**5,841.96**
Additions	4,396.86	310.55	4,707.40	4,491.27	-	4,491.27
Remeasurement	(369.95)	-	(369.95)	(235.33)	-	(235.33)
Deletions	-	-	-	-	-	-
Total	**13,710.64**	**724.72**	**14,435.36**	**9,683.73**	**414.17**	**10,097.90**
Accumulated Depreciation						
At the beginning of the year	2,787.83	393.99	3,181.82	1,646.85	386.50	2,033.35
Depreciation	1,938.27	66.27	2,004.54	1,140.98	7.49	1,148.47
Deletions	-	-	-	-	-	-
Total Depreciation	**4,726.10**	**460.26**	**5,186.36**	**2,787.83**	**393.99**	**3,181.82**
Net carrying amount as at the end of the year	**8,984.54**	**264.46**	**9,249.00**	**6,895.90**	**20.18**	**6,916.08**

Note 15: Other non financial assets

(₹ in Lakhs)

Particulars	As at March 31, 2025	As at March 31, 2024
Unamortised expenses	428.66	33.47
Prepaid expenses	2,400.08	2,015.17
Other sundry advances	729.76	1,230.36
Total	**3,558.50**	**3,279.00**

Note 16: Asset held for sale

(₹ in Lakhs)

Particulars	As at March 31, 2025	As at March 31, 2024
House property	5,457.74	7,817.43
Less: Provision on Asset held for sale	(662.23)	(780.00)
Total	**4,795.51**	**8,597.43**

Notes to Financial Statements for the year ended March 31, 2025

Note 16: Asset held for sale (Contd..)

Measurement:

The non-recurring fair value measurement for the assets held for sale has been categorized as a Level 2 fair value based on the inputs to the valuation techniques used. For the assets classified as "assets held for sale" during the year valuation has been determined by independent valuer by using the sales comparison approach for which the price (such as recent sales, municipal valuation, etc.) of the assets in the similar location are considered. This is a level 2 measurement as per the fair value hierarchy. The diminution in the value as identified by the independent valuers is written off in the books of accounts wherever required. Provision has been done based on management estimates.

Note 17 : Derivative financial instrument Asset/ (Liability)

(₹ in Lakhs)

Particulars	As at March 31, 2025	As at March 31, 2024
Cash Flow Hedging - forward contract & Interest rate Swap	(1,833.98)	(400.05)
Total	**(1,833.98)**	**(400.05)**

Derivative financial instruments

The Company enters into derivatives for risk management purposes. Derivatives held for risk management purposes include hedges that either meet the hedge accounting requirements or hedges that are economic hedges.The Company has adopted hedge accounting.

The table below shows the fair values of derivative financial instruments recorded as assets or liabilities together with their notional amounts.

The notional amounts indicate the value of transactions outstanding at the year end and are not indicative of either the market risk or credit risk.

(₹ in Lakhs)

Particulars	As at March 31, 2025		As at March 31, 2024	
	Notional amounts	Fair value - Assets / (Liabilities)	Notional amounts	Fair value - Assets / (Liabilities)
Part I				
(i) Currency derivatives:				
- Spots and forwards	46,455.39	(2,276.81)	44,897.84	(527.36)
- Currency futures	-	-	-	-
- Currency swaps	-	-	-	-
Sub total (i)	**46,455.39**	**(2,276.81)**	**44,897.84**	**(527.36)**
(ii) Interest rate derivatives:				
- Forward rate agreements and interest rate swaps	42,737.50	442.82	41,695.00	127.31
- Futures	-	-	-	-
Sub total (ii)	**42,737.50**	**442.82**	**41,695.00**	**127.31**
Total derivative financial instruments (i+ii)	**89,192.89**	**(1,833.98)**	**86,592.84**	**(400.05)**
Part II				
Included in above (Part I) are derivatives held for				
(i) Fair value hedging:				
Currency derivatives			-	-
Interest Rate derivatives			-	-
(ii) Cash flow hedging:				
Currency derivatives (Forward Contract)	46,455.39	(2,276.81)	44,897.84	(527.36)
Interest rate derivatives	42,737.50	442.82	41,695.00	127.31
(iii) Net Investment hedging			-	-
(iv) Undesignated Derivatives			-	-
Total derivative financial instruments (i+ii+iii+iv)	**89,192.89**	**(1,833.98)**	**86,592.84**	**(400.05)**

Hedging activities and derivatives

The Company is exposed to certain risks relating to its ongoing business operations. The primary risks managed using derivative instruments are foreign currency risk. The Company's risk management strategy and how it is applied to manage risk are explained in **Note 54**.

Notes to Financial Statements for the year ended March 31, 2025

Note 17 : Derivative financial instrument (Asset/Liability) (Contd..)

Details of the derivative instruments are given below:

(₹ in Lakhs)

Particulars	As at March 31, 2025		As at March 31, 2024	
	Notional amounts	Fair value - Assets / (Liabilities)	Notional amounts	Fair value - Assets / (Liabilities)
Interest rate risk:				
- Interest rate swaps	42,737.50	442.82	41,695.00	127.31
- Futures	-	-	-	-
Foreign currency risk:	-	-	-	-
- Currency futures				
- Currency swaps	-	-	-	-
- Forward contracts	46,455.39	(2,276.81)	44,897.84	(527.36)
Total	**89,192.89**	**(1,833.98)**	**86,592.84**	**(400.05)**

Note 18: Trade payables

(₹ in Lakhs)

Particulars	As at March 31, 2025	As at March 31, 2024
I) Total outstanding dues of micro enterprises and small enterprises	-	-
II) Total outstanding dues of creditors other than micro enterprises and small enterprises		
Sundry creditors	1,901.32	726.00
Outstanding expenses	3,397.80	2,686.93
Total	**5,299.12**	**3,412.93**

Trade payables ageing schedule as at March 31, 2025

(₹ in Lakhs)

Particulars	Unbilled	Outstanding for following years from due date of Transaction				Total
		Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) MSME*	-	-	-	-	-	-
(ii) Others	3,397.80	1,466.57	434.75	-	-	5,299.12
(iii) Disputed dues – MSME	-	-	-	-	-	-
(iv) Disputed dues - others	-	-	-	-	-	-
	3,397.80	**1,466.57**	**434.75**	**-**	**-**	**5,299.12**

*The information as required to be disclosed under the Micro, Small and Medium Enterprises Development Act, 2006 has been determined to the extent such parties have been identified on the basis of information available with the Company.

Trade payables ageing schedule as at March 31, 2024

(₹ in Lakhs)

Particulars	Unbilled	Outstanding for following periods from due date of transaction				Total
		Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) MSME*	-	-	-	-	-	-
(ii) Others	2,686.93	643.40	67.58	14.08	0.94	3,412.93
(iii) Disputed dues – MSME	-	-	-	-	-	-
(iv) Disputed dues - others	-	-	-	-	-	-
	2,686.93	**643.40**	**67.58**	**14.08**	**0.94**	**3,412.93**

*The information as required to be disclosed under the Micro, Small and Medium Enterprises Development Act, 2006 has been determined to the extent such parties have been identified on the basis of information available with the Company.

Notes to Financial Statements for the year ended March 31, 2025

Note 19: Debt securities

(₹ in Lakhs)

Particulars	As at March 31, 2025				As at March 31, 2024			
	At amortised cost	At Fair Value		Total	At amortised cost	At Fair Value		Total
		Through profit or loss	Designated through profit or loss			Through profit or loss	Designated through profit or loss	
Liability component of compound financial instruments	-	-	-	-	-	-	-	-
Others (Bonds/ Debenture etc.)								
Secured :								
Privately placed redeemable non-convertible debentures	1,62,564.15	-	-	1,62,564.15	1,15,691.50	-	-	1,15,691.50
Unsecured :								
Privately placed redeemable non-convertible debentures	3,484.45	-	-	3,484.45	3,471.16	-	-	3,471.16
Commercial Paper	-	-	-	-	33,000.00	-	-	33,000.00
less : Unamortised discount on commercial papers	-			-	(1,955.63)			(1,955.63)
		-	-	-		-	-	
Total (A)	**1,66,035.31**	**-**	**-**	**1,66,035.31**	**1,50,207.03**	**-**	**-**	**1,50,207.03**
Debt securities in India	1,66,035.31	-	-	1,66,035.31	1,50,207.03	-	-	1,50,207.03
Debt securities outside India	-	-	-	-	-	-	-	-

i) The following table sets forth, for the periods indicated, details of NCD

(₹ in Lakhs)

ISIN No.	Date of allotment	Date of redemption	Nominal value per debenture (₹ in Lakhs)	Total number of debentures	Rate of interest p.a.	As at March 31, 2025 (Face Value)	As at March 31, 2025	As at March 31, 2024 (Face Value)	As at March 31, 2024
						Amount	Amount	Amount	Amount
INE432R07018	10-Oct-14	10-Oct-24	10.00	400	10.30%	0.00	0.00	4000.00	4189.27
INE432R07299	04-Mar-22	04-Mar-25	10.00	1000	10.71%	0.00	0.00	10000.00	10071.18
INE432R07257	11-Dec-20	11-Dec-30	10.00	170	9.60%	1700.00	1740.30	1700.00	1739.11
INE432R07265	15-Jan-21	15-Jan-31	10.00	210	9.42%	2100.00	2129.37	2100.00	2128.05
INE432R07273	03-May-21	02-May-31	10.00	100	9.32%	1000.00	1078.91	1000.00	1078.23
INE432R07315	10-Aug-22	09-Aug-26	3.75	580	9.45%	2175.00	2192.15	3625.00	3652.11
INE432R07323	22-Aug-22	22-Aug-24	0.00	0	0.00%	0.00	0.00	20000.00	22548.97
INE432R08040	30-Sep-22	30-Sep-37	10.00	350.00	8.60%	3500.00	3484.45	3500.00	3471.16
INE432R07356	09-Feb-23	09-Feb-33	1.00	24000.00	9.09%	24000.00	24114.46	24000.00	24096.06
INE432R07364	14-Mar-23	13-Mar-26	1.00	7500.00	8.95%	7500.00	7532.48	7500.00	7531.76

Notes to Financial Statements for the year ended March 31, 2025

Note 19: Debt securities (Contd..)

(₹ in Lakhs)

ISIN No.	Date of allotment	Date of redemption	Nominal value per debenture (₹ in Lakhs)	Total number of debentures	Rate of interest p.a.	As at March 31, 2025 (Face Value)	As at March 31, 2025	As at March 31, 2024 (Face Value)	As at March 31, 2024
						Amount	Amount	Amount	Amount
INE432R07380	01-Jun-23	01-Dec-26	1.00	5000.00	8.80%	5000.00	5136.18	5000.00	5131.59
INE432R07398	05-Jul-23	05-Jul-33	1.00	7500.00	8.90%	7500.00	7944.99	7500.00	7870.20
INE432R07463	28-Nov-23	28-Nov-33	1.00	25000.00	9.40%	25000.00	25675.51	25000.00	25654.95
INE432R07414	04-Apr-24	04-Oct-27	1.00	15000.00	9.45%	15000.00	15686.20	0.00	0.00
INE432R07422	20-Aug-24	26-Dec-25	1.00	22500.00	8.94%	22500.00	23016.96	0.00	0.00
INE432R07448	29-Jan-25	29-Jan-27	1.00	15000.00	8.90%	15000.00	15226.10	0.00	0.00
INE432R07455	27-Feb-25	27-Aug-27	1.00	31000.00	8.60%	31000.00	31077.26	0.00	0.00
						1,62,975.00	**1,66,035.31**	**1,14,925.00**	**1,19,162.67**

Notes to Financial Statements for the year ended March 31, 2025

Note 19: Debt securities (Contd..)

ii) Nature Of Security

The redemption of principal amount of secured redeemable non- convertible debentures with all interest thereon are secured by a mortgage on the specified immovable property and by way of charge on the Company's specifically identified assets such as loan receivables/ asset held for sale in favour of the trustee appointed

iii) Loan from NCD- Secured

Terms of repayment

(₹ in Lakhs)

Tenure (from balance sheet date)	As at March 31, 2025			As at March 31, 2024		
	Rate of interest	Repayment details	Amount	Rate of interest	Repayment details	Amount
0-12 months	8.60%-9.60%	At Maturity & Quarterly Frequency	34,970.41	8.55%-10.85%	At Maturity & Quarterly Frequency	40,125.36
12-24 months	8.60%-9.60%	At Maturity & Quarterly Frequency	20,599.78	8.10%-10.62%	At Maturity & Quarterly Frequency	8,886.28
24-36 months	8.60%-9.60%	At Maturity & Quarterly Frequency	45,873.90	8.25%-9.07%	At Maturity & Quarterly Frequency	5,572.01
48-60 months	8.60%-9.60%	At Maturity & Quarterly Frequency	5,951.04	NA	NA	NA
More than 60 months	8.60%-9.60%	At Maturity & Quarterly Frequency	55,155.73	8.6%-9.60%	At Maturity & Specific Frequency	61,107.85
Total			**1,62,550.86**			**1,15,691.50**

Loan from NCD - Unsecured

Terms of repayment

(₹ in Lakhs)

Tenure (from balance sheet date)	As at March 31, 2025			As at March 31, 2024		
	Rate of interest	Repayment details	Amount	Rate of interest	Repayment details	Amount
0-12 months	8.60%	At Maturity	137.22	10.85%	At Maturity	137.22
12-24 months	8.60%	At Maturity	-	NA	NA	-
24-36 months	8.60%	At Maturity	-	NA	NA	-
More than 60 months	8.60%	At Maturity	3,347.23	8.60%	At Maturity	3,333.94
Total			**3,484.45**			**3,471.16**

Commercial Papers

Terms of repayment

(₹ in Lakhs)

Tenure (from balance sheet date)	As at March 31, 2025			As at March 31, 2024		
	Rate of interest	Repayment details	Amount	Rate of interest	Repayment details	Amount
0-12 months	NA	NA	NA	8.53%-8.73%	At Maturity	31,044.37
Total			**-**			**31,044.37**

Notes to Financial Statements for the year ended March 31, 2025

Note 20: Subordinate Debts

(₹ in Lakhs)

Particulars	As at March 31, 2025				As at March 31, 2024			
	At amortised cost	At Fair Value		Total	At amortised cost	At Fair Value		Total
		Through profit or loss	Designated through profit or loss			Through profit or loss	Designated through profit or loss	
Unsecured :								
Privately placed Subordinate redeemable non-convertible debentures	15,017.41	-	-	15,017.41	14,922.63	-	-	14,922.63
		-	-	-		-	-	
Total (A)	**15,017.41**	**-**	**-**	**15,017.41**	**14,922.63**	**-**	**-**	**14,922.63**
Subordinate Debts in India	15,017.41	-	-	15,017.41	14,922.63	-	-	14,922.63
Subordinate Debts Outside India	-	-	-	-	-	-	-	-

Loan from Subordinate Debts

Terms of repayment

(₹ in Lakhs)

Tenure (from balance sheet date)	As at March 31, 2025			As at March 31, 2024		
	Rate of interest	Repayment details	Amount	Rate of interest	Repayment details	Amount
More than 60 months	9.10%	At Maturity	15,017.41	9.10%	At Maturity	14,922.63
Total			**15,017.41**			**14,922.63**

Note 21: Borrowings

(₹ in Lakhs)

Particulars	As at March 31, 2025				As at March 31, 2024			
	At amortised cost	At Fair Value		Total	At amortised cost	At Fair Value		Total
		Through profit or loss	Designated through profit or loss			Through profit or loss	Designated through profit or loss	
Secured :								
Term Loan								
- From Banks	5,82,941.67	-	-	5,82,941.67	5,61,580.85	-	-	5,61,580.85
- From National Housing Bank	1,95,500.88	-	-	1,95,500.88	1,35,709.67	-	-	1,35,709.67
- From Financial Institutions	14,788.72	-	-	14,788.72	13,403.93	-	-	13,403.93
- From Bank Securitization	1,66,153.93	-	-	1,66,153.93	89,669.80	-	-	89,669.80

Notes to Financial Statements for the year ended March 31, 2025

Note 21: Borrowings (Contd..)

(₹ in Lakhs)

Particulars	As at March 31, 2025				As at March 31, 2024			
	At amortised cost	At Fair Value		Total	At amortised cost	At Fair Value		Total
		Through profit or loss	Designated through profit or loss			Through profit or loss	Designated through profit or loss	
Loans repayable on demand from banks								
Working capital demand loan	1,000.00	-	-	1,000.00	-	-	-	-
Unsecured :	-	-	-	-	-	-	-	-
Total (A)	**9,60,385.21**	**-**	**-**	**9,60,385.21**	**8,00,364.25**	**-**	**-**	**8,00,364.25**
Borrowings in India	7,90,174.80	-	-	7,90,174.80	7,17,053.54	-	-	7,17,053.54
Borrowings outside India	1,70,210.41	-	-	1,70,210.41	83,310.71	-	-	83,310.71

1. The Company has not defaulted in the repayment of debt securities, other borrowings and interest thereon for the year ended March 31, 2025 and March 31, 2024.

2. The stock statements filed by the company with banks or financial institutions are in agreement with the books of accounts.

3. External commercial borrowing:

The ECB borrowings are secured against eligible housing loans/book debts and are hedged through currency swaps, interest rate swaps and forward contracts as per the applicable RBI guidelines.

As at March 31, 2025, the Company has outstanding ECB of USD 200 million (equivalent to ₹ 1,70,953.80) (March 31, 2024 : ₹ 83,346.80 Lakhs))The Company has undertaken cross currency swaps and principal only swaps to hedge the foreign currency risk of the ECB principal. Whereas the Company has entered into floating to fixed coupon only swaps and interest rate swaps along with forward contracts to hedge the floating interest and foreign currency risk of the coupon payments respectively. All the derivative instruments are purely for hedging the underlying ECB transactions as per applicable RBI guidelines and not for any speculative purpose.

Terms of repayment

(₹ in Lakhs)

Tenure (from balance sheet date)	As at March 31, 2025			As at March 31, 2024		
	Rate of interest	Repayment details	Amount	Rate of interest	Repayment details	Amount
24-36 months	7.27%-9.36%	At Maturity	1,70,210.41	7.27%-9.36%	At Maturity	83,310.71

Notes to Financial Statements for the year ended March 31, 2025

Note 21: Borrowings (Contd..)

Term loan from banks

Terms of repayment

(₹ in Lakhs)

Tenure (from balance sheet date)	As at March 31, 2025			As at March 31, 2024		
	Rate of interest	Repayment details	Amount	Rate of interest	Repayment details	Amount
0-12 months	6.01%-10.25%	Monthly, Quarterly, Half Yearly & At Maturity	1,24,383.76	4.45% to 9.70%	4 - 60 monthly, quarterly, half yearly installments	1,41,811.76
12-24 months	6.01%-10.10%	Monthly, Quarterly, Half Yearly & At Maturity	1,96,710.76	4.45% to 9.70%	6 - 60 monthly, quarterly, half yearly installments	1,29,396.85
24-36 months	7.90%-9.90%	Quarterly, Half Yearly & At Maturity	1,74,244.60	4.45% to 9.70%	6 - 60 monthly, quarterly, half yearly installments	1,78,796.15
36-48 months	8.32%-9.50%	Quarterly & Half Yearly	49,370.12	4.45% to 9.55%	6 - 60 monthly, quarterly, half yearly installments	68,978.55
48-60 months	8.32%-9.50%	Quarterly & Half Yearly	26,131.82	7.65% to 9.30%	9 - 20 monthly, quarterly, half yearly installments	25,911.24
More than 60 months	8.80%-9.50%	Quarterly & Half Yearly	12,100.62	9.00%-9.20%	4 to 6 instalments of monthly, quarterly and specific frequency	16,686.30
Total			**5,82,941.67**			**5,61,580.85**

Nature Of Security

Term Loans are secured by way of exclusive charge on specified loan receivables.

Loan from National Housing Bank

Terms of repayment

(₹ in Lakhs)

Tenure (from date of balance sheet date)	As at March 31, 2025			As at March 31, 2024		
	Rate of interest	Repayment details	Amount	Rate of interest	Repayment details	Amount
0-12 months	2.94%-8.60%	3 quarterly installments	23,844.60	2.94%-9.80%	20 - 39 quarterly installments	16,780.62
12-24 months	2.94%-8.60%	3 - 4 quarterly installments	31,454.38	2.94%-9.80%	20 - 39 quarterly installments	21,358.80
24-36 months	2.94%-8.60%	1 - 4 quarterly installments	30,610.00	2.94%-8.75%	20 - 39 quarterly installments	21,142.98
36-48 months	2.94%-8.60%	1 - 4 quarterly installments	27,961.41	2.94%-8.75%	20 - 39 quarterly installments	20,482.46
48-60 months	3.90%-8.60%	1 - 4 quarterly installments	24,343.13	2.94%-8.75%	20 - 39 quarterly installments	17,713.07
More than 60 months	5.26%-8.60%	1 - 20 quarterly installments	57,287.36	2.94%-8.75%	20 - 39 quarterly installments	38,231.74
Total			**1,95,500.88**			**1,35,709.67**

Nature Of Security

Loan from National Housing Bank is secured by way of hypothecation of specified loan receivables.

Notes to Financial Statements for the year ended March 31, 2025

Note 21: Borrowings (Contd..)

Loan from Financial Institutions

Terms of repayment

(₹ in Lakhs)

Tenure (from date of balance sheet date)	As at March 31, 2025			As at March 31, 2024		
	Rate of interest	Repayment details	Amount	Rate of interest	Repayment details	Amount
0-12 months	8.95%-11.50%	3 - 12 monthly, quarterly installments	3,739.37	8.7%-11.25%	28 - 120 monthly, quarterly installments	2,634.65
12-24 months	8.95%-11.50%	4-12 monthly, quarterly installments	3,861.33	8.7%-11.25%	28 - 120 monthly, quarterly installments	2,812.36
24-36 months	8.95%-11.50%	4-12 monthly, quarterly installments	3,790.66	8.7%-11.25%	28 - 120 monthly, quarterly installments	2,861.33
36-48 months	8.95%-11.50%	4-13 monthly, quarterly installments	2,284.76	8.7%-11.25%	28 - 120 monthly, quarterly installments	2,790.66
48-60 months	11.50%	12 monthly, quarterly installments	624.82	8.7%-11.25%	28 - 120 monthly, quarterly installments	1,199.92
More than 60 months	11.50%	12 monthly, quarterly installments	487.78	9.1%-11.25%	28 - 120 monthly, quarterly installments	1,105.01
Total			**14,788.72**			**13,403.93**

Nature Of Security

Loan from financial institutions is secured by way of exclusive charge on specified loan receivables.

Term loan - Securitisation

Terms of repayment

(₹ in Lakhs)

Tenure (from date of balance sheet date)	As at March 31, 2025			As at March 31, 2024		
	Rate of interest	Repayment details	Amount	Rate of interest	Repayment details	Amount
0-12 months	8.45% - 10.50%	224-345 installments of monthly frequency	7,684.82	8.65% - 9.65%	238-361 installments of monthly frequency	4,559.42
12-24 months	8.45% - 10.50%	224-345 installments of monthly frequency	5,042.60	8.65% - 9.65%	238-361 installments of monthly frequency	3,012.04
24-36 months	8.45% - 10.50%	224-345 installments of monthly frequency	5,526.54	8.65% - 9.65%	238-361 installments of monthly frequency	3,265.76
36-48 months	8.45% - 10.50%	224-345 installments of monthly frequency	6,026.09	8.65% - 9.65%	238-361 installments of monthly frequency	3,516.42
48-60 months	8.45% - 10.50%	224-345 installments of monthly frequency	6,499.84	8.65% - 9.65%	238-361 installments of monthly frequency	3,756.75
More than 60 months	8.45% - 10.50%	224-345 installments of monthly frequency	1,35,374.03	8.65% - 9.65%	238-361 installments of monthly frequency	71,559.41
Total			**1,66,153.93**			**89,669.80**

Notes to Financial Statements for the year ended March 31, 2025

Note 21: Borrowings (Contd..)

Nature of Security

Secured by an exclusive charge by way of hypothecation on specified loan receivables.

Loans repayable on demand from Banks

Working capital demand loans

Terms of repayment

(₹ in Lakhs)

Tenure (from date of balance sheet date)	Rate of interest	Repayment details	As at March 31, 2025	As at March 31, 2024
0-12 months	9.65%	At Maturity	1,000.00	Nil

Nature of security

Cash credit and working capital demand loan from banks are secured by way of exclusive charge on specified loan receivables.

Note 22: Lease liabilities

(₹ in Lakhs)

Particulars	As at March 31, 2025	As at March 31, 2024
Lease liabilities	9,916.51	7,227.64
Total	**9,916.51**	**7,227.64**

22(a): The Company has applied the practical expedient as provided in paragraph 46A of Ind AS 116 to all rent concessions received. The amount recognised in the statement of profit and loss for the year to reflect changes in lease payments arising from rent concessions is ₹ 0.35 (March 31,2024 : ₹ 0.96 Lakhs) (Note no. 34)

22(b): Movement in lease liability

(₹ in Lakhs)

Sr. No.	Class of underlying asset	Opening balance of lease liabilities (balance as on 01.04.2024)	Additions to lease liabilities, made during the year	Remeasurements during the year	Finance cost accrued during the year	Payment of lease liabilities during the year	Amount of lease liabilities as on March 31, 2025
1	Buildings	7,204.51	4,196.89	(397.16)	832.24	(2,195.56)	9,640.92
2	Furniture & fixtures	23.12	310.55	-	16.14	(74.23)	275.58
3	Car	0.00	-	-	0.00	-	0.00
	Total	**7,227.64**	**4,507.44**	**(397.16)**	**848.38**	**(2,269.79)**	**9,916.51**

(₹ in Lakhs)

Sr. No.	Class of underlying asset	Opening balance of lease liabilities (Balance as on 01.04.2023)	Additions to lease liabilities, made during the year	Remeasurements during the year	Finance cost accrued during the year	Payment of lease liabilities during the year	Amount of lease liabilities as on March 31, 2024
1	Buildings	3,826.90	4,327.68	(245.18)	543.73	(1,248.61)	7,204.51
2	Furniture & fixtures	30.10	-	-	2.22	(9.20)	23.12
3	Car	4.56	-	-	0.00	(4.56)	0.00
	Total	**3,861.56**	**4,327.68**	**(245.18)**	**545.95**	**(1,262.37)**	**7,227.64**

Notes to Financial Statements for the year ended March 31, 2025

Note 22: Lease liabilities (Contd..)

22(c): The table below provides details regarding the contractual maturities of lease liabilities:

(₹ in Lakhs)

Particulars	As at March 31, 2025		As at March 31, 2024	
	Undiscounted basis	Discounted basis	Undiscounted basis	Discounted basis
Not later than one year	2,596.42	1,817.45	1,549.30	978.52
Later than one year but not later than five years	7,734.88	6,104.89	5,523.63	4,156.24
Later than 5 years	2,208.15	1,994.17	2,365.21	2,092.88
Total	**12,539.45**	**9,916.51**	**9,438.14**	**7,227.64**

22(d): Qualitative disclosures:

The leased building premises , furniture & fixtures are used to carry out business operations and related support activities. The future cash outflows on lease payments are fixed in nature, subject to escalations. The lease agreements tenor extensions and termination conditions are subject to respective lease agreements. In 11 cases (March 31, 2024: 2 Cases), security deposit is paid but lease is not yet commenced. There are no restrictions or covenants are imposed by lease agreements.

Note 23: Other financial liabilities

(₹ in Lakhs)

Particulars	As at March 31, 2025	As at March 31, 2024
Employee benefit payable	2,883.76	1,918.74
Payable on account of assignment/Co-lending	9,312.06	7,523.28
Provision for lease rent	-	2.53
Retention money and other sundry liabilities	28.62	43.22
Other liabilities	1,453.00	1,508.94
Total	**13,677.44**	**10,996.71**

Note 24: Provisions

(₹ in Lakhs)

Particulars	As at March 31, 2025	As at March 31, 2024
Provision for non funded exposure (Refer note (i) below)	401.48	211.78
Provision for employee benefits		
- Leave Salary	282.91	272.13
- Gratuity	344.80	373.41
Total	**1,029.19**	**857.33**

i) Reconciliation of ECL balance is given below:

(₹ in Lakhs)

Particulars	As at March 31, 2025				As at March 31, 2024			
	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total
ECL allowance - opening balance	210.51	1.27	-	211.78	201.73	2.23	-	203.96
New exposures	392.22	0.19	-	392.41	194.43	0.43	-	194.86
Exposures derecognised or matured (excluding write-offs)	(201.63)	(1.48)	-	(203.11)	(186.05)	(0.45)	-	(186.50)
Transfers to Stage 1	(0.37)	0.37	-	-	0.69	(0.69)	-	-
Transfers to Stage 2	-	-	-	-	(0.31)	0.31	-	-
Transfers to Stage 3			-	-	-	-	-	-
Impact on year end ECL of exposures transferred between stages during the year		0.41	-	0.41	-	(0.54)	-	(0.54)
ECL allowance - closing balance	**400.72**	**0.76**	**-**	**401.48**	**210.51**	**1.27**	**-**	**211.78**

Notes to Financial Statements for the year ended March 31, 2025

Note 25: Other non financial liabilities

(₹ in Lakhs)

Particulars	As at March 31, 2025	As at March 31, 2024
Statutory dues payable	1,142.24	173.51
Total	**1,142.24**	**173.51**

Note 26: Equity

(₹ in Lakhs)

Particulars	As at March 31, 2025	As at March 31, 2024
EQUITY SHARE CAPITAL		
Authorised:		
75,00,00,000 (Previous Year : 75,00,00,000) equity shares of ₹ 10/- each	75,000.00	75,000.00
Ordinary Shares		
Issued and fully paid		
Issued, subscribed and fully paid up:		
45,88,44,477 (Previous Year : 33,00,82,781) equity shares of ₹ 10/- each	45,884.45	33,008.28
Total Equity	**45,884.45**	**33,008.28**

a Reconciliation of the number of shares and amount outstanding at the beginning and at the end of the year

Particulars	No. of Shares	(₹ in Lakhs)
As at March 31,2023	**32,60,46,112**	**32,604.61**
Issued during the year	40,36,669	403.67
As at March 31, 2024	**33,00,82,781**	**33,008.28**
Issued during the year*	12,87,61,696	12,876.17
As at March 31, 2025	**45,88,44,477**	**45,884.45**

* During the year, the company issued and allotted 9,60,63,363 equity shares through preferential allotment, 3,15,60,000 shares through conversion of compulsorily convertible debentures and 11,38,333 equity shares under the ESOP schemes of ₹ 10 each.

b Terms/ rights attached to equity shares

The Company has only one class of equity shares having a par value of ₹ 10/- per share. Each holder of equity shares is entitled to one vote per share.

c Shares held by holding/ ultimate holding company and/ or their subsidiaries/ associates

Out of equity shares issued by the Company, shares held by its holding company, ultimate holding company and their subsidiaries/ associates are as below:

c Shares held by holding/ ultimate holding company and/ or their subsidiaries/ associates

Out of equity shares issued by the Company, shares held by its holding company, ultimate holding company and their subsidiaries/ associates are as below:

Particulars	As at March 31, 2025	As at March 31, 2024
Shriram Finance Limited	-	27,65,51,112
Mango Crest Investment Ltd	4,52,06,23,300	0.00
Total	**4,52,06,23,300**	**27,65,51,112**

Notes to Financial Statements for the year ended March 31, 2025

Note 26: Equity (Contd..)

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

(₹ in Lakhs)

Particulars	As at March 31, 2025		As at March 31, 2024	
	No. of Shares	% holding in the class	No. of Shares	% holding in the class
Shriram Finance Limited*	-	0.00%	27,65,51,112	83.78%
Valiant Mauritius Partners FDI Ltd.	-	0.00%	4,87,20,000	14.76%
Mango Crest Investment Ltd	45,20,62,330	98.52%	-	0.00%

e For details of shares reserved for issue under the employee stock option (ESOP) plan of the Company, refer Note No. 45

f Details of shareholding by promoters:

Shares held by promoters at the end of the year

(₹ in Lakhs)

Shares held by promoters at the end of the year			
Promoter name	No. of Shares	% of total shares	% change during the year
Mango Crest Investment Ltd	45,20,62,330	98.52%	100.00%

g There are no shares in the preceding 5 years allotted as fully paid up without payment being received in cash / bonus shares / bought back.

Note 27: Instruments entirely equity in nature

(₹ in Lakhs)

Particulars	As at March 31, 2025	As at March 31, 2024
Zero coupon Unsecured Compulsory Convertible Debentures (40,000 fully paid debentures of face value ₹ 1 Lakh Each)*	0.00	39,740.71
Total	**0.00**	**39,740.71**

* Net of issue expenses as per IND AS 32, reconciliation of which is given below:

(₹ in Lakhs)

Particulars	As at March 31, 2025	As at March 31, 2024
Issue proceeds of Compulsory Convertible Debenture (CCD)	-	40,000.00
Less: Issue Expenses related to CCD	-	(259.29)
Total	**-**	**39,740.71**

a. Reconciliation of the number of Compulsory convertible debenture outstanding at the beginning and at the end of the year

Particulars	No. of Instruments	(₹ in Lakhs)
As at March 31,2024	**40,000**	**40,000.00**
Issued during the year	(40,000)	(40,000.00)
As at March 31, 2025	**-**	**-**

Notes to Financial Statements for the year ended March 31, 2025

Note 27: Instruments entirely equity in nature (Contd..)

b. Instrument holders holding more than 5% of Compulsory convertible debenture.

(₹ in Lakhs)

Particulars	As at March 31, 2025		As at March 31, 2024	
	No. of Instruments	% holding in the class	No. of Instruments	% holding in the class
Kotak Mahindra Investments Limited	-	0%	40,000	1.00

c. During the year FY 2023-24, the Company has issued 40,000 Zero Coupon, Unrated, Unlisted, Unsecured, Compulsory Convertible Debentures (CCD) of face value of ₹ 1 lakh each to Kotak Mahindra Investments Limited,convertible into 305.20 Lakh (Nos.) equity shares (i.e, 763 shares for one CCD) on any put option date or upon occurrence of any trigger event, as defined in the debenture subscription agreement, or after end of the 5 years from the date of issuance. On excercise of the put option, the CCDs were converted into equity shares as on 04th December 2024.

Note 28: Other Equity

(₹ in Lakhs)

Particulars	As at March 31, 2025	As at March 31, 2024
Statutory reserve (Pursuant to section 29C of the NHB Act, 1987 & section 36(1) (viii) of Income tax act, 1961)	19,453.77	13,726.09
Security premium	2,01,960.59	51,973.08
Retained earnings (surplus/deficit in profit & loss account)	76,529.83	53,633.34
Remeasurement Gain or Loss on defined benefit plans	69.14	34.74
Deemed investment	-	-
Share Application Money Pending Allotment	-	5.83
Share option outstanding	512.62	244.87
Other comprehensive income		
- Effective Portion of Cash flow Hedges	(748.11)	6.49
Total	**2,97,777.84**	**1,19,624.44**

Note 28 (a) : Other Equity

(₹ in Lakhs)

Particulars	As at March 31, 2025	As at March 31, 2024
Statutory reserve (Pursuant to section 29C of the NHB Act, 1987 & section 36(1)(viii) of Income tax act, 1961)		
Opening Balance	**13,726.09**	**9,375.22**
Add: Transfer from surplus balance in the statement of profit and loss	5,727.68	4,350.87
Closing Balance	**19,453.77**	**13,726.09**
Securities premium account		
Opening Balance	**51,973.08**	**51,071.44**
Add: Premium on shares issued during the year	1,49,987.51	901.64
Less: Right issue expenses	-	-
Closing Balance	**2,01,960.59**	**51,973.08**

Notes to Financial Statements for the year ended March 31, 2025

Note 28: Other Equity (Contd..)

(₹ in Lakhs)

Particulars	As at March 31, 2025	As at March 31, 2024
Surplus in statement of profit and loss		
Opening Balance	**53,633.34**	**36,046.92**
Add: Profit for the year	28,624.17	21,743.47
Add/ (Less): Appropriations	-	183.91
Transfer from / (to) share option outstanding	-	10.00
Transfer to statutory reserve	(5,727.68)	(4,350.87)
Closing Balance	**76,529.83**	**53,633.34**
Remeasurement Gain or Loss on defined benefit plans		
Opening Balance	**34.74**	**51.47**
Remeasurement gain/ (loss) on defined benefit plan	45.97	(33.71)
Income tax provision/ (reversal) on above	(11.57)	16.97
Closing Balance	**69.14**	**34.74**
Deemed investment		
Opening Balance	**-**	**183.91**
Add: Other additions/ deductions during the year	-	(183.91)
Closing Balance	**-**	**-**
Share application money pending allotment		
Opening Balance	**5.83**	**-**
Add: Other additions/ deductions during the year	-5.83	5.83
Closing Balance	**-**	**5.83**
Share option outstanding		
Opening Balance	**244.87**	**588.81**
Add: Expenses on Employee Stock Option Plan (Refer note 39)	488.72	129.78
Less: Adjustment on exercise of Employee Stock Option Plan	(220.97)	(473.72)
Add: Transferred to retained earning	-	-
Closing Balance	**512.62**	**244.87**
Other Comprehensive Income		
Effective Portion of Cash flow Hedges		
Opening Balance	**6.49**	**(3.65)**
Add: Addition/(reduction) during the year	(754.61)	10.14
Closing Balance	**(748.11)**	**6.49**

Notes to Financial Statements for the year ended March 31, 2025

Note 28 (b) : Other Equity

Nature and purpose of Reserves

Statutory reserve:

The Company creates statutory reserve every year out of its profits in terms of Sec 36(1) (viii) of the Income tax act, 1961 read with Sec 29C of the National Housing Bank Act, 1987.

The Company transfers amount at least 20% of the Profit after tax to Statutory reserve.

Securities premium reserve:

Securities premium reserve is used to record the premium on issue of shares. The reserve can be utilised only for limited purposes such as issuance of bonus shares in accordance with the provisions of the Companies Act, 2013.

Retained earnings:

Retained earnings are the profits that the Company has earned till date, less any transfers to statutory reserve, any appropriation made.

ESOP reserve:

The share-based payment reserve is used to recognise the value of equity-settled share-based payments provided to employees, including key management personnel, as part of their remuneration. Refer to Note 45 for further details of these plans.

Remeasurement Gain /(loss) on defined benefit plan:

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

Other Comprehensive Income:

Other comprehensive income includes effective portion of cash flow hedges. Effective portion of cash flow hedges represents the cumulative effective portion of gains or losses arising on changes in fair value of hedging instruments entered into for cash flow hedges, which shall be reclassified to the statement of profit and loss only when the hedged transaction affects the statement of profit and loss, or included as a basis adjustment to the non-financial hedged item, consistent with the Company accounting policies.

Note 29: Interest income

(₹ in Lakhs)

Particulars	For the Year ended March 31, 2025				For the Year ended March 31, 2024			
	On financial assets measured at amortised cost	On financial assets measured at fair value through OCI	On financial assets classified at fair value through profit or loss	Total	On financial assets measured at amortised cost	On financial assets measured at fair value through OCI	On financial assets classified at fair value through profit or loss	Total
Interest on loans	1,45,041.88	-	-	1,45,041.88	1,06,052.62	-	-	1,06,052.62
Interest income from investments	2,491.08	-	-	2,491.08	2,450.50	-	-	2,450.50
Interest on deposits								-
- Deposit with Bank	923.15	-	-	923.15	1,579.61	-	-	1,579.61
- Margin money deposit with Bank	704.81	-	-	704.81	324.26	-	-	324.26
Interest income on security deposits	82.64	-	-	82.64	41.06	-	-	41.06
Interest income on assignment (EIS)	903.76	-	-	903.76	795.40	-	-	795.40
Total	**1,50,147.33**	**-**	**-**	**1,50,147.33**	**1,11,243.45**	**-**	**-**	**1,11,243.45**

Notes to Financial Statements for the year ended March 31, 2025

Note 30: Fees & commission income

(₹ in Lakhs)

Particulars	For the Year ended March 31, 2025	For the Year ended March 31, 2024
Servicing fees	731.50	491.23
Income from other services	11,494.24	4,224.22
Other charges	3,702.20	2,723.90
Commission fees	40.69	18.47
Total	**15,968.63**	**7,457.82**

Revenue from contract with customers

(₹ in Lakhs)

Particulars	For the Year ended March 31, 2025	For the Year ended March 31, 2024
(i) Type of service		
- Fees and commission income	772.19	509.70
- Other Charges	3,702.20	2,723.90
- Income from other services	11,494.24	4,224.22
Total	**15,968.63**	**7,457.82**
(ii) Primary geographical market		
- India	15,968.63	7,457.82
- Outside India	-	-
Total revenue from contract with customers	**15,968.63**	**7,457.82**
(iii) Timing of revenue recognition		
- At a point in time upon rendering services	-	-
- Over a period of time upon rendering services	15,968.63	7,457.82
Total	**15,968.63**	**7,457.82**
(iv) Trade receivable towards contract with customers		
- Opening balance	807.58	22.98
- Closing balance	1,486.56	807.58
(v) Impairment on trade receivables towards contract with customers	-	-

As on 31st March 2025, the Company doesn't have any unsatisfied/partially satisfied performance obligation (March 31, 2024: Nil).

Note 31: Net gain/ (loss) on fair value changes

(₹ in Lakhs)

Particulars	For the Year ended March 31, 2025	For the Year ended March 31, 2024
(A) Net gain/ (loss) on financial instruments at fair value through profit or loss		
(i) On trading portfolio		
- Investments	3,626.57	4,905.38
- Derivatives	-	-
- Others	-	-
(ii) On financial instruments designated at fair value through profit or loss	-	-
(B) Others (to be specified)	-	-
Total Net gain/(loss) on fair value changes (C)	**3,626.57**	**4,905.38**
Fair Value changes: - Realised	3,626.57	4,909.84
- Unrealised	-	(4.46)
Total net gain/(loss) on fair value changes(D)	**3,626.57**	**4,905.38**
Total	**3,626.57**	**4,905.38**

Notes to Financial Statements for the year ended March 31, 2025

Note 32: Net gain on derecognition of financial instruments under amortised cost category

(₹ in Lakhs)

Particulars	For the Year ended March 31, 2025				For the Year ended March 31, 2024			
	On financial assets measured at amortised cost	On financial assets measured at fair value through OCI	On financial assets classified at fair value through profit or loss	Total	On financial assets measured at amortised cost	On financial assets measured at fair value through OCI	On financial assets classified at fair value through profit or loss	Total
Net gain on assignment	17,992.74	-	-	17,992.74	18,015.25	-	-	18,015.25
Total	**17,992.74**	**-**	**-**	**17,992.74**	**18,015.25**	**-**	**-**	**18,015.25**

Note 33: Other operating Income

(₹ in Lakhs)

Particulars	For the Year ended March 31, 2025	For the Year ended March 31, 2024
Processing fees	3,296.16	1,054.87
Bad debts recovered	2,942.98	229.08
Total	**6,239.14**	**1,283.95**

Note 34: Other income

(₹ in Lakhs)

Particulars	For the Year ended March 31, 2025	For the Year ended March 31, 2024
Gain on derecognition of property, plant and equipment	-	0.16
Interest on lease receivable	-	0.00
Income from subleasing of right of use assets	1.20	0.64
Interest on income tax refund	53.84	39.56
Miscellaneous income	13.43	-
Lease rent waiver	0.35	0.96
Gain on remeasurement of Leases	27.15	9.85
Total	**95.97**	**51.17**

Note 35: Finance cost

(₹ in Lakhs)

Particulars	For the Year ended March 31, 2025			For the Year ended March 31, 2024		
	On financial liabilities measured at amortised cost	On financial liabilities measured through profit or loss	Total	On financial liabilities measured at amortised cost	On financial liabilities measured through profit or loss	Total
Interest on Borrowings (Other than debt securities)						
Interest on Bank borrowings	51,795.23	-	51,795.23	44,143.26	-	44,143.26
- Interest on Bank TL Borrowings	50,213.35	-	50,213.35	43,090.97	-	43,090.97
- Processing Fee & other Charges (Bank)	1,581.88	-	1,581.88	1,052.30	-	1,052.30
Interest on loan from NHB	11,178.11	-	11,178.11	7,878.87	-	7,878.87
Interest on loan from Financial institutions	1,629.31	-	1,629.31	1,237.30	-	1,237.30
- Interest on Borrowings from FI	1,598.35	-	1,598.35	1,185.81	-	1,185.81
- Processing Fee & other Charges (FI)	30.96	-	30.96	51.48	-	51.48

Notes to Financial Statements for the year ended March 31, 2025

Note 35: Finance cost (Contd..)

(₹ in Lakhs)

Particulars	For the Year ended March 31, 2025			For the Year ended March 31, 2024		
	On financial liabilities measured at amortised cost	On financial liabilities measured through profit or loss	Total	On financial liabilities measured at amortised cost	On financial liabilities measured through profit or loss	Total
Interest on securitization loans	11,901.76	-	11,901.76	5,783.10	-	5,783.10
Interest on debt securities						
Interest on Debentures	12,523.62	-	12,523.62	10,768.40	-	10,768.40
- Interest on Debt securities (NCD)	12,347.64	-	12,347.64	10,449.82	-	10,449.82
- NCD private placement expenses	175.98		175.98	318.57	-	318.57
Interest on Commercial Paper	4,250.82	-	4,250.82	1,464.48	-	1,464.48
- Interest on Commercial Paper	4,238.72	-	4,238.72	1,441.43	-	1,441.43
- Processing Fees - Commercial Paper	12.09	-	12.09	23.05	-	23.05
Interest on Subordinate Debts	1,342.83	-	1,342.83	1,168.35	-	1,168.35
- Interest on Subordinate Debts	1,321.38	-	1,321.38	1,152.52	-	1,152.52
- Processing Fees - Subordinate Debts	21.45	-	21.45	15.83	-	15.83
Other Interest Expenses			-			
- Interest on lease liability	848.38	-	848.38	545.94	-	545.94
- Interest cost on net defined liability	33.26	-	33.26	24.34	-	24.34
Total	**95,503.32**	**-**	**95,503.32**	**73,014.04**	**-**	**73,014.04**

Note 36: Fees & Commission Expenses

(₹ in Lakhs)

Particulars	For the Year ended March 31, 2025	For the Year ended March 31, 2024
Resource Mobilization Expenses	370.08	403.77
Total	**370.08**	**403.77**

Note 37: Impairment of financial assets

(₹ in Lakhs)

Particulars	For the Year ended March 31, 2025			For the Year ended March 31, 2024		
	On financial instrument measured at amortised cost	On financial instrument measured at fair value through OCI	Total	On financial liabilities measured at Amortised cost	On financial instrument measured at fair value through OCI	Total
Loans and advances to customers	4,598.49	-	4,598.49	2,354.04	-	2,354.04
Loan undrawn commitments	189.71	-	189.71	7.82	-	7.82
Asset Held For Sale	(117.77)	-	(117.77)	280.00	-	280.00
Investments	(0.30)	-	(0.30)	(0.19)	-	(0.19)
Excess interest spread receivable on Assignment	54.04	-	54.04	85.40	-	85.40
Lease receivables	-	-	-	(0.04)	-	(0.04)
Bad debts written off (including on assets held for sale)	4,415.22	-	4,415.22	672.45	-	672.45
Total	**9,139.39**	**-**	**9,139.39**	**3,399.48**	**-**	**3,399.48**

Notes to Financial Statements for the year ended March 31, 2025

Note 37: Impairment of financial assets (Contd..)

The table below shows the ECL charges on financial instruments for the year recorded in the profit and loss based on evaluation stage:

(₹ in Lakhs)

Particulars	For the ended Year March 31, 2025						For the ended Year March 31, 2024					
	General approach				Simplified Approach	Total	General approach				Simplified approach	Total
	Stage 1	Stage 2	Stage 3	Additional provision			Stage 1	Stage 2	Stage 3	Additional provision		
Loans and advances to customers	1,058.23	(84.93)	2,715.96	909.24	-	4,598.49	287.75	724.13	942.16	400.00	-	2,354.04
Loan undrawn commitments	190.22	(0.51)	-	-	-	189.71	8.77	(0.96)	-	-	-	7.82
Asset Held For Sale	-	-	-	-	(117.77)	(117.77)	-	-	-	-	280.00	280.00
Investments	(0.30)	-	-	-	-	(0.30)	(0.19)	-	-	-	-	(0.19)
Excess interest spread receivable on assignments	38.18	13.27	2.59	-	-	54.04	15.42	0.32	69.66	-	-	85.40
Lease receivables	-	-	-	-		-	-	-	-	-	(0.04)	(0.04)
Total impairment loss	**1,286.33**	**(72.16)**	**2,718.54**	**909.24**	**(117.77)**	**4,724.16**	**311.75**	**723.50**	**1,011.82**	**400.00**	**279.96**	**2,727.03**

Note 38: Net loss on derecognition of financial instruments under amortised cost category

(₹ in Lakhs)

Particulars	For the ended Year March 31, 2025			For the ended Year March 31, 2024		
	On financial instrument measured at amortised cost	On financial instrument measured at fair value through OCI	Total	On financial liabilities measured at Amortised cost	On financial instrument measured at fair value through OCI	Total
Loss on Sale of Loan Assets	1,280.07	-	1,280.07	-	-	-
Total	**1,280.07**	**-**	**1,280.07**	**-**	**-**	**-**

Notes to Financial Statements for the year ended March 31, 2025

Note 39: Employee benefit expenses

(₹ in Lakhs)

Particulars	For the Year ended March 31, 2025	For the Year ended March 31, 2024
Salaries and wages	30,379.56	23,289.56
Contribution to provident and other fund	924.17	758.34
Gratuity expenses	234.69	214.63
Share based payments to employees	488.72	129.78
Interest expenses on staff loan	247.54	78.48
Staff welfare expenses	1,538.91	1,121.78
Total	**33,813.59**	**25,592.57**

Note 40: Depreciation, amortization & impairment

(₹ in Lakhs)

Particulars	For the Year ended March 31, 2025	For the Year ended March 31, 2024
Depreciation on Property, Plant &Equipment	1,221.70	699.48
Amortization of intangible assets	47.60	29.04
Depreciation of right of use assets	2,004.53	1,148.48
Total	**3,273.83**	**1,877.00**

Note 41: Other expenses

(₹ in Lakhs)

Particulars	For the Year ended March 31, 2025	For the Year ended March 31, 2024
Rent	201.60	108.34
Printing & stationery	505.07	340.71
Travelling and conveyance	2,490.33	1,712.33
Business promotion	65.20	40.12
Communication	675.94	325.59
Director's sitting fees	45.07	38.70
Electricity	436.91	299.94
Insurance	54.33	36.19
Bank charges	138.89	43.52
Payment to auditors		
- Statutory audit fees	59.95	46.87
- Tax audit fees	7.63	5.72
- Out of pocket expenses	2.91	0.45
- Certification fees	0.98	11.99
Royalty	1,000.75	1,558.22
Professional charges	3,001.72	1,811.72
Man Power Services	117.65	178.34
Office maintenance	1,563.38	1,094.85
Postage & courier	233.04	166.23
Rates, duties & taxes	164.10	34.08
Mortgage guarantee Fee	29.02	41.65
Corporate social responsibility (Refer note (i) Below)	383.26	244.77
Loss on derecognition of property, plant and equipment	16.11	1.49
Advertisement	101.88	136.92
Collection & recovery	1,738.46	974.83
Miscellaneous expenditure	617.21	384.71
Total	**13,651.39**	**9,638.28**

Notes to Financial Statements for the year ended March 31, 2025

Note 41: Other expenses (Contd..)

i) Details of CSR expenditure:

(₹ in Lakhs)

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
a) Gross amount required to be spent by the Company during the year	383.26	244.77
b) Amount spent in cash during the year		
i) On purposes of construction/acquisition of any asset	-	-
ii) On purposes other than (i) above		
- Contribution to various Trust/NGOs/Societies/Agencies and utilisation thereon *	137.00	44.00
- Expenditure towards Promoting Skill Development	11.18	137.92
Total	**148.18**	**181.92**
c) Amount unspent**	235.08	62.85
d) The amount of shortfall at the end of the year	-	-
e) The total of previous years' shortfall amounts	-	-

*There is no contribution to related party during the year (March 31, 2024 ₹ Nil)

**The unspent amount has been transferred to the Unspent CSR Account and will be utilized for an identified ongoing projects in FY 25-26 and such other projects as may be decided by the Board.

Details of Ongoing projects:

(₹ in Lakhs)

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
Opening Balance		
With Company	-	-
In Separate CSR Unspent Account	62.85	83.17
Amount required to be spent during the year	383.26	244.77
Amount spent during the year		
From Company's Bank account	137.00	181.92
From Separate CSR Unspent Account	74.03	83.17
Closing Balance		
With Company	-	-
In Separate CSR Unspent Account	235.08	62.85

Nature CSR activities :- (i) Promoting Menstrual Health and Hygiene Program for ASHA Workers, for educating them on menstrual health and sustainable menstrual practice in women, (ii) Promoting health care including preventive health care by providing palliative care to patients and providing all facilities including food, medicines, room, etc. at free of cost, to expand the facility for Children as well, (iii) Promoting education, including special education and employment enhancing vocational skills under SHFL Apperenticeship Program 2025 (iv) Promoting Health Care including preventive health care by addressing the healthcare needs of the underserved communities and (v) Promoting education and awareness by creating road safety awareness among two -wheeler riders by highlighting importance of safe driving practices and the consistent use of protective gear, to reduce road accidents and fatalities

Note 42: Income Tax

The components of income tax expense for the year ended March 31, 2025 and March 31, 2024 are:

(₹ in Lakhs)

Particulars	For the Year ended March 31, 2025	For the Year ended March 31, 2024
Current tax	8,183.18	5,032.28
Deferred tax	350.21	2,190.40
Tax relating to earlier years	(118.85)	65.73
Total tax charge	**8,414.54**	**7,288.41**

Notes to Financial Statements for the year ended March 31, 2025

Note 42: Income Tax (Contd..)

Reconciliation of the total tax charge:

The tax charge shown in the statement of profit and loss differs from the tax charge that would apply if all profits had been charged at India corporate tax rate. A reconciliation between the tax expense and the accounting profit multiplied by India's domestic tax rate for the year ended March 31, 2025 and March 31, 2024 is, as follows:

(₹ in Lakhs)

Particulars	For the Year ended March 31, 2025	For the Year ended March 31, 2024
Profit before tax	37,038.71	29,031.88
Statutory income tax rate	25.17%	25.17%
Expected income tax expense	9,321.90	7,306.74
Tax effect of adjustment to reconcile expected income tax expense to reported income tax expense		
Effect of change in tax rate	-	-
Earlier year tax effect	(118.85)	65.73
Non deductible expense - CSR	96.46	61.41
Deduction 80JJAA	(7.08)	(14.27)
Special reserve u/s 36 (1) (viii)	(730.02)	(307.23)
Others	(147.88)	176.02
Income tax expense reported in the statement of profit & Loss	**8,414.54**	**7,288.41**

Note 43: Deferred Tax

The following table shows deferred tax recorded in the balance sheet as at March 31, 2025:

(₹ in Lakhs)

	As at March 31, 2024	For the Year ended 31 March, 2025		As at March 31, 2025
	Deferred tax	Income statement	OCI	Deferred tax
Deferred tax asset/ (liabilities) in relation to :				
Property plant equipment's & intangible assets	(0.81)	176.84	-	176.02
ECL provision on undrawn loan commitments & investments	53.30	47.75	-	101.05
ESOP fair value	61.63	67.39	-	129.02
ECL on loan & advances	1,439.15	1,051.52	-	2,490.67
ECL On Asset Held for Sale	196.31	(29.64)	-	166.67
ECL on interest reversal on NPA	57.90	2.74	-	60.64
Provision for employee benefits	50.30	99.25	(11.57)	137.97
Cash Flow Hedge	(2.18)	-	253.79	251.61
Unamortized expenses	(5.37)	3.11	-	(2.27)
Provision for lease rental	63.22	28.89	-	92.11
NCD expenses & borrowing cost as per EIR	(1.48)	1.47	-	(0.00)
Net right to use asset and future rent liability	78.40	89.60	-	168.00
Excess interest spread receivables on assignments	(6,913.64)	(1,889.11)	-	(8,802.75)
Total	**(4,923.28)**	**(350.21)**	**242.22**	**(5,031.25)**

Notes to Financial Statements for the year ended March 31, 2025

Note 43: Deferred Tax (Contd..)

The following table shows deferred tax recorded in the balance sheet as at March 31, 2024:

(₹ in Lakhs)

	As at March 31, 2023	For the Year ended 31 March, 2024		As at March 31, 2024
	Deferred tax	Income statement	OCI	Deferred tax
Deferred tax asset/ (liabilities) in relation to :				
Property plant equipment's & intangible assets	102.28	(103.09)	-	(0.81)
ECL provision on undrawn loan commitments & investments	51.33	1.97	-	53.30
Unamortized income	3.64	(3.64)	-	-
ESOP fair value	148.20	(86.57)		61.63
ECL on loan & advances	843.33	595.82	-	1,439.15
ECL On Asset Held for Sale	125.84	70.47	-	196.31
ECL on interest reversal on NPA	39.23	18.67	-	57.90
Net Gain/(Loss) On Fair Value Changes - MF	(1.12)	1.12	-	-
Provision for employee benefits	(0.72)	34.05	16.97	50.30
Cash Flow Hedge	1.23		(3.41)	(2.18)
Unamortized expenses	(14.00)	8.63	-	(5.37)
Provision for lease rental	36.49	26.73	-	63.22
NCD expenses & borrowing cost as per EIR	(4.67)	3.19	-	(1.48)
Net right to use asset and future rent liability	13.32	65.07	-	78.40
Excess interest spread receivables on assignments	(4,090.82)	(2,822.82)	-	(6,913.64)
Total	**(2,746.44)**	**(2,190.40)**	**13.56**	**(4,923.28)**

Note 44: Earnings per share

Basic earnings per share (EPS) is calculated by dividing the net profit for the year attributable to equity holders of company by the weighted average number of equity shares outstanding during the year.

Diluted EPS is calculated by dividing the net profit attributable to equity holders of company (after adjusting for interest on the convertible preference shares and interest on the convertible bond, in each case, net of tax wherever applicable) by the weighted average number of equity shares outstanding during the year plus the weighted average number of equity shares that would be issued on the conversion of all the dilutive potential ordinary shares into ordinary shares.

(₹ in Lakhs)

Particulars	For the Year ended March 31, 2025	For the Year ended March 31, 2024
Net profit attributable to ordinary equity holders of the Company (₹ in Lakhs)	28,624.17	21,743.47
Weighted average number of ordinary shares for basic earnings per share	39,01,65,643	32,84,74,069
Effect of dilution:		
Stock options granted under ESOP	5,34,201	4,64,599
Weighted average number of ordinary shares adjusted for effect of dilution	39,06,99,844	32,89,38,668
Earnings per share		
Basic earnings per share (₹)	7.34	6.62
Diluted earnings per share (₹)	7.33	6.61

Notes to Financial Statements for the year ended March 31, 2025

Note 45: Employee stock option scheme (ESOS)

The company provides share-based payment schemes to its employees. For the period ended March 31, 2025 following employee stock option plans (ESOPs) were in existence. The relevant details of the schemes and the grants are as below:

Details of Employee Stock Option Schemes	ESOP Scheme 2016 (Tranche II - 16)	ESOP Scheme 2016 (Tranche III - 16)	ESOP Scheme 2016 (Tranche IV - 16)	ESOP Scheme 2016 (Tranche V - 16)	ESOP Scheme 2016 (Tranche VI - 16)
Date of shareholder's approval of plan	December 13, 2016	December 13, 2016	December 13, 2016	December 13, 2016	December 13, 2016
Date of grant	01 November, 2021	01 May, 2022	01 July, 2023	01 August, 2023	01 May, 2024
Number of options granted	15,70,000	2,00,000	19,25,000	40,000	3,25,000
Method of settlement	Equity	Equity	Equity	Equity	Equity
Vesting period	1 - 3 years	1 - 3 years	2 - 5 years	2 - 5 years	2 - 5 years
Exercise price	35.00	35.00	35.00	35.00	35.00
Exercise period	Not later than 5 years from the date of vesting of options	Not later than 5 years from the date of vesting of options	Not later than 5 years from the date of vesting of options	Not later than 5 years from the date of vesting of options	Not later than 5 years from the date of vesting of options
Vesting conditions	Employee remaining in the employment of the enterprise during the vesting period				

Details of vesting

Vesting period from the grant date	ESOP Scheme 2016 (Tranche VI - 16)
Completion of 1 year	-
Completion of 2 year	25.00%
Completion of 3 year	25.00%
Completion of 4 year	25.00%
Completion of 5 year	25.00%

Details of activity under each plan

Particulars	ESOP Scheme 2016 (Tranche I, II & III - 16)		ESOP Scheme 2016 (Tranche IV, V & VI - 16)	
	No. of Options	Weighted Avg. Exercise Price	No. of Options	Weighted Avg. Exercise Price
Outstanding as at March 31, 2024	**10,58,332**	**35**	**19,15,000**	**35**
Vested as at March 31, 2024	**9,24,999**			
Outstanding as at 1 April 2024	10,58,332	35	19,15,000	35
Granted during the year	-		3,25,000	35
Forfeited during the year	(1)	35	(52,500)	35
Exercised during the year	(4,53,333)	35	(6,85,000)	35
Outstanding as at Mar 31, 2025	**6,04,998**	**35**	**15,02,500**	**35**
Vested as at Mar 31, 2025	**6,04,998**		**11,77,500**	

The value of the underlying shares has been determined by an independent valuer. The following assumptions were used for calculation of fair value of grants in accordance with Black Scholes model, for options granted during the period/year ended.

Notes to Financial Statements for the year ended March 31, 2025

Note 45: Employee stock option scheme (ESOS) (Contd..)

Particulars	ESOP Scheme 2016 (Tranche II - 16)	ESOP Scheme 2016 (Tranche III - 16)	ESOP Scheme 2016 (Tranche IV - 16)	ESOP Scheme 2016 (Tranche V - 16)	ESOP Scheme 2016 (Tranche VI - 16)
Risk-free interest rate	4.96% - 5.70%	4.96% - 5.70%	6.95% - 7.13%	6.95% - 7.13%	6.95% - 6.96%
Expected life of options (years) [(year to vesting) + (contractual option term)/2]	2.50 - 2.91 Years	2.50 - 4.50 Years	4.50 - 7.50 Years	4.50 - 7.50 Years	4.50 - 7.50 Years
Expected volatility (%)	31.01% - 36.98%	31.01% - 36.98%	45.89% - 52.92%	45.89% - 52.92%	38.79% - 39.01%
Dividend yield	0%	0%	0%	0%	0%
Weighted average remaining contractual life (in years)	-	0.04	2.41	-	2.58

The risk free interest rates are determined based on the Government bond yields with maturity equal to the expected term of the option. Volatility calculation is based on historical stock prices of comparable listed companies using standard deviation of daily change in stock price. The historical period is taken into account to match the expected life of the option. Dividend yield has been considered taking into account the historical and expected rate of dividend on equity share price as on grant date.

For details of options granted to the key managerial employees refer note 47.

The expense recognised for employee services received during year ended March 31, 2025 and March 31, 2024 is shown in the following table:

(₹ in Lakhs)

Particulars	Period ended March 31, 2025	Year ended March 31, 2024
Expense arising from equity-settled share based payment transactions	488.72	129.78
Expense arising from cash-settled share based payment transactions	-	-
Total expense arising from share based payment transactions	**488.72**	**129.78**

Note 46: Retirement benefit plan

Defined contribution plan

The Company makes Provident Fund and Employee State Insurance Scheme contributions which are defined contribution plans, for qualifying employees. Under the schemes, the Company is required to contribute a specified percentage of the payroll costs to fund the benefits. The Company recognized ₹ 887.56 Lakhs for year ended March 31, 2025 (March 31, 2024 ₹ 719.25 Lakhs) for Provident Fund contributions and ₹ 36.61 Lakhs for the year ended March 31, 2025 (March 31, 2024 ₹ 39.09 Lakhs) for Employee State Insurance Scheme contributions in the statement of profit and loss. The contributions payable to these plans by the Company are at rates specified in the rules of the Schemes.

Defined benefit plan

The Company has a defined benefit gratuity plan. Every employee who has completed five years of service is eligible for a gratuity on separation at 15 days basic salary (last drawn salary) for each completed year of service. The scheme is funded with the insurance companies in the form of qualifying insurance policy.

During the year 2015-16 the Company created "Shriram Housing Finance Company Employees' Group Gratuity Fund". The Trust is recognised by income tax authorities and administered through trustees. Contributions to the Trust are invested in a scheme with a insurance Company as permitted by law in India.

The following tables summaries the components of net benefit expense recognized in the statement of profit and loss and the funded status and amounts recognized in the balance sheet for the gratuity plan.

Notes to Financial Statements for the year ended March 31, 2025

Note 46: Retirement benefit plan (Contd..)

Through its defined benefit plans, the Company is exposed to a number of risks, the most significant of which are detailed below:

1. **Interest rate risk:** The defined benefit obligation calculated uses a discount rate based on government bonds. If bond yields fall, the defined benefit obligation will tend to increase.

2. **Salary Inflation risk :** Higher than expected increases in salary will increase the defined benefit obligation

3. **Demographic risk :** This is the risk of variability of results due to unsystematic nature of decrements that include mortality, withdrawal, disability and retirement. The effect of these decrements on the defined benefit obligation is not straight forward and depends upon the combination of salary increase, discount rate and vesting criteria. It is important not to overstate withdrawals because in the financial analysis the retirement benefit of a short career employee typically costs less per year as compared to a long service employee.

4. **Investment risk :** For funded plans that rely on insurers for managing the assets, the value of assets certified by the insurer may not be the fair value of instruments backing the liability. In such cases, the present value of the assets is independent of the future discount rate. This can result in wide fluctuations in the net liability or the funded status if there are significant changes in the discount rate during the inter-valuation period.

5. **Legislative risk :** Legislative risk is the risk of increase in the plan liabilities or reduction in the plan assets due to change in the legislation/regulation. The government may amend the Payment of Gratuity Act, 1972, thus requiring the companies to pay higher benefits to the employees. This will directly affect the present value of the defined benefit obligation and the same will have to be recognized immediately in the year when any such amendment is effective.

Amount recognised in the Statement of Profit and Loss

Net employee benefit expense recognised in the employee cost

(₹ in Lakhs)

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
Current service cost	234.76	214.63
Interest cost on benefit obligation	66.68	50.21
Expected return on plan assets	(53.07)	(25.87)
Net (benefit) / expense	**248.37**	**238.97**

* Gratuity expenses as per note 39 of the statement of Profit and Loss for the year ended March 31, 2025 is after providing for shortfall in Gratuity Fund account

Amount recognised in the Balance Sheet

Reconciliation of present value of the obligation and the fair value of plan assets:

(₹ in Lakhs)

Particulars	As at March 31, 2025	As at March 31, 2024
Defined benefit obligation	(1,176.14)	(923.81)
Fair value of plan assets	831.33	550.40
Asset/(liability) recognized in the balance sheet	**(344.80)**	**(373.41)**

*Gratuity Provision is in excess of Fair Value of Assets as on March 31, 2025 and March 31, 2024 as disclosed under "Note 24 - Provisions" is after netting off amount paid to trust.

Notes to Financial Statements for the year ended March 31, 2025

Note 46: Retirement benefit plan (Contd..)

Amount recognised in the Other Comprehensive Income

(₹ in Lakhs)

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
Due to change in Demographic Assumptions	138.99	-
Due to change in financial assumptions	(12.84)	(22.18)
Due to change in experience adjustments	61.24	(7.94)
(Return) on plan assets (excl. interest income)	(141.42)	(3.59)
Total Other Comprehensive Income	**45.97**	**(33.71)**

Changes in the present value of the defined benefit obligation are as follows:

(₹ in Lakhs)

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
Opening defined benefit obligation	**923.81**	**377.50**
Interest cost	66.68	50.21
Current service cost	234.76	214.63
Liability transferred in/on account of transfer of employees		
Benefits paid	(0.50)	(25.87)
Actuarial loss / (gain) on obligation	(48.62)	307.34
Closing defined benefit obligation	**1,176.14**	**923.81**

Changes in the fair value of plan assets are as follows:

(₹ in Lakhs)

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
Opening fair value of plan assets	**550.40**	**346.23**
Interest Income	53.07	25.87
Contributions by employer & others Exp	369.78	250.03
Benefits paid	(0.50)	(25.87)
Actuarial loss / (gain) on obligation	(141.42)	(45.86)
Closing fair value of plan assets	**831.33**	**550.40**

The major categories of plan assets as a percentage of fair value of total plan assets are as follows:

(₹ in Lakhs)

Particulars	As at March 31, 2025	As at March 31, 2024
Investments with insurer	100%	100%

The principal assumptions used in determining gratuity obligations for the Company's plans are shown below:

(₹ in Lakhs)

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
Discount rate	6.99%	7.22%
Salary escalation	5.00%	5.00%
Attrition rate	32.00%	5.00%
Mortality table	IALM (2012-14)	IALM (2012-14)
Normal retirement age	58 Years	58 Years

The estimates of future salary increases, considered in actuarial valuation are on account of inflation, seniority, promotion and other relevant factor, such as supply and demand in the employment market.

Notes to Financial Statements for the year ended March 31, 2025

Note 46: Retirement benefit plan (Contd..)

The overall expected rate of return on assets is determined based on the market prices prevailing on that date, applicable to the period over which the obligation is to be settled.

Amounts for the current year and previous four years are as follows:

(₹ in Lakhs)

Particulars	Year ended March 31, 2025	Year ended March 31, 2024	Year ended March 31, 2023	Year ended March 31, 2022	Year ended March 31, 2021
Define benefit obligation	(1,176.13)	(923.81)	(377.50)	(261.82)	(211.52)
Plan assets	831.33	550.40	346.23	230.51	118.92
Surplus/(deficit)	(344.79)	(373.41)	(31.28)	(31.31)	(92.60)

(₹ in Lakhs)

Assumptions	Year ended March 31, 2025		Year ended March 31, 2025		Year ended March 31, 2024		Year ended March 31, 2024	
	Discount rate		Future salary increases		Discount rate		Future salary increases	
Sensitivity Level	1% Increase	1% Decrease	1% Increase	1% Decrease	1% Increase	1% Decrease	1% Increase	1% Decrease
Impact on defined benefit obligation	32.76	(34.96)	(39.66)	38.09	77.11	(88.70)	(87.96)	77.69

(₹ in Lakhs)

Expected payment for future years	Year ended March 31, 2025	Year ended March 31, 2024
Within the next 12 months (next annual reporting period)	297.75	46.51
Between 2 and 5 years	778.16	269.74
Between 6 and 10 years	331.44	459.95
Total expected payments	**1,407.35**	**776.20**

The weighted average duration of the defined benefit obligation as at March 31, 2025 is 4 Years (March 31, 2024: 10 Years)

The fund is administered by "Shriram Housing Finance Company Employees Group Gratuity Trust". The overall expected rate of return on assets is determined based on the market prices prevailing on that date, applicable to the period over which the obligation is to be settled.

The estimates of future salary increases, considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.

The discount rate is based on the prevailing market yields of Government of India securities as at the balance sheet date for the estimated term of the obligations.

The estimate of future salary increases considered, takes into account the inflation, seniority, promotion, increments and other relevant factors.

Notes to Financial Statements for the year ended March 31, 2025

Note 47: Maturity analysis of assets and liabilities

Disclosures as required in Master Direction – Non-Banking Financial Company – Housing Finance Company (Reserve Bank) Directions, 2021 (RBI/2020-21/73 DOR.FIN.HFC.CC.No.120/03.10.136/2020-21) dated February 17, 2021 read with Circular no. RBI/2022-23/26 DOR.ACC.REC. No.20/21.04.018/2022-23 dated April 19, 2022 as amended from time to time

The table below shows an analysis of assets and liabilities analysed according to when they are expected to be recovered or settled.

(₹ in Lakhs)

Particulars	As at March 31, 2025			As at March 31, 2024		
	Within 12 months	After 12 months	Total	Within 12 months	After 12 months	Total
Assets						
Financial assets						
Cash and cash equivalents	50,749.55	-	50,749.55	16,899.24	-	16,899.24
Bank balance other than above	24,291.60	2,892.97	27,184.57	18,084.06	1,032.99	19,117.05
Derivative financial instrument			-	-	-	-
Receivables	1,486.56	-	1,486.56	807.58	-	807.58
Loans	2,84,655.16	10,51,407.32	13,36,062.48	2,29,924.95	8,46,694.79	10,76,619.73
Investments	19,252.32	23,885.69	43,138.02	6,045.06	13,888.34	19,933.40
Other financial assets	13,434.53	26,740.56	40,175.09	8,569.65	21,918.07	30,487.72
Non-financial assets						
Current tax assets (Net)	2,583.08	-	2,583.08	2,052.23	-	2,052.23
Investment property	-	0.28	0.28	-	0.28	0.28
Property, plant and equipment	-	3,875.57	3,875.57	-	2,614.67	2,614.67
Right of use assets	-	9,249.00	9,249.00	-	6,916.08	6,916.08
Other intangible assets	-	171.74	171.74	-	94.38	94.38
Other non financial assets	1,610.35	1,948.15	3,558.50	2,149.66	1,129.34	3,279.00
Asset held for Sale	1,598.51	3,197.00	4,795.51	2,345.81	4,691.62	7,037.43
Total assets	**3,99,661.67**	**11,23,368.28**	**15,23,029.95**	**2,86,878.24**	**8,98,980.56**	**11,85,858.79**
Liabilities						
Financial liabilities						
Derivative financial instrument	1,806.18	27.80	1,833.98	400.05	-	400.05
Trade payables	5,299.12	-	5,299.12	3,412.93	-	3,412.93
Debt securities	35,107.63	1,30,927.68	1,66,035.31	71,306.95	78,900.08	1,50,207.03
Borrowings (other than debt security)	1,60,743.48	7,99,641.73	9,60,385.21	1,65,786.45	6,34,577.80	8,00,364.25
Subordinate Debts	630.73	14,386.68	15,017.41	552.06	14,370.56	14,922.63
Lease liabilities	1,817.45	8,099.05	9,916.51	978.52	6,249.11	7,227.64
Other financial liabilities	10,059.42	3,618.02	13,677.44	10,858.78	137.94	10,996.71
Non-financial liabilities						
Current tax liabilities (Net)	-	-	-	-	-	-
Provisions	401.48	627.71	1,029.19	211.78	645.55	857.33
Deferred tax liabilities (Net)	-	5,031.25	5,031.25	4,923.28	-	4,923.28
Other non-financial liabilities	1,142.24	-	1,142.24	173.51	-	173.51
Total liabilities	**2,17,007.74**	**9,62,359.92**	**11,79,367.66**	**2,58,604.30**	**7,34,881.04**	**9,93,485.35**
Net	**1,82,653.93**	**1,61,008.35**	**3,43,662.29**	**28,273.94**	**1,64,099.53**	**1,92,373.44**

Classification of assets & liabilities under maturity bucket is based on management's estimates & assumptions. The same is also approved by the ALM committee of the Company

Notes to Financial Statements for the year ended March 31, 2025

Note 48: Contingent liabilities & commitments

(A) Contingent liabilities

(₹ in Lakhs)

Particulars	As at March 31, 2025	As at March 31, 2024
Income tax*	5,739.63	4,636.07
GST**	327.38	26.15
Bank guarantees / mortgage loan	26,482.13	18,514.05

*Disputed income tax demand is on account of disallowance of royalty as an expense and by treating it as intangible asset, disallowance of deduction of excess interest spread income, disallowance u/s 14A r.w. Rule 8D, and Disallowance of Statutory reserve U/s 36(1)(viii). The above demands are determinable only on receipt of judgements/decisions pending with various forums/authorities. The company is of the opinion that the above demands are not sustainable and expects to succeed in its appeals

**Disputed GST demand is on account of

(a) Under-reporting of B2C turnover in Form GSTR-9 vis-à-vis corresponding turnover in Form GSTR-1 and consequent short payment of taxes

(b) Excess Input Tax Credit ('ITC') claimed on account of non-reconciliation of information declared in Form GSTR-9

(c) ITC claimed from cancelled dealers , return defaulters & tax non payers

The company is of the opinion that the above demands are not sustainable and expects to succeed in its appeals

(B) Commitments

(₹ in Lakhs)

Particulars	As at March 31, 2025	As at March 31, 2024
Estimated amount of contract remaining to be executed on capital account	165.97	333.54
Undrawn Commitments	1,21,792.22	73,318.17

Note 49: Related party Transactions

Sr No	Relationship	Name of the party
1	Promoter	Mango Crest Investment Ltd **
		Shriram Finance Limited ***
2	Promoter group	Mulberry Inlet Investment Limited **
		Shriram Value Services Limited ***
		Novac Technology Solutions (P) Limited ***
		Shriram Fortune Solutions Limited ***
		Shriram General Insurance Company Limited ***
		Shriram Insight Share Brokers Limited ***
		Shriram Life Insurance Company Limited ***
		Shriram Asset Management Company Limited ***
		Shriram Financial Products Solutions (Chennai) Private Limited ***
		Shriram Financial Ventures (Chennai) Private Limited ***
		Shriram Credit Company Limited ***
		Shriram Overseas Investments Private Limited ***
		Shriram Wealth Limited ***
		Bharath Investments Pte. Ltd., Singapore ***
		SGI Philippines General Insurance Co. Inc. ***
		Novac Digital Service Private Limited ***
		Shriram LI Holdings Private Limited ***
		SEA funds Management India Private Limited ***
		Way2wealth Insurance Brokers Private Limited ***
		Way2wealth Securities Private Limited ***

Notes to Financial Statements for the year ended March 31, 2025

Note 49: Related party Transactions (Contd..)

Sr No	Relationship	Name of the party
		Way2wealth Brokers Private Limited ***
		Way2wealth Commodities Private Limited ***
		Shriram GI Holdings Private Limited ***
		Shriram Investment Holdings Limited ***
		Valiant Mauritius Partners FDI Ltd. (VMPL) ***
		Shriram Automall India Limited ***
		Cartradeexchange Solutions Private Limited ***
		Adroit Inspection Service Private Limited ***
		Augeo Asset Management Private Limited ***
3	Directors and Key Management Personnel	Mr. Subramanian Jambunathan, Managing Director and CEO
		Mr. Venkataraman Murali*
		Mr. Hemant Mundra, Non-Executive Director**
		Mr. Ajay Kumar Choudhary, Independent Director**
		Mr. Arvind Kathpalia, Independent Director**
		Ms. Aruna Rao, Independent Director**
		Ms. Maya Swaminathan Sinha, Independent Director***
		Mr. Srinivasan Sridhar, Independent Director***
		Mr. Yalamati Srinivasa Chakravarthy, Non-Executive Director***
		Mrs. Lakshminarayanan Priyadarshini, Independent Director***
		Mr. Gauri Shankar Agarwal, Chief Financial officer****
		Mrs. Puja Shah, Company Secretary

All figures have been shown as gross exclusive of GST 9%. Whereever applicable.

There are no transactions with relatives of Key Management Personnel as at March 31, 2025.

The Board of Directors at its Meeting held on December 11, 2024 took note of Transfer of (i) 30,81,11,107 equity shares of the Company from Shriram Finance Limited ("SFL") to Mango Crest Investment Ltd ("Mango Crest"); and (ii) 4,87,20,000 equity shares of the Company from Valiant Mauritius Partners FDI Limited ("Valiant") to Mango Crest Investment Ltd

#With effecft from December 11, 2024

* Cessation as Director w.e.f April 1,2024

** Appointed as Director w.e.f December 11, 2024

*** Cessation w.e.f close of business hours on December 11, 2024

**** Mr. Gauri Shankar Agarwal ceased to be a Whole Time Director of the Company with effect from closing of business hours on December 11, 2024 on account of his resignation. He continues to be the Chief Financial Officer of the Company

Notes to Financial Statements for the year ended March 31, 2025

Note 49: Related party Transactions (Contd..)

Related party transactions during the year:

Particulars	Holding Company		Promoter Group		Key Management Personnel		Total	
	As at Mar 31, 2025	As at Mar 31, 2024	As at Mar 31, 2025	As at Mar 31, 2024	As at Mar 31, 2025	As at Mar 31, 2024	As at Mar 31, 2025	As at Mar 31, 2024
Remuneration to Directors (Sitting Fees)								
Mr. V Murali					-	17.75	-	17.75
Ms Lakshminaryanan Priyadarshini					10.50	17.75	10.50	17.75
Ms. Maya Swaminathan Sinha					10.50	-	10.50	-
Mr. Srinivasan Sridhar					9.00	-	9.00	-
Mr.Arvind Kathpalia					3.50	-	3.50	-
Ms.Aruna Rao					4.00	-	4.00	-
Mr.Ajay Kumar Choudhary					3.50	-	3.50	-
Remuneration to other KMPs							-	-
Employee Benefits - Mr.Subramanian Jambunathan					369.26	1,069.26	369.26	1,069.26
Employee Benefits - Mr.Gauri Shankar Agarwal					238.04	243.30	238.04	243.30
Employee Benefits - Mr.Gauri Shankar Agarwal - Share Based Payment					56.61	7.95	56.61	7.95
Employee Benefits - Ms Puja R Shah					23.48	21.17	23.48	21.17
Reimbursement of Rent & Expenses								
Rent - SFL	1.26	12.80					1.26	12.80
Purchase of Assets- SFL	188.27	-					188.27	-
Expenses reimbursements -Others - SFL	18.49	34.84					18.49	34.84
Expenses reimbursements - Commission - SFL	1.30	2.94					1.30	2.94
Expenses reimbursements - SISBL			0.23	0.44			0.23	0.44
Expenses reimbursements - SLIC			37.06	17.51			37.06	17.51
Expenses reimbursements - SGIL			37.96	41.48			37.96	41.48
Expenses reimbursements - NOVAC			786.21	676.71			786.21	676.71
Royalty Fees - SVS			918.11	1,429.57			918.11	1,429.57
Other Receipts								
Transfer of liability for Gratuity/Leave - SFL	-	21.14					-	21.14
Other Payments								
Transfer of liability for Gratuity/Leave - SFL	13.05	-					13.05	-

Notes to Financial Statements for the year ended March 31, 2025

Note 49: Related party Transactions (Contd..)

Particulars	Holding Company		Promoter Group		Key Management Personnel		Total	
	As at Mar 31, 2025	As at Mar 31, 2024	As at Mar 31, 2025	As at Mar 31, 2024	As at Mar 31, 2025	As at Mar 31, 2024	As at Mar 31, 2025	As at Mar 31, 2024
Electricity, telephone and printing charges and others Received								
Expenses reimbursement - SFL	15.15	-					15.15	-
Expenses reimbursement - SLIC			7.27	6.51			7.27	6.51
Income from Other services								
Insurance Commission received - SLIC			482.36				482.36	-
Insurance Commission received - SGLI			78.28				78.28	-
Received on assignment deal - SFL	4,090.65	7,628.35					4,090.65	7,628.35
Payment on assignment deal - SFL	-	14,966.73					-	14,966.73
Claim received from SFL	2,507.76						2,507.76	
Loans given and repayments								
Loan EMI received - Mr.Gauri Shankar Agarwal					103.08	15.26	103.08	15.26
Loan EMI received /re-payments - Mr.Subramanian Jambunathan					661.65	308.30	661.65	308.30
Loan disbursement - Mr.Subramanian Jambunathan					1,750.00	549.11	1,750.00	549.11
Loan disbursement - Mr.Gauri Shankar Agarwal					-	80.06	-	80.06
Investment in Equity Shares								
Mr.Subramanian Jambunathan					-	225.00	-	225.00
Mr Gauri Shankar Agarwal					-	21.00	-	21.00
Mango Crest Investment Ltd	1,20,000						1,20,000	-
Share Application Money Received								
Mr Gauri Shankar Agarwal					-	73.50	-	73.50
Balance outstanding as at March 31,2025 :								

Notes to Financial Statements for the year ended March 31, 2025

Note 49: Related party Transactions (Contd..)

Particulars	Holding Company		Promoter Group		Key Management Personnel		Total	
	As at Mar 31, 2025	As at Mar 31, 2024	As at Mar 31, 2025	As at Mar 31, 2024	As at Mar 31, 2025	As at Mar 31, 2024	As at Mar 31, 2025	As at Mar 31, 2024
Share Capital - SFL	-	27,655.11					-	27,655.11
Share Capital - VMPL			-	4,872.00			-	4,872.00
Share Capital- Mango Crest Investment Ltd	45,206.23						45,206.23	-
Share Capital - Mr.Subramanian Jambunathan					240.00	300.00	240.00	300.00
Share Capital - Mr.Gauri Shankar Agarwal					21.00	21.00	21.00	21.00
Expenses Payable to SFL	-	2.36					-	2.36
Expenses Payable to SVS Royalty			-	438.13			-	438.13
Expenses Payable to NOVAC			-	98.24			-	98.24
Loan receivable from Mr.Subramanian Jambunathan					1,750.00	549.11	1,750.00	549.11
Loan Receivable from Mr.Gauri Shankar Agarwal	-	-	-	-	88.92	180.44	88.92	180.44

Notes to Financial Statements for the year ended March 31, 2025

Note 50: Disclosure of complaints

Customers complaints

(₹ in Lakhs)

Sr No.	Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
1	No. of complaints pending at the beginning of the year	-	2
2	No. of complaints received during the year	1,165	220
3	No. of complaints redressed during the year	1,165	222
4	No. of complaints pending at the end of the year	-	-

Note 51(a): Disclosures pertaining to fund raising by issuance of debt securities by large corporate

The Company, as per the SEBI circular SE131/HO/DDHS/CIR/P/2018/144, and the definitions therein, is a Large Corporate and hence is required to disclose the following information about its borrowings.

(₹ in Lakhs)

Sr. No.	Particulars	As at March 31, 2025	As at March 31, 2024
1	Name of the company	Shriram Housing Finance Limited	
2	CIN	U65929TN2010PLC078004	
3	Outstanding borrowing of the Company (₹ in Lakhs)*	9,69,278.83	9,65,493.91
4	Highest Credit Rating During the previous FY along with name of the Credit Rating Agency		

Sr No.	Agency	Rating	Date of Rating	Purpose
(i)	CRISIL	CRISIL AA/Stable	January 28, 2025	Long Term Bank Term Loans and Non-Convertible Debentures
(ii)	India Ratings	IND AA/Stable	February 20, 2025	
(iii)	CARE Ratings	CARE AA/Stable	December 23 2024	

Sr. No.	Particulars	Details
5	Name of Stock Exchange in which the fine shall be paid, in case of shortfall in the required borrowing under the framework	BSE Ltd.

*Principal outstanding and excluding borrowing of original maturity of upto one year, External Commercial Borrowings, Inter-Corporate Borrowings involving the holding company and/ or subsidiary and/ or associate companies, Grants/ deposits/ any other funds received as per the guidelines or directions of Government of India, borrowings arising on account of interest capitalization and borrowings for the purpose of schemes of arrangement involving mergers, acquisitions and takeovers

Note 51(b): Annual Disclosure to be made by an entity identified as a large corporate

(₹ in Lakhs)

Sr No.	Particulars	Details	
1	3-year block period (specifying financial years)	FY 2025, FY 2026 and FY 2027	FY 2022, FY 2023 and FY 2024
2	Incremental borrowing done in FY (a)*	4,06,960.00	5,67,369.96
3	Mandatory borrowing to be done through issuance of debt securities (b) = (25% of a)	1,01,740.00	1,41,842.49
4	Actual borrowings done through debt securities in FY (c)	83,500.00	47,500.00
5	Shortfall in the mandatory borrowing through debt securities, if any (d) = (b) - (c)	18,240.00	26,650.28
6	Quantum of (d), which has been met from (c)(e)		26,650.28
7	Shortfall, if any, in the mandatory borrowing through debt securities for FY (T) {after adjusting for any shortfall in borrowing for FY (T-1) which was carried forward to FY (T)} (f)= (b)-[(c)-(e)] {If the calculated value is zero or negative, write ""nil""}	18,240.00	1,20,992.77

Notes to Financial Statements for the year ended March 31, 2025

Note 51(b): Annual Disclosure to be made by an entity identified as a large corporate (Contd..)

(₹ in Lakhs)

Sr No.	Particulars	Details	
8	Reasons for short fall, if any, in mandatory borrowings through debt securities	Despite strong demand for our bonds in the debt capital markets during FY2024-25, the Company maintained a limited presence in the debt capital markets for a significant portion of the year (from May 2024 to December 2024). This was primarily due to the transfer of majority shareholding in Truhome Finance Limited(formerly Shriram Housing Finance Ltd) from the Shriram Group to Mango Crest Investment Ltd. . As an affordable housing finance company, we continue to rely on long-term funding at competitive rates primarily through the banking system. We remain committed to enhancing our presence in the debt capital markets and aim to align with the 25% borrowing requirement under the large corporate framework in the upcoming financial year.	Although there was a substantial demand of our bonds in the debt capital market during FY2023-24, the market conditions were not favourable in terms of the pricing requirement. Being an affordable housing finance company, SHFL raises long term debt at competitive costs, through banking channels. Debt Capital Markets are not able to fulfil this requirement for us. It remains our endeavor to increase the quantum of funds raised through debt capital markets and will look to comply with the 25% borrowing large corporate framework guideline, in the next financial year.

Details of penalty to be paid, if any, in respect to previous block

Sr No.	Particulars	Details	Details
1	3-year block period (specifying financial years)	FY 2025, FY 2026 and FY 2027	FY 2022, FY 2023 and FY 2024
2	Amount of fine to be paid for the block, if applicable fine = 0.2% of {(d)-(e)}	NA**	Nil

***Notes:**

(i) Figures pertain to long term borrowing basis original maturity of more than one year (excludes funds raised by way of direct assignment, securitisation)

(ii) Figures are taken on the basis of cash flows/principal maturity value, excluding accrued interest, if any.

**Not Applicable – In accordance with Chapter XII of the Master Circular issued by SEBI for issue and listing of Non-Convertible Securities, Securitized Debt Instruments, Security Receipts, Municipal Debt Securities and Commercial Paper dated May 22, 2024

Notes to Financial Statements for the year ended March 31, 2025

Note 52 :Fair value measurement - Financial assets and liabilities

This section gives an overview of the significance of financial instruments for the Company and provides additional information on the balance sheet.

Financial assets and liabilities

The carrying value of financial instruments by categories and valuation hierarchy as at March 31, 2025 is as follows:

(₹ in Lakhs)

Particulars	Carrying amount As at March 31, 2025	Fair value Level 1	Level 2	Level 3
Financial assets at amortised costs:				
Cash and cash equivalents	50,749.55	50,749.55	-	-
Bank balance other than above	27,184.57	27,184.57	-	-
Receivables	1,486.56	-	-	1,486.56
Loans *	13,36,062.48	-	-	13,24,956.80
Investment in treasury bill	11,973.10	-	11,973.10	-
Investment in Government Securities	8,548.63	-	8,548.63	-
Investment in state development loan	8,173.90	-	8,173.90	-
Investment in Shares	2,500.00	-	2,500.00	-
Investment in Bonds	2,498.44		2,498.44	-
Investments in pass through certificate	9,170.84	-	9,170.84	-
Other financial assets	40,175.09	-		40,175.09
Financial assets measured at fair value on a recurring basis				
Investments in security receipts**	273.11	-	273.11	-
Total	**14,98,796.27**	**77,934.12**	**43138.01**	**13,66,618.45**
Financial liabilities at amortised costs:				
Trade payables	5,299.12	-	-	5,299.12
Debt securities***	1,66,035.31	-	1,58,986.24	-
Borrowings	9,60,385.21	-	9,60,385.21	-
Subordinate Debts****	15,017.41	-	14,223.02	-
Lease liabilities	9,916.51	-	-	9,916.51
Other financial liabilities	13,677.44	-	-	13,677.44
Financial assets measured at fair value on a recurring basis				
Derivative financial instrument	1,833.98	1,833.98	-	-
Total	**11,72,164.98**	**1,833.98**	**11,33,594.46**	**28,893.07**
Off balance sheet items				
Other commitments	1,21,958.19	-	-	1,21,958.19
Total off-balance sheet items	**1,21,958.19**	**-**	**-**	**1,21,958.19**

*Fixed rate loans & advances having carrying value of ₹ 5,35,131.06 Lakhs (Fair Value ₹ 5,24,025.39 Lakh) on March 31, 2025 have been included above.

**The instruments included in level 2 of fair value hierarchy have been measured based on their net asset value (NAV) as published in their year end statement

***Fixed rate debt securities having carrying value of ₹ 1,63,843.16 Lakhs (Fair Value ₹ 1,58,986.24 Lakhs) on March 31, 2025 have been included above.

****Fixed rate Subordinate debts having carrying value of ₹ 15,017.41 Lakhs (Fair Value ₹ 14,223.02 Lakhs) on March 31, 2025 have been included above.

(₹ in Lakhs)

Particulars	As at March 31, 2025		As at March 31, 2024	
	Fixed	Floating	Fixed	Floating
Loans & advances	5,35,131.06	8,00,931.42	5,59,060.67	5,17,559.08
Debt securities	1,63,843.16	2,192.15	1,13,934.76	36,272.27
Subordinate Debts	15,017.41	-	14,922.62	-

Notes to Financial Statements for the year ended March 31, 2025

Note 52 :Fair value measurement - Financial assets and liabilities (Contd..)

The carrying value of financial instruments by categories and valuation hierarchy as at March 31, 2024 is as follows:

(₹ in Lakhs)

Particulars	Carrying amount As at March 31, 2024	Fair value		
		Level 1	Level 2	Level 3
Financial assets at amortised costs:				
Cash and cash equivalents	16,899.24	16,899.24	-	-
Bank balance other than above	19,117.05	19,117.05	-	-
Receivables	807.58	-	-	807.58
Loans *	10,76,619.73	-	-	10,74,100.52
Investment in Government Securities	10,751.98	-	10,751.98	-
Investment in state development loan	4,793.31	-	4,793.31	-
Investments in pass through certificate	4,114.69	-	4,114.69	-
Other financial assets	30,487.72	-		30,487.72
Financial assets measured at fair value on a recurring basis				
Investments in mutual funds	-	-	-	-
Investments in security receipts**	273.42	-	273.42	-
Total	**11,63,864.71**	**36,016.29**	**19,933.40**	**11,05,395.82**
Financial liabilities at amortised costs:				
Trade payables	3,412.93	-	-	3,412.93
Debt securities***	1,50,207.03	-	1,12,862.82	-
Borrowings	8,00,364.25	-	8,00,364.25	-
Subordinate Debts****	14,922.63	-	14,596.40	-
Lease liabilities	7,227.64	-	-	7,227.64
Other financial liabilities	10,996.71	-	-	10,996.71
Financial assets measured at fair value on a recurring basis				
Derivative financial instrument	400.05	400.05	-	-
Total	**9,87,531.24**	**400.05**	**9,27,823.47**	**21,637.28**
Other commitments	73,318.17	-	-	73,318.17
Total off-balance sheet items	**73,318.17**	**-**	**-**	**73,318.17**

*Fixed rate loans & advances having carrying value of ₹ 5,59,460.67 Lakh (Fair Value ₹ 5,51,752.61 Lakh) on March 31, 2024 have been included above.

**The instruments included in level 2 of fair value hierarchy have been measured based on their net asset value (NAV) as published in their year end statement

***Fixed rate debt securities having carrying value of ₹ 82,890.40 Lakh (Fair Value ₹ 81,818.45 Lakh) on March 31, 2024 have been included above.

****Fixed rate Subordinate debts having carrying value of ₹ 14,922.63 Lakh (Fair Value ₹ 14,596.40 Lakh) on March 31, 2024 have been included above.

Fair Value Measurement - Assets held for sale

Assets held for sale are measured at fair value through profit and loss. At the time of initial classification as assets held for sale, these assets were measured at the lower of carrying amount and fair value less cost to sell. The fair value of the assets is determined by an independent valuer. These assets are carried at the fair value as per the terms of approved valuation policy.

The non-recurring fair value measurement for the assets held for sale has been categorized as a Level 2 fair value based on the inputs to the valuation techniques used. Refer note on Assets held on sale for details, Note no 16

(₹ in Lakhs)

Particulars	Fair Value Hierarchy - Level 2	
	As at March 31, 2025	As at March 31, 2024
Assets held for sale	4,795.51	7,037.43
Total	**4,795.51**	**7,037.43**

Notes to Financial Statements for the year ended March 31, 2025

Note 53: Material accounting policies

The Material accounting policies adopted in the preparation and presentation of these financial statements for the year ended March 31, 2025 are the same as those adopted in the preparation and presentation of the preceding annual financial statements **(Note 3)**

Note 54: Risk Management

The Company is registered with the National Housing Bank (NHB), and is in the business of lending to individuals and non individual clients whether on secured or unsecured basis. The Company faces various risks in its gamut of operations. The Company has out in place a Risk Management Policy to ensure that the risks that the Company faces are identified and dealt / controlled in a manner that the Company can continue its operations in a profitable and sustainable manner.

Risk-taking is an inherent element of business and, indeed, profits are in part the reward for successful risk taking in business. On the other hand, excessive and poorly managed risk can lead to losses and thus endanger the safety of the Company. Accordingly, the Company places significant emphasis on the adequacy of management of risk. This document is set to outline the approach towards risk and the process of oversight and management of the risks.

The Risk Management policy has laid down the various guidelines for risk identification, measurement, monitoring and control at each risk level.

The Board would have the ultimate responsibility in relation to the oversight of the risk management process. The Board of the Company also draws support from the Audit & Risk management committee (ARMC) of the Board which provides oversight over the risk management process. The ARMC has put in place a risk management policy which is implemented in the Company.

Senior management would be responsible for implementing strategies in a manner that limits risks associated with each strategy and that ensures compliance with laws and regulations, risk policies and control limits, on both a long-term and day-to-day basis. Accordingly, management would be fully involved in the activities and possess sufficient knowledge of all major products to ensure that appropriate policies, controls, and risk monitoring systems are in place and that accountability and lines of authority are clearly delineated. Senior management would also responsible for establishing effective internal controls and high ethical standards.

The Company has ensured that adequate policies and procedures are in place for each of the key risks, further a detailed MIS and monitoring mechanism is in place. Further the Company has also put in place internal control mechanisms to review monitor and control risks.

Some of the key risks faced by the Company include –

Credit Risk –

Credit risk is the risk that the Company will incur a loss because its customers or counterparties fail to discharge their contractual obligations. The Company manages and controls credit risk by setting limits on the amount of risk it is willing to accept for individual counterparties and for geographical and industry concentrations, and by monitoring exposures in relation to such limits.

Credit risk is monitored by the credit risk department of the Company's independent Risk Controlling Unit. It is their responsibility to review and manage credit risk, including environmental and social risk for all types of counterparties. Credit risk consists of line credit risk managers who are responsible for their business lines and manage specific portfolios and experts who support both the line credit risk manager, as well as the business with tools like credit risk systems, policies, models and reporting. The Company has established a credit quality review process to provide early identification of possible changes in the creditworthiness of the Customer.

A detailed credit policy has been designed by the Company for each product type and customer segment.

Credit risk on loans and advances –

Credit risk is controlled by analysing the credit limits and credit worthiness of the customer on a continuous basis to whom the credit has been granted after obtaining necessary approvals for credit. An impairment analysis is performed at each reporting date on a portfolio basis. The Company holds collateral as security against all the loans advanced. The Company obtains the possession of these collaterals in case of default by customer to meet its obligation. These assets are then sold in to recover the loan value.

Notes to Financial Statements for the year ended March 31, 2025

Note 54: Risk Management (Contd..)

The impairment of the credit risk on the loans is carried out through a detailed ECL model. The ECL model provides for the ECL on a 12 month ECL basis for standard to stage 1 assets whereas the same is calculated based on a lifetime ECL for stage 2 & 3 level assets. The ECL is calculated based on as below:

Probability of default (PD) X Exposure at Default (EAD) X (Loss given default (LGD) X discount rate).

Company calculates the PD by taking into account the past historical trends of the portfolio and its credit performance based on a homogenous characteristic of the underlying portfolio. This is calculated based on a 12 month PD perspective. In case of impaired assets where lifetime PD is to be applied, the PD is extrapolated to take into account the probability of default over the lifetime of the asset.

The exposure at default (EAD) represents the gross carrying amount of the financial instruments subject to the impairment calculation, addressing both the client's ability to increase its exposure while approaching default and potential early repayments too.

The credit risk assessment is based on a standardised LGD assessment framework that results in a certain LGD rate. These LGD rates take into account the expected EAD in comparison to the amount expected to be recovered or realised from any collateral held.

The Company segments its retail lending products into smaller homogeneous portfolios, based on key characteristics that are relevant to the estimation of future cash flows. The applied data is based on historically collected loss data and involves a wider set of transaction characteristics (e.g., product type, wider range of collateral types) as well as borrower characteristics.

The Company continuously monitors all assets subject to ECLs in order to determine whether an instrument or a portfolio of instruments is subject to 12 month ECL or LTECL, the Company assesses whether there has been an event which could cause a significantly impair the underlying asset or the customers ability to pay and accordingly increase the 12 month ECL to a LTECL.

The Company uses macro-economic factors relevant to the market it operates in while estimating the expected credit loss. On a periodic basis, the Company analyses if there is any relationship between key economic trends like GDP, unemployment rates, benchmark rates set by the Reserve Bank of India, inflation etc. with the estimate of PD, LGD determined by the Company based on its internal data.

The Company's internal credit rating grades on days past due (dpd) basis:

Internal rating grade	Internal rating description
High grade	0 dpd
Standard grade	1 to 30 dpd
Sub-standard grade	31 to 60 dpd
Past due but not impaired	61 to 89 dpd
Non-performing	90+ dpd

Credit risk on investment –

The Company carries out investments in Pass Through Certificates (PTC) & Commercial Papers. The Company recognises the credit risk in the PTC & Commercial Papers by estimating the probability of default (PD). The investment is classified as a Stage 1 in case there is no change in the credit rating or a change of one notch in the credit rating. 12 month PD rates are applied for Stage 1 investments. Further in case there is a higher notch down in credit rating, the investment is taken as at Stage 2 and life time PD is applied. Any investment which is non performing or in default or restructured is taken to be as at Stage 3.

PD is estimated based on various external information including information available through the CRISIL default study reports among others. The exposure at default (EAD) is the carrying value of the investment as at the reporting date. The loss given default (LGD) is calculated as per the RBI FIRB report which stipulates the LGD rates for secured or unsecured investments.

The Company continues to evaluate other external information and data on the Company and the underlying assets to evaluate any changes to the ECL methodology applied.

Notes to Financial Statements for the year ended March 31, 2025

Note 54: Risk Management (Contd..)

Internal rating grade on Investment

Internal rating grade	Basis
High grade	Government Securities, A+ and above rating Investments.
Standard grade	A rating

Credit risk on other financial assets –

Credit risk from balances with banks and financial institutions is managed by the Company's treasury department in accordance with the Company's policy. Investment of surplus funds are made only with approved counterparties and within credit limits assigned to each counterparty.

Liquidity risk –

The Company monitors its risk of a shortage of funds by estimating the future cash flows. The Company's objective is to maintain a balance between continuity of funding and flexibility through the use of bank overdrafts, cash credit facilities and bank loans. The Company also enters into securitization deals (direct assignment as well as pass through certificates) of their loan portfolio, the funding from which can be accessed to meet liquidity needs. The treasury department reporting into the CFO monitors the cash flows on a regular basis. The treasury department reviews the cash flows, business growth expected and works toward ensuring that adequate liquidity is available.

Interest rate risk –

Interest rate risk is the risk that the future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The sensitivity analysis below have been determined based on carrying amount of the financial instruments having floating rates at the end of the reporting period. Also, the increase/decrease in interest rates has been considered to take place at the beginning of the financial year and to remain constant throughout the reporting period.

We are subject to interest rate risk, principally because we lend to clients at fixed interest rates also and for periods that may differ from our funding sources, while our borrowings are at both fixed and variable interest rates for different periods. We assess and manage our interest rate risk by managing our assets and liabilities. Our Asset Liability Management Committee evaluates asset liability management, and ensures that all significant mismatches, if any, are being managed appropriately.

As at March 31, 2025

(₹ in Lakhs)

Particulars	Carrying amount	1% increase in interest rate	1% decrease in interest rate
Debt instrument	2,192.15	(21.92)	21.92
Term Loans - Bank	3,90,721.04	(3,907.21)	3,907.21
Term Loans - National Housing Bank	90,390.34	(903.90)	903.90
Term Loans - Financial institution	10,546.60	(105.47)	105.47
Term Loans - Securitisation	1,62,910.36	(1,629.10)	1,629.10
Loans & advances	8,00,931.42	8,009.31	(8,009.31)
Total		**1,441.71**	**(1,441.72)**

As at March 31, 2024

(₹ in Lakhs)

Particulars	Carrying amount	1% increase in interest rate	1% decrease in interest rate
Debt instrument	36,272.27	(362.72)	362.72
Term Loans - Bank	5,63,608.33	(5,636.08)	5,636.08
Term Loans - National Housing Bank	1,35,709.67	(1,357.10)	1,357.10
Term Loans - Financial institution	13,532.24	(135.32)	135.32
Loans & advances	5,17,559.08	5,175.59	(5,175.59)
Total		**(2,315.63)**	**2,315.63**

Notes to Financial Statements for the year ended March 31, 2025

Note 54: Risk Management (Contd..)

Fair value sensitivity analysis for fixed rate instruments

The Company's fixed rate instruments are carried at amortised cost and are not measured for interest rate risk, as neither the carrying amount nor the future cash flows will fluctuate because of changes in market interest rates.

Currency Risk

The Company is exposed to currency risk on account of its borrowings in foreign currency. The functional currency of the Company is Indian Rupee. The Company uses forward exchange contracts to hedge its currency risk, most with a maturity of less than three year from the reporting date.

The Company does not use derivative financial instruments for trading or speculative purposes.

Following are the forward contracts to hedge the foreign exchange rate as March 31, 2025 and March 31, 2024

(₹ in Lakhs)

Particulars	Purpose	Currency	Cross currency	March 31, 2025	March 31, 2024
Forward contract (principal)	Term loan	USD	₹	46,408.15	44,897.84
Forward contract (interest)	Term loan	USD	₹	47.24	1,615.65

Note 55 : During the year, the company issued and allotted 9,60,63,363 equity shares through preferential allotment of Rs. 10 each (March 31, 2024: Nil)

Note 56 : Value of Imports on CIF basis- NIL (March 31, 2024: Nil)

Note 57: Foreign exchange earnings - NIL (March 31, 2024: Nil) and out go - ₹ 7,222.86 Lakhs (March 31, 2024 ₹ 3,585.67 Lakhs).

Note 58: Details of Single Borrower Limit (SGL) / Group Borrower Limit (GBL) exceeded by Truhome Finance Limited

The company has not lent to any Single Borrower exceeding 15% (March 31, 2024: Nil) of its owned funds.

The company has not lent to any Single group of Borrowers exceeding 25% (March 31, 2024: Nil) of its owned funds.

Note 59: The company has made unsecured advances and no such advances have been made against intangible securities. (refer note 7)

Note 60: Registration obtained from other financial sector regulators

The Company was incorporated under the Companies Act, 1956 on 9th November, 2010 and is governed by Companies Act, 2013. It is regulated by NHB and registered under section 29A of the NHB Act, 1987.

The company obtained registrations from other financial sector regulators as listed below:

Regulator	Registration Number
Securities and Exchange Board of India (SEBI)	10788
Legal Entity Identifier (LEI)	335800ZKQETKBOF4YT05
IRDAI	CA0944

Notes to Financial Statements for the year ended March 31, 2025

Note 61: No penalties have been imposed by NHB/RBI and other regulators during the current and previous year.

Note 62: There are no such circumstances in which revenue recognition has been postponed pending the resolution of significant uncertainties

Note 63: There has been no case of draw down of any specific reserves. Please refer "Note 28 - Other Equity

Note 64: During the year the Company has not financed product of the parent company

Note 65 : IND AS 110 - There are no subsidiaries of the company, hence the Consolidated financial Statement is not applicable to a company.

Note 66(a): Forward rate agreement (FRA) / Interest rate swap (IRS)

(₹ in Lakhs)

Sr. No.	Particulars	As at March 31, 2025	As at March 31, 2024
(i)	The notional principal of swap agreements	42,737.50	41,695.00
(ii)	Losses which would be incurred if counterparties failed to fulfil their obligations under the agreements	442.82	127.31
(iii)	Collateral required by the SHFL upon entering into swaps	-	-
(iv)	Concentration of credit risk arising from the swaps	-	-
(v)	The fair value of the swap book	442.82	127.31

(b) Exchange traded interest rate (IR) derivative

(₹ in Lakhs)

Sr. No.	Particulars	As at March 31, 2025	As at March 31, 2024
(i)	Notional principal amount of exchange traded IR derivatives undertaken during the year (instrument wise)	NA	NA
(ii)	Notional principal amount of exchange traded IR derivatives outstanding as on March 31, 2024 (instrument-wise)		
(iii)	Notional principal amount of exchange traded IR derivatives outstanding and not "highly effective" (instrument-wise)		
(iv)	Mark-to-market value of exchange traded IR derivatives outstanding and not "highly effective" (instrument-wise)		

(c) Disclosures on Risk exposure in derivatives

A. Qualitative Disclosure - NA

B. Quantitative Disclosure

(₹ in Lakhs)

Sr. No.	Particulars	As at March 31, 2025		As at March 31, 2024	
		Currency derivatives	Interest rate derivatives	Currency derivatives	Interest rate derivatives
(i)	Derivatives (notional principal amount)	46,455.39	42,737.50	44,897.84	41,695.00
(ii)	Marked to market positions [1] (a) Assets (+) (b) Liability (-)	(2,276.81)	442.82	(527.36)	127.31
(iii)	Credit exposure [2]	46,455.39	42,737.50	44,897.84	41,695.00
(iv)	Unhedged exposures	-	-	-	

Notes to Financial Statements for the year ended March 31, 2025

Note 67: Exposure to capital market

(₹ in Lakhs)

Sr. No.	Particulars	As at March 31, 2025	As at March 31, 2024
(i)	Direct investment in equity shares, convertible bonds, convertible debentures and units of equity oriented mutual funds the corpus of which is not exclusively invested in corporate debt.	-	
(ii)	Advances against shares / bonds / debentures or other securities or on clean basis to individuals for investment in shares (including IPOs /ESOPs), convertible bonds, convertible debentures, and units of equity-oriented mutual funds.	-	1,092.53
(iii)	Advances for any other purposes where shares or convertible bonds or convertible debentures or units of equity oriented mutual funds are taken as primary security.	-	-
(iv)	Advances for any other purposes to the extent secured by the collateral security of shares or convertible bonds or convertible debentures or units of equity oriented mutual funds i.e. where the primary security other than shares / convertible bonds / convertible debentures / units of equity oriented mutual funds' does not fully cover the advances.	-	-
(v)	Secured and unsecured advances to stockbrokers and guarantees issued on behalf of stockbrokers and market makers.	-	-
(vi)	Loans sanctioned to corporates against the security of shares/ bonds / debentures or other securities or on clean basis for meeting promoter's contribution to the equity of new companies in anticipation of raising resources.	-	-
(vii)	Bridge loans to companies against expected equity flows / issues.	-	-
(viii)	All exposures to Venture Capital Funds (both registered and unregistered)	-	-
	Total exposure to capital market	**-**	**1,092.53**

Note 68: Overseas assets

(₹ in Lakhs)

Sr. No.	Particulars	As at March 31, 2025	As at March 31, 2024
	NA	NA	NA

Off-balance sheet SPVs sponsored

(₹ in Lakhs)

Sr. No.	Name of SPV sponsored	As at March 31, 2025	As at March 31, 2024
(i)	Domestic	NA	NA
(ii)	Overseas	NA	NA

Notes to Financial Statements for the year ended March 31, 2025

Note 69: Based on the intimation received by the Company, some of the suppliers have confirmed to be registered under "The Micro, Small and Medium Enterprises Development ('MSMED') Act, 2006". Accordingly, the disclosures relating to amounts unpaid as at the year ended together with interest paid /payable are furnished below:

(₹ in Lakhs)

Sr. No.	Particulars	As at March 31, 2025	As at March 31, 2024
(i)	The principal amount remaining unpaid to supplier as at the end of the year	-	-
(ii)	The interest due thereon remaining unpaid to supplier as at the end of the year	-	-
(iii)	The amount of interest paid in terms of Section 16, along with the amount of payment made to the supplier beyond the appointed day during the year	-	-
(iv)	The amount of interest due and payable for the year of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under this Act	-	-
(v)	The amount of interest accrued during the year and remaining unpaid at the end of the year	-	-
(vi)	The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under section 23 of the Micro, Small and Medium Enterprise Development Act, 2006	-	-

Note 70: Exposure to group companies engaged in real estate business

(₹ in Lakhs)

Sr. No.	Description	As at March 31, 2025		As at March 31, 2024	
		Amount (₹ Lakhs)	% of owned fund	Amount (₹ Lakhs)	% of owned fund
(i)	Exposure to any single entity in a group engaged in real estate business	Nil	Nil	Nil	Nil
(ii)	Exposure to all entities in a group engaged in real estate business	Nil	Nil	Nil	Nil

Note 71: Remuneration of directors - Pecuniary relationship of non executive directors

Remuneration paid to directors is reflected in Note 49 "Related Party Transaction". There is no pecuniary relationship or transactions of the non-executive directors with the company or its directors, senior management or group companies.

Note 72: Prior period items and changes in accounting policies

(₹ in Lakhs)

Sr. No.	Particulars	As at March 31, 2025	As at March 31, 2024
(i)	Prior period items	NA	NA
(ii)	Changes in accounting policies	No change in accounting policy	No change in accounting policy

Note 73: Events after reporting date

There have been no events after the reporting date that require disclosure in these financial statements (March 31, 2024: Nil)

Notes to Financial Statements for the year ended March 31, 2025

Note 74: Disclosure relating to Code on Social Security, 2020

The Code on Social Security, 2020 (the Code) has been enacted, which would impact contribution by the Company towards applicable social security schemes. The Ministry of Labour and Employment has also released draft rules thereunder on November 13, 2020 and has invited suggestions from stakeholders which are under active consideration by the Ministry. The actual impact on account of this change will be evaluated and accounted for when notification becomes effective.

Note 75: Details of principal business criteria is as follows

(₹ in Lakhs)

Sr. No.	Particulars	As at March 31, 2025	As at March 31, 2024
1	% of total asset towards housing finance	61.53%	62.07%
2	% of total asset towards housing finance for individuals	58.24%	58.70%

Note 76: Capital Management

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

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

(₹ in Lakhs)

Regulatory capital	As at March 31, 2025	As at March 31, 2024
Common Equity Tier1 (CET1) capital	2,93,624.69	1,13,718.15
Other Tier 2 capital instruments	19,577.45	58,565.14
Total capital	**3,13,202.13**	**1,72,283.29**
Risk weighted assets	**8,55,142.93**	**7,01,994.17**
Tier I CRAR (%)	34.34	16.20
Tier II CRAR (%)	2.29	8.34
Total capital ratio (%)	36.63	24.54

Regulatory capital consists of CET 1 capital, which comprises share capital, share premium, retained earnings including current year profit. Certain adjustments are made to Ind AS–based results and reserves, as prescribed by the National Housing Bank. The other component of regulatory capital is other Tier 2 Capital , which includes ECL on stage 1 loan assets, subordinate debts & Instruments entirely equity in nature (Compulsorily Convertible Debentures).

Notes to Financial Statements for the year ended March 31, 2025

Note 77(a):.Transfer to reserve fund:

As per Section 29C of the National Housing Bank Act, 1987, the Company is required to transfer at least 20% of net profits every year to Reserve Fund. The Company has transferred an amount of ₹ 5,727.68 Lakhs (March 31, 2024: ₹ 4,350.87 Lakhs).

(₹ in Lakhs)

Particulars	As at March 31, 2025	As at March 31, 2024
Balance at the beginning of the year		
a) Statutory Reserve u/s 29C of the National Housing Bank Act, 1987	7,866.28	4,754.56
b) Amount of special reserve u/s 36(1)(viii) of Income Tax Act, 1961 taken into account for the purposes of Statutory Reserve under section 29C of the NHB Act 1987.	5,859.81	4,620.66
c) Total	**13,726.09**	**9,375.22**
Addition / Appropriation / Withdrawal during the year		
Add: a) Amount transferred uls 29C of the NHB Act, 1987	2,827.09	3,111.72
b) Amount of special reserve u/s 36(1)(viii) of Income Tax Act, 1961 taken into account for the purposes of Statutory Reserve under section 29C of the NHB Act 1987.	2,900.59	1,239.15
Less: a) Amount appropriated from the Statutory Reserve u/s 29C of the NHB Act, 1987	-	-
b) Amount withdrawn from the Special Reserve ul s 36(1)(viii) of Income Tax Act, 1961 which has been taken into account for the purpose of provision u/s 29C of the NHB Act, 1987	-	-
Balance at the end of the year		
a) Statutory reserve u/s 29C of the National Housing Bank Act, 1987	10,693.37	7,866.28
b) Amount of special reserve u/s 36(1)(viii) of Income tax act, 1961 taken into account for the purposes of statutory reserve under Section 29C of the NHB Act, 1987	8,760.40	5,859.81
c) Total	**19,453.77**	**13,726.09**

Note 77(b): Capital to risk ratio (CRAR)

(₹ in Lakhs)

Items	As at March 31, 2025	As at March 31, 2024
1. CRAR(%)	36.63	24.54
2. CRAR(%)Tier I capital	34.34	16.20
3. CRAR(%)Tier II capital	2.29	8.34
4. Amount of subordinated debt raised as Tier- II Capital (₹ in Lakhs)	-	7,500.00
5. Amount raised by issue of perpetual debt instruments	-	-

Please also refer Note 76

Note 77(c): Exposure to real estate sector

(₹ in Lakhs)

Particulars	As at March 31, 2025	As at March 31, 2024
A) Direct exposure		
(i) Residential Mortgages –		
Lending fully secured by mortgages on residential property that is or will be occupied by the borrower or that is rented.	12,44,784.79	9,99,065.88
(ii) Commercial Real Estate –		
Lending secured by mortgages on commercial real estates (office buildings, retail space, multi-purpose commercial premises, multi-family residential buildings, multi-tenanted commercial premises, industrial or warehouse space, hotels, land acquisition, development and construction, etc.). Exposure shall also include non-fund based limits	99,602.44	76,979.87

Notes to Financial Statements for the year ended March 31, 2025

Note 77(c): Exposure to real estate sector (Contd..)

(₹ in Lakhs)

Particulars	As at March 31, 2025	As at March 31, 2024
(iii) Investments in Mortgage Backed Securities (MBS) and other securitized exposures		
- Residential		
- Commercial Real Estate		
B) Indirect exposure		
Fund based and non-fund based exposures on National Housing Bank (NHB) and Housing Finance Companies (HFCs)	1,422.47	3,263.67
Total Exposure to Real Estate Sector	**13,45,809.71**	**10,79,309.42**

Note 78: Provisions & Contingencies

(₹ in Lakhs)

Break up of 'Provisions and contingencies' shown under the head expenditure in Profit and Loss Account	As at March 31, 2025	As at March 31, 2024
1. Provisions for depreciation on investment**	(0.30)	(0.19)
2. Provision made towards Income tax	8,414.54	7,288.41
3. Provision towards NPA*	2,715.96	942.16
4. Provision for standard assets*(with details like teaser loan, CRE , CRE RH etc.)		
(i) Teaser loans	-	-
(ii) CRE	(756.80)	(14.21)
(iii) CRE - RH	(40.51)	726.69
(iv) Other loans	1,960.32	307.21
5. Provision for Macro Factor	909.24	400.00
6. Provision for interest receivables on assignment	54.04	85.40
7. Provision for Asset Held for Sale	(117.77)	280.00
8. Other provision and contingencies		
Provision for gratuity	453.15	248.34
Provision for leave benefits	(134.21)	114.80
Provision for Lease	-	2.53

* Amount shown is as per expected credit loss(ECL) of loans & non funded exposure as per Ind AS

** Amount shown is as per expected credit loss(ECL) of investment & ECL on interest on investment as per Ind AS

(₹ in Lakhs)

Break up of loan & advances and provisions thereon	Housing		Non-Housing	
	As at Mar 31, 2025	As at Mar 31, 2024	As at Mar 31, 2025	As at Mar 31, 2024
Standard Assets				
a) Total Outstanding Amount	8,93,052.59	7,05,159.82	4,34,809.24	3,67,904.50
b) Provisions made*	3,481.84	3,074.98	2,144.61	1,578.16
Sub-Standard Assets				
a) Total Outstanding Amount	12,206.62	6,007.81	6,535.90	3,304.88
b) Provisions made*	3,187.09	1,326.25	1,571.63	737.63
Doubtful Assets – Category-I				
a) Total Outstanding Amount	957.88	547.38	419.36	400.45
b) Provisions made*	280.31	128.05	115.80	105.46
Doubtful Assets – Category-II				
a) Total Outstanding Amount	144.63	305.07	118.06	497.70
b) Provisions made*	60.36	94.29	30.92	123.49

Notes to Financial Statements for the year ended March 31, 2025

Note 78: Provisions & Contingencies (Contd..)

(₹ in Lakhs)

Break up of loan & advances and provisions thereon	Housing		Non-Housing	
	As at Mar 31, 2025	As at Mar 31, 2024	As at Mar 31, 2025	As at Mar 31, 2024
Doubtful Assets – Category-III				
a) Total Outstanding Amount	-	25.30	-	50.13
b) Provisions made*	-	5.37	-	9.62
Loss Assets				
a) Total Outstanding Amount	-	-	-	-
b) Provisions made*	-	-	-	-
TOTAL				
a) Total Outstanding Amount	**9,06,361.73**	**7,12,045.39**	**4,41,882.56**	**3,72,157.66**
b) Provisions made*	**7,009.59**	**4,628.93**	**3,862.96**	**2,554.36**

*Amount shown under "provisions made" is expected credit loss(ECL) on loans as per IND AS

During the financial year, apart from above, additional ECL of ₹ 1,309.24 Lakhs (March 31, 2024 : ₹ 400 Lakhs) provided on account of macro economic factor.

Note 79: Investments

(₹ in Lakhs)

Particulars	As at March 31, 2025	As at March 31, 2024
Value of Investments		
(i) Gross value of investments		
(a) In India	43,138.26	19,933.94
(b) Outside India	-	-
(ii) Provisions for impairment *		
(a) In India	(0.24)	(0.54)
(b) Outside India	-	-
(iii) Net value of investments		
(a) In India	43,138.02	19,933.40
(b) Outside India	-	-
Movement of provisions held towards		
impairment on investments*		
(i) Opening balance	0.54	0.74
(ii) Add: Provisions made during the year*	5.36	13.93
(iii) Less: Write-off / Written-back of excess provisions during the year*	(5.66)	(14.12)
(iv) Closing balance	0.24	**0.54**

*Amount shown is as per expected credit loss(ECL) on investment in PTC & Commercial papers as per Ind AS

Notes to Financial Statements for the year ended March 31, 2025

Note 80(a) : Asset Liability Management:

Maturity pattern of certain items of Assets and Liabilities for the year ended March 31, 2025

(₹ in Lakhs)

Period	Liabilities		Assets	
	Borrowings from banks*	Market borrowings	Advances	Investment
1 day to 7 days	975.39	-	6,611.18	(0.00)
8 days to 14 days	999.29	-	6,611.18	8,526.33
15 days to 30 days	8,203.73	212.07	13,222.35	5,958.79
Over one month to 2 months	7,923.09	1,053.11	25,915.81	6.36
Over 2 months upto 3 months	17,646.80	(14.70)	25,397.50	19.92
Over 3 months to 6 months	43,297.17	1,202.80	73,185.22	2,054.11
Over 6 months to 1 year	81,698.00	33,285.09	1,33,711.92	2,686.81
Over 1 year to 3 years	4,50,401.68	66,463.79	3,98,658.72	9,175.43
Over 3 to 5 years	1,43,349.77	5,843.32	2,45,486.20	182.07
Over 5 to 7 years	61,152.47	16,648.63	1,64,992.68	5.02
Over 7 to 10 years	48,824.68	52,891.85	1,35,191.27	11,996.82
Over 10 Years	95,913.13	3,466.77	1,07,078.44	2,526.35
Total	**9,60,385.20**	**1,81,052.72**	**13,36,062.48**	**43,138.01**

Maturity pattern of certain items of Assets and Liabilities for the year ended March 31, 2024

(₹ in Lakhs)

Period	Liabilities		Assets	
	Borrowings from banks*	Market borrowings	Advances	Investment
1 day to 7 days	870.57	-	5,340.06	-
8 days to 14 days	5.68	-	5,340.06	-
15 days to 30 days	6,287.43	-	10,680.11	5.45
Over one month to 2 months	6,657.08	963.15	20,933.02	5.81
Over 2 months upto 3 months	20,139.84	60.00	20,514.36	2,622.60
Over 3 months to 6 months	46,404.70	30,753.46	59,114.01	1,622.46
Over 6 months to 1 year	85,421.15	40,082.42	1,08,003.33	1,788.75
Over 1 year to 3 years	3,62,646.27	14,340.65	3,22,009.20	6,714.05
Over 3 to 5 years	1,44,349.06	-	1,98,286.94	148.38
Over 5 to 7 years	50,083.40	15,644.88	1,30,709.75	293.55
Over 7 to 10 years	28,248.66	59,831.60	1,09,198.25	3,017.67
Over 10 Years	49,250.41	3,453.50	86,490.64	3,714.68
Total	**8,00,364.25**	**1,65,129.66**	**10,76,619.73**	**19,933.40**

*includes Borrowing from Financial institution and borrowing from outside India

Classification of assets & liabilities under maturity bucket is based on management's estimates & assumptions. The same is also approved by the ALM committee of the Company

Note 80(b): Details of non- performing financial assets sold :

(₹ in Lakhs)

Particulars	As at March 31, 2025	As at March 31, 2024
1. No. of accounts sold	153.00	-
2. Aggregate outstanding (₹ in Lakhs)	2,078.30	-
3. Aggregate consideration received (₹ in Lakhs)	925.00	-

Notes to Financial Statements for the year ended March 31, 2025

Note 81: Concentration of public deposits, advances, exposures and NPAs

(i) Concentration of public deposits (for public deposit taking/holding HFCs)

(₹ in Lakhs)

Particulars	As at March 31, 2025	As at March 31, 2024
Total deposits of twenty largest depositors Percentage of deposits of twenty largest depositors to total deposits of the HFC	N.A.	N.A.

(ii) Concentration of Loans & Advances

(₹ in Lakhs)

Particulars	As at March 31, 2025	As at March 31, 2024
Total loans & advances to twenty largest borrowers	29,965.64	27,205.63
Percentage of loans & advances to twenty largest borrowers to Total Advances of the HFC	2.22%	2.51%

(iii) Concentration of all exposure (including off-balance sheet exposure)

(₹ in Lakhs)

Particulars	As at March 31, 2025	As at March 31, 2024
Total exposure to twenty largest borrowers	33,218.08	35,586.57
Percentage of exposures to twenty largest borrowers to total exposure of the HFC on borrowers	2.26%	3.07%

(iv) Concentration of NPAs

(₹ in Lakhs)

Particulars	As at March 31, 2025	As at March 31, 2024
Total exposure to top ten NPA accounts	1,131.99	1,510.70

(v) Sector-wise NPAs

(₹ in Lakhs)

Sl. No.	Sector	Percentage of NPAs to Total Advances in that sector	
		F.Y. 2024-25	F.Y. 2023-24
A.	**Housing Loans:**		
1	Individuals	1.45%	0.97%
2	Builders/project loan	-	-
3	Corporates	0.02%	0.00%
4	Others (specify)	-	-
B.	**Non-Housing Loans:**		
1	Individuals	1.43%	0.99%
2	Builders/project loan	-	-
3	Corporates	0.17%	0.15%
4	Others (specify)	-	-

Notes to Financial Statements for the year ended March 31, 2025

Note 81: Concentration of public deposits, advances, exposures and NPAs (Contd..)

(vi) Movement of NPAs

(₹ in Lakhs)

Sl. No.	Particulars	As at March 31, 2025	As at March 31, 2024
(I)	Net NPAs to Net Advances (%)	1.03%	0.76%
(II)	Movement of NPAs (Gross)		
	a) Opening balance	11,138.71	6,243.16
	b) Additions during the year	18,525.91	9,229.01
	c) Reductions during the year	(9,282.16)	(4,333.46)
	d) Closing balance	**20,382.45**	**11,138.71**
(III)	Movement of Net NPAs		
	a) Opening balance	8,608.55	4,655.17
	b) Additions during the year	13,790.04	7,190.90
	c) Reductions during the year	(7,262.25)	(3,237.52)
	d) Closing balance	**15,136.34**	**8,608.55**
(IV)	Movement of provisions for NPAs (excluding provisions on standard assets)		
	a) Opening balance	2,530.16	1,587.99
	b) Provisions made during the year	4,735.87	2,038.11
	c) Write-off/write-back of excess provisions	(2,019.92)	(1,095.94)
	d) Closing balance	**5,246.11**	**2,530.16**

Note 82(a): Sectoral Exposure

(₹ in Lakhs)

Sectors	As at March 31, 2025			As at March 31, 2024		
	Total Exposure (includes on balance sheet and off-balance sheet exposure) (₹ in Lakhs)	Gross NPAs (₹ in Lakhs)	Percentage of Gross NPAs to total exposure in that sector	Total Exposure (includes on balance sheet and off-balance sheet exposure) (₹ in Lakhs)	Gross NPAs (₹ in Lakhs)	Percentage of Gross NPAs to total exposure in that sector
1. Agriculture and allied activities	-	-	-	-	-	-
2. Industry	-	-	-	-	-	-
3. Services	-	-	-	-	-	-
4. Personal Loans						
i. Housing Loan	9,88,354.81	13,309.14	1.35%	7,73,557.22	6,885.57	0.89%
ii. Non Housing loan	4,81,681.70	7,073.32	1.47%	3,83,964.01	4,253.16	1.11%
iii. Others	-	0	0	0	0	0
Total of Personal Loans	**14,70,036.50**	**20,382.45**	**1.39%**	**11,57,521.23**	**11,138.72**	**0.96%**
5. Others, if any	-	-	-	-	-	-

Note 82(b): Intra-group exposures

(₹ in Lakhs)

Particulars	As at March 31, 2025	As at March 31, 2024
Total amount of intra-group exposures	-	-
Total amount of top 20 intra-group exposures	-	-
Percentage of intra-group exposures to total exposure of the HFC on borrowers / customers	-	-

Notes to Financial Statements for the year ended March 31, 2025

Note 82(c): Unhedged foreign currency exposure

There were no unhedged foreign currency exposure during the year (March 31, 2024: Nil)

Note 83: Breach of covenant

During the year, no covenant has been breached. (For March 31, 2024, there were four instances where the company has breached 'Debt-Equity ratio' covenant in relation to NCD issued by the company. The said term was complied as on March 31, 2024. The breaches were disclosed to the respective lenders and the company has not faced any accelerations or penalties.)

Note 84: Divergence in Asset Classification and Provisioning

The National Housing Bank(NHB) assessment was completed for the year ended March 31, 2023 & there were no identified divergence.

Note 85(a): Disclosure of customer complaints

S. No	Particulars	As at March 31, 2025	As at March 31, 2024
1	Number of complaints pending at the beginning of the year	-	2
2	Number of complaints received during the year	1,165	220
3	Number of complaints disposed during the year	1,165	222
3.1	Of which, number of complaints rejected by the HFC	-	9
4	Number of complaints pending at the end of the year	-	-
	Maintainable complaints received by the HFC from Office of Ombudsman	-	-
5	Number of maintainable complaints received by the HFC from Office of Ombudsman	NA	NA
5.1	Of 5, number of complaints resolved in favour of the HFC by Office of Ombudsman	NA	NA
5.2	Of 5, number of complaints resolved through conciliation/mediation/advisories issued by Office of Ombudsman	NA	NA
5.3	Of 5, number of complaints resolved after passing of Awards by Office of Ombudsman against the HFC	NA	NA
6	Number of Awards unimplemented within the stipulated time (other than those appealed)	NA	NA

Maintainable complaints refer to complaints on the grounds specifically mentioned in Integrated Ombudsman Scheme, 2021 (Previously The Ombudsman Scheme for Non-Banking Financial Companies, 2018) and covered within the ambit of the Scheme.

Notes to Financial Statements for the year ended March 31, 2025

Note 85(b): Top 5 grounds of complaints received by the HFCs from customers

Grounds of complaints, (i.e. complaints relating to)	Number of complaints pending at the beginning of the year	Number of complaints received during the year	% increase/ decrease in the number of complaints received over the previous year	Number of complaints pending at the end of the year	Of 5, number of complaints pending beyond 30 days
1	2	3	4	5	6
As at March 31, 2025					
FCL Related	-	493	(867%)	-	-
Disbursement Related	-	99	(230%)	-	-
Refund Related	-	86	(100%)	-	-
Property Documents Release	-	59	(247%)	-	-
PMAY CLSS	-	53	(489%)	-	-
Others-Miscellaneous	-	375	(436%)	-	-
Total	**-**	**1,165**	**-**	**-**	**-**

Grounds of complaints, (i.e. complaints relating to)	Number of complaints pending at the beginning of the year	Number of complaints received during the year	% increase/ decrease in the number of complaints received over the previous year	Number of complaints pending at the end of the year	Of 5, number of complaints pending beyond 30 days
1	2	3	4	5	6
As at March 31, 2024					
FCL Related		51	(6%)	-	-
Refund Related		30	15%	-	-
Disbursement Related		43	87%	-	-
Restructuring Related		17	13%	-	-
PMAY CLSS		9	(31%)	-	-
Others-Miscellaneous	2	70	(21%)	-	-
Total	**2**	**220**	**76%**	**-**	**-**

Notes to Financial Statements for the year ended March 31, 2025

Note 86: Related Party Transactions

Related Party	Parent (as per ownership or control)		Promoter		Promoter group		Subsidiaries		Associates/ Joint Ventures		Key Management Personnel		Relatives of Key Management Personnel		Directors		Relatives of Directors		Others*		Total	
	March 31, 2025	March 31, 2024	March 31, 2025	March 31, 2024	March 31, 2025	March 31, 2024	March 31, 2025	March 31, 2024	March 31, 2025	March 31, 2024	March 31, 2025	March 31, 2024	March 31, 2025	March 31, 2024	March 31, 2025	March 31, 2024	March 31, 2025	March 31, 2024	March 31, 2025	March 31, 2024	March 31, 2025	March 31, 2024
Maximum outstanding during the year																						
Borrowings																						
Deposits																						
Placement of Deposits																						
Advances											2,479.55	1020.78									2,479.55	1,020.78
Investments																						
Balance outstanding at the year end																						
Borrowings																						
Deposits																						
Placement of Deposits																						
Advances											1838.92	729.55									1,838.92	729.55
Investments																						
Purchase of Fixed / Other Assets																						
Sale of Fixed / Other Assets																						
Interest Paid																						
Interest Received											124.10	18.75									124.10	18.75
Others*					918.11	1,429.57																

*Others include payments related to Royalty. Also refer note 49

Notes to Financial Statements for the year ended March 31, 2025

Note 87 : Rating assigned by credit rating agencies and migration of ratings during the year

Rating agency	Rating instrument	Rating assigned as on March 31, 2025	Rating assigned as on March 31, 2024
India Ratings and Research Pvt. Ltd	Non-Convertible Debentures (NCDs)	IND AA/Stable	IND AA+ / Stable
	Bank Loans	IND AA/Stable	IND AA+ / Stable
CARE Ratings Ltd.	Non-Convertible Debentures (NCDs)	CARE AA/Stable	CARE AA+ / Stable
	Commercial Papers (CP)	CARE A1+	CARE A1+
	Long Term Bank Facilities	CARE AA/Stable	CARE AA+/ Stable
	Subordinate Debt	CARE AA/Stable	CARE AA+/ Stable
ICRA Limited	Commercial Papers (CP)	ICRA A1+	ICRA A1+
CRISIL Ratings	Bank Loan Facilities	CRISIL AA/Stable	CRISIL AA+ / Stable
	Subordinate Debt	CRISIL AA/Stable	CRISIL AA+ / Stable
	Non-Convertible Debentures (NCDs)	CRISIL AA/Stable	CRISIL AA+ / Stable
	Principal Protected Market Linked Debentures	-	CRISIL PPMLD AA+ / Stable

Note 88: Disclosure of frauds reported

Instances of fraud for the year ended March 31, 2025:

(₹ in Lakhs)

Nature of fraud	No. of cases	Amount of fraud	Recovery	Amount written-off
Fraud committed by borrowers and outsiders	1.00	41.37	0.77	-

Instances of fraud for the year ended March 31, 2024:

(₹ in Lakhs)

Nature of fraud	No. of cases	Amount of fraud	Recovery	Amount written-off
Fraud committed by borrowers and outsiders	-	-	-	-

Notes to Financial Statements for the year ended March 31, 2025

Note 89(a): Disclosure relating assignment

(i) The information on direct assignment of the Company as an originator in respect of outstanding amount of assets assigned under par structure is given below

(₹ in Lakhs)

S. No.	Particulars	As at March 31, 2025	As at March 31, 2024
1	No of transactions assigned by the Company	70	55
2	Total amount of outstanding	3,17,821.95	2,27,812.51
3	Total amount of exposures retained by the company to comply with MRR as on the date of Balance Sheet		
	a) Off-balance sheet exposures		
	First loss	-	-
	Others	-	-
	b) On-balance sheet exposures		
	First loss	-	-
	Others	43,113.95	27,448.12
4	Amount of exposures to assigned transaction other than MRR		
	a) Off-balance sheet exposures		
	i) Exposure to own securitisations		
	First loss	-	-
	Others	-	-
	ii) Exposure to third party securitisations		
	First loss	-	-
	Others	-	-
	b) On-balance sheet exposures		
	i) Exposure to own securitisations		
	First loss	-	-
	Others	-	-
	ii) Exposure to third party securitisations		
	First loss	-	-
	Others	-	-

(ii) Direct assignment of the Company as an originator in respect of outstanding amount of assets assigned under premium: Nil (March 31, 2024: Nil)

Note 89(b): The Company has sold financial assets to securitisation / reconstruction company for asset reconstruction during the year March 31, 2025: refer note 89(d)(ii)) (March 31, 2024 : NIL)

Note 89(c): Details of assignment transactions undertaken by the Company

(₹ in Lakhs)

Particulars	As at March 31, 2025	As at March 31, 2024
No. of accounts	15	21
Aggregate value (net of provision) of account sold	1,55,590.09	1,43,473.98
Aggregate consideration	1,55,590.09	1,43,473.98
Additional consideration realised in respect of accounts transferred in earlier years	-	-
Aggregate gain / (loss) over net book value	-	-
Consideration received including new financial asset obtained at fair value	1,55,590.09	1,43,473.98
Net gain on derecognition of financial instruments under amortised cost category	17,992.74	18,015.25

Notes to Financial Statements for the year ended March 31, 2025

Note 89(d): Details of purchased/sold non-performing assets of the company:

i) Details of non-performing financial assets purchased

(₹ in Lakhs)

Sr. No	Particulars	As at March 31, 2025	As at March 31, 2024
(i)	Number of accounts bought	3.00	-
(ii)	Aggregate outstanding, net of provisions	31.00	-
(iii)	Aggregate consideration paid	47.00	-

ii) Details of non-performing financial assets sold

(₹ in Lakhs)

Sr. No	Particulars	As at March 31, 2025	As at March 31, 2024
(i)	Number of accounts sold	153.00	-
(ii)	Aggregate outstanding, net of provisions	1,559.69	-
(iii)	Aggregate consideration received	925.00	-

Note 89(e): Transferred financial assets that are derecognised in their entirety but where the Company has continuing involvement

The Company has not transferred any assets that are derecognised in their entirety where the Company continues to have continuing involvement.

The Company has assigned loans (earlier measured at amortised cost) by way of direct assignment. As per the terms of these deals, since substantial risk and rewards related to these assets were transferred between 80%-90% of the assets transferred to the buyer, the assets have been de-recognised from the Company's Balance Sheet. The table below summarises the carrying amount of the derecognised financial assets :

(₹ in Lakhs)

Particulars	As at March 31, 2025	As at March 31, 2024
Direct assignment		
Carrying amount of transferred assets measured at amortised cost	3,17,821.95	2,27,812.51
Carrying amount of exposures retained by the Company at amortised cost	43,113.95	27,448.12

Note 89(f): Disclosure relating assignment (Non-STC Transaction)

The information on direct assignment of the Company as an originator in respect of outstanding amount of assets assigned under par structure is given below

(₹ in Lakhs)

Sr. No	Particulars	As at March 31, 2025	As at March 31, 2024
1	No of transactions assigned by the Company	70	55
2	Total amount of outstanding	3,17,821.95	2,27,812.51
3	Total amount of exposures retained by the company to comply with MRR as on the date of Balance Sheet		
	a) Off-balance sheet exposures		
	First loss	-	-
	Others	-	-
	b) On-balance sheet exposures		
	First loss		
	Others	43,113.95	27,448.12

Notes to Financial Statements for the year ended March 31, 2025

Note 89(f): Disclosure relating assignment (Non-STC Transaction) (Contd..)

(₹ in Lakhs)

Sr. No	Particulars	As at March 31, 2025	As at March 31, 2024
4	Amount of exposures to assigned transaction other than MRR		
	a) Off-balance sheet exposures		
	i) Exposure to own securitisations		
	First loss	-	-
	Others	-	-
	ii) Exposure to third party securitisations		
	First loss	-	-
	Others	-	-
	b) On-balance sheet exposures		
	i) Exposure to own securitisations		
	First loss	-	-
	Others	-	-
	ii) Exposure to third party securitisations		
	First loss	-	-
	Others	-	-
5	Sale consideration received for the securitised assets and gain/ loss on sale on account of securitisation		
	(a) Sale consideration	1,55,590.09	1,43,473.98
	(b) Gain/Loss on securitisation	17,992.74	18,015.25
6	Form and quantum (outstanding value) of services provided by way of, liquidity support, post-securitisation asset servicing, etc.		
7	Performance of facility provided - credit enhancement		
	a) Amount paid		
	b) Repayment received		
	c) Outstanding amount		
8	Average default rate of portfolios observed in the past. Please provide breakup separately for each asset class i.e. RMBS, Vehicle Loans etc.		
	a) Housing loans	0.31%	0.31%
	b) Non- housing loans	0.21%	0.18%
9	Amount and number of additional / top up loan given on same underlying asset. Please provide breakup separately for each asset class i.e. RMBS, Vehicle Loans etc.	-	-
10	Investor complaints (a) Directly / Indirectly received and; (b) Complaints outstanding	-	-

Note 90(a). Transferred financial assets that are not derecognised in their entirety

The following table provides a summary of financial assets that have been transferred in such a way that part or all of the transferred financial assets do not qualify for derecognition, together with the associated liabilities

(₹ in Lakhs)

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
Securitisations		
Carrying amount of transferred assets measured at amortised cost(Held as collateral)	1,64,001.30	88,451.26
Carrying amount of associated liabilities {Borrowings (other than debt securities)- measured at amortised cost}	1,66,153.93	89,669.80
Fair value of assets	1,64,001.30	88,451.26
Fair value of associated liabilities	1,66,153.93	89,669.80
Net position at FV	(2,152.63)	(1,218.54)

Notes to Financial Statements for the year ended March 31, 2025

Note 90(b): Disclosure relating to securitisation

The information on securitisation of the Company as an originator in respect of securitisation transaction done during the year is given below

(₹ in Lakhs)

Particulars	As at March 31, 2025	As at March 31, 2024
Total number of transactions under par structure	4	4
Total book value of assets	1,03,960.00	65,478.95
Sale consideration received	1,03,960.00	65,478.95

Note: 90(c): Disclosure relating to securitisation

The information on securitisation of the Company as an originator in respect of outstanding amount of securitized assets is given below:

(₹ in Lakhs)

Sr. No	Particulars	As at March 31, 2025	As at March 31, 2024
1	No of SPVs sponsored by the company for securitisation transactions (in No.)	13	9
2	Total amount of securitised assets as per books of the SPVs sponsored by the company	1,66,172.40	89,688.39
3	Total amount of exposures retained by the company to comply with MRR as on the date of balance sheet		
	a) Off-balance sheet exposures		
	First loss	-	-
	Others	-	-
	b) On-balance sheet exposures		
	First loss	23,412.13	12,353.86
	Others		-
4	Amount of exposures to securitisation transactions other than MRR		
	a) Off-balance sheet exposures		
	i) Exposure to own securitisations		
	First loss		-
	Others		-
	ii) Exposure to third party securitisations		
	First loss		-
	Others		-
	b) On-balance sheet exposures		
	i) Exposure to own securitisations		
	First loss		-
	Others		-
	ii) Exposure to third party securitisations		
	First loss		-
	Others		-

Notes to Financial Statements for the year ended March 31, 2025

90(d) Disclosures to be made in notes to accounts by originators (Non-STC transactions)

(₹ in Lakhs)

Sr. No	Particulars	As at March 31, 2025	As at March 31, 2024
1	No of SPEs holding assets for securitisation transactions originated by the originator (only the SPVs relating to outstanding securitisation exposures to be reported here)	13	9
2	Total amount of securitised assets as per books of the SPEs	1,66,172.40	89,688.39
3	Total amount of exposures retained by the originator to comply with MRR as on the date of balance sheet	23,412.13	12,353.86
	a) Off-balance sheet exposures		
	First loss		
	Others		
	b) On-balance sheet exposures		
	First loss	23,412.13	12,353.86
	Others		
4	Amount of exposures to securitisation transactions other than MRR		
	a) Off-balance sheet exposures		
	i) Exposure to own securitisations		
	First loss		-
	Others		-
	ii) Exposure to third party securitisations		
	First loss		-
	Others		-
	b) On-balance sheet exposures		
	i) Exposure to own securitisations		
	First loss		-
	Others		-
	ii) Exposure to third party securitisations		
	First loss		-
	Others		-
5	Sale consideration received for the securitised assets and gain/ loss on sale on account of securitisation		-
	(a) Sale consideration	1,03,960.00	65,478.95
	(b) Gain/Loss on securitisation	-	-
6	Form and quantum (outstanding value) of services provided by way of, liquidity support, post-securitisation asset servicing, etc.		-
7	Performance of facility provided. Please provide separately for each facility viz. Credit enhancement, liquidity support, servicing agent etc. Mention percent in bracket as of total value of facility provided.		
	a) Amount paid	11,058.27	7,136.46
	b) Repayment received		-
	c) Outstanding amount	23,412.13	12,353.86
8	Average default rate of portfolios observed in the past. Please provide breakup separately for each asset class i.e. RMBS, Vehicle Loans etc.		-
	a) Housing Loan	0.06%	0.05%
	b) Non Housing Loan	0.04%	0.03%
9	Amount and number of additional / top up loan given on same underlying asset. Please provide breakup separately for each asset class i.e. RMBS, Vehicle Loans etc.	-	-
10	Investor complaints (a) Directly / Indirectly received and; (b) Complaints outstanding	-	-

Notes to Financial Statements for the year ended March 31, 2025

Note 91: Schedule to the Balance Sheet of an HFC

(₹ in Lakhs)

Sr. No.	Particulars	Amount outstanding		Amount overdue	
		As at March 31, 2025	As at March 31, 2024	As at March 31, 2025	As at March 31, 2024
	Liabilities side				
(1)	**Loans and advances availed by the HFC inclusive of interest accrued thereon but not paid:**				
	(a) Debentures : Secured	1,62,550.86	1,15,691.50	-	-
	: Unsecured	18,501.86	18,393.79	-	-
	(other than falling within the meaning of public deposits*)				
	(b) Deferred Credits	-	-	-	-
	(c) Term Loans	7,93,231.28	7,10,694.45	-	-
	(d) Inter-corporate loans and borrowing			-	-
	(e) Commercial Paper	-	33,000.00	-	-
	(f) Public Deposits*	NA	NA	-	-
	(g) Other Loans (Cash Credit, WCDL, Securatization)	1,67,153.93	89,669.80	-	-
(2)	**Break-up of (1)(f) above (Outstanding public deposits inclusive of interest accrued thereon but not paid):**	NA	NA	NA	NA
	(a) In the form of Unsecured debentures	NA	NA	NA	NA
	(b) In the form of partly secured debentures i.e. debentures where there is a shortfall in the value of security	NA	NA	NA	NA
	(c) Other public deposits	NA	NA	NA	NA

(₹ in Lakhs)

Sr. No.	Particulars	Amount outstanding	
		As at March 31, 2025	As at March 31, 2024
	Assets side		
(3)	**Break-up of Loans and Advances including bills receivables [other than those included in (4) below]:**		
	(a) Secured	13,46,944.90	10,83,499.31
	(b) Unsecured	1,299.38	703.72
(4)	**Break up of Leased Assets and stock on hire and other assets counting towards asset financing activities**		
	(i) Lease assets including lease rentals under sundry debtors		
	(a) Financial lease		
	(b) Operating lease		
	(ii) Stock on hire including hire charges under sundry debtors		
	(a) Assets on hire		
	(b) Repossessed Assets		
	(iii) Other loans counting towards asset financing activities		
	(a) Loans where assets have been repossessed		
	(b) Loans other than (a) above		

Notes to Financial Statements for the year ended March 31, 2025

Note 91: Schedule to the Balance Sheet of an HFC (Contd..)

(₹ in Lakhs)

Sr. No.	Particulars	Amount outstanding As at March 31, 2025	As at March 31, 2024
(5)	**Break-up of Investments**		
	Current Investments		
	1. Quoted		
	(i) Shares		
	(a) Equity		
	(b) Preference		
	(ii) Debentures and Bonds		
	(iii) Units of mutual funds	-	-
	(iv) Government Securities		
	(v) Others (please specify)		
	-- Investment in Commercial Paper	-	-
	2. Unquoted		
	(i) Shares		
	(a) Equity		
	(b) Preference		
	(ii) Debentures and Bonds		-
	(iii) Units of mutual funds		
	(iv) Government Securities		
	(v) Others (please specify)		
	Long Term investments		
	1. Quoted		
	(i) Share		
	(a) Equity		
	(b) Preference		
	(ii) Debentures and Bonds	2,498.44	-
	(iii) Units of mutual funds		
	(iv) Government Securities	8,548.63	10,751.98
	(v) Others		
	-- Investment in Treasury Bill	11,973.10	-
	-- Investment in State Development Loan	8,173.90	4,793.31
	2. Unquoted		
	(i) Share		
	(a) Equity	2,500.00	-
	(b) Preference		
	(ii) Debentures and Bonds		
	(iii) Units of mutual funds		
	(iv) Government Securities		
	(v) Others		
	-- Pass through certificates	9,171.08	4,115.23
	-- Security Receipts	273.11	273.42

Notes to Financial Statements for the year ended March 31, 2025

Note 91: Schedule to the Balance Sheet of an HFC (Contd..)

(6) Borrower group-wise classification of assets financed as in (3) and (4) above:

(₹ in Lakhs)

Category Amount	As at March 31, 2025 Amount net of provisions		As at March 31, 2024 Amount net of provisions		Total Amount net of provisions	
	Secured	Unsecured	Secured	Unsecured	As at March 31, 2025	As at March 31, 2024
1. Related Parties						
(a) Subsidiaries						
(b) Companies in the same group						
(c) Other related parties	1,825.10	-	742.38	-	1,825.10	742.38
2. Other than related parties	13,32,952.88	1,284.50	10,75,176.80	700.56	13,34,237.38	10,75,877.36

(7) Investor group-wise classification of all investments (current and long term) in shares and securities (both quoted and unquoted) :

(₹ in Lakhs)

Category	As at March 31, 2025		As at March 31, 2024	
	Market Value / Break up or fair value or NAV	Book Value (Net of Provisions)	Market Value / Break up or fair value or NAV	Book Value (Net of Provisions)
1. Related Parties				
(a) Subsidiaries				
(b) Companies in the same group				
(c) Other related parties				
2. Other than related parties	43,138.02	43,138.02	11,025.40	11,025.40
Total				

(8) Other information

(₹ in Lakhs)

Particulars	As at March 31, 2025	As at March 31, 2024
(i) Gross Non-Performing Assets		
(a) Related parties		
(b) Other than related parties	20,382.45	11,138.71
(ii) Net Non-Performing Assets		
(a) Related parties		
(b) Other than related parties	15,136.34	8,608.55
(iii) Assets acquired in satisfaction of debt	5,457.74	7,817.43

Note 92: Group Structure

Truhome Finance Limted (Formerly Shriram Housing Finance Limited) is Housing Finance Company registered with the National Housing Bank. Mango Crest Investment Limited is the promoter of Truhome finance Limited holding 98.52% shares and the balance is held by others.

For the ease of understanding, given below is a graphical representation of the ownership structure of the Truhome Finance Limited

Holding Structure as at 31st March 2025

Mango Crest Investment Limited —98.52%→ **Truhome Finance Limited (Formerly Shriram Housing Finance Limited)**

Notes to Financial Statements for the year ended March 31, 2025

Note 93(a): Disclosure on Liquidity Risk for the twelve months ended March 31, 2025 pursuant to RBI circular dated 4 November 2019 on Liquidity Risk Management Framework

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

Sr. No	Number of Significant Counterparties	Amount (₹ in Lakhs)*	% of Total deposits	% of Total liabilities
1	23	10,36,642.81	NA	87.90%

*Includes securitisation liabilities exposure

(ii) Top 20 large deposits (amount in ₹ in Lakhs and % of total deposits)

Particulars	As at March 31, 2025
Total amount of top 20 large deposits	NA
Percentage of amount of top 20 large deposits to total deposits	NA

(iii) Top 10 borrowings (amount in ₹ in Lakhs and % of total borrowings)

Particulars	As at March 31, 2025
Total amount of top 10 borrowings * (₹ in Lakhs)	7,86,311.16
Percentage of amount of top 10 borrowings to total borrowings	68.89%

*Includes securitisation liabilities exposure

(iv) Funding Concentration based on significant instrument/product

Sr. No	Name of the instrument/product	Amount (₹ in Lakhs)*	% of Total Liabilities
1	Public Issue of Redeemable non-convertible debentures	NA	NA
2	Privately placed Redeemable non-convertible debentures	1,66,035.31	14.08%
3	Subordinate Debts	15,017.41	1.27%
4	Commercial Papers	-	0.00%
5	Term loan from banks	5,82,941.67	49.43%
6	Term loan from National Housing Bank	1,95,500.88	16.58%
7	Term loan from financial institutions/corporates	14,788.72	1.25%
8	Loans repayable on demand from banks (Cash credit from banks & Working capital demand Loan)	1,000.00	0.08%
9	Other loans - Securitisation liabilities	1,66,153.93	14.09%
10	Public deposits	NA	NA

(v) Stock Ratios:

Sr. No	Particulars	as a % of Total public funds	as a % of Total liabilities	as a % of Total assets
1	Commercial papers	0.00%	0.00%	0.00%
2	Non-convertible debentures (original maturity of less than one year)	NA	-	-
3	Other short-term liabilities	19.01%	18.40%	14.25%

Notes to Financial Statements for the year ended March 31, 2025

Note 93(a): Disclosure on Liquidity Risk for the twelve months ended March 31, 2025 pursuant to RBI circular dated 4 November 2019 on Liquidity Risk Management Framework (Contd..)

(vi) Institutional set-up for liquidity risk management

1	The Board of Directors are responsible for the overall risk management approach and for approving the risk management strategies and principles.
2	The Board has constituted the Audit and Risk Management Committee (ARMC) which is responsible for monitoring the overall risk process within the Company.
3	The (ARMC) is responsible for managing risk decisions and monitoring risk levels. The meetings of ARMC are held at quarterly interval.
4	The Risk owners are responsible for monitoring compliance with risk principles, policies and limits across the Company. Each department has its Risk owner who is responsible for the control of risks, including monitoring the actual risk of exposures against authorised limits and the assessment of risks.
5	The Company's Treasury is responsible for managing its assets and liabilities and the overall financial structure. It is also primarily responsible for the funding and liquidity risks of the Company.
6	The Board of Directors also approves constitution of Asset Liability Committee (ALCO), Asset Liability Management Committee (ALCO) reviews or monitors Asset Liability Management (ALM) mismatch. ALCO conducts periodic reviews relating to the liquidity position and stress test assuming various what if scenarios. The ALCO is responsible for ensuring adherence to the limits set by the Board as well as for deciding the business strategy of the Company in line with the Company's budget and decided risk management objectives. The ALCO is a decision-making unit responsible for balance sheet planning from risk-return perspective including strategic management of interest rate and liquidity risks. The ALCO also evaluates the Borrowing Plan of subsequent quarters on the basis of previous borrowings of the company. The ALCO will be responsible for ensuring the adherence to the target set by the Board of Directors. The meetings of ALCO are held at quarterly intervals. The ALM Support Groups consisting of operating staff are responsible for analysing, monitoring and reporting the risk profiles to the ALCO. ALCO support group meets every fortnight.
7	In assessing the company's liquidity position, consideration is given to: (1) present and anticipated asset quality (2) present and future earnings capacity (3) historical funding requirements (4) current liquidity position (5) anticipated future funding needs, and (6) sources of funds. The Company maintains a portfolio of marketable assets that are assumed to be easily liquidated and undrawn cash credit limits which can be used in the event of an unforeseen interruption in cash flow. The Company also enters into securitisation deals (direct assignment as well as pass through certificates) of its loan portfolio, the funding from which can be accessed to meet liquidity needs. In accordance with the Company's policy, the liquidity position is assessed under a variety of scenarios, giving due consideration to stress factors relating to both the market in general and specifically to the Company. Net liquid assets consist of cash, short–term bank deposits and investments in mutual fund available for immediate sale, less issued securities and borrowings due to mature within the next month. Borrowings from banks and financial institutions, issue of debentures and bonds are considered as important sources of funds to finance lending to customers. They are monitored using the advances to borrowings ratio, which compares loans and advances to customers as a percentage of secured and unsecured borrowings.
8	The minutes of ALCO meetings are placed before the ARMC and the Board of Directors in its next meeting for its ratification.
9	The liquidity was ₹ 2,65,516.25 lakh including sanction lines.

Notes to Financial Statements for the year ended March 31, 2025

Note 93(a): Disclosure on Liquidity Risk for the twelve months ended March 31, 2025 pursuant to RBI circular dated 4 November 2019 on Liquidity Risk Management Framework (Contd..)

***Notes:**

1	Significant counterparty is defined as a single counterparty or group of connected or affiliated counterparties accounting in aggregate for more than 1% of the NBFC-NDSI's, NBFC-Ds total liabilities as defined in RBI Circular RBI/2019-20/88 DOR. NBFC (PD) CC.No.102/03.10.001/2019-20 dated November 4, 2019 on Liquidity Risk Management Framework for Non-Banking Financial Companies and Core Investment Companies.
2	Significant instrument/product is defined as a single instrument/product of group of similar instruments/products which in aggregate amount to more than 1% of the NBFC-NDSI's, NBFC-Ds total liabilities, as defined in RBI Circular RBI/2019-20/88 DOR.NBFC (PD) CC.No.102/03.10.001/2019-20 dated November 4, 2019 on Liquidity Risk Management Framework for Non-Banking Financial Companies and Core Investment Companies.
3	Public funds includes funds raised either directly or indirectly through public deposits, inter-corporate deposits, bank finance and all funds received from outside sources such as funds raised by issue of Commercial Papers, debentures etc. but excludes funds raised by issue of instruments compulsorily convertible into equity shares within a period not exceeding 5 years from the date of issue, as defined in Master Direction - Non-Banking Financial Company Systemically Important Non-Deposit taking Company and Deposit taking Company (Reserve Bank) Direction, 2016.
4	The amount stated in this disclosure is based on the audited financial statements for the year ended March 31, 2025.

Note 93(b): Analytical Ratios

Ratio	Year ended March 31, 2025			Year ended March 31, 2024	% Variance	Reasons for Variance (If above 25%)
	Numerator (₹ in Lakhs)	Denominator (₹ in Lakhs)	Ratio(%)	Ratio(%)		
Capital to risk-weighted assets ratio (CRAR)	3,13,202.13	8,55,142.93	36.63	24.54	12.08	NA
Tier I CRAR	2,93,624.69	8,55,142.93	34.34	16.20	18.14	NA
Tier II CRAR	19,577.45	8,55,142.93	2.29	8.34	(6.05)	NA
Liquidity Coverage Ratio	27,616.37	19,799.29	139.48	80.92	58.56	Increase in HQLA

Notes to Financial Statements for the year ended March 31, 2025

Note 93(c): Liquidity Coverage Ratio Disclosure

Disclosure as per the circular no RBI/2019-20/88 DOR.NBFC (PD) CC. No.102/03.10.001/2019-20 dated November 04, 2019 issued by Reserve Bank of India on " Liquidity Coverage ratio (LCR) "

(₹ in Lakhs)

Sr. No	Particulars	Quarter ended 31st March 2025		Quarter ended 31st December 2024		Quarter ended 30th September 2024		Quarter ended 30th June 2024	
		Total Unweighted Value (average)	Total weighted Value (average)	Total Unweighted Value (average)	Total weighted Value (average)	Total Unweighted Value (average)	Total weighted Value (average)	Total Unweighted Value (average)	Total weighted Value (average)
	High Quality Liquid Assets								
1	Cash and Bank Balance	1,555.40	1,555.40	1,939.79	1,939.79	2,408.42	2,408.42	2,736.67	2,736.67
2	Investment in Government securities	2,164.53	1,839.85	-	-	-	-	-	-
3	Investment in Government securities	24,221.11	24,221.11	17,943.37	17,943.37	16,660.89	16,660.89	16,898.20	16,898.20
4	**Total High Quality Liquid Assets (HQLA)**	**27,941.05**	**27,616.37**	**19,883.16**	**19,883.16**	**19,069.31**	**19,069.31**	**19,634.87**	**19,634.87**
	Cash Outflows								
5	Deposits (for deposit taking companies)	-	-	-	-	-	-	-	-
6	Unsecured wholesale funding	-	-	-	-	-	-	-	-
7	Secured wholesale funding	10,391.23	11,949.91	10,318.96	11,866.81	14,425.96	16,589.85	13,425.76	15,439.63
8	Additional requirements, of which	-	-	-	-	-	-	-	-
	(i) Outflows related to derivative exposures and other collateral requirements	-	-	-	-	-	-	-	-
	(ii) Outflows related to loss of funding on debt products	-	-	-	-	-	-	-	-
	(iii) Credit and liquidity facilities	-	-	-	-	-	-	-	-
9	Other contractual funding obligations	40,597.41	46,687.02	23,356.71	26,860.21	15,402.88	17,713.31	20,253.91	23,292.00
10	Other contingent funding obligations	-	-	-	-	-	-	-	-
11	Other	17,878.45	20,560.22	18,611.12	21,402.79	18,274.70	21,015.90	16,750.04	19,262.54
12	**TOTAL CASH OUTFLOWS**	**68,867.09**	**79,197.15**	**52,286.79**	**60,129.81**	**48,103.53**	**55,319.06**	**50,429.71**	**57,994.17**
	Cash Inflows								
12	Secured lending	22,000.00	16,500.00	22,000.00	16,500.00	18,000.00	13,500.00	-	-
13	Inflows from fully performing exposures	26,444.71	19,833.53	24,466.79	18,350.10	23,071.77	17,303.83	22,022.44	16,516.83
14	Other cash inflows	56,519.24	42,389.43	7,219.94	5,414.95	6,594.12	4,945.59	40,293.25	30,219.94
15	**TOTAL CASH INFLOWS**	**1,04,963.94**	**78,722.96**	**53,686.73**	**40,265.05**	**47,665.89**	**35,749.42**	**62,315.68**	**46,736.76**

Notes to Financial Statements for the year ended March 31, 2025

Note 93(c): Liquidity Coverage Ratio Disclosure (Contd..)

Sr. No	Particulars	Total Adjusted value Period ended 31st March 2025	Total Adjusted value Period ended 31st December 2024	Total Adjusted value Period ended 30th September 2024	Total Adjusted value Period ended 30th June 2024
16	TOTAL HQLA	27,616.37	19,883.16	19,069.31	19,634.87
17	TOTAL NET CASH OUTFLOWS	19,799.29	19,864.76	19,569.65	14,498.54
18	LIQUIDITY COVERAGE RATIO (%)	139.48%	100.09%	97.44%	135.43%

(₹ in Lakhs)

Sr. No	Particulars	Period ended 31st March 2024		Period ended 31st December 2023		Period ended 30th September 2023		Period ended 30th June 2023	
		Total Unweighted Value (average)	Total weighted Value (average)	Total Unweighted Value (average)	Total weighted Value (average)	Total Unweighted Value (average)	Total weighted Value (average)	Total Unweighted Value (average)	Total weighted Value (average)
	High Quality Liquid Assets								
1	Cash and Bank Balance	2,884.71	2,884.71	3,319.89	3,319.89	2,534.58	2,534.58	3,591.05	3,591.05
2	Investment in Government securities	15,544.30	15,544.30	13,005.12	13,005.12	10,414.08	10,414.08	11,209.57	11,209.57
3	**Total High Quality Liquid Assets (HQLA)**	**18,429.01**	**18,429.01**	**16,325.01**	**16,325.01**	**12,948.66**	**12,948.66**	**14,800.62**	**14,800.62**
	Cash Outflows								
4	Deposits (for deposit taking companies)	-	-	-	-	-	-	-	-
5	Unsecured wholesale funding	-	-	-	-	-	-	-	-
6	Secured wholesale funding	24,439.39	28,105.30	6,212.34	7,144.20	8,828.58	10,152.87	14,865.85	17,095.73
7	Additional requirements, of which								
	(i) Outflows related to derivative exposures and other collateral requirements	-	-	-	-	-	-	-	-
	(ii) Outflows related to loss of funding on debt products	-	-	-	-	-	-	-	-
	(iii) Credit and liquidity facilities	-	-	-	-	-	-	-	-
8	Other contractual funding obligations	7,163.68	8,238.23	17,049.89	19,607.37	15,724.56	18,083.24	20,534.77	23,614.99
9	Other contingent funding obligations	-	-	-	-	-	-	-	-
10	Other	17,580.98	20,218.13	10,368.82	11,924.14	8,985.68	10,333.53	7,041.67	8,097.92
11	**TOTAL CASH OUTFLOWS**	**49,184.05**	**56,561.66**	**33,631.05**	**38,675.71**	**33,538.82**	**38,569.64**	**42,442.29**	**48,808.64**
	Cash Inflows								
12	Secured lending	15,500.00	11,625.00	10,000.00	7,500.00	12,000.00	9,000.00	-	-
13	Inflows from fully performing exposures	21,360.23	16,020.17	19,047.33	14,285.50	17,653.90	13,240.42	15,745.51	11,809.13
14	Other cash inflows	8,190.25	6,142.69	9,235.03	6,926.27	15,411.97	11,558.98	26,606.49	19,954.87
15	**TOTAL CASH INFLOWS**	**45,050.48**	**33,787.86**	**38,282.36**	**28,711.77**	**45,065.87**	**33,799.40**	**42,352.00**	**31,764.00**

Notes to Financial Statements for the year ended March 31, 2025

Note 93(c): Liquidity Coverage Ratio Disclosure (Contd..)

Sr. No	Particulars	Total Adjusted value Period ended 31st March 2024	Total Adjusted value Period ended 31st December 2023	Total Adjusted value Period ended 30th September 2023	Total Adjusted value Period ended 30th June 2023
16	TOTAL HQLA	18,429.01	16,325.01	12,948.66	14,800.62
17	TOTAL NET CASH OUTFLOWS	22,773.80	9,963.94	9,642.41	17,044.64
18	LIQUIDITY COVERAGE RATIO (%)	80.92%	163.84%	134.29%	86.83%

Notes to Financial Statements for the year ended March 31, 2025

Note 94: Changes in liabilities arising from financing activities during FY 2024-25

(₹ in Lakhs)

Particulars	As at March 31, 2024	Net Cash Flows	Exchange difference	Other *	As at March 31, 2025
At Amortised Cost					
Debt Securities					
- NCD Public Issue	-	-	-	-	-
- NCD Retail	-	-	-	-	
- NCD Institutional	1,19,162.67	48,050.00	-	(1,177.36)	1,66,035.31
- Commercial paper	31,044.36	(33,000.00)	-	1,955.64	0.00
Subordinated Debts					
- Sub Debt Retail	-	-	-	-	-
- Sub Debt Institutional	14,922.62	-	-	94.79	15,017.41
Borrowings other than debt securities					
- Term Loan from Banks	5,61,580.84	22,144.52	986.30	(1,769.98)	5,82,941.68
- Term Loan from National Housing Bank	1,35,709.67	59,791.21	-	-	1,95,500.88
- Term Loan from Institution	13,403.93	1,332.79	-	52.00	14,788.72
- Cash Credit form Banks	0.00	-	-	-	0.00
- Working Capital Demand Loans	-	1,000.00	-	-	1,000.00
- Term Loan from Bank- Securitisation	89,669.80	76,250.65		233.48	1,66,153.93
- Term Loan from financial Institution/ NBFC- Securitisation	-	-	-	-	-
Lease liabilities	7,227.66	(2,269.43)		4,958.67	9,916.90
Deposits					
- Public Deposits	NA	NA	NA	NA	NA
Total	**9,72,721.55**	**1,73,299.73**	**986.30**	**4,347.23**	**11,51,354.83**

* Represents non cash adjustments on account of amortisation of processing fees and other transaction costs

Changes in liabilities arising from financing activities during FY 2023-24

(₹ in Lakhs)

Particulars	As at March 31, 2023	Net Cash Flows	Exchange difference	Other *	As at March 31, 2024
At Amortised Cost					
Debt Securities					
- NCD Public Issue	-	-	-	-	-
- NCD Retail	-	-	-	-	
- NCD Institutional	1,25,242.17	(7,450.00)	-	1,370.50	1,19,162.67
- Commercial paper	1,912.10	31,000.00	-	(1,867.74)	31,044.36
Subordinated Debts					
- Sub Debt Retail	-	-	-	-	-
- Sub Debt Institutional	6,977.72	7,500.00	-	444.90	14,922.62
Borrowings other than debt securities					
- Term Loan from Banks	3,90,076.20	1,71,286.06	420.65	(202.07)	5,61,580.84
- Term Loan from National Housing Bank	55,191.15	80,518.52	-	-	1,35,709.67
- Term Loan from Institution	13,124.87	246.87	-	32.19	13,403.93
- Cash Credit form Banks	0.00	-	-	-	0.00
- Working Capital Demand Loans	-	-	-	-	-
- Term Loan from Bank- Securitisation	37,081.87	52,387.57		200.36	89,669.80
- Term Loan from financial Institution/ NBFC- Securitisation	-	-	-	-	-
Lease liabilities	3,861.57	(1,257.81)		4,623.90	7,227.66
Deposits					
- Public Deposits	NA	NA	NA	NA	NA
Total	**6,33,467.64**	**3,34,231.21**	**420.65**	**4,602.04**	**9,72,721.55**

* Represents non cash adjustments on account of amortisation of processing fees and other transaction costs

Notes to Financial Statements for the year ended March 31, 2025

Note 95 Details of stressed loans transferred/acquired during the year (to be made separately for loans classified as NPA and SMA)

(i) Details of stressed loans acquired during the year

(₹ in Lakhs)

Sr. No	Particulars	March 31, 2025				March 31, 2024			
		From Asset reconstruction companies (ARC)		From Permitted transferor		From Asset reconstruction companies (ARC)		From Permitted transferor	
		NPA	SMA	NPA	SMA	NPA	SMA	NPA	SMA
(i)	Number of Accounts	-	-	3.00	-	-	-	-	-
(ii)	Aggregate principal outstanding of loans acquired (In Lakhs)	-	-	31.00	-	-	-	-	-
(iii)	Weighted average residual tenor of the loans acquired (Years)	-	-	-	-	-	-	-	-
(iv)	Net book value of loans acquired (at the time of acquisition) (In Lakhs)	-	-	31.00	-	-	-	-	-
(v)	Aggregate consideration (In Lakhs)	-	-	47.00	-	-	-	-	-
(vi)	Additional consideration paid in respect of accounts acquired in earlier years (In Lakhs)	-	-	-	-	-	-	-	-

(ii) Details of stressed loans transferred during the year

(₹ in Lakhs)

Sr. No	Particulars	March 31, 2025				March 31, 2024			
		To Asset reconstruction companies (ARC)		To Permitted transferees		To Asset reconstruction companies (ARC)		To Permitted transferees	
		NPA	SMA	NPA	SMA	NPA	SMA	NPA	SMA
(i)	Number of Accounts	153.00	-	-	-	-	-	-	-
(ii)	Aggregate principal outstanding of loans transferred (In Lakhs)	1,559.69	-	-	-	-	-	-	-
(iii)	Weighted average residual tenor of the loans transferred (Years)	-	-	-	-	-	-	-	-
(iv)	Net book value of loans transferred (at the time of transfer) (In Lakhs)	1,559.69	-	-	-	-	-	-	-
(v)	Aggregate consideration (In Lakhs)	925.00	-	-	-	-	-	-	-
(vi)	Additional consideration realized in respect of accounts transferred in earlier years (In Lakhs)	-	-	-	-	-	-	-	-

Note 96 The Company has 178 branches (March 31,2024: 155 branches). in India. The company does not have any branch/ offices outside India

Note 97 Change in policy for impairment of financial instruments

There is no change in policy for impairment of financial instruments during the financial year (Refer 3.14: Impairment of financial assets of material accounting policy)

Notes to Financial Statements for the year ended March 31, 2025

Note 98 Segment reporting

The Company is engaged in the business of providing loans for purchase, construction, repairs and renovation etc., of houses/ flats to individuals and corporate bodies and has its operations within India. There being only one 'business segment' and 'geographical segment', hence the segment information is not provided.

Note 99 Registration of charges or satisfaction with Registrar of Companies (ROC)

All charges or satisfaction are registered with ROC within the financial years ended March 31, 2025 and March 31, 2024. No charges or satisfactions are yet to be registered with ROC beyond the statutory period.

Note 100 Utilisation of borrowed funds and share premium

The Company, as part of its normal business, grants loans and advances, makes investment, provides guarantees to and accept from its customers, other entities and persons. These transactions are part of Company's normal housing finance business, which is conducted ensuring adherence to all regulatory requirements.

Other than the transactions described above, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other persons or entities, including foreign entities ("Intermediaries") with the understanding, whether recorded in writing or otherwise, that the intermediary shall lend or invest in party identified by or on behalf of the Company (Ultimate beneficiaries). The Company has also not received any fund from any parties (Funding party) with the understanding that the Company shall whether, directly or indirectly lend or invest in other persons or entities identified by or on behalf of the funding party ("Ultimate beneficiaries") or provide any guarantee, security or the like on behalf of the ultimate beneficiaries

Note 101 Compliance with number of layers of companies

The Company has complied with the number of layers prescribed under clause (87) of section 2 of the Act read with Companies (Restriction on number of Layers) Rules, 2017 for the financial years ended March 31, 2025 and March 31, 2024.

Note 102 Undisclosed income

There are no transactions which are not recorded in the books of account which have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961.

Note 103 Title deeds of immovable properties not held in name of the Company

The Company does not possess any immovable property (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee) whose title deeds are not held in the name of the company during the financial year ended March 31, 2025 and March 31, 2024.

Note 104 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, 2025 and March 31, 2024.

Notes to Financial Statements for the year ended March 31, 2025

Note 105 Details of benami property held

No proceedings have been initiated or pending against the Company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder in the financial years ended March 31, 2025 and March 31, 2024.

Note 106 Wilful defaulter

The Company has not been declared as a wilful defaulter by any bank or financial institution or other lender in the financial year ended March 31, 2025 and March 31, 2024.

Note 107 Relationship with struck off companies

The Company has not undertaken any transactions with any company whose name is struck off under section 248 of Companies Act, 2013 or section 560 of Companies Act, 1956 in the financial years ended March 31, 2025 and March 31, 2024.

Note 108 : The figures of previous year have been rearranged/ regrouped to confirm to the current year's presentation.

Signature to Notes to accounts

For Mukund M Chitale & Co
Chartered Accountants
Firm Registration No: 106655W

S M Chitale
Partner
Membership No:111383

Place: Mumbai
Date: April 24, 2025

For and on behalf of the Board of Directors
TRUHOME FINANCE LIMITED (Formerly known as Shriram Housing Finance Limited)

Subramanian Jambunathan
Managing Director and CEO
DIN:00969478

Ajay Kumar Choudhary
Independent Director
DIN: 09498080

Gauri Shankar Agarwal
Chief Financial Officer
DIN:02979228

Puja R Shah
Company Secretary
M.No:A46987

Place: Mumbai
Date: April 24, 2025

Truhome Finance Limited
(formerly Shriram Housing Finance Limited)
Corporate Identity Number: U65929TN2010PLC078004
Registered Office: Srinivasa Towers, 1st Floor, Door No. 5, Old No.11, 2nd Lane, Cenotaph Road, Alwarpet, Teynampet, Chennai, Tamil Nadu, India, 600018
Corporate Office: Level 3, East Wing, Wockhardt Towers, C2, G Block, Bandra-Kurla Complex, Bandra East, Mumbai 400051
Tel: +91 22 4241 0400 | **Website:** www.truhomefinance.in | **Email:** sect@truhomefinance.in

Notice of the 15th Annual General Meeting

Shorter Notice is hereby given that the Fifteenth (15th) Annual General Meeting ("**AGM**") of the Members of Truhome Finance Limited *(formerly Shriram Housing Finance Limited)* (the "**Company**"), will be held at a shorter notice on Tuesday, May 20, 2025 at 2.30 p.m (IST) through Video Conference (VC)/ other Audio-Visual Means (OAVM), to transact the following businesses.

The proceedings of the 15th AGM shall be deemed to be conducted at the Registered Office of the Company at Srinivasa Towers, 1st Floor, Door No. 5, Old No.11, 2nd Lane, Cenotaph Road, Alwarpet, Teynampet, Chennai, Tamil Nadu – 600018, which shall be the deemed venue of the AGM.

ORDINARY BUSINESS:

1. **To consider and adopt the Audited Financial Statements of the Company for the financial year ended March 31, 2025, along with the Reports of the Board of Directors and Auditors thereon.**
2. **To appoint Mr. Hemant Omprakash Mundra (DIN: 08192978), who retires by rotation and being eligible, has offered himself for re-appointment as a Director.**

SPECIAL BUSINESS:

3. **To approve increase in the borrowing powers of the Company**

   To consider and if thought fit, to pass, with or without modification(s), the following resolution as a **Special Resolution:**

   "**RESOLVED THAT** in supersession of the Special Resolution passed at the Fourteenth Annual General Meeting of the Company held on June 17, 2024 in this regard and pursuant to Section 180(1)(c) and other applicable provisions, if any, of the Companies Act, 2013 ("**Act**") and relevant Rules prescribed under the Act (including any statutory modifications and re-enactment thereof for the time being in force), applicable regulations/circulars of Securities and Exchange Board of India ("**SEBI**"), applicable directions/guidelines issued by Reserve Bank of India ("**RBI**") and National Housing Bank ("**NHB**"), relevant provisions of the Articles of Association and any other applicable laws, as may be applicable from time to time and subject to all other requisite approvals, permissions and sanctions and subject to such conditions as may be prescribed by any of the concerned authorities (if any), the consent of the Members of the Company be and is hereby accorded to the Board of Directors of the Company or its Committee as may be authorized by the Board of Directors (hereinafter called "**Board**", which term shall be deemed to include any duly authorised Committee thereof, which the Board may have constituted or hereinafter constitute from time to time by whatever name called to exercise its powers including the power conferred by this resolution) to borrow from time to time, for the purpose of the business of Company, such sum or sums of moneys for and on behalf of the Company (including non-fund based facilities), on such terms and conditions as it may deem fit, in Indian Rupees and/or in any foreign currency, with fixed/floating rate (i) by way of availing of long/short term loans and all kinds of financial assistance by all permissible methods, secured/ unsecured from banking companies, financial institutions, bodies corporate or any person(s) and/or (ii) by way of issue of commercial papers, rupee denominated bonds/senior notes to eligible person(s), lenders, investor(s) and/or (iii) by way of issue of redeemable non-convertible debentures, subordinated debentures, bonds or any other security or instrument(s) on private placement basis as well as by way of public issue by issue of shelf-disclosure documents, prospectus, shelf prospectus, information memorandum, offering circular or otherwise and/or (iv) and/or External Commercial Borrowings and/or (v) Refinance from Banks/Regulators/NHB/ Financial Institution, in one or more tranches, from time to time at their discretion and/or (vi) by way of Inter-Corporate Deposit(s) and/or (vii) by way of issuance of any other permissible instruments or methods of borrowing, whether unsecured or secured by mortgage, charge, hypothecation, lien, pledge or otherwise of the Company's assets and properties, whether movable or immovable and shall include, borrowings from any person(s) (whether natural or artificial) but shall not be limited to institutional investors, foreign institutional investors, qualified institutional buyers, resident public financial institutions, multilateral financial institutions, regional financial institutions, statutory corporations, provident funds, pension funds, superannuation funds, gratuity funds, alternative investments funds, insurance companies, mutual funds, national investment fund, insurance funds, non-institutional investors, companies, bodies corporate, societies, educational institutions and association of persons, trusts, scientific and /or industrial research organizations, partnership firms, Limited Liability Partnerships, Resident Individuals, High Net-worth Individuals (HNIs), Hindu Undivided Families (HUFs), retail individual investors and others as may be permissible from time to time, notwithstanding that the monies to be borrowed together with the monies already borrowed by the Company, apart from temporary loans obtained and/or to be obtained from the Company's bankers in the ordinary course of business, will or may exceed the aggregate of the paid up share capital of the Company and its free reserves and securities premium, provided that the total amount borrowed and outstanding at any point of time shall not exceed ₹ 18,000 Crores (Rupees Eighteen Thousand Crores only).

"RESOLVED FURTHER THAT the Board or authorized Committee or person(s) as authorized by the Board of Directors or such Committee be and are hereby are authorized to do all such acts, deeds, matters and things as it/they may consider necessary, expedient, usual or proper to give full effect to the aforesaid resolution, including but not limited to settle any questions or resolve difficulties that may arise in this regard, if any, as it may, in its absolute discretion, deem fit, without requiring the Board to secure any further consent or approval of the Members of the Company to the intent that they shall be deemed to have given their approval thereto expressly by the authority of this resolution."

4. **Creation of charge/providing security in respect of borrowings**

To consider and if thought fit, to pass, with or without modification(s), the following resolution as a **Special Resolution**:

"RESOLVED THAT in supersession of the Special Resolution passed at the Fourteenth Annual General Meeting of the Company held on June 17, 2024 in this regard and pursuant to Section 180(1)(a) of the Companies Act, 2013 ("**Act**") and relevant Rules prescribed under the Act (including any statutory modifications and re-enactment thereof for the time being in force), applicable regulations/circulars of Securities and Exchange Board of India ("**SEBI**"), applicable directions/guidelines issued by Reserve Bank of India ("**RBI**") and National Housing Bank ("**NHB**"), relevant provisions of the Articles of Association and any other applicable laws, as may be applicable from time to time and subject to the limits approved by the Members of the Company in terms of the provisions of Section 180(1)(c) of the Act and all other requisite approvals, permissions and sanctions and subject to such conditions as may be prescribed by any of the concerned authorities (if any), consent of the Members of the Company be and is hereby accorded to the Board of Directors of the Company (hereinafter called "**Board**", which term shall be deemed to include any duly authorised Committee thereof, which the Board may have constituted or hereinafter constitute from time to time by whatever name called to exercise its powers including the power conferred by this resolution) to create charge by way of mortgage(s) and/or hypothecate and/or lien and/or pledge or otherwise in such form and manner and on such terms and at such time(s) as the Board of Directors or such Committee may deem fit on the immovable and/or movable properties, receivables of the Company, wherever situated, present and future, whether presently belonging to the Company or not, and with such ranking as to priority as the Board or the authorized Committee in its absolute discretion thinks fit, in favour of any person including, but not limited to, financial/ investment institution(s), bank(s), insurance company(ies), mutual fund(s), corporate body(ies), trustee(s), agent(s), regulator(s) or other lending agencies to secure the borrowing facilities availed/ to be availed issued/to be issued by way of debentures, senior notes, bonds, loans, hire purchase and/or lease portfolio management transaction(s) for finance and other credit facilities up to a sum not exceeding ₹ 22,500 Crores (Rupees Twenty-Two Thousand and Five Hundred Crores only).

RESOLVED FURTHER THAT the securities to be created by the Company as aforesaid may rank exclusive/prior/pari-passu/ subsequent with/to the hypothecation/mortgages/lien and/ or charges already created or to be created by the Company as may be agreed to between the concerned parties.

"RESOLVED FURTHER THAT the Board or authorized Committee or person(s) as authorized by the Board of Directors to finalize the form, extent and manner of, and the documents and deeds, as may be applicable, for creating the appropriate mortgages and/or charges on such immovable and/or movable properties, receivables of the Company on such terms and conditions as may be decided by the Board of Directors or such Committee in consultation with the lenders/ trustees and for reserving the aforesaid right and for performing all such acts, things and deeds as may be necessary for giving full effect to this resolution."

5. To consider and approve issuance of Non-Convertible Debentures and / or other Debt Securities, in one or more tranches on private placement basis

To consider and, if thought fit, to pass, with or without modification(s), the following resolution as **Special Resolution**:

"RESOLVED THAT pursuant to provisions of the Sections 42, 71 and other applicable provisions, if any, of the Companies Act, 2013 (the "**Act**") read with the Companies (Share Capital and Debentures) Rules, 2014 and Companies (Prospectus and Allotment of Securities) Rules, 2014,(including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), the Securities and Exchange Board of India ("**SEBI**") (Issue and Listing of Non-Convertible Securities) Regulations, 2021, as amended, Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("**SEBI Listing Regulations**"), the Master Circular for Issue and Listing of Non-convertible Securities, Securitised Debt Instruments, Security Receipts, Municipal Debt Securities and Commercial Paper issued by SEBI on May 22, 2024 as amended time to time, and other applicable SEBI regulations, circulars and guidelines, Guidelines on Private Placement of Non-Convertible Debentures ("**NCDs**") prescribed under the Master Direction – Non-Banking Financial Company – Housing Finance Company (Reserve Bank) Directions, 2021 ("**RBI Master Directions**") and other circulars or guidelines issued by any regulatory authority, relevant provisions the Articles of Association of the Company and subject to the limits approved by the Members of the Company in terms of the provisions of Section 180(1)(c) of the Act and other applicable laws, rules and regulations and all other requisite approvals, permissions and sanctions, conditions as may be prescribed by any of the concerned authorities (if any), approval of the Members of the Company be and is hereby accorded to the Board of Directors of the Company (hereinafter referred to as "**Board**", which term shall include any duly constituted Committee of the Board, which the Board may have constituted or hereinafter constitute from time to time by whatever name called to exercise its power including the power conferred by this resolution), for making offer(s) or invitation(s) to subscribe and to allot Secured/Unsecured/Redeemable/Non-Redeemable/Market Linked Non-Convertible Debentures including but not limited to subordinated debentures, bonds, Commercial papers and/ or other debt securities, etc., on a private placement basis, in one or more series/tranches during the period commencing from the date of this Annual General Meeting ("**AGM**") thereof until the conclusion of the next AGM of the Company to the Qualified Institutional Buyers, Foreign Institutional Investors, Foreign Portfolio Investors, Banks, Mutual Funds, Provident Funds, Corporates and such other entities / persons eligible to apply / subscribe the securities on such terms and conditions as may be decided, from time to time, determine and consider proper and most beneficial to the Company for refinancing of existing debt and/or finance the growth of the portfolio and/or meeting working capital requirements of the Company within the overall borrowing limits of the Company, as may be approved by the Members from time to time.

"RESOLVED FURTHER THAT the Board or authorized Committee or person(s) as authorized by the Board of Directors be and are hereby authorized to determine, negotiate, modify and finalize the terms of issue including the class of investors to whom NCDs are to be issued, time of issue, securities to be offered, the number of NCDs, tranches, issue price, tenor, interest rate, premium / discount, listing, redemption period, utilization of issue proceeds and to do all such acts and things and deal with all such matters and take all such steps as may be necessary and to sign and execute any deeds / documents / undertakings / agreements / papers / writings, as may be required in this regard."

By order of the Board of Directors
For **Truhome Finance Limited**
(formerly Shriram Housing Finance Limited)

Gauri Shankar Agarwal
PAN: ADCPA8789R
Chief Financial Officer

Date: May 17, 2025
Place: Mumbai

Notes:

1. In compliance with the provisions of Ministry of Corporate Affairs ('MCA') General Circular No. 09/2024 dated September 19, 2024 read with MCA General Circular No. 14/2020 dated April 8, 2020 and MCA General Circular No. 17/2020 dated April 13, 2020 and other circulars, notifications and guidelines issued in this regard (collectively referred to as 'MCA Circulars'), the Company will be convening the Annual General Meeting ("AGM" / "Meeting" / "e-AGM") through Video Conferencing ("VC") or Other Audio Visual Means ("OAVM"), without the physical presence of the members at a common venue.

   In accordance with the MCA Circulars, provisions of the Companies Act, 2013 ("the Act"), the 15th AGM of the Company is being held through VC / OAVM at shorter notice on Tuesday, May 20, 2025 at 2.30 p.m. IST. The deemed venue for the AGM shall be the Registered Office.

2. An Explanatory Statement pursuant to Section 102 and other applicable provisions of the Companies Act, 2013 as amended, read with relevant rules made thereunder, the Secretarial Standard No. 2 on General Meetings issued by the Institute of Company Secretaries of India, setting out the material facts and reasons, in respect of Special Business to be transacted under Item No. 3 to 5 of this Notice, at Annual General Meeting is annexed herewith.

3. Since the AGM is being conducted through VC/OAVM pursuant to MCA Circulars, physical attendance of Members has been dispensed with. Accordingly, the facility for appointment of proxies by the Members will not be available for the AGM and hence the Proxy Form, Route Map for AGM venue and Attendance Slip are not annexed to this Notice.

4. In pursuance of Section 113 of the Act, representatives of the Corporate and other Non-individual Shareholders may be appointed for the purpose of voting or for participation and voting in the AGM. Corporate Members intending to participate at the meeting through their representative are requested to forward a certified copy of the Board Resolution/ Authority letter authorizing their representative under Section 113 of the Companies Act, 2013 to attend and vote on their behalf at the meeting by email to sect@truhomefinance.in or at the registered office address before commencement of the AGM.

5. Pursuant to the MCA Circulars, members attending the AGM through VC/OAVM will be counted for the purpose of reckoning of quorum under Section 103 of the Act.

6. This meeting is being called at shorter notice than the statutory required minimum time of 21 clear days. Pursuant to the provisions of Section 101 of the Act, an AGM may be called after giving a shorter notice if consent is given in writing or by electronic mode by not less than ninty-five per cent. of the members entitled to vote thereat. Accordingly, the convening of the AGM shall be subject to the receipt of the requisite consent by the members to hold the AGM at a shorter notice.

7. In compliance with the MCA circulars, Notice of the AGM along with the Annual Report for 2024-25 is being sent only through electronic mode to those members whose email addresses are registered with the Company/depository(ies)/ Share Transfer Agents. The Notice of the Meeting is also hosted on the website of the Company and can be accessed at www.truhomefinance.in and on the website of BSE Limited at www.bseindia.com.

8. In compliance with the MCA Circulars and applicable provisions of the Act and rules framed thereunder, the members will vote on the proposed agenda items of the Notice convening the AGM, through "Show of Hands", unless a demand for poll is made by any member in accordance with Section 109 of the Act.

   In case a poll is ordered to be taken by the Chairman or demanded in accordance with Section 109 of the Act, Shareholders can cast their vote during the AGM by sending an email to sect@truhomefinance.in from their registered email addresses.

   The Members, whose names appear in the Register of Members / list of Beneficial Owners as on May 16, 2025, being the cut-off date, are entitled to vote on the Resolution set forth in this Notice. A person who is not a Shareholder, as on the cut-off date should treat this Notice for information purpose only.

9. The relevant documents referred to in the Notice and in the accompanying explanatory statements and relevant registers as required under the Act will be available for inspection in electronic mode by Members from the date of circulation

of this Notice upto to the date of the AGM and during AGM. The members seeking to inspect the r documents required to send requests on the Company Secretary's email address: sect@truhomefinance.in .

10. As physical copies of the Annual Report 2024 – 25 will not be sent by the modes permitted under Companies Act, 2013, the Annual Report and 15th AGM Notice are available on the Company's website and websites of the Stock Exchanges i.e. BSE Limited respectively.

11. Members may send their questions with regard to financial statements or with regard to any matter to be placed at the AGM, are requested to do so in advance upto May 19, 2025 to the Company at sect@truhomefinance.in. Such questions by the members shall be taken up during the meeting and replied by the Company suitably. Please note that only questions of the Members holding the shares as on cut-off date will be considered.

    Members wishing to express their views or pose questions during the forthcoming Annual General Meeting are kindly requested to submit their intentions via email to sect@truhomefinance.in by May 19, 2025. Please note that only those Members who have communicated their intent in advance will be permitted to speak during the AGM. The Company reserves the right to restrict the number of speakers depending on the availability of time.

12. The Members can attend the meeting through VC from their laptop/mobile. Members are requested to follow the steps mentioned in the file named 'Instructions for members for attending the AGM through VC' which shall be attached separately on the e-mail, with the Notice of the AGM.

    The link for joining the meeting will also be provided in the email sent to shareholders for attending the AGM along with a copy of AGM Notice. The link for joining the AGM through VC will be activated 15 minutes before the scheduled start time of the AGM and will remain open throughout the AGM.

13. Shareholders are requested to intimate changes in their address, if any, quoting the folio number / DP-ID and Client ID, to the Company.

14. In this Notice, the term Member(s) or Shareholder(s) are used interchangeably

EXPLANATORY STATEMENT

Pursuant to Section 102 (1) of the Companies Act, 2013

Item No.: 3

The Company envisages the requirement of increased funds in future. Pursuant to the provisions of Section 180(1)(c) of the Companies Act, 2013 ("**Act**"), the Board of Directors of a company shall not borrow monies in excess of the Company's paid up share capital, free reserves, and securities premium apart from temporary loans obtained and/or to be obtained from the Company's bankers in the ordinary course of business, unless the Members have authorized the Board to borrow the monies up to some higher limits.

At the Annual General Meeting held on June 17, 2024, the shareholders of the Company had passed resolution authorizing the Board of Directors/ Committee of Directors to borrow upto a limit of ₹ 13,600 Crores (Rupees Thirteen Thousand and Six Hundred Crores only) apart from temporary loans obtained /to be obtained from the bankers by way of cash credit limits and working capital demand loans in the ordinary course of business.

Company's current borrowings as on March 31, 2025 stands above ₹ 11,414 Crores. Further as per Paragraph 27.2 of Master Direction – Non-Banking Financial Company – Housing Finance Company (Reserve Bank) Directions, 2021 ("RBI Master Directions") no Housing Finance Company can have its total Borrowing limit in aggregate, in excess of 12 times of its Net Owned Fund (NOF). The NOF as on March 31, 2025 was at ₹ 2,936.25 Crores.

In light of our company's aggressive growth trajectory over the past years and capital infusion, driven by increased disbursement numbers fulfilled through incremental borrowings, our financial position has been significantly strengthened. To capitalize on upcoming opportunities and support our strategic initiatives, it is imperative to access adequate financial resources.

To capitalize on emerging opportunities and support strategic initiatives, it is imperative to access adequate financial resources. The Board of Directors considers it desirable to enhance the borrowing limit to ₹ 18,000 Crores (Rupees Eighteen Thousand Crores only), excluding temporary loans obtained or to be obtained from its bankers the ordinary course of business.

None of the Directors, Key Managerial Personnel of the Company and their relatives are concerned or interested, financially or otherwise in this Resolution.

The Board accordingly, recommends the Special Resolution set out at Item No. 3 of accompanying Notice for the approval of the Members.

Item No.: 4

Pursuant to the provisions of Section 180(1)(a) of the Companies Act, 2013, provides that the Board of Directors of a company shall not except with the consent of the Company in General Meeting, by way of Special Resolution, sell, lease or otherwise dispose of the whole, or substantially the whole, of the undertaking of the Company.

Your Company would be borrowing monies from time to time for the purpose of its business by way of loans, debentures, bonds, commercial paper, hire purchase finance, lease portfolio management schemes and other financial assistance/credit facilities from various financial/investment institution(s), bank(s), mutual fund(s), insurance company(ies), corporate body(ies) and other persons/investors apart from the working capital facilities obtained/ to be obtained from banks in the ordinary course of business.

This, in turn would necessitate further creation of security by way of mortgage and /or charges on all or some of the immovable and/or movable properties of the Company, both present and future in favour of the lenders/ trustees/agents. The resolution proposed at Item no. 4 is to seek the permission of the members for empowering the Board/ Committee of Directors to create mortgage and/or charge up to an aggregate amount of ₹ 22,500 (Rupees Twenty-Two Thousand and Five Hundred Crores only) on the immovable and /or movable properties of the Company to secure the loans, debentures, bonds, financial assistances / credit facilities obtained/ to be obtained by the Company from the lenders of the Company.

None of the Directors, Key Managerial Personnel of the Company and their relatives are concerned or interested, financially or otherwise in this Resolution.

The Board accordingly, recommends the Special Resolution set out at Item No. 4 of accompanying Notice for the approval of the Members.

Item No.: 5

For the purpose of enhancing lending, to grow the asset book, for refinancing existing debt and other general purposes of the Company, it is proposed to raise funds by issue of securities namely, secured, Unsecured, Market Linked, redeemable Non-Convertible Debentures (NCDs), Subordinated Debentures, Bonds or any other Debt Securities on private placement basis.

As per the provision of the Section 42 and any other provisions, if any, of the Companies Act, 2013 and the Rules made thereunder, a Company offering or making an invitation to subscribe to Secured / Unsecured / Redeemable / Non-Convertible Debentures (NCDs) on a private placement basis is required to obtain prior approval of the Members by way of Special Resolution. Such approval by a Special Resolution can be obtained once a year for all the offers and invitations for such NCDs to be made during the year, NCDs including subordinated debentures, bonds and / or other debt securities, etc., issued on a private placement basis constitute a significant source of borrowings for the Company and meet the ongoing funding requirements for the Company's business activities and refinancing of the existing debt obligations of the Company.

The Board of Directors at their Meeting held on April 24, 2025, has considered the possibility of the Company being required to make an offer or invitation, to subscribe to securities through private placement subject to the shareholders' approval at the ensuing Annual General Meeting.

It is therefore, proposed to obtain an enabling approval of shareholders to offer or invite subscription for NCDs including subordinated debentures, bonds, and/or other debt securities, etc. on private placement basis, at appropriate time in one or more tranches, within the overall borrowing limits of the Company as approved by the Members with the authority to the Board or authorized Committee or person(s) as authorized by the Board to determine the terms and conditions, including the issue price of the NCDs, interest, repayment, security use of proceeds or otherwise, as it may deem expedient and to do all such acts, deeds, matters and things in connection therewith and incidental thereto and the Board in its absolute discretion deem fit. The Board would act on the basis of the enabling resolution without being required to seek any further consent or approval of the Members or otherwise to the end and intent that they shall be deemed to have given their approval thereto expressly by the authority of the Resolution. Accordingly, the approval of the Members is being sought by way of a Special Resolution under Sections 42, 71 and other applicable provisions, if any, of the Companies Act, 2013 read with Rules made thereunder as set out in Item No. 5 appended to this Notice.

None of the Directors, Key Managerial Personnel of the Company and their relatives are concerned or interested, financially or otherwise in this Resolution.

The Board accordingly, recommends the Special Resolution set out at Item No. 5 of accompanying Notice for the approval of the Members.

ANNEXURE TO THE AGM NOTICE

Details of the Directors seeking re-appointment at the 15th Annual General Meeting in terms of paragraph 1.2.5 of the Secretarial Standard-2 on General Meetings, is given below:

Full Name	Mr. Hemant Omprakash Mundra
DIN	08192978
Date of Birth	October 4, 1988
Age	36 years
Nationality	Indian
Date of first appointment on the Board	December 11, 2024
Designation/ Category of Directorship	Non-Executive, Non-Independent Director
Education Qualifications	• B.Tech. in Chemical Engineering from the Indian Institute of Technology, Bombay (IIT-Bombay) • Postgraduate degree from the Indian Institute of Management, Ahmedabad (IIM-A), where he was a gold medalist • CFA Level 3 certified by the CFA Institute
Brief Profile and Experience	Mr. Hemant Mundra serves as a Nominee Director at Vistaar Financial Services Private Limited, Avanse Financial Services Limited, and Parksons Packaging Limited. He also serves as the Managing Director of Warburg Pincus India Private Limited (WP India), where he focuses on investments in the Financial Services and Consumer sectors. Mr. Mundra has been involved in several investments under the Warburg Pincus group, including Fusion Micro Finance Limited, Home First Finance Company India Limited, Avanse Financial Services Limited, Vistaar Financial Services Private Limited and Parksons Packaging Limited.
Relationship with other Directors / Key Managerial Personnel	Not related to any other Director/Key Managerial Personnel
Terms and conditions of the appointment / re-appointment	NA as Non-Executive Director
Remuneration sought to be paid and remuneration last drawn	Nil. No remuneration, sitting fees or commission is paid to Non-Executive, Non-Independent Directors
Directorships of other Companies (as on 31.03.2025)	1. Parksons Packaging Limited 2. Terra One Packaging Private Limited 3. Vistaar Financial Services Private Limited 4. Avanse Financial Services Limited 5. Warburg Pincus India Private Limited

<table>
<tr><th>Full Name</th><th>Mr. Hemant Omprakash Mundra</th></tr>
<tr><td>Membership/ Chairmanship of Committees of other Boards*
(as on 31.03.2025)</td><td>Vistaar Financial Services Private Limited
<table><tr><th>Committee</th><th>Member/ Chairperson</th></tr><tr><td>Audit Committee</td><td>Member</td></tr></table>Avanse Financial Services Limited
<table><tr><th>Committee</th><th>Member/ Chairperson</th></tr><tr><td>Stakeholders' Relationship Committee</td><td>Member</td></tr></table></td></tr>
<tr><td>Shareholding in the Company (as on 31.03.2025)</td><td>NIL</td></tr>
<tr><td>Number of Meetings of the Board attended during the year (FY 2024-25)</td><td>3 Meetings were attended by Mr. Mundra from the date of his appointment viz. December 11, 2024</td></tr>
</table>

**Includes only Audit Committee and Stakeholders Relationship Committee*

By order of the Board of Directors
For **Truhome Finance Limited**
(formerly Shriram Housing Finance Limited)

Gauri Shankar Agarwal
PAN: ADCPA8789R
Chief Financial Officer

Date: May 17, 2025
Place: Mumbai