



**HINDUJA
HOUSING FINANCE**

We trust your potential

ENABLING DREAMS AND BUILDING TRUST



ANNUAL REPORT

2023 - 2024

CORPORATE INFORMATION

CORPORATE IDENTITY NUMBER

U65922TN2015PLC100093

BOARD OF DIRECTORS

Mr. Dheeraj G Hinduja, *Director*

(Appointed w.e.f 29th September, 2023)

Mr. Sachin Pillai, *Managing Director*

Mr. Gopal Mahadevan, *Director*

Ms. Bhumika Batra, *Director*

Mr. G S Sundararajan, *Director*

Mr. Srinivas Acharya, *Director*

Ms. Manju Agarwal, *Director*

Mr. S V Parthasarathy, *Director*

(Appointed w.e.f 29th September, 2023)

Mr. Sudip Basu, *Director*

(Appointed w.e.f 14th May, 2024)

AUDIT COMMITTEE

Mr. G S Sundararajan, *Chairman*

Ms. Bhumika Batra, *Member*

Mr. Gopal Mahadevan, *Member*

Mr. Srinivas Acharya, *Member*

RISK MANAGEMENT COMMITTEE

Mr. Srinivas Acharya, *Chairman*

Mr. Sachin Pillai, *Member*

Mr. G S Sundararajan, *Member*

Mr. Dheeraj G Hinduja, *Member*

Mr. Gopal Mahadevan, *Member*

Mr. S V Parthasarathy, *Member*

IT STRATEGY COMMITTEE

Mr. G S Sundararajan, *Chairman*

Mr. Sachin Pillai, *Member*

Ms. Manju Agarwal, *Member*

Mr. Stalin Irudhayaraj, *Member (Head – IT)*

CREDIT COMMITTEE

Mr. G S Sundararajan, *Chairman*

Mr. Srinivas Acharya, *Member*

Mr. Sachin Pillai, *Member*

Mr. Gopal Mahadevan, *Member*

Mr. S V Parthasarathy, *Member*

NOMINATION AND REMUNERATION COMMITTEE

Ms. Bhumika Batra, *Chairperson*

Mr. Dheeraj G Hinduja, *Member*

Mr. Srinivas Acharya, *Member*

Mr. S V Parthasarathy, *Member*

CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

Mr. Dheeraj G Hinduja, *Chairman*

Mr. Sachin Pillai, *Member*

Ms. Bhumika Batra, *Member*

Mr. Gopal Mahadevan, *Member*

ASSET LIABILITY MANAGEMENT COMMITTEE

Mr. Sachin Pillai, *Chairman*

Ms. Manju Agarwal, *Member*

Mr. S V Parthasarathy, *Member*

Mr. Vivek Kannan (COO), *Member*

Mr. Prateek Parekh (CFO), *Member*

Mr. Vikas Jain (CFO HLF Limited), *Member*

WILFUL DEFAULTER REVIEW COMMITTEE

Mr. Sachin Pillai, *Chairman*

Mr. G S Sundararajan, *Member*

Ms. Bhumika Batra, *Member*

Ms. Manju Agarwal, *Member*

KEY MANAGEMENT PERSONNEL

Mr. Sachin Pillai (*Managing Director*)

Mr. Prateek Parekh, *Chief Financial Officer (KMP)*

Mr. Srinivas Rangarajan, *Company Secretary &*

Compliance Officer (KMP)

REGISTERED OFFICE

No.27-A, Developed Industrial Estate,

Guindy, Chennai – 600032.

Email - compliance@hindujahousingfinance.com

Website - www.hindujahousingfinance.com

STATUTORY AUDITORS

M/s. Sharp & Tannan Associates

87 Nariman Bhavan, 227 Nariman Point,

Mumbai - 400 021.

SECRETARIAL AUDITORS

M/s. G Ramachandran & Associates

Company Secretaries, F-10, Syndicate Residency,

No.3, Dr. Thomas First Street,

T Nagar, Chennai - 600 017.

DEBENTURE TRUSTEE

Vardhman Trusteeship Pvt Limited

The Capital, 421A, Bandra Kurla Complex,

Bandra East, Mumbai 400051

BANKERS

Axis Bank	CSB Bank	Karnataka Bank
Bandhan Bank	DCB Bank	Karur Vyasa Bank
Bank of India	Federal Bank	State Bank of India
Bank of Baroda	HDFC Bank	Punjab National Bank
Bank of Maharashtra	ICICI Bank	South Indian Bank
Maharashtra	IDBI Bank	UCO Bank
Canara Bank	Indian Bank	Union Bank of India
Central Bank of India		

CONTENTS

1. BOARD'S REPORT

Directors' Report	03
-------------------------	----

2. STANDALONE FINANCIAL STATEMENTS

Independent Auditors' Report	29
Balance Sheet	41
Statement of Profit and Loss	42
Cash Flow Statement	43
Statement of Changes in Equity	45
Notes to the Financial Statements	46

DIRECTORS' REPORT

To the Members

Your director's have pleasure in presenting the 9th Annual Report of the Company, together with the Audited financial statements, for the financial year ended 31st March, 2024.

Financial Results

The summarised financial results of the Company are given hereunder:

Particulars	(Rs. Lakh)	
	Year ended 31 March, 2024 IND AS	Year ended 31 March, 2023 IND AS
Total Income	120,860.26	74,754.99
Less: Total Expenditure	81,769.75	46,288.27
Profit Before Tax Exceptional Items and Tax	39,090.51	28,466.72
Exceptional Items	-	-
Profit Before Tax	39,090.51	28,466.72
Profit After Tax	30,034.16	21,680.31
Surplus / (Shortfall) brought forward	37,010.76	19,666.51
Amount available for appropriation	67,044.92	41,346.82
Appropriations have been made as under:		
Transfers to:		
- Statutory Reserve	6,006.83	4,336.06
Surplus / (Shortfall) carried forward after appropriation	61,038.09	37,010.76

Operating and Financial Performance

During the year under review, your Company registered a Loan disbursement of Rs. 5,712 crores as against Rs. 3,716 crores during the previous year. We are pleased to inform that the Assets under management have grown to Rs 10,550 crores from Rs 6,667 crores, an increase of 58% over previous year. Your Company's Net Profit was Rs 300 Crores and Net Worth of the Company is Rs 1,580 crores as at 31st March, 2024.

Share Capital

During the year under review, as per the terms of letter of offer issued to the existing shareholders, your Company had allotted 25,77,425 equity shares as per the table below:

S No	Date of Allotment	No. of Shared Allotted under rights issue basis	Issue Price (in. INR)
1	28th July, 2023	25,77,425	156/-

Bank Borrowings

During the year, the Company has availed loans aggregating to Rs.3,665 crores and received sanctions for term loans and cash credit facilities from banks amounting to Rs. 3,800 crores during the financial year ended 31st March, 2024.

NCD Issuance

During the year, the company had issued Secured Non-Convertible debentures to the extent of Rs.250 crores. The debentures were listed on the BSE Limited.

Subordinated Debt

During the year, your Company had raised money by way of subordinated debts amounting to Rs.217 crores. The subordinated debts were listed on the BSE Limited.

Commercial Papers

During the year, 2023-24 the company did not issue Commercial Papers.

Dividend

In order to augment the capital required for supporting growth of your Company, through retention of internal accruals, your Board of Directors have not recommended any dividend for the year.

Transfer to Reserves

During the year under review, Rs 60.06 crores was transferred to the Statutory Reserve created under Section 29C of the National Housing Bank Act, 1987 read with section 36(1)(viii) of Income Tax Act, 1961. Further, an amount of INR 240.27 Crores was transferred to the General Reserves.

Deposits

During the year under review, your Company has not accepted any public deposits within the meaning of the Companies Act, 2013 and the Rules made thereunder including NHB Directions 2010, as the Company is registered as Housing Finance Institution without accepting public deposits.

Credit Rating

During the financial year ended 31st March 2024, your company's long-term credit ratings by rating agencies remains at AA/Stable. The credit ratings for the Company's borrowings are provided below:

Nature of borrowings	Rating / Outlook	
	CARE	CRISIL
Long-term Bank Facilities	AA/Stable	-
Short-term Bank Facilities	AA/Stable	-
Commercial papers	A1+	A1+
NCDs	AA/Stable	AA/Stable
Subordinated Debt	AA/Stable	AA/Stable

Capital Adequacy

As required under Master Direction – Non-Banking Financial Company – Housing Finance Company (Reserve Bank) Directions, 2021 ('HFC Master Directions') issued by Reserve Bank of India, your Company is presently required to maintain a minimum capital adequacy of 15.00% on a standalone basis. The Capital Adequacy Ratio (CRAR) of the Company as on 31st March, 2024, was 20.11% (20.26 % as on 31st March, 2023)

Compliance with Directions/Guidelines of National Housing Bank (NHB) / Reserve Bank of India and other statutes

The Company has complied with the provisions of the Master Direction – Non-Banking Financial Company – Housing Finance Company (Reserve Bank) Directions, 2021,

as prescribed by RBI and has been in compliance with various Circulars, Notifications and Guidelines issued by National Housing Bank (NHB)/Reserve Bank of India from time to time. The Circulars and the Notifications issued by NHB/RBI are also placed before the Board of Directors at regular intervals to update the Board members on the compliance of the same.

Corporate Governance

In accordance with the Master Direction – Non-Banking Financial Company – Housing Finance Company (Reserve Bank) Directions, 2021, issued by the Reserve Bank of India vide notification no. DOR.FIN. HFC.CC. No.120/03.10.136/2020-21 dated 17th February, 2021, your Company has framed internal Corporate Governance guidelines, in order to enable adoption of best practices and great transparency in the business operations. A report on corporate governance forms part of this report which is enclosed as **Annexure - A**.

The said Report covers in detail, the Corporate Governance Philosophy of the Company, Board Diversity, Director's appointment and remuneration, declaration by Independent Directors, Board evaluation, familiarisation programme, vigil mechanism, etc.

Code of Conduct

The Company has a duly approved Code of Conduct for the Board of Directors and Senior Management Personnel ["Code"] of the Company in place as per the terms of the internal Corporate Governance guidelines. The subject Code identifies and lists out various elements of commitment, duties and responsibilities that serves as a basis for taking ethical decision-making in the conduct of day-to-day professional work. The Code requires the Directors and employees to act honestly, ethically and with integrity and in a professional and respectful manner. The Board of Directors and Senior management personnel have provided their affirmation to the compliance with this code.

Directors & Key Managerial Personnel:

The Board of Directors has made the following appointments/ re-appointments based on the recommendations of the Nomination and Remuneration Committee,

Appointment

Mr. Dheeraj G Hinduja (DIN: 00133410) was appointed as an Additional Director with effect from 29th September, 2023 and was subsequently appointed as a Non-Executive, Non-Independent Director, designated as Chairman liable to retire by rotation in the Extra - Ordinary General Meeting duly convened on 4th April, 2024.

Mr. S V Parthasarathy (DIN: 01111395) was appointed as an Additional Director with effect from 29th September, 2023 and was subsequently appointed as a Non-Executive, Independent Director not liable to retire by rotation in the Extra - Ordinary General Meeting duly convened on 4th April, 2024, for a period of 5 years until 28th September, 2028

Mr. Sudip Basu (DIN: 09743986) was appointed as an Additional Director with effect from 14th May, 2024 and was subsequently appointed as a Non-Executive Non-Independent Director, liable to retire by rotation in the Extra - Ordinary General Meeting duly convened on 27th June, 2024.

Reappointment of Directors

In terms of Section 152 of the Companies Act, 2013 ("Act") and other applicable provisions, if any, of the Act and the Articles of Association of the Company, Mr. Gopal Mahadevan (DIN 01746102) retires by rotation at the ensuing Annual General Meeting and being eligible, has offered himself for re-appointment. Your directors, recommend the re-appointment of Mr. Gopal Mahadevan, as a Non - Executive, Non -Independent director. The agenda relating to re-appointment of Mr. Gopal Mahadevan, Director forms part of the notice convening the ensuing Annual General Meeting.

As recommended by the Nomination & Remuneration Committee and approved by the Board, Mr. Sachin Pillai was reappointed as Managing Director of the Company for the period of two years with effect from 1st April 2024 until 31st March, 2026.

Declaration from Independent Directors

Your Company has received necessary declarations from all Independent Directors of the Company stating that they meet the criteria of independence as laid down in Section 149(6) of the Companies Act, 2013 and Regulations 16(1)(b) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. In the opinion of the Board, the Independent Directors fulfil the conditions specified under the Companies Act, 2013 and rules made thereunder. All Independent Directors have registered with the Data Bank and passed 'Online Proficiency Self-Assessment Test' conducted by Indian Institute of Corporate Affairs (IICA).

Key Management Personnel

Pursuant to the provisions of Section 203 of the Companies Act read with the Rules made thereunder, the whole-time key managerial personnel of the Company are Mr. Sachin Pillai, Managing Director, Mr. Prateek Parekh, Chief Financial Officer and Mr. Srinivas Rangarajan, Company Secretary and Compliance Officer.

Statutory Auditors

Pursuant to the provisions of Section 139 of the Act and the rules made there under and Guidelines for Appointment of Statutory Central Auditors (SCAs)/Statutory Auditors (SAs) of Commercial Banks (excluding RRBs), UCBs and NBFCs (including HFCs) issued by Reserve Bank of India dated April 27, 2021, on appointment of statutory auditors of banks and NBFCs (including HFCs), there is a restriction on auditors/audit firms from being in office for a period of more than three years. Hence, in compliance with the RBI requirement, the company had appointed M/s. Sharp & Tannan Associates, Chartered Accountants, ICAI (Firm Registration Number 109983W) as the Statutory Auditors of the Company at the Sixth Annual General Meeting held on 7th September, 2021 for a period of 3 years, till the conclusion of Ninth AGM to be held in the year 2024. The Board of Directors of the company at their meeting held on 7th August 2024 has proposed appointment of M/s. V Sankar Aiyar & Co, Chartered Accountants (FRN: 109208W) as Statutory Auditor in place of retiring auditor M/s. Sharp & Tannan Associates, subject to the approval of the shareholders in the ensuing annual general meeting.

The statutory audit report is attached with the financial statements and forms part of this report and does not contain any qualification, reservation or adverse remarks.

Secretarial Audit

As required under section 204 of the Companies Act, 2013 and Rules thereof, the Board had appointed

M/s. G Ramachandran & Associates, Company Secretaries, to undertake the secretarial audit of the Company for the financial year 2023-24. Their Secretarial audit report forms part of this annual report (**Annexure – B**) and does not contain any qualification, reservation or adverse remarks.

Directors' Responsibility Statement

To the best of our knowledge and belief and on the basis of the information and explanations obtained by us, your Directors make the following statements in terms of Section 134(3) (c) of the Act:

- a) in the preparation of the annual financial statements for the year ended 31st March, 2024, the applicable Accounting Standards had been followed along with proper explanation relating to material departures.
- b) for the financial year ended 31st March, 2024, such accounting policies as mentioned in the Notes to the financial statements have been applied consistently and judgments and estimates that are reasonable and prudent have been made so as to give a true and fair view of the state of affairs of the Company and of the Profit of the Company for the year ended 31st March, 2024.

- c) that proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
- d) the annual financial statements have been prepared on a going concern basis.
- e) that proper internal financial controls were followed by the Company and that such internal financial controls are adequate and were operating effectively.
- f) that proper systems to ensure compliance with the provisions of all applicable laws were in place and that such systems were adequate and operating effectively.

Extract of Annual Return

Pursuant to the provisions of Section 134(3) (a) and Section 92 (3) read with Rule 12 (1) of the Companies (Management and Administration) Rules, 2014, the Annual Return as on 31st March, 2024 is available on the company's website at www.hindujahousingfinance.com.

Related Party Transactions

All transactions entered by the Company with Related parties were in the ordinary course of business and at Arm's Length pricing basis. There were no materially significant related parties' transactions, pecuniary transactions or relationships between the Company and its Directors during the financial year 2023-24 that may have potential conflict with the interest of the Company. Suitable disclosures as required under IND AS-24 have been made in Note 32 of the Notes to the financial statements.

Form AOC-2, as required under Section 134(3)(h) of the Act, read with Rule 8(2) of the Companies (Accounts) Rules 2014, forms part of this Board's Report (Annexure - C). The Policy on Related Party Transactions has been hosted on the Company's website: www.hindujahousingfinance.com.

Further, as mandated under the Directions issued by the Reserve Bank of India under Master Direction – Non-Banking Financial Company – Housing Finance Company (Reserve Bank) Directions, 2021, dated 17th February 2021, the Company has formulated a Policy on Related Party Transactions and Policy on Related Party Transactions has been hosted on the Company's website: www.hindujahousingfinance.com.

Material changes and commitments affecting the financial position of the Company which have occurred between 31st March, 2024 and 7th August, 2024 (date of the Report)

There were no material changes and commitments affecting

the financial position of the Company between the end of financial year (31st March, 2024) and the date of the Report 7th August, 2024

Risk Management Policy

The company's business activities expose it to a variety of risks including credit risk, operational risk and interest rate risk. Risk management forms an integral part of company's business. The objective of the Company's risk management system is to measure and monitor various risks and to implement policies and procedures to mitigate such risks.

The Company manages credit risk through stringent credit norms aided by a robust in-house developed IT infrastructure. Liquidity risk and interest rate risk arising out of maturity mismatch of assets and liabilities are managed through regular monitoring of the maturity profiles. Operational risks arising from inadequate or failed internal processes, people and systems or from external events are adequately addressed by the internal control systems and are continuously reviewed and monitored. Standard Operating Procedures are well documented to ensure enhanced control over processes and regulatory compliance.

Internal Control Systems and their Adequacy

The Company has well defined and adequate internal financial controls and procedures, commensurate with the size and nature of its operations. These internal control and systems are devised as part of the principles of good governance; and are accordingly implemented within the framework of proper check and balances. Your Company ensures that a reasonably effective internal control framework operates throughout the organisation, which provides assurance about safeguarding the assets, reliability of financial and operational information, compliance with applicable statutes, execution of transactions as per the authorisation and compliance with the internal policies of the Company.

Internal Audit

At the beginning of each financial year, an annual Internal audit plan is rolled out after receiving approval from the Audit Committee. The audit plan is aimed at evaluation of the efficacy and adequacy of internal control systems and compliance thereof, robustness of internal processes, policies and compliance with laws and regulations. Based on the reports of internal audit, functional process owners undertake corrective action in their respective areas. Significant audit observations and corrective actions thereon are presented to the Audit Committee of Board. The Audit Committee regularly reviews the annual audit plan status,

audit findings as well as the adequacy and effectiveness of the internal control measures.

Corporate Social Responsibility Committee

The Company has in place a Corporate Social Responsibility policy (CSR Policy), as per the provisions of the Companies Act, 2013 and Companies (Corporate Social Responsibility Policy) Rules, 2014, as amended and the policy is hosted on the website of the Company. We have, so far, put in place necessary measures and processes of identifying worthy causes as well as to monitor their progress with a view to

ensuring that they are consistent with our policy, serving large public good and are sustainable over an extended period. Particulars of CSR activities, details of amount spent during the financial year and the details relating to composition of CSR Committee form part of corporate governance report, enclosed as an **(Annexure D)** to this report.

Remuneration Policy of the Company

The Company has in place a remuneration policy which is guided by the principles and objectives as enumerated in section 178 of the Act. The policy is made available on the website of the Company at URL www.hindujahousingfinance.com

Meetings of the Board

During the Financial year 2023-24, 8 (Eight) meetings of the Board of Directors were held and the related details, including that of various committees constituted by the Board, are made available in the Report of Directors on Corporate Governance forming part of the annual report placed before the members. Your Company has complied with all the requirements as applicable under Companies Act, 2013 and related rules thereon and Master Direction – Non-Banking Financial Company – Housing Finance Company (Reserve Bank) Directions, 2021, in relation to the Board of Directors and the Committees of the Board.

Committees of the Board:

Currently the Board has eight Committees viz. the Audit Committee, the Nomination & Remuneration Committee, the Risk Management Committee, the Asset Liability Management Committee, the Corporate Social Responsibility Committee, the IT Strategy Committee, the Credit Committee and the Wilful defaulter review committee.

A detailed note on the composition of the Board and its Committees and other related particulars are provided in the

Report of Directors on Corporate Governance forming part of this Annual Report.

Secretarial Standards

During the financial year 2023-24, the company has complied with the applicable Secretarial Standards issued by the Institute of Company Secretaries of India (ICSI) with regard to meetings of the Board of Directors and general meetings held during the year.

Board Evaluation

Pursuant to the provisions of the Companies Act, 2013, the Board has carried out an annual evaluation of its own performance, and that of the Committees, Chairperson and Directors facilitated by an Independent external agency to ensure objectivity and equality based on the above criteria for the Financial Year 2023-24. The process involved evaluation of the effectiveness of the Board, Committees and individual Directors and independent feedback from all the Board members.

Significant and material orders

There has been no penalty imposed by NHB, RBI or other Regulators during the year ended 31st March 2024.

Conservation of energy, technology absorption, foreign exchange earnings and outgo

Since your Company is a housing finance Company and does not own any manufacturing facility, the requirement relating to providing the particulars relating to conservation of energy and technology absorption as per Sec 134 (3) (m) of the Companies Act, 2013 read with Rule 8 of the Companies (Accounts) Rules 2014, is not applicable. However, your Company has been increasingly using information technology in its operations and promotes conservation of resources. During the year under review, your Company did not earn any income or incur any expenditure in foreign currency/exchange.

MANAGEMENT DISCUSSION AND ANALYSIS

Global Economic Overview:

The global economy grew with resilience during 2023 at 3.1% year over year, despite increasing geopolitical conflicts, slowdown in manufacturing activities and trade and the persistent monetary tightening across the major developed economies. The growth was upheld more by the emerging markets and developing economies as compared to the developed economies. Most central banks have retained their policy rates at elevated levels in order to reign in inflation, which remains a concern amidst the myriad economic and political uncertainties.

Indian Economy Overview:

The Indian economy was the fastest growing economy among the larger developing economies, posting a real GDP growth rate of 7.6% during 2023-24. Both the manufacturing and services sectors drove the country's economic growth. Investment activity returned after a long period of stagnancy, on the back of high-capacity utilization levels and the Indian Government's consistent vigour on capital expenditure. Parallely, domestic consumption continued to uphold the demand growth, although exports remained damp due to weak external demand. Credit growth of banks grew by 16.9% year over year, and balance sheets of banks and corporates have remained healthy.

The Government's thrust on infrastructure development over the years has brought about a thriving environment in domestic trade. This, coupled with the Government's efforts in promoting in-house manufacturing, has rekindled both investment and domestic demand, turning the country into an growth engine for the tumultuous global economy. Manufacturing activity had started recovering in the first half of 2023-24 and continued its growth momentum in the second half of the fiscal on the back of softening commodity prices and easing logistic costs due to infrastructure improvements. The Performance Linked Incentive (PLI) scheme attracted significant investments during the fiscal, especially in the electronics manufacturing and assembly industry, providing an impetus to production and exports. Construction activity picked up in the second half of the year, driven by a thriving housing demand and the Government's thrust on infrastructure development. Cross-sectoral growth in production fuelled the demand of essential commodities and utilities, like steel production, power generation, gas and water supplies and their upstream processes like mining and quarrying.

The services sector grew steadily, continuing to be the largest contributor to the India's GDP. As per estimates, services sector is expected to grow at 8% year over year during 2023-24. During the fiscal year, the growth was driven initially by real-estate and financial services. In the second half of the fiscal year also saw a strong revival of trade, transport, hospitality and communications activities. While non-IT services showed recovery over the year, the growth of IT sector output slowed down due to weak global demand.

The country witnessed an upswing in the investment cycle during the second half of the 2023-24. Capacity utilization in manufacturing had remained high at a long-term average level of 75%. Fuelled by strong corporate balance sheets and improving business sentiments, the resurgence of private investment was witnessed. Import of capital goods grew 15-18% above previous year levels. Other indicators of capex

such as power generation, commercial vehicle sales, steel consumption and cement production also stood witness to the revival of capital expenditure. Healthy interest coverage ratios of listed corporates in the manufacturing sector indicate their further capacity to undertake capital investments. The Government's estimates of capital expenditure for 2023-24 also indicate a prominent growth of 28.4% over the previous fiscal, which are reflective of the Government's drive on infrastructure development.

The domestic consumption demand was driven by the steady urban demand and improving income levels of the informal sector. Indicators of urban demand, like domestic passenger air traffic, passenger vehicle sales and consumer durable sales indicated a modest growth through the year. Steady growth of the services sector output and a salary-hikes by corporates have added further momentum to the urban demand. Rural demand remained stable compared to the previous year and did not grow as strongly as urban demand. Rural areas saw improvement in non-farm work and informal sector activity. During the calendar year 2023, labour force participation rate improved to 59.8% compared to 56.1% in the previous year and unemployment rate dropped to 3.1% compared to 3.6% last year.

Consequent to a strong domestic output and RBI's monetary measures, CPI inflation softened to 5.3% - 5.5% range during 2023-24, down from the level of 6.7% in 2022-23. While food prices saw volatility in certain months of the year due to supply shocks in some products, the core inflation has steadily declined through the financial year.

Financial Sector:

The global banking system remained resilient during 2023 despite earlier expectations of escalating inflation and the challenges from geopolitical instability. During the year, inflation swung upwards and then subsided by the end of the year. Major central banks had raised their respective policy interest rates significantly to counter inflation, the effect of which had cascaded in the form of tightening corporate liquidity and subdued business investments.

Financial markets were buoyed by the easing of monetary policies world-wide and resumption of global trade post emergence from the COVID period. International capital investments rebounded in most developing economies. While these positive signs are being treated as a satisfactory resurgence of economic conditions post-COVID, inflation remains a real and present threat for most economies. Growth remained slow in many nations and the overall global growth is driven by a few dominant economies.

Relative to the global markets, the Indian financial markets remained more stable. The RBI had kept the policy repo rate

steady during the financial year. In response, the money market rates remained mostly stable during the first half, but thereafter rising during Q3 due to liquidity shifts, and again subsiding during Q4. Long term government bond yields remain low in response to domestic demand.

The transmission of the cumulative policy rate increases till the previous financial year had continued in the form of firming fixed deposit rates and bank's MCLR rates during fiscal 2023-24. Corporate bond yields also rose during the second half of the year due to tightening liquidity and regulatory changes announced on bank exposures to consumer credits and NBFCs.

Bank credit grew strongly throughout the year, growing faster than deposit expansion. Bank credit grew 16.3% YoY whereas deposits expanded by 12.9%. Primary corporate bond issuances, which had recovered during the second half of fiscal year 2022-23, had sustained their levels during fiscal 2023-24.

Equity markets climbed upwards strongly throughout the year on account of strong corporate earning results, rising FPI inflows on account of stabilizing policy rates overseas. The rising trend of shift in domestic investments from fixed income to equity markets further propelled the market capitalizations, wherein the systematic investment plan instalments touched new record highs during each month in the second half of the fiscal.

India's financial systems have played a key role in driving financial inclusion, which has been a key policy agenda of the government in recent years. Technological developments in digital financial services have been at the centre of bringing a turnaround in financial inclusion at grass root levels of the society. These developments have been used very effectively by the central government in disbursement of benefits and subsidies, an achievement that has received global acclaim for poverty alleviation. Financial inclusion has given momentum to growth and employment in the country.

Real Estate Industry & Affordable Housing

The growth in demand for Housing in India has remained remarkably strong during 2023, outshining many developed countries. The housing demand has been fuelled by expanding disposable income of families, pickup of urbanization trend due to increased employment in services sector and fast paced development of urban infrastructure and road connectivity. Additional aids were provided by central and state governments in the form of stamp duty concessions and government initiatives under the Pradhan Mantri Awas Yojana, which have helped turn the dreams of many families into realization. An Anarock report states that sales volume of residential units had touched at a 15 year high during 2023, with the combined sales across top 7 cities

growing by 31% year over year, and new unit launches increasing by 25%.

Property prices have also seen a steady escalation during the year. The NHB's Housing Price Index consolidated over 50 cities reported approximately 5% rise in property prices during H1 of fiscal 2023-24. The prices of under construction and ready to move unsold properties witnessed a rise of 10-12% during H1 of fiscal 2023-24, driven mainly by the steadily rising input costs over the past two years. Similarly, Anarock has reported price appreciation of 10-24% in the top 7 cities of the country.

The Government of India has intensified its focus on urban development, with the view of creating sustainable infrastructure to support urban migration and growth in the next 25 years. Their initiatives includes projects on water resource development, improving sanitation, developing urban transportation and overall infrastructure planning for expansion of urban areas. The Union Budget 2024 also announced increased budgetary allocation to the Pradhan Mantri Awas Yojana, with the view of targeting 2 crore additional housing in the next 5 years.

Going forward, the majority of housing demand is expected to arise from the Economically weaker segments and Low-income groups of the society, where the bulk of the housing shortfall exists. According to a report from MHUPA on urban housing shortage, 95% of the housing demand is estimated to arise from the economically weaker sections (EWS) and low-income groups (LIG) segments of the society. The tier-II cities and smaller towns are contributing to majority of the housing demand owing the rising economic activities in semi-urban and rural areas. Increasing penetration of road infrastructure deeper into the country has allowed supply chain and hence wealth creation to spread faster and deeper.

The demand for Housing Finance saw a sustained growth during FY24 across all segments. The portfolios of Affordable housing finance companies grew at a healthy pace of 27% during FY23, and CARE Ratings estimates them to grow at 29% during FY24. The affordable housing finance companies form a relatively small segment of the overall housing finance market, which is dominated by banks. Affordable housing finance companies serve a distinct albeit fast growing segment of housing finance market, which comprises of the section of society which has been away from the mainstream financial inclusion and are emerging aspirants for home ownership. This segment offers an immense growth opportunity for affordable housing finance companies due to the growing affluence of these families and low financial penetration in this segment. Affordable housing finance companies have built up a network to reach this segment of society to serve their housing demand, they

have also developed skillset for underwriting to these segments which do not qualify as prime segment.

The housing sector's growth presently faces headwinds from rising interest rates, inflation in construction cost and inflationary pressure on savings. While these factors affect the gross affordability of home loans, the wide-spread economic growth across the country is also increasing household income levels. In this scenario, lenders ability of income appraisal and risk assessment becomes a key lever.

Regulatory changes

The key focus during this fiscal year for the Reserve Bank of India (RBI) was on increasing the customer centric approach and adopting fair lending practices aiming at fostering fairness and transparency.

The RBI issued various circulars with the objective of improving fair lending practices, including those on penal interest, reset of rates of interest, timely release of security, strengthening customer service by Credit Information Companies and Credit Institutions, establishing a framework for compensating customers for delayed updation or rectification of credit information and display of information regarding secured assets possessed under the SARFAESI Act, 2002 on the website of the Company.

Some of the other notifications from RBI were aimed at financial prudence and risk management. RBI issued a notification on consumer credit and bank credit to NBFCs considering the sharp rise in unsecured consumer lending. This notification necessitated application of higher risk weight in the computation of CRAR for the consumer credit exposure of NBFCs categorized as retail loans, excluding housing loans, business loans, educational loans, vehicle loans, loans against gold jewellery and microfinance/SHG loans. The RBI also issued a comprehensive framework for compromise settlement and technical write offs, requiring the regulated entities to lay down a board approved policy on compromise settlement and technical write off to ensure greater transparency. The National Housing Bank (NHB) has issued a circular to housing finance companies with asset size of over Rs. 1,000 crores to adopt an early warning signals (EWS) framework, which strives to strengthen proactive measures to check financial frauds and prevent delinquency.

Company Overview

Hinduja Housing Finance Limited is a Housing Finance Company with its Corporate and Registered offices in Chennai, Tamil Nadu. The Company aims to provide affordable housing finance and mortgage finance to the unserved and the underserved sectors of people throughout the country by establishing a vast operational network. The primary target customer base of HHF are first-time home

buyers in the economically weaker sections and low income groups in Tier-2/3/4 cities across India. The Company currently operates across 18 states/UTs. The Company had a branch network of 360 branches and Assets under management of Rs 10,550 crores as at 31st March 2024.

Financial Performance

The Company earned Total Income of Rs 1,20,860.26 crores during the year ended 31st March 2024 as compared to Rs 74,754.99 crores during the previous year, resulting in a growth of 61 %. The Company's Net Profit after Tax stood at Rs 30,034.16 crores for the year ended 31st March 2024 compared to Rs 21,680.31 crores in the previous year, growing by 39%.

Key indicators of Financial Performance for the Financial year ended 31st March 2024 stood as follows:

- The Company's Total Assets grew to Rs 9,852 crores, growing by 58% over the previous financial year.
- The Company's Total Income grew to Rs 1,209 crores, growing by 62% over the previous financial year.
- The Company's Total Expenses grew to Rs 818 crores, growing by 76% over the previous financial year.
- The Company's Profit before Tax grew to Rs 391 crores, growing by 37% over the previous financial year.
- The Company's Profit after Tax grew to Rs 300 crores, growing by 39% over the previous financial year.
- The Company's Earnings per Share for the year ended 31st March 2024 stood at Rs 12.63 per share.
- The Company's Return on Assets was 3.74 % for the year ended 31st March 2024
- The Capital Adequacy Ratio of the Company stood at 20.11 % as on 31st March 2024.

Operational Performance

- The Company has grown its branch network to 360 branches as on 31st March 2024, registering a growth of 53% over the last financial year.
- The growth in branch network has brought about the growth in Company's loan disbursements. The company disbursed Rs 5,712 crores during the financial year ended 31st March 2024 as compared to Rs 3,716 crores during the previous year, growing by 53%.
- The Company's Assets under Management (AUM) grew to Rs 10,550 crores as at year ended 31st March 2024 compared to Rs 6,667 crores at the end of the previous year, registering a 58% growth.

- Stage 3 assets of the Company stood at Rs 244 crores Company. The Board also places on record its deep appreciation for the dedication and commitment of the employees at all levels.

Segment-wise performance

The Company operates primarily in the asset class of mortgage finance, within which the company extends housing loans and loan against property. The Company also takes additional indirect exposure to the real estate sector through loans to other Housing Finance Companies.

- The company's exposure in the mortgage finance grew to Rs 8,600 crores as at 31st March 2024 from Rs 5,763 crores as at the previous year-end, registering a growth of 49 %.
- The Company's exposure of loans to HFCs reduced to Rs 210 crores as at 31st March 2024 from Rs 270 crores as at the previous year-end, registering a decline of 22%.

Resource Mobilization:

- Share Capital – The company's issued and paid-up Equity share capital as on 31st March 2024 was Rs 239 crores, comprising of 23,86,77,425 shares of Rs 10 each, compared to Rs 236.10 crores as at 31st March 2023, comprising of 23,61,00,000 shares of Rs 10 each.
- Borrowings – The Company availed fresh borrowings of Rs 3,665 crores during the financial year ended 31st March 2024. The outstanding term loans stood at Rs 7403 crores as at 31st March 2024, compared to Rs 4,849 crores as at the previous year-end.
- Non-Convertible Debentures – The company issued its first Non-Convertible Debentures (NCDs), including subordinate debt, during the financial year ended 31st March 2024. The Company issued NCDs of Rs 467 crores during the financial year ended 31st March 2024, including subordinate debt of Rs 217 crores. The Company's outstanding Non-Convertible Debentures as at 31st March 2024 stood at Rs 467 crores, including subordinate debt of Rs 217 crores.
- Commercial Paper – The company did not issue any commercial papers during the year ended 31st March 2024.
- Assignment of loan receivables – The company received purchase consideration of Rs 1,349 crores from assignment of loans during the financial year ended 31st March 2024.
- Credit Rating – During the year ended 31st March 2024, the Company's long-term Credit ratings remains at AA;stable.

Human Resource Development

Our Company's Human Capital forms the backbone of our organization. Our employees are integral to the core competencies of the Company. Our Company plays the role of a change agent and an employee champion, since we believe that people matter the most in making a difference in the organisation, thus crafting its success. The team size at the Company has grown steadily to 1,926 employees as at 31st March 2024 from 1,013 employees at the end of the previous financial year.

Talent retention strategies form a critical part of the Company's human resource development program, and they include comprehensive employee benefits structures and recognition programs for outstanding performance. During the fiscal year, the Company introduced competency-based talent management frameworks to align employee skills with organizational goals.

We take pride in constantly engaging our employees towards continuous improvements and innovation to achieve business excellence. The company emphasizes talent management through tailored career development plans, regular performance feedback, SOPs, and opportunities for internal mobility. The Company invests in learning and development initiatives, offering employees access to digital learning platforms, workshops, and skill enhancement programs. Focus on continuous learning ensures that employees stay abreast of industry trends and advancements in the financial sector.

The Company promotes our talent pool with a fast-track career and ensures that best practices are in place of our employees to deliver the right excellence at work. The Company emphasises on diversity and inclusion initiatives to create a more equitable workplace environment.

Key risks and their mitigants:

Risk management lies at the center of Hinduja Housing Finance's philosophy and operating procedures. The Company's comprehensive risk management structure is overseen by our Board of Directors, who have established the Risk Management Committee (RMC) to ensure the effective implementation of the Company's risk management strategy. The RMC plays a crucial role in guiding the development of policies, procedures, and systems, and continuously evaluates their suitability and relevance to the evolving business landscape and our risk tolerance, and to ensure effective risk management in achieving the Company's vision in a dynamic economic landscape.

Hinduja Housing Finance has a dedicated independent Risk Management team headed by Chief Risk Officer directly reporting to the Managing Director. The CRO maintains regular communications with the RMC. The Risk Management function is primarily responsible for executing the risk strategy approved by the Board. This involves developing policies, procedures and systems to identify, assess and prioritize the risks followed by application of resources to minimize, monitor and control the probability and / or impact of unfortunate events or to maximize the realization of opportunities and manage risks effectively.

The company follows “The Enterprise Risk Management-Integrated Framework” issued by the Committee of Sponsoring Organizations (COSO) which defines Enterprise Risk Management as “A process effected by an Entity’s Board of Directors, Management and other personnel, applied in strategy setting and across the enterprise designed to identify potential events that may affect the entity and manage risk to be within its risk appetite to provide reasonable assurance regarding the achievement of the entity’s objectives”. Enterprise Risk Management Framework and the processes are widely used to manage uncertainties and make use of the opportunities in achieving the organizational objectives.

The Company, under its Risk management framework, monitors and addresses a wide range of risk including credit risk, concentration risk, financial risk, liquidity and interest rate risk, operational risk, people risk, legal risk, reputational risk, IT risk, strategic risk, regulatory and compliance risk.

Outlook for FY 2024-25

The prevailing economic conditions in India comprising strong domestic demand, rising working-age population, rebounding investment and moderated inflation, have put India in a highly advantageous position of growth trajectory in the coming periods.

The Reserve Bank of India forecasts India’s GDP to continue its growth momentum at 7% YoY during fiscal 2024-25. The International Monetary Fund’s (IMF’s) World Economic Outlook (WEO) report of April 2024 has similarly increased their projection of India’s GDP growth rate for 2024 by 50

basis points to 6.8% as compared to their earlier projection release a year ago.

Indian economy has seen an inclusive growth across all strata of the society, which is a precursor to a strong domestic demand across urban areas as well as the hinterland. The company expects housing demand to remain elevated in an overall thriving domestic economy, which offers a strong growth opportunity for housing finance companies. Improving household incomes have increased affordability of buying houses in the middle and lower layers of the social pyramid. The wide-spread infrastructure development deep with semi-urban and rural areas have spurred the development of residential infrastructure on tier-II and tier-III cities. These trends are expected to sustain the growth opportunity for HFCs in the affordable housing market.

Acknowledgement

Your directors would like to thank Hinduja Leyland Finance Limited, the promoter, for their continuous support. Your directors acknowledge and appreciate the guidance and support extended by all the regulatory authorities including National Housing Bank (NHB), Reserve Bank of India (RBI), Ministry of Corporate Affairs (MCA), Registrar of Companies – Chennai, Securities and Exchange Board of India (SEBI).

Your directors wish to place on record their gratitude to the Company’s customers, Bankers, Financial Institutions and vendors for their continued support and faith reposed in the Company. The Board also places on record its deep appreciation for the dedication and commitment of the employees at all levels.

On behalf of the Board of Directors

**Dheeraj G Hinduja
Chairman
DIN: 00133410**

Place: London
Date: 7th August 2024

REPORT ON CORPORATE GOVERNANCE

RESERVE BANK OF INDIA DIRECTIONS ON CORPORATE GOVERNANCE

In view of public interest and for the purpose of enabling better regulation over the housing finance Companies, the Reserve Bank of India has issued Master Direction – Non-Banking Financial Company – Housing Finance Company (Reserve Bank) Directions, 2021. RBI has stipulated all NBFCs to frame an internal guideline on Corporate Governance. In pursuance of the aforesaid guidelines, the Company has framed an internal guideline on Corporate Governance.

COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE

The Company recognises its role as a corporate citizen and endeavours to adopt the best practices and the highest standards of Corporate Governance through transparency in business ethics, accountability to its customers, government

and others. The Company's activities are carried out in accordance with good corporate practices and the Company is constantly striving to better them and adopt the best practices. Being a part of Hinduja Group and a subsidiary of Hinduja Leyland Finance Limited, the Company's philosophy on Corporate Governance and the Company's corporate governance standards demonstrates strong commitment to values, ethics and business conduct.

BOARD OF DIRECTORS

As at 31st March, 2024, the Board consists of 8 (Eight) members with an optimum combination of executive, non-executive directors and independent directors including 2 women directors. The composition of the Board is in conformity with the provisions of Companies Act, 2013 and corporate governance directions issued by Reserve Bank of India.

Annexure A

Composition of the Board

S No	Name of the Director	Director Since	Capacity (i.e., Executive/ Non-Executive/ Chairman/ Promoter nominee/ Independent)	DIN	Number of Board Meetings during the year 2023-2024		Number of other directorships	Remuneration (Rs. Lakhs)			No. of shares held in and convertible instruments held in the NBFC	Whether attended last AGM held on 14th July, 2023
					Held	Attended		Salary and other compensation	Sitting Fee	Commission		
1	Mr. Dheeraj. G. Hinduja*	29.09.2023	Non-Independent Non-Executive Chairman	00133410	5	5	7	-	-	-	-	No
2	Mr. Sachin Pillai	15.04.2015	Managing Director	06400793	8	8	5	-	-	-	1#	Yes
3	Mr. Gopal Mahadevan	15.04.2015	Non-Independent Non-Executive	01746102	8	7	8	-	-	-	1#	Yes
4	Mr. G S Sundararajan	31.03.2017	Independent Non-Executive	00361030	8	8	4	-	11.10	-	-	Yes
5	Ms. Bhumika Batra	18.07.2016	Independent Non-Executive	03502004	8	8	11	-	9.00	-	-	No
6	Mr. Srinivas Acharya	04.02.2022	Independent Non-Executive	00017412	8	8	5	-	9.60	-	-	No
7	Ms. Manju Agarwal	29.03.2023	Independent Non-Executive	06921105	8	8	7	-	6.30	-	-	No
8	Mr. S V Parthasarathy*	29.09.2023	Independent Non-Executive	01111395	5	5	-	-	4.65	-	-	No

Shares held as a nominee of M/s Hinduja Leyland Finance Limited

* Appointed as an Additional Director with effect from 29th September, 2023

Details of change in composition of the Board during the current and previous financial year.

S No	Name of Director	Capacity (i.e., Executive/ Non-Executive/ Chairman/ Promoter nominee/ Independent)	Nature of change (resignation, appointment)	Effective date	Financial Year
1	Mr. Dheeraj G Hinduja	Non-Independent Non-Executive Chairman	Appointment	29.09.2023	2023-24
2	Mr. S V Parthasarathy	Independent Non-Executive	Appointment	29.09.2023	2023-24

Meetings of the Board

The meetings of the Board of Directors shall be held at least four times a year, with a maximum time-gap of atleast 120 days between any two consecutive meetings. During the year under review, the Board duly met 8(Eight) times on the following dates:

FY 2023-24	Meeting Dates
April'23 – June'23(Q1)	15th May,2023 & 28th June,2023
July'23 – September'23 (Q2)	13th July,2023 & 29th September,2023
October'23 – December'23 (Q3)	1st November,2023 & 28th November,2023
January'24 – March'24 (Q4)	31st January, 2024 & 12th March, 2024

The necessary quorum was present at all the meetings. Each Director informs the Company on an annual basis about the Board and Board Committee positions he/she occupies in other companies including Chairmanships and notifies changes during the term of their directorship in the Company.

Meeting(s) of the Independent Directors

During the year under review, in line with the requirement under Section 149(8) and Schedule IV of the Companies Act, 2013, the Independent Directors had a separate meeting on 12th May, 2023, without the presence of Non-Independent Directors and members of management, to review the performance of Non-Independent Directors and the Board as a whole, to review the performance of the Chairperson of the Company and to assess the quality, quantity and timeliness of flow of information between the Company Management and the Board.. All the Independent Directors were present at the Meeting and no adverse feedback emanated from the meeting.

Code of conduct

For the year under review, all the Directors and Senior Management Personnel have affirmed compliance with the provisions of their Code of Conduct. In terms of the Code of Conduct of Independent Directors as per Schedule IV of the Companies Act, 2013, the Board has adopted the said Code and all the Independent Directors have affirmed that they shall abide by the said Code. In terms of the RBI's Master Direction – Non-Banking Financial Company – Housing Finance Company (Reserve Bank) Directions, 2021, all the Directors have executed the Declaration-cum undertaking as well as the Deed of Covenants with the Company.

Committees of the Board

To focus effectively on the issues and ensure expedient resolution of diverse matters, the Board has constituted the following set of Committees with specific terms of reference / scope. The Committees are operating as empowered agents of the Board as per their Charter / terms of reference.

1. **Audit Committee**
2. **Nomination and Remuneration Committee**
3. **Corporate Social Responsibility Committee**
4. **Risk Management Committee**
5. **Asset Liability Management Committee**
6. **IT Strategy Committee**
7. **Credit Committee**
8. **Wilful defaulter review Committee**

Audit Committee

In terms of the requirements of Section 177 of the Companies Act, 2013 and other applicable provisions read with rules made thereunder and Housing Finance Companies – Corporate Governance (NHB) Directions, 2016, and SEBI (LODR) Regulations, 2015 the Board constituted the Audit Committee.

The Board of Directors of the Company, vide their resolution dated 31st March, 2017, had constituted and entrusted the Audit Committee with the responsibility to supervise internal controls and financial reporting processes and thus ensure accurate and timely disclosures to maintain the transparency, integrity and quality of financial control and reporting.

Composition of Audit Committee is as follows:

S No	Name of Director	Member of Committee since	Capacity (i.e., Executive/ Non-Executive/ Chairman/ Promoter nominee/ Independent)	Number of Meetings of the Committee		No. of shares held in the NBFC
				Held	Attended	
1	Mr. G S Sundararajan	31.03.2017	Independent Non-Executive - Chairperson	4	4	Nil
2	Ms. Bhumika Batra	31.03.2017	Independent Non-Executive	4	4	Nil
3	Mr. Gopal Mahadevan	31.03.2017	Non- Independent Non-Executive	4	3	1 [#]
4	Mr. Srinivas Acharya	16.03.2022	Independent Non-Executive	4	4	Nil

Shares held as nominee of M/s Hinduja Leyland Finance Limited

Nomination and Remuneration Committee

In terms of the provisions of the Section 178 of the Companies Act, 2013 and other applicable provisions read with rules made thereunder and Housing Finance Companies – Corporate Governance (NHB) Directions, 2016 and the SEBI (LODR) Regulations, 2015 the Board constituted a Nomination and Remuneration Committee of the Directors.

The Board of Directors of the Company, vide their resolution dated 31st March, 2017, had constituted the Nomination and Remuneration Committee pursuant to the provisions of the Companies Act, 2013. The terms of reference of the Committee inter alia covers evaluation of performance and compensation & benefits for Executive Director(s), Non-Executive Director(s), KMPs and their reportees. The Committee also recommends candidates for appointment to the Board and is responsible for framing of policies.

Composition of the Nomination and Remuneration Committee is as follows:

S No	Name of Director	Member of Committee since	Capacity (i.e., Executive/ Non-Executive/ Chairman/ Promoter nominee/ Independent)	Number of Meetings of the Committee		No. of shares held in the NBFC
				Held	Attended	
1	Ms. Bhumika Batra	31.03.2017	Independent Non-Executive - Chairperson	3	3	Nil
2	Mr. G S Sundararajan**	31.03.2017	Independent Non-Executive	3	3	Nil
3	Mr. Gopal Mahadevan**	31.03.2017	Non- Independent Non-Executive	3	2	1 [#]
4	Mr. Sachin Pillai**	31.03.2017	Managing Director	3	3	1 [#]
5	Mr. Dheeraj G Hinduja*	01.11.2023	Non- Independent Non- Executive	N/A	N/A	Nil

6	Mr. Srinivas Acharya*	01.11.2023	Independent Non-Executive	NA	NA	Nil
7	Mr. S V Parthasarathy*	01.11.2023	Independent Non-Executive	NA	NA	Nil

Shares held as nominee of M/s Hinduja Leyland Finance Limited

* Inducted with effect from 01/11/2023

** Stepped down from the Committee with effect from 01/11/2023

Corporate Social Responsibility Committee

In terms of the provisions of Section 135 of the Companies Act, 2013 and other applicable provisions read with rules made thereunder, the Board has constituted CSR Committee.

The Board of Directors of the Company, vide their resolution dated 11th February, 2019, had constituted the Corporate Social Responsibility Committee pursuant to the provisions of Section 135 of the Companies Act, 2013. The terms of reference of the CSR Committee includes the following

- (i) Formulate and Recommend to the Board, a Corporate Social Responsibility Policy indicating the activities to be undertaken by our Company as specified in Schedule VII of the Companies Act, 2013;
- (ii) To review and recommend the amount of expenditure to be undertaken by our Company
- (iii) To monitor the Corporate Social Responsibility Policy of our Company from time to time; and
- (iv) To monitor the utilization of funds approved for the purpose of undertaking CSR projects and monitor implementation of ongoing projects
- (v) To formulate and recommend Annual Action plan in pursuance of its CSR policy
- (vi) Wherever applicable, to undertake impact assessment, through an independent agency, of their CSR projects having outlays of one crore rupees or more, and which have been completed not less than one year before undertaking the impact study.
- (vii) Any other matter as the CSR Committee may deem appropriate after approval of our Board or as may be directed by our Board from time to time pursuant to the provisions of Section 135 of the Companies Act and rules in relation thereto, as amended from time to time.

Composition of Corporate Social Responsibility Committee is as follows;

S No	Name of Director	Member of Committee since	Capacity (i.e., Executive/ Non-Executive/ Chairman/ Promoter nominee/ Independent)	Number of Meetings of the Committee		No. of shares held in the NBFC
				Held	Attended	
1	Mr. Sachin Pillai	11.02.2019	Managing Director - Chairperson	2	2	1*
2	Ms. Bhumika Batra	11.02.2019	Independent Non-Executive	2	2	Nil
3	Mr. Gopal Mahadevan	31.03.2023	Non- Independent Non-Executive	2	0	1*
4	Mr. Dheeraj G Hinduja*	01.11.2023	Non- Independent Non-Executive	NA	NA	Nil

*Shares held as nominee of M/s Hinduja Leyland Finance Limited

* Inducted with effect from 01/11/2023

The Directors are not paid any sitting fee/remuneration for attending the CSR meetings.

Risk Management Committee and Asset Liability Management Committee

The Risk Management Committee (RMC) and the Asset Liability Management Committee (ALCO), are formed in accordance with Directions issued by the Reserve Bank of India. The brief description of the terms of reference of the Risk Management Committee is given below:

- To review and assess the risk management system and policy of the Company from time to time and recommend for amendment or modification thereof;
- To frame and devise risk management plan and policy of the Company and review the progress made in putting in place a progressive risk management system;
- To review and recommend potential risk involved in any new business plans and processes;
- To ensure that the Company is in conformity with corporate governance standards pertaining to the composition, role and function of various committees formed by the Board;

Composition of Risk Management Committee is as follows:

S No	Name of Director	Member of Committee since	Capacity (i.e., Executive/ Non-Executive/ Chairman/ Promoter nominee/ Independent)	Number of Meetings of the Committee		No. of shares held in the NBFC
				Held	Attended	
1	Mr. Srinivas Acharya**	16.03.2022	Independent Non-Executive – Chairperson	4	4	Nil
2	Mr. Gopal Mahadevan***	31.03.2017	Non-Independent Non-Executive	4	3	1#
3	Mr. G S Sundararajan	31.03.2017	Independent Non-Executive	4	4	Nil
4	Mr. Dheeraj G Hinduja*	01.11.2023	Non-Independent Non-Executive	1	0	Nil
5	Mr. S V Parthasarathy*	01.11.2023	Independent Non-Executive	1	1	Nil
6	Mr. Sachin Pillai	28.09.2022	Managing Director	4	4	1#

*Shares held as nominee of M/s Hinduja Leyland Finance Limited

**Redesignated as Chairman with effect from 01/11/2023

*** Redesignated as member with effect from 01/11/2023

* Inducted with effect from 01/11/2023

The Asset Liability Management Committee shall inter alia be responsible for Asset Liability Management of the Company (ALM), for complying with ALM requirements as may be stipulated by NHB from time to time and any other statutory authority and by recommending to the Board prudent asset / liability management policies and procedures and shall inter alia review the following:

- | | |
|---|---|
| a) Interest rate forecasts and spreads for the Company; | f) Profit planning and growth projection; |
| b) Internal cost of funds; | g) Gap Reports (liquidity and interest rate sensitivity analysis); |
| c) Liquidity position and risk management; | h) Interest Rate Risk measures; |
| d) Management of risks; | i) Forecasting and analysing 'what if scenario' and preparation of contingency plans. |
| e) Funding strategies and capital planning; | |

Composition of Asset Liability Management Committee is as follows:

S No	Name of Director	Member of Committee since	Capacity (i.e., Executive/ Non-Executive/ Chairman/ Promoter nominee/ Independent)	Number of Meetings of the Committee		No. of shares held in the NBFC
				Held	Attended	
1	Mr. Sachin Pillai	23.01.2017	Managing Director - Chairperson	4	4	1#
2	Mr. S V Parthasarathy*	01.11.2023	Independent Non-Executive	1	1	Nil
3	Ms. Manju Agarwal*	01.11.2023	Independent Non-Executive	1	1	Nil
4	Mr. Vivek Kannan	06.08.2021	Chief Operating Officer	4	4	Nil
5	Mr. Prateek Parekh	06.08.2021	Chief Financial Officer	4	4	Nil
6	Mr. Vikas Jain	17.03.2023	Chief Financial Officer of HLF	4	4	Nil

Shares held as nominee of the Hinduja Leyland Finance Limited

* Inducted with effect from 01/11/2023

Information Technology Strategy Committee

The Board of Directors of the Company, vide their resolution dated 11th February, 2019, had constituted the IT Strategy Committee in pursuant to National Housing Bank (NHB) Circular "NHB/ND/DR5/Policy Circular No.90/2017-18" dated June 15, 2018. The terms of reference of IT Strategy Committee are as below:

- a) Approving IT strategy and policy documents and ensuring that the management has put an effective strategic planning process in place;
- b) Ascertaining that management has implemented processes and practices that ensure that the IT delivers value to the business;
- c) Ensuring IT investments represent a balance of risks and benefits and that budgets are acceptable;
- d) Monitoring the method that management uses to determine the IT resources needed to achieve strategic goals and provide high-level direction for sourcing and use of IT resources;
- e) Ensuring proper balance of IT investments for sustaining the growth of the Company and becoming aware about exposure towards IT risks and controls;
- f) Performing any other activity related to IT governance and cyber security arrangements;
- g) Instituting an effective governance mechanism and risk management process for all IT outsourced operations;
- h) Shall monitor compliance of RBI directions with respect to IT framework;

Composition of IT strategy Committee is as follows;

S No	Name of Director	Member of Committee since	Capacity (i.e., Executive/ Non-Executive/ Chairman/ Promoter nominee/ Independent)	Number of Meetings of the Committee		No. of shares held in the NBFC
				Held	Attended	
1	Mr. G S Sundararajan	11.02.2019	Independent Non-Executive - Chairperson	2	2	Nil
2	Mr. Sachin Pillai	11.02.2019	Managing Director	2	2	1#
3	Mr. Stalin Irudhaya Raj	16.03.2022	Head - IT	2	2	Nil
4	Ms. Manju Agarwal*	01.11.2023	Independent Non-Executive	NA	NA	Nil

Shares held as nominee of the Hinduja Leyland Finance Limited

* Inducted with effect from 01/11/2023

Credit Committee

The Credit Committee was constituted by the Board in its meeting held on 16th March, 2022. The Terms of Reference are as below:

- To review credit policy and other policy related to lending and recommend for amendment or modification thereof;
- To consider and approve all wholesale lending proposals including Direct assignment into the Company upto an amount of Rs. 25 Crores per borrower including existing exposure;
- To undertake a periodical review of the portfolio across multiple credit risk parameters.
- To review and advise on credit underwriting norms for various product portfolio.
- To take note of loan proposals approved by the committee through circulation.
- Any other similar or other functions as may be laid down by Board from time to time.

Composition of the Credit Committee is as follows:

S No	Name of Director	Member of Committee since	Capacity (i.e., Executive/ Non-Executive/ Chairman/ Promoter nominee/ Independent)	Number of Meetings of the Committee		No. of shares held in the NBFC
				Held	Attended	
1	Mr. G S Sundararajan	16.03.2022	Independent Non-Executive - Chairperson	4	4	Nil
2	Ms. Bhumika Batra**	16.03.2022	Independent Non-Executive	3	3	Nil
3	Mr. Srinivas Acharya	16.03.2022	Independent Non-Executive	4	4	Nil
4	Mr. Sachin Pillai	16.03.2022	Managing Director	4	4	1#
5	Mr. Gopal Mahadevan*	01.11.2023	Non- Independent Non-Executive	1	1	1#
6	Mr. S V Parthasarathy*	01.11.2023	Independent Non-Executive	1	1	Nil

Shares held as nominee of the Hinduja Leyland Finance Limited

* Inducted with effect from 01/11/2023

** Stepped down from the Committee with effect from 01/11/2023

Wilful Defaulter Review Committee

Pursuant to Paragraph 111 and Annexure XVII of Master Direction – Non-Banking Financial Company – Housing Finance Company (Reserve Bank) Directions, 2021 issued by RBI on February 17, 2021, Housing Finance Companies are required to constitute Wilful defaulters Review Committee. In this regard, the Board of Directors in it is meeting held on 6th August, 2021 constituted Wilful defaulters Review Committee. No meetings were held during FY 2023-24.

Composition of the Wilful Defaulter Review Committee is as follows:

S No	Name of Director	Member of Committee since	Capacity (i.e., Executive/ Non-Executive/ Chairman/ Promoter nominee/ Independent)	Number of Meetings of the Committee		No. of shares held in the NBFC
				Held	Attended	
1	Mr. Sachin Pillai	06.08.2021	Managing Director – Chairperson	0	0	1#
2	Ms. Bhumika Batra	06.08.2021	Independent Non-Executive	0	0	Nil
3	Mr. G S Sundararajan	06.08.2021	Independent Non-Executive	0	0	Nil
4	Ms. Manju Agarwal*	01.11.2023	Independent Non-Executive	0	0	Nil

Shares held as nominee of the Hinduja Leyland Finance Limited

* Inducted with effect from 01/11/2023

General Body Meetings

The following are the details of General Meetings held during the year:

S No	Date of Meeting	Time	Venue	Special Resolutions passed
1	14.07.2023 (Annual General Meeting)	3.00 P.M	No. 27 A, Developed Industrial Estate, Guindy 600 032.	<ol style="list-style-type: none"> Adoption of Audited financial statements for the year ended 31st March, 2023 along with the Board's Report and Auditors Report thereon Re-appointment of Mr. Sachin Pillai (DIN: 06400793), who retires by rotation as a Director of the Company. Appointment of Ms. Manju Agarwal (DIN: 06921105) as an Independent Director for a term of five consecutive years Approval of the Borrowing Limits Approval of the Sale, Mortgage or Creation of Charge on the assets of the Company Approval of issue of Non-Convertible Debentures
2	24.08.2023 (Extra – Ordinary General Meeting)	11.00 AM	No. 27 A, Developed Industrial Estate, Guindy 600 032.	<ol style="list-style-type: none"> Amendment of Board of Directors clause of the Articles of Association of the Company:

Details of non-compliance with requirements of Companies Act, 2013

There has been no default in compliance with the requirements of Companies Act, 2013, including with respect to compliance with accounting and secretarial standards.

Details of penalties and strictures

There has been no penalty or stricture imposed by NHB, RBI or other Regulators during the year ended 31st March 2024.

Breach of covenant

There have been no instances of breach of covenant of loan availed.

Divergence in Asset Classification and Provisioning

There has been no Divergence in Asset Classification and Provisioning.

Vigil Mechanism / Whistle Blower Policy

Pursuant to Section 177(9) of the Act read with Rule 7 of the Companies (Meetings of Board and its Powers) Rules, 2014, the Board of Directors of the Company had approved the Policy on Vigil Mechanism/Whistle Blower for the Directors, employees and other stakeholders to enable them to report concerns about unethical behaviour, actual or suspected fraud or violation of the Company's Code of Conduct. The Company affirms that the mechanism provides adequate safeguards against victimization of Director(s)/employee(s) who use the mechanism, provides for direct access to the Chairman of the Audit Committee and also affirms that no complaints were received during the year.

Policy on Prevention, Prohibition and Redressal of Sexual Harassment at Work place

Your Company has zero tolerance for sexual harassment at workplace and has adopted a Policy on Prevention, Prohibition and Redressal of Sexual Harassment at workplace in line with the requirements of the Sexual Harassment of Women at the Workplace (Prevention, Prohibition and Redressal) Act, 2013. In terms of the policy, an Internal committee has been set up to redress complaints received regarding sexual harassment. All employees are covered under this policy. There were no complaints received during the calendar year ended 31st December, 2023.

On behalf of the Board of Directors

Place: London

Date: 7th August 2024

Dheeraj G Hinduja

Chairman

DIN: 00133410

Form No. MR-3**SECRETARIAL AUDIT REPORT****FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2024**

[Pursuant to section 204(1) of the Companies Act, 2013 and rule No.9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,
The Members,
M/s. Hinduja Housing Finance Limited
CIN# U65922TN2015PLC100093
No. 27A, Developed Industrial Estate
Guindy, Chennai-600032

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by M/s. Hinduja Housing Finance Limited (hereinafter referred as Company). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts / statutory compliances and expressing our opinion thereon.

Based on our verification of the books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information, explanations and clarifications provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended 31st March, 2024 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by M/s. Hinduja Housing Finance Limited for the financial year ended on 31st March, 2024 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment;
- (v) SEBI (Issue and Listing of Non-Convertible Securities) Regulations 2021.

- (vi) SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('SEBI LODR') to the extent applicable.
- (vii) Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015
- (viii) The Reserve Bank of India Act, 1934 read with applicable Rules and Regulations relating to:
 - a. Master Direction Non-Banking Financial Company – Housing Finance Company (Reserve Bank) Directions, 2021
 - b. Master Direction – Reserve Bank of India (Non-Banking Financial Company – Scale Based Regulation) Directions, 2023.
- (ix) The National Housing Bank Act, 1987
- (x) National Housing Bank Master Circular – Returns to be submitted by Housing Finance Companies (HFCs) dated 21st July 2023.

We have also examined compliance with the applicable clauses of the Secretarial Standards issued by the Institute of Company Secretaries of India. During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above.

We report that

The Board of Directors of the Company is duly constituted with proper balance of Executive Director, Non-Executive Directors, and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all directors before schedule of the Board/Committee Meetings, agenda and detailed notes on agenda were sent at least seven days in advance and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting. Notes on agenda which are circulated less than the specified period, the necessary compliances under the Act and Secretarial Standards on Board meeting are complied with.

During the year under review, directors have participated in the board / committees' meetings through video conferencing, such meetings were properly convened and recorded in compliance with the provisions of Section 173(2) of the Companies Act read with Rule 3 & 4 of the Companies (Meetings of Board and its Powers) Rules, 2014.

All decisions in the Board meetings are approved by Directors unanimously and recorded as part of the minutes.

We further report that there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

We further report that during the audit period under review;

- 1) The Company issued and allotted 25,77,425 Equity shares of Rs. 10/- each at a Premium of Rs. 146/- to its Equity shareholders on rights basis on 28th July 2023.
- 2) The Company issued and allotted 21,700 Unsecured Rated Listed Redeemable Non-Convertible Debentures of Rs. 1,00,000/- each aggregating Rs. 2,17,00,00,000/- (Rupees Two Hundred and Seventeen Crores) on various dates during the year under review. The Company issued and allotted 25,000 Secured Rated Listed Redeemable Non-Convertible Debentures of Rs. 1,00,000/- each aggregating Rs. 2,50,00,00,000/- (Rupees Two Hundred and Fifty Crores) on 1st February, 2024.
- 3) The Board of Directors at their meeting held on 29th March, 2023 appointed Mrs. Manju Agarwal (DIN: 06921105) as an Additional Director in the category of an Independent Director with effect from 29th March, 2023. Her appointment was regularized as Director by the shareholders at the Annual-General Meeting held on 14th July, 2023.
- 4) On the recommendation of Nomination and Remuneration Committee, the Board of Directors at their meeting held on 12th March 2024 re-appointed Mr. Sachin Pillai as Managing Director of the Company for a period of two years with effect from 1st April, 2024 (DIN 06400793). His re-appointment was approved by the shareholders at the Extra-General Meeting held on 4th April 2024.

- 5) The Board of Directors at their meeting held on 29th September, 2023 appointed Mr. Dheeraj G Hinduja (DIN: 00133410) as an Additional Director in the category of Non-executive Chairman with effect from 29th September, 2023. His appointment was regularized as Director by the shareholders at the Extra-General Meeting held on 4th April 2024.
- 6) The Board of Directors at their meeting held on 29th September, 2023 appointed Mr. S V Parthasarathy (DIN: 01111395) as an Additional Director in the category of an Independent Director with effect from 29th September, 2023 for a period of five years. His appointment was regularized as Director by the shareholders at the Extra-General Meeting held on 4th April 2024.
- 7) Pursuant to, SEBI (Issue and Listing of Non-Convertible Securities) Regulations 2021 the shareholders at the Extra-ordinary General Meeting held on 24th August 2023 altered the Articles of Association of the company to enable the Debenture Trustee to appoint their Nominee on the Board of the company.
- 8) The Company transferred an amount of Rs. 3,33,45,000/- (Rupees Three Crores Thirty Three - Lakhs Forty Five Thousand only) remaining unspent for the Financial Year ended 31st March 2024 relating to ongoing projects to a separate bank account on 29th April 2024, as required under Section 135 of the Companies Act, 2013 read with the Companies (Corporate Social Responsibility Policy) Rules, 2014.

For M/s. G Ramachandran & Associates
Company Secretaries

G. RAMACHANDRAN
Proprietor

Place: Chennai

Date: 7th August, 2024

UDIN: F009687F000918584

FCS No.9687 CoP. No.3056

PR No.: 2968/2023

ANNEXURE-A SECRETARIAL AUDIT REPORT OF EVEN DATE

To,
The Members,
M/s. Hinduja Housing Finance Limited
CIN# U65922TN2015PLC100093
No. 27A, Developed Industrial Estate
Guindy, Chennai - 600 032

Our Report of even date is to be read along with this letter.

1. Maintenance of Secretarial record is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and books of accounts of the Company.
4. Wherever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

*For M/s. G Ramachandran & Associates
Company Secretaries*

G. RAMACHANDRAN
Proprietor

FCS No.9687 CoP. No.3056
PR No.: 2968/2023

Place: Chennai
Date: 7th August,2024
UDIN: F009687F000918584

Form No. AOC-2

(Pursuant to clause (h) of sub-section (3) of Section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014)

Form for disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arm's length transactions under third proviso thereto.

1. Details of contracts or arrangements or transactions not at arm's length basis:

All transactions entered into by the Company during the year with related parties were on an arm's length basis.

2. Details of material contracts or arrangement or transactions at arm's length basis:

The transactions entered into by the Company during the year with related parties on an arm's length basis were not material in nature.

On behalf of the Board of Directors

Place: London
Date: 7th August, 2024

Dheeraj G Hinduja
Chairman
DIN: 00133410

ANNUAL REPORT ON CSR ACTIVITIES FOR THE FINANCIAL YEAR 2023-24

Annexure - D

(i) CSR Policy of the Company

CSR Policy of the Company specifies the activities to be undertaken by the Company as recommended by the CSR Committee and approved by the Board of Directors in such projects or programs relating to activities specified in Schedule VII of the Act. The Company's CSR Policy has been uploaded on the website of the Company under the web-link: www.hindujahousingfinance.com

(ii) Composition of CSR Committee

S. No.	Name of the Director	Designation / Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of Meetings of CSR Committee attended during the year
1	*Mr. Dheeraj G Hinduja - Chairman	Non-Executive Director	0	NA
2	Mr. Sachin Pillai - Member	Managing Director	2	2
3	Ms. Bhumika Batra - Member	Independent Director	2	2
4	Mr. Gopal Mahadevan - Member	Non-Executive Director	2	0

*Appointed as a Chairman of CSR Committee w.e.f 1st November, 2023

- (iii) Provide the web-link (s) where Composition of CSR Committee, CSR Policy and CSR Projects approved by the Board are disclosed on the website of the company- www.hindujahousingfinance.com .
- (iv) Provide the executive summary along with web-link (s) of Impact Assessment of CSR Projects carried out in pursuance of sub – rule (3) of rule 8, if applicable: **Not Applicable**
- (v) (a) Average net profit of the company as per sub-section (5) of the section 135: **Rs. 16,672.40 Lakhs**
 (b) Two percent of average net profit of the Company as per Section 135 (5) of section 135: **Rs. 333.45 Lakhs**
 (c) Surplus arising out of the CSR projects or programmes or activities of the previous financial year - Nil
 (d) Amount required to be set off for the financial year, if any – **NIL**
 (e) Total CSR obligation for the financial year (v(a)+v(b)-v(c)): **Rs. 333.45 Lakhs**
- (vi) (a) Amount spent on CSR projects (both Ongoing Project and other than Ongoing Projects): **NIL**
 (b) Amount spent in Administrative Overheads - **NIL**
 (c) Amount spent on Impact Assessment, if applicable. **Not Applicable**
 (d) Total amount spent for the Financial Year [(a) +(b) +(c)]. **NIL**
 (e) CSR amount spent or unspent for the Financial Year

Total Amount Spent for the Financial Year	Amount unspent (in Rs.)				
	Total Amount transferred to Unspent CSR Account as per Section 135(6)		Amount transferred to any fund specified under Schedule VII as per second proviso to Section 135(5)		
	Amount	Date of Transfer	Name of the Fund	Amount	Date of Transfer
Nil	333.45	29.04.2024	Nil	Nil	Nil

(f) Excess amount for set off, if any: **NIL**

S No	Particulars	Amount (Rs. In Lakhs)
(i)	Two percent of average net profit of the Company as per Section 135(5)	
(ii)	Total Amount spent for the Financial Year	
(iii)	Excess amount spent for the Financial Year [(ii) – (i)]	
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous financial year if any.	
(v)	Amount available for set off in succeeding years [(iii) – (iv)]	

(vii) (a) Details of Unspent CSR amount for the preceding three financial years:

S.No	Preceding Financial Year	Amount transferred to unspent CSR Account under Section 135 (6)	Amount spent in the reporting Financial Year	Amount transferred to any fund specified under Schedule VII as per Section 135(6), if any.			Amount remaining to be spent in succeeding financial year
				Name of the Fund	Amount	Date of transfer	
1	FY 2020-21	19.14	19.14	Nil	Nil	Nil	Nil
2	FY 2021-22	45.25	45.25	Nil	Nil	Nil	Nil
3	FY 2022-23	170.70	128.87	Nil	Nil	Nil	41.83

(viii) Whether any capital assets have been created or acquired through Corporate Social Responsibility amount spent in the Financial Year: **No**

(ix) Specify the reasons, if the company has failed to spend two per cent of the average net profit as per Section 135(5)

The unspent amount on identified projects amounting to Rs. 333.45 Lakhs pertains to ongoing CSR projects. Hence, such unspent amount has been transferred to unspent CSR account and will be spent on the ongoing projects within the stipulated timelines.

Place: London
Date: 7th August, 2024

Sachin Pillai
Managing Director
DIN: 06400793

Dheeraj G Hinduja
Chairman - CSR Committee
DIN: 00133410

INDEPENDENT AUDITOR'S REPORT

To the members of Hinduja Housing Finance Limited
Report on the audit of the financial statements

Opinion

We have audited the accompanying financial statements of Hinduja Housing Finance Limited (the 'Company'), which comprise the balance sheet as at 31 March 2024, the statement of profit and loss (including other comprehensive income), the statement of cash flows, and the statement of changes in equity for the year then ended, and notes to financial statements, including a summary of material accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 (the 'Act') in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended ('Ind AS'), and other accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March 2024, and its profit, total comprehensive income, its cash flows and the changes in equity for the year ended on that date.

Basis for Opinion

We conducted our audit of the financial statements in accordance with the Standards on Auditing ('SA's or 'Standards') 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 financial statements' section of our report.

We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ('ICAI') together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Companies Act, 2013 and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.

Key Audit Matters

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

Key Audit Matters

How the matter was addressed in our audit

<p>Impairment of loans to customers:</p> <p>Under Ind AS 109, Financial Instruments, allowance for loan losses is determined using expected credit loss (“ECL”) estimation model.</p> <p>As at 31 March 2024, the Company has total gross loan assets of INR 9,34,576.34 Lakhs against which an impairment loss of INR 11,919.35 Lakhs has been recorded. The calculation of impairment losses on loans is complex and is based on the application of significant management judgements, estimates and the use of different modelling techniques and assumptions, which have a material impact on reported profits. The Company has applied a three stage approach based on changes in credit quality to measure expected credit loss on loans.</p> <p>The key areas where we identified greater levels of management judgement are:</p> <ol style="list-style-type: none"> 1. Staging of loans and determining the criteria for a significant increase in credit risk. 2. Model estimations – the most significant judgement aspects are determining Probabilities of Default (“PD”), Loss Given Default (“LGD”), and Exposures at Default (“EAD”) 3. Determining macro-economic factors impacting credit quality of receivables <p>ECL involves an estimation of probability weighted loss on financial instruments over their life, considering reasonable and supportable information about past events, current conditions, and forecast of future economic conditions which could impact the credit quality of the Company’s loans and advances. In view of such a high degree of Management’s judgement involved in estimation of ECL, it is a key audit matter.</p>	<p>Our key audit procedures included:</p> <ol style="list-style-type: none"> 1. Review of the Company’s accounting policies for impairment of loan assets in terms of accounting principles laid down in Ind AS 109 and the governance framework approved by the Board of Directors pursuant to Reserve Bank of India guidelines issued from time to time. 2. Understanding the process of ECL estimation and related assumptions and tested the controls around data extraction and validation to evaluate the reasonableness of the Management estimates. 3. Assessed and tested the design and operating effectiveness of key manual and automated controls over completeness and accuracy of the key inputs and assumptions considered for calculation, recording and monitoring of the impairment loss recognized. Also, evaluated the controls over the modelling process, validation of data and related approvals. 4. Assessed the criteria for staging of loans based on their past due status. Also performed analytical reviews of disaggregated data. 5. Test-checked the computation of ECL, including assumptions and underlying computation. Also verified the disclosures included in the financial statements.
---	---

<p>IT systems and controls:</p> <p>The Company’s key financial accounting and reporting processes are highly dependent on the automated controls in information systems, such that there exists a risk that gaps in the IT control environment could result in the financial accounting and reporting records being materially misstated. Accordingly, we identified IT systems and controls over financial reporting as a key audit matter for the Company.</p>	<p>Our key audit procedures included:</p> <ol style="list-style-type: none"> 1. Obtained an understanding of the Company’s IT related control environment, IT applications, databases, and IT Infrastructure. Based on our understanding, we have evaluated and tested relevant IT general controls and IT application controls on the systems identified as relevant for our audit of the financial statements. On such in-scope IT systems, we have tested key IT general controls with respect to the following domains:
---	---

- i. User access management, which includes user access provisioning, de-provisioning, access review and access rights;
 - ii. Program change management, which includes controls on program changes by authorised personnel;
 - iii. Other areas included backup management, business continuity management and third-party management.
2. We tested the design and operating effectiveness of the Company's IT access controls over the information systems that are important to financial reporting and various configuration and other identified application controls.
 3. Tested the design and operating effectiveness of key automated controls including testing of relevant system logic, automated calculations, and accounting entries.
 4. We reviewed the report of the professional firm engaged by the management for review of information system and security assessment.

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

(Refer note 3 for material accounting policies of Financial Statements)

As at 31 March 2024, the Company has loans amounting to Rs 2,56,918.17 lakhs (31 March 2023: ₹ Nil) that are carried and measured at fair value through other comprehensive income (FVOCI) in accordance with Ind AS 109.

The classification of loans at FVTOCI is dependent on the business model of the Company whereby the management has determined that the aforesaid loans are to collect contractual cash flows and also to sell such financial assets.

The fair value arrived by the management's valuation expert is derived using discounted cashflow models wherein the key assumptions include expected future cash flows, prepayment rate and discount rate.

Given the business model assessment, the fair valuation of the aforesaid loans and relative significance of these loans to the financial statements, we determined this to be a key audit matter.

Our key audit procedures included:

1. Obtained an understanding of the 'Business Model Assessment Policy' approved by the Board of Directors of the Company
2. Evaluated the criteria adopted by the management in identification of the loan portfolio and reviewed the inputs used by the management in fair valuation.
3. Assessed the management's valuation expert's competence in performing the valuation of these loans.
4. Reviewed the valuation report, valuation methodology and underlying assumptions used to estimate the fair value. Also, test checked the arithmetical accuracy of the workings.
5. Reviewed the appropriateness and adequacy of disclosures made in the financial statements as per the requirements of Ind AS.
6. Obtained written representations from the management in relation to reasonableness of the assumptions and judgements used in the valuation of these loans.

Information other than the financial statements and auditor's report thereon

The Company's Board of Directors are responsible for the preparation of other information. The other information comprises the information included in the Director's report and annexures thereto but does not include the financial statements and our report thereon. The Director's report is expected to be made available to us after the date of this audit report.

Our opinion on the 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 financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

Responsibilities of management and those charged with governance for the financial statements

The Company's Board of Directors are responsible for the matters stated in Section 134(5) of the Companies Act, 2013 (the 'Act') with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with Ind AS and the other accounting principles generally accepted in India.

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

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related

to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or cease operations, or has no realistic alternative but to do so.

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

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the 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 financial statements.

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

- identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, 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 the management.

- conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the 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 financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the financial statements.

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

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

Report on other legal and regulatory requirements

- 1) As required by the Companies (Auditor's Report) Order, 2020 (the 'Order') issued by the Central Government of India in terms of Section 143(11) of the Act, we give in Annexure 'A' to this Report, a statement on the matters specified in para 3 and 4 of the said Order, to the extent applicable.
- 2) As required by Section 143 (3) of the Act, we report that:
 - (a) we have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
 - (b) in our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
 - (c) the balance sheet, the statement of profit and loss, the statement of cash flows and the statement of changes in equity dealt with by this Report are in agreement with the books of account;
 - (d) in our opinion, the aforesaid financial statements comply with the Indian Accounting Standards notified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended;
 - (e) on the basis of the written representations received from the directors as on 31 March 2024 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2024 from being appointed as a director in terms of Section 164 (2) of the Act;
 - (f) with respect to the adequacy of the internal financial controls over financial reporting of the Company 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 Company has not paid or provided for, any managerial remuneration to the directors during the year and accordingly reporting on compliance with section 197 is not applicable; and
 - (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:

- ii. the Company did not have any pending litigation which would impact its financial position;
- ii. the Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;
- iii. there were no amounts that 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 (which are material either aggregate or individually), as disclosed in Note 44 to the financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the company to or in any other person or entity, including foreign entity ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend to 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, (which are material either aggregate or individually), as disclosed in Note 44 to the financial statements, no funds 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 to 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; and

- (c) Based on our audit procedures, nothing has come to our notice that has caused us to believe that the representations provided by the management under subclause (a) and (b) above contain any material misstatement.
- v. The Company has not declared or paid dividend during 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 (Refer note 47 to the financial statements). Further, during the course of our audit we did not come across any instance of audit trail feature being tampered with. Additionally, the audit trail has been preserved by the company as per the statutory requirements for record retention.

For SHARP & TANNAN ASSOCIATES
Chartered Accountants
Firm's Registration No. 109983W

CA Tirtharaj Khot
Partner

Place: Chennai
Date: 14 May 2024

Membership No. 037457
UDIN: 24037457BKGEGO4238

ANNEXURE “A” TO THE INDEPENDENT AUDITORS’ REPORT

(Referred to in paragraph 1 under ‘Report on Other Legal and Regulatory Requirements’ section of our report to the Members of Hinduja Housing Finance Limited of even date)

- (i) (a) A. The Company has maintained proper records showing full particulars, including quantitative details and the situation of its property, plant, and equipment and relevant details of right-of-use assets.
- B. The Company has maintained proper records showing full particulars of its intangible assets.
- (b) According to the information and explanations given to us, the Management of the Company has physically verified the Property, Plant and Equipment during the year and no material discrepancies were noticed on such verification.
- (c) The Company does not have any immovable properties in books of account. Hence, reporting under paragraph 3 (i)(c) of the Order does not arise.
- (d) The Company has not revalued any of its property, plant, and equipment (including right of use assets) or intangible assets during the year. Hence, reporting under paragraph 3 (i)(d) of the Order does not arise.
- (e) According to the information and explanations given to us, no proceeding has been initiated or is pending against the Company for holding any benami property, if any, under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988), as amended and Rules made thereunder. Hence, reporting under paragraph 3 (i)(e) of the Order does not arise.
- (ii) (a) The Company is a housing finance company and does not carry any inventory in the books of account. Hence reporting under paragraph 3(ii)(a) of the Order does not arise.
- (b) According to the information and explanations given to us, and the records examined by us, the Company has been sanctioned working capital limits in excess of five crores, in aggregate, from banks during the year on the basis of security of current assets, and as disclosed in Note 16.2 to the financial statements, the quarterly returns or statements filed by the Company with such banks are in agreement with the unaudited books of account of the Company.
- Further, the Company has not been sanctioned working capital limits from financial institutions during the year on the basis of security of current assets.
- (iii) According to the information and explanations given to us,
- i. the Company has not made investments in, stood any guarantee or provided any security or granted any loans or advances in the nature of loans, secured or unsecured, to firms and Limited Liability Partnerships.
 - ii. the Company has not made investments in, stood any guarantee or provided any security or granted any advances in the nature of loans, secured or unsecured, to companies and other parties.
- According to the information and the explanation given to us, and the records of the Company examined by us, the company has granted secured loans to its customers during the year, in respect of which:
- (a) Reporting under paragraph 3(iii)(a) of the Order does not arise as it is not applicable to housing finance companies.
 - (b) According to the information and explanations given to us and based on the audit procedures performed by us, in our opinion, the terms and conditions of all loans granted by the company during the year are, *prima facie*, not prejudicial to the company’s interest.
 - (c) the schedule of repayment of principal and payment of interest has been stipulated. Considering that the Company is engaged in the business of granting loans and the volume of transactions involved, the summary of loans where repayments or receipts are not regular is as disclosed in Note 42(i)(A) to the financial statements.
 - (d) the total amount overdue for more than ninety days as at the balance sheet date is disclosed in Note 42(i)(A) to the financial statements. Based on our audit procedures and the information and explanations given to us, in our opinion, reasonable

steps have been taken by the company for recovery of the principal and interest.

- (e) Reporting under paragraph 3(iii)(e) of the Order does not arise as it is not applicable to housing finance companies.
- (f) The company has not granted any loans or advances in the nature of loans during the year, either repayable on demand or without specifying any terms or period of repayment to Promoters, related parties as defined in clause (76) of section 2 of the Companies Act, 2013. Hence reporting under paragraph 3(iii)(f) of the Order does not arise.
- (iv) According to the information and explanations given to us, the Company has not advanced any loan, given any guarantee, or provided any security to the parties covered under Section 185 of the Companies Act, 2013 and the Company has not given any loan or made investment covered under section 186 of the Companies Act, 2013. Hence, reporting under paragraph 3 (iv) of the Order does not arise.
- (v) The provisions of sections 73 to 76 of the Companies Act and the Companies (Acceptance of Deposits) Rules, 2014 made thereunder are not applicable to housing finance companies. Further, according to the information and explanations given to us, no Order has been passed by the Company Law Board or National Company Law Tribunal or Reserve Bank of India or any court or any other tribunal in this regard. Hence, reporting under paragraph 3 (v) of the Order does not arise.
- (vi) The Central Government has not specified maintenance of cost records under section 148(1) of the Companies Act, 2013 read together with Companies (Cost Records and Audit) Rules, 2014 (as amended) for the operations of the Company. Hence, reporting under paragraph 3 (vi) of the Order does not arise.
- (vii) (a) According to the information and explanations given to us and the records of the Company examined by us, in our opinion, the Company is generally regular in depositing undisputed statutory dues including goods and services tax, provident fund, employees' state insurance, income tax, professional tax, labour welfare fund, cess and other material statutory dues applicable to the Company, if any, with appropriate authorities. According to the information and explanations given to us, and the records of the Company examined by us, there were no undisputed amounts payable in respect of goods and services

tax, provident fund, employees' state insurance, income tax, professional tax, labour welfare fund, cess and other material statutory dues, if any, outstanding as at 31 March 2024 for a period of more than six months from the date they became payable. Sales-tax, service tax, duty of customs, duty of excise, value added tax are not applicable to the Company.

- (b) According to the information and explanations given to us and the records of the Company examined by us, there are no statutory dues in respect of goods and services tax, provident fund, employees' state insurance, income-tax, professional tax, labour welfare fund, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and other material statutory dues, if any, as at 31 March 2024 which have not been deposited on account of any dispute. Hence, reporting under paragraph 3 (vii)(b) of the Order does not arise.
- (viii) According to the information and explanations given to us, and on the basis of our audit procedures, the Company has not surrendered or disclosed any transaction not recorded in the books of account, if any, as income in the tax assessments under Income Tax Act, 1961 (43 of 1961) during the year. Hence, reporting under paragraph 3 (viii) of the Order does not arise.
- (ix) (a) According to the information and explanations given to us, and on the basis of our audit procedures, the Company has not defaulted in repayment of loans or other borrowings or in the payment of interest thereon to any lenders during the year. Hence, reporting under paragraph 3 (ix)(a) of the Order does not arise.
- (b) According to the information and explanations given to us, and on the basis of our audit procedures, the Company has not been declared willful defaulter by any bank or financial institution or government or government authority.
- (c) In our opinion and according to the information and explanations given to us, on an overall basis, the company has applied the term loans for the purposes for which they were obtained.
- (d) According to the information and explanations given to us, and the procedures performed by us, and on an overall examination of the financial statements of the company, the funds raised on a short-term basis have not been used for long-term purposes by the company.

- (e) The Company does not have any subsidiary or associate or joint venture. Hence, reporting under paragraph 3 (ix)(e) of the Order does not arise.
- (f) The Company does not have any subsidiary or associate or joint venture. Hence, reporting under paragraph 3 (ix)(f) of the Order does not arise.
- (x) (a) The Company has not raised any money by way of an initial public offer or further public offer (including debt instruments) during the year. Hence, reporting under paragraph 3(x)(a) of the Order does not arise.
- (b) According to the information and explanations given to us, the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully or partly or optionally) during the year. Hence, reporting under paragraph 3 (x)(b) of the Order does not arise.
- (xi) (a) To the best of our knowledge and during the course of our examination of the books and records of the Company and according to the information and explanations given to us, no material fraud by the Company, and no material fraud on the Company has been noticed or reported during the year.
- (b) According to the information and explanations given to us, and based on our audit procedures, no report under section 143(12) of the Companies Act, 2013 has been filed during the year in Form ADT-4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.
- (c) As represented to us by the management, there are no whistle-blower complaints received by the Company during the year.
- (xii) The Company is not a Nidhi Company. Hence, reporting under paragraph 3(xii) of the Order does not arise.
- (xiii) In our opinion and according to the information and explanations given to us and the records of the Company examined by us, all transactions with the related parties are in compliance with Section 177 and 188 of Companies Act, 2013 where applicable and the details have been disclosed in the financial statements as required by the applicable Indian 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 considered the internal audit reports of the Company issued till date, for the year under audit.
- (xv) According to the information and explanations given to us, and the records of the Company examined by us, in our opinion, the company has not entered into any noncash transactions with its directors or persons connected with its directors during the year, and hence provisions of section 192 of the Companies Act, 2013 are not applicable to the company. Hence, reporting under paragraph 3(xv) of the Order does not arise.
- (xvi) (a) The Company is a housing finance company and is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Hence, reporting under paragraph 3(xvi)(a) of the Order does not arise.
- (b) According to the information and explanations given to us, the Company has not conducted any housing finance activities during the year without a valid Certificate of Registration (COR) from the National Housing Bank / Reserve Bank of India, as applicable.
- (c) According to the information and explanations given to us, and the records of the Company examined by us, in our opinion, the Company is not a Core Investment Company as defined in the Regulations made by the Reserve Bank of India. Hence, reporting under paragraph 3(xvi)(c) of the Order does not arise.
- (d) The Company is a subsidiary of Hinduja Leyland Finance Limited (Group) and as represented to us by the management, this Group does not have any Core Investment Companies.
- (xvii) The Company has not incurred cash losses in the current financial year and the immediately preceding financial year.
- (xviii) There has been no resignation of the statutory auditors during the year. Accordingly, reporting under paragraph 3(xviii) of the Order does not arise.

(xix) According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements, 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 the 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 as the information provided being futuristic in nature has been verified only to the extent of information and explanations given to us. We further state that our reporting is based on the facts up to the date of the audit report and we neither provide 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. We are not responsible for any reporting changes in current situation.

- (xx) (a) According to the information and explanations given to us, and based on our audit procedures, in respect of other than ongoing projects, the Company is not required to transfer any amount to a Fund specified in Schedule VII of the Companies Act, 2013. Hence, reporting under paragraph 3(xx)(a) of the Order does not arise.
- (b) According to the information and explanations given to us, and based on our audit procedures, the Company has transferred the amount remaining unspent under sub-section (5) of section 135 of the Companies Act, pursuant to any ongoing project, to special account in compliance with the provision of sub-section (6) of section 135 of the said Act.
- (xxi) The Company is not required to prepare the consolidated financial statements and hence reporting under paragraph 3(xxi) of the Order is not applicable to the Company.

For SHARP & TANNAN ASSOCIATES
Chartered Accountants
Firm's Registration No. 109983W

CA Tirtharaj Khot
Partner

Place: Chennai
Date: 14 May 2024

Membership No. 037457
UDIN: 24037457BKGEGO4238

ANNEXURE 'B' TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 2(f) under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of Hinduja Housing Finance Limited of even date)

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

We have audited the internal financial controls over financial reporting of Hinduja Housing Finance Limited ("the Company") as of 31 March 2024 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's responsibility for internal financial controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting ("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 the Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013 ("the Act").

Auditors' responsibility

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

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

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

Meaning of internal financial controls over financial reporting

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

Inherent Limitations of Internal Financial Controls Over Financial Reporting

Because of the inherent limitations of internal financial

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

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March 2024, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

For SHARP & TANNAN ASSOCIATES
Chartered Accountants
Firm's Registration No. 109983W

CA Tirtharaj Khot
Partner

Place: Chennai
Date: 14 May 2024

Membership No. 037457
UDIN: 24037457BKGEGO4238

Balance sheet as at 31 March 2024

(INR in Lakh)

Particulars	Note No.	As at 31 March 2024	As at 31 March 2023
ASSETS			
Financial assets			
Cash and cash equivalents	5	23,801.13	9,034.79
Bank Balances other than cash and cash equivalents	6	41.83	64.39
Receivables			
- Other Receivables	7	598.00	188.69
Loans	8	922,656.99	598,688.84
Investments	9	7,832.61	1,035.56
Other financial assets	10	25,634.82	10,729.00
		980,565.38	619,741.27
Non-financial assets			
Current tax assets (net)	11	535.71	273.24
Property, plant and equipment	12	1,521.58	620.88
Other Intangible assets	12A	50.06	70.25
Right to use asset	12B	1,864.60	76.76
Other non-financial assets	13	644.38	356.94
		4,616.33	1,398.07
TOTAL ASSETS		985,181.71	621,139.34
LIABILITIES AND EQUITY			
LIABILITIES			
Financial liabilities			
Payables			
Trade Payables			
(i) total outstanding dues of micro and small enterprises	14	-	-
(ii) total outstanding dues of creditors other than micro and small enterprises	14	307.26	178.63
Debt Securities	15	25,172.00	-
Borrowings other than Debt Securities	16	753,120.44	523,575.72
Subordinated Liabilities	17	22,024.69	-
Other financial liabilities	18	11,092.64	4,299.66
		811,717.03	528,054.01
Non-financial liabilities			
Provisions	19	452.85	188.82
Deferred tax liability (net)	30	14,235.67	776.31
Other non-financial liabilities	20	809.68	509.45
		15,498.20	1,474.58
EQUITY			
Equity share capital	21	23,867.74	23,610.00
Other equity	22	134,098.74	68,000.75
		157,966.48	91,610.75
TOTAL LIABILITIES AND EQUITY		985,181.71	621,139.34

Material accounting policies 1-4
The notes referred to above form an integral part of these financial statements

As per our report of even date
for **Sharp & Tannan Associates**
Chartered Accountants
Firm's registration number: 109983W
Tirtharaj Khot
Partner
Membership No: 037457

Place : Chennai
Date : May 14, 2024

For and on behalf of the Board of Directors of
Hinduja Housing Finance Limited
CIN No: U65922TN2015PLC100093

Dheeraj Hinduja Non Executive Chairman DIN No. 00133410 Place : London	Sachin Pillai Managing Director DIN No. 06400793 Place : Chennai
Prateek Parekh Chief Financial Officer Place : Chennai Date : May 14, 2024	Srinivas Rangarajan Company Secretary Place : Chennai

Statement of Profit and Loss for the year ended 31 March 2024

(INR in Lakh)

Particulars	Note No.	Year ended 31 March 2024	Year ended 31 March 2023
Revenue from operations			
Interest income	23	91,971.13	62,088.22
Fees and commission income	23	1,937.43	874.89
Net Gain on Derecognition of Financial Instruments	23	19,885.31	7,219.68
Total Revenue from operations		113,793.87	70,182.79
Other Income	24	7,066.39	4,572.20
Total Income		120,860.26	74,754.99
Expenses			
Finance costs	25	54,584.43	32,187.81
Net loss on fair value changes		66.17	-
Impairment on financial assets	26	6,113.77	4,083.35
Employee benefits expenses	27	13,320.97	6,596.29
Depreciation and amortization	28	765.94	201.78
Other expenses	29	6,918.47	3,219.04
Total Expenses		81,769.75	46,288.27
Profit before tax		39,090.51	28,466.72
Tax expense:	30		
Current tax		6,460.61	5,518.19
Deferred tax		2,595.74	1,268.22
Tax pertaining for earlier years		-	-
		9,056.35	6,786.41
Profit for the year		30,034.16	21,680.31
Other comprehensive income			
(A) (i) Items that will not be reclassified to profit or loss			
- Remeasurement of defined benefit plans		(30.58)	62.09
(ii) Income tax relating to items that will not be reclassified to profit or loss		7.70	(15.63)
(B) (i) Items that will be reclassified to profit or loss			
(i) Fair value (loss)/gain on financial assets carried at Fair Value Through Other Comprehensive Income (FVTOCI)		43,194.99	-
(ii) Income tax relating to items that will be reclassified to profit or loss		(10,871.32)	-
Total other comprehensive income		32,300.79	46.46
Total comprehensive Income		62,334.95	21,726.77
Earnings per equity share (face value Rs.10 each)	31		
- Basic (in Rs.)		12.63	9.53
- Diluted (in Rs.)		12.63	9.53
Material accounting policies	1-4		

The notes referred to above form an integral part of these financial statements.

As per our report of even date
for **Sharp & Tannan Associates**
Chartered Accountants
Firm's registration number: 109983W
Tirtharaj Khot
Partner
Membership No: 037457

Place : Chennai
Date : May 14, 2024

For and on behalf of the Board of Directors of
Hinduja Housing Finance Limited
CIN No: U65922TN2015PLC100093
Dheeraj Hinduja **Sachin Pillai**
Non Executive Chairman Managing Director
DIN No. 00133410 DIN No. 06400793
Place : London Place : Chennai
Prateek Parekh **Srinivas Rangarajan**
Chief Financial Officer Company Secretary
Place : Chennai Place : Chennai
Date : May 14, 2024

Statement Cash Flows for the year ended 31 March 2024

Particulars	(INR in Lakh)	
	Year ended 31 March 2024	Year ended 31 March 2023
A. Cash flow from operating activities		
Net profit before tax	39,090.51	28,466.72
Adjustments:		
Depreciation and amortization	765.94	201.78
Impairment on financial assets	6,113.77	4,083.35
Interest income on loans to customers	(91,410.81)	(61,848.50)
Net Gain on Derecognition of Financial Instruments	(19,885.31)	(7,219.68)
Net loss on fair value changes	66.17	-
Income from interest on Income Tax refund	-	(17.20)
Finance costs	54,584.43	32,187.81
Interest on security deposit	(10.49)	(14.69)
Interest on Alternative Investment Funds	(56.67)	(215.15)
Interest on Treasury Bills	(112.50)	-
Rent expense	11.16	10.38
Gratuity and Compensated Absences	249.53	130.98
CSR Expenditure	333.45	170.70
Operating cash flow before working capital changes	(10,260.82)	(4,063.50)
Changes in working capital:		
Adjustments for (increase) / decrease in operating assets:		
Other bank balances	22.56	0.76
Loans	(278,254.41)	(226,935.15)
Other financial assets	4,580.62	1,489.34
Other non- financial assets	(314.68)	(62.96)
Adjustments for increase / (decrease) in operating liabilities:		
Trade payables	128.63	136.92
Other financial liabilities	4,860.44	2,610.16
Provisions	-	(9.25)
Other non financial liabilities	(33.22)	(52.35)
Net cash (used in) operations	(279,270.87)	(226,886.02)
Finance costs paid	(54,645.84)	(32,540.17)
Interest income received	82,778.29	56,449.44
Taxes paid (net)	(6,723.08)	(5,530.11)
Net cash (used in) operating activities (A)	(257,861.50)	(208,506.85)
B. Cash flow from investing activities		
Investment in securities (net)	1,092.94	1,798.59
Proceeds from Disposal of Investments	(7,786.98)	-
Purchase of property, plant and equipment	(1,312.99)	(622.56)
Net cash generated (used in) investing activities (B)	(8,007.04)	1,176.03
C. Cash flow from financing activities		
Proceeds from issue of equity shares including securities premium (net)	4,020.78	16,107.00
Proceeds from borrowings	366,500.00	260,666.65

(INR in Lakh)

Particulars	Note No.	Year Ended 31 March 2024	Year Ended 31 March 2023
Proceeds from Subordinated Liabilities		21,764.39	-
Proceeds from Debt Securities		25,000.00	-
Repayment of borrowings		(136,356.59)	(61,625.03)
Payment of lease liabilities		(293.71)	(51.21)
Net cash generated (used in) financing activities (C)		280,634.87	215,097.41
Net increase in cash and cash equivalents (A+B+C)		14,766.33	7,766.59
Cash and cash equivalents at the beginning of the year		9,034.79	1,268.21
Cash and cash equivalents at the end of the year		23,801.13	9,034.79
Components of cash and cash equivalents			
Cash and cheques on hand	5	894.04	228.15
Balances with banks			
- In current / cash credit accounts	5	1,860.18	2,305.35
- In deposit accounts - Original maturity less than 3 months	5	21,046.91	6,501.29
		23,801.13	9,034.79

Change in liabilities arising from financing activities

Particulars	01 April 2023	Cash Flow (+)	IndAS Adjustments (-)	31 March 2024
Debt securities	-	25,000.00	(172.00)	25,172.00
Borrowings (other than debt securities)	523,575.72	230,143.37	598.65	753,120.44
Subordinated liabilities	-	21,764.39	(260.30)	22,024.69
Lease liabilities	48.94	(293.71)	(2,154.29)	1,909.52

Particulars	01 April 2022	Cash Flow (+)	IndAS Adjustments (-)	31 March 2023
Debt securities	-	-	-	-
Borrowings (other than debt securities)	324,890.03	199,041.63	355.94	523,575.72
Subordinated liabilities	-	-	-	-
Lease liabilities	-	(51.21)	(100.15)	48.94

Material accounting policies

1-4

The notes referred to above form an integral part of these financial statements.

As per our report of even date
for **Sharp & Tannan Associates**
Chartered Accountants
Firm's registration number: 109983W
Tirtharaj Khot
Partner
Membership No: 037457

Place : Chennai
Date : May 14, 2024

For and on behalf of the Board of Directors of
Hinduja Housing Finance Limited
CIN No: U65922TN2015PLC100093

Dheeraj Hinduja
Non Executive Chairman
DIN No. 00133410
Place : London

Prateek Parekh
Chief Financial Officer
Place : Chennai
Date : May 14, 2024

Sachin Pillai
Managing Director
DIN No. 06400793
Place : Chennai
Srinivas Rangarajan
Company Secretary
Place : Chennai

Statement of Changes in Equity for the year ended 31 March 2024

(INR in Lakh)

Particulars	As at 31 March 2024	As at 31 March 2023
A Equity Share Capital		
Balance at the beginning of the current reporting period	23,610.00	22,360.00
Changes in Equity Share Capital due to prior period errors	-	-
Restated balance at the beginning of the current reporting period	23,610.00	22,360.00
Changes in equity share capital during the current year		
- Shares Issued during the year	257.74	1,250.00
Balance at the end of the current reporting period	23,867.74	23,610.00

B Other equity

Particulars	Reserves and Surplus				Other items of other comprehensive income		Total
	Securities Premium	Special Reserve*	Statutory Reserve**	Retained Earnings	Remeasurement of defined benefit plans	Fair value (loss)/gain on financial Assets	
Balance as at 1 April 2022	6,794.00	3,972.60	950.44	19,666.51	33.43	-	31,416.98
Other comprehensive income (net of tax)	-	-	-	-	46.46	-	46.46
Profit for the year	-	-	-	21,680.31	-	-	21,680.31
Premium on issue of share capital	14,857.00	-	-	-	-	-	14,857.00
Appropriation to Reserves	-	3,185.63	1,150.43	(4,336.06)	-	-	-
Any other changes	-	-	-	-	-	-	-
Balance as at 31 March 2023	21,651.00	7,158.23	2,100.87	37,010.76	79.89	-	68,000.75
Balance as at 1 April 2023	21,651.00	7,158.23	2,100.87	37,010.76	79.89	-	68,000.75
Other comprehensive income (net of tax)	-	-	-	-	(22.88)	32,323.67	32,300.79
Profit for the year	-	-	-	30,034.16	-	-	30,034.16
Premium on issue of share capital	3,763.04	-	-	-	-	-	3,763.04
Appropriation to Reserves	-	3,508.90	2,497.93	(6,006.83)	-	-	-
Balance as at 31 March 2024	25,414.04	10,667.13	4,598.80	61,038.09	57.01	32,323.67	134,098.74

* As per section 36(1)(viii) of Income Tax Act, 1961

** As per Section 29C of The National Housing Bank Act, 1987 to be read with 36(1)(viii) of Income Tax Act, 1961

Material accounting policies

1-4

The notes referred to above form an integral part of these financial statements

As per our report of even date
for **Sharp & Tannan Associates**
Chartered Accountants
Firm's registration number: 109983W
Tirtharaj Khot
Partner
Membership No: 037457

Place : Chennai
Date : May 14, 2024

For and on behalf of the Board of Directors of
Hinduja Housing Finance Limited
CIN No: U65922TN2015PLC100093

Dheeraj Hinduja
Non Executive Chairman
DIN No. 00133410
Place : London
Prateek Parekh
Chief Financial Officer
Place : Chennai
Date : May 14, 2024

Sachin Pillai
Managing Director
DIN No. 06400793
Place : Chennai
Srinivas Rangarajan
Company Secretary
Place : Chennai

Notes to financial statements for the year ended 31 March 2024

1 Reporting entity

Hinduja Housing Finance Limited (the Company), incorporated on 15 April 2015 and headquartered in Chennai, India. The Company is registered with National Housing Bank (NHB) under section 29A of the National Housing Bank Act, 1987 with effect from 30 September 2015. The Company is primarily engaged in the business of providing loans for the purchase or construction of residential houses.

2 Basis of preparation

2.1 Statement of compliance

The financial statements have been prepared in accordance with the Companies (Indian Accounting Standards) Rules, 2015 as per Section 133 of the Companies Act, 2013 and relevant amendment rules issued thereafter ("Ind AS").

These financial statements were authorised for issue by the Company's Board of Directors on 14th May 2024.

2.2 Presentation of financial statements

The Company presents its balance sheet in order of liquidity. An analysis regarding recovery or settlement within 12 months after the reporting date (current) and more than 12 months after the reporting date (non-current) is presented separately.

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

- (i) The normal course of business
- (ii) The event of default

The Balance Sheet and the Statement of Profit and Loss are prepared and presented in the format prescribed in the Schedule III to the Act. The Statement of Cash Flows has been prepared and presented as per the requirements of Ind AS 7 "Statement of Cash Flows".

2.3 Functional and presentation currency

These financial statements are presented in Indian Rupees (INR), which is also the Company's functional currency. All amounts have been rounded-off to the nearest lakhs and at two decimal places, unless otherwise indicated.

2.4 Basis of measurement

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

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

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Company takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and/or disclosure purposes in these financial statements is determined on such a basis.

Fair value measurements under Ind AS are categorised into fair value hierarchy based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

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

2.5 Use of estimates and judgements

The preparation of the financial statements in conformity with Ind AS requires the management to make estimates, judgements and assumptions. These estimates, judgements and assumptions affect the application of accounting policies and the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the year. Accounting estimates could change from period to period. Actual results could differ from those estimates. Revisions to accounting estimates are recognized prospectively. 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 recognized in the periods in which the results are known / materialize.

i) Business model assessment

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

ii) Impairment of financial asset

The measurement of impairment losses across all categories of financial assets requires judgement, in

particular, the estimation of the amount and timing of future cash flows and collateral values when determining impairment losses and the assessment of a significant increase in credit risk. These estimates are driven by a number of factors, changes in which can result in different levels of allowances.

The Company's expected credit loss ("ECL") calculations are outputs of complex models with a number of underlying assumptions regarding the choice of variable inputs and their interdependencies. Elements of the ECL models that are considered accounting judgements and estimates include:

- a) The Company's criteria for assessing if there has been a significant increase in credit risk and so allowances for financial assets should be measured on a life time expected credit loss ("LTECL") basis.
- b) Development of ECL models, including the various formulas and the choice of inputs.
- c) Determination of associations between macroeconomic scenarios and economic inputs, such as gross domestic products, lending interest rates and collateral values, and the effect on probability of default ("PD"), exposure at default ("EAD") and loss given default ("LGD").
- d) Selection of forward-looking macroeconomic scenarios and their probability weightings, to derive the economic inputs into ECL models.

iii) Defined Benefit Plan

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

iv) Fair value of financial instruments

The fair value of financial instruments is the price

that would be received to sell an asset or paid to transfer a liability in an orderly transaction in the principal (or most advantageous) market at the measurement date under current market conditions (i.e. an exit price) regardless of whether that price is directly observable or estimated using another valuation technique. When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be derived from active markets, they are determined using a variety of valuation techniques that include the use of valuation models. The inputs to these models are taken from observable markets where possible, but where this is not feasible, estimation is required in establishing fair values.

v) Leases

a) Determining the lease term of contracts with renewal and termination options - Group as lessee

The Group determines the lease term as the non-cancellable term of the lease, together with any periods covered by an option to extend the lease if it is reasonably certain to be exercised, or any periods covered by an option to terminate the lease, if it is reasonably certain not to be exercised. The Group applies judgment in evaluating whether it is reasonably certain whether or not to exercise the option to renew or terminate the lease. That is, it considers all relevant factors that create an economic incentive for it to exercise either the renewal or termination.

b) Estimating the incremental borrowing rate

The Group cannot readily determine the interest rate implicit in the lease, therefore, it uses its incremental borrowing rate (IBR) to measure lease liabilities. The IBR is the rate of interest that the Group would have to pay to for its borrowings

3 Material accounting policies

3.1 Revenue Recognition

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

i) Interest income

Interest income on financial instruments is recognized on a time proportion basis taking into account the amount outstanding and the effective interest rate applicable.

ii) Fee and Commission Income

The Company recognises revenue from contract with customers based on five step model as set out in Ind AS 115, Revenue from Contracts with Customers to determine when to recognise revenue and at what amount. Revenue is measured based on the consideration specified in the contract with a customers. Revenue from contracts with customers is recognized when services are provided and it is highly probable that a significant reversal of revenue is not expected to occur.

iii) Income from transfer and servicing of Assets

The Company transfers loans through direct assignment transactions. The transferred loans are de-recognized and gains/losses are accounted for, only if the Company transfers substantially all risks and rewards specified in the underlying assigned loan contract. In accordance with the Ind AS 109, on de-recognition of a financial asset under assigned transactions, the difference between the carrying amount and the consideration received are recognized in the Statement of Profit and Loss.

The Company recognises either a servicing asset or a servicing liability for servicing contract. If the fee to be received is not expected to compensate the Company adequately for performing the servicing activities, a servicing liability for the servicing obligation is recognized at its fair value. If the fee to be received is expected to be more than adequate compensation for the servicing activities, a servicing asset is recognized. Corresponding amount is recognized in Statement of Profit and Loss.

iv) Other Income

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

3.2 Financial instrument - Initial recognition

i) Date of recognition

Debt securities issued are initially recognized when they are originated. All other financial assets and financial liabilities are initially recognized when the Company becomes a party to the contractual provisions of the instrument.

ii) Initial measurement of financial instruments

The classification of financial instruments at initial recognition depends on their contractual terms and

the business model (refer note 3.3A) for managing the instruments. Financial instruments are initially measured at their fair value, except in the case of financial assets and financial liabilities recorded at fair value through other comprehensive income (FVTPL), transaction costs are added to, or subtracted from this amount.

iii) Measurement categories of financial assets and liabilities

The Company classifies all of its financial assets based on the business model for managing the assets and the asset's contractual terms, measured at amortised cost.

3.3 Financial assets and liabilities

a) Financial assets

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 Company'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, in particular, 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.

Solely payments of principal and interest (SPPI) test

As a second step of its classification process, the Company assesses the contractual terms of financial asset to identify whether they meet SPPI test. Accordingly, financial assets are measured as follows;

i) Financial assets carried at amortised cost (AC)

A financial asset is measured at amortised cost if it is held within a business model whose objective is to hold the asset in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

ii) Financial assets at fair value through other comprehensive income (FVTOCI)

A financial asset is measured at FVTOCI if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. Since, the loans and advances are held to sale and collect contractual cash flows, they are measured at FVTOCI.

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

A financial asset which is not classified in any of the above categories are measured at FVTPL.

Financial assets: Subsequent measurement and gains and losses

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

These assets are subsequently measured at fair value. Net gains and losses, including any interest or dividend income, are recognized in statement of profit or loss.

ii) Financial assets carried at amortized cost (AC)

These assets are subsequently measured at amortized cost using the effective interest method. The amortized cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognized in statement of profit and loss. Any gains and losses on derecognition is recognized in statement of profit and loss.

b) Financial liability

i) Initial recognition and measurement

All financial liabilities are initially recognized at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial

liability, which are not at fair value through profit or loss, are adjusted to the fair value on initial recognition.

ii) Subsequent measurement

Financial liabilities are carried at amortized cost using the effective interest method.

3.4 Reclassification of financial assets and liabilities

The Company does not reclassify its financial assets subsequent to their initial recognition, apart from the exceptional circumstances in which the Company acquires, disposes of, or terminates a business line. Financial liabilities are never reclassified. The Company did not reclassify any of its financial assets or liabilities in the year ended 31 March 2023 and 31 March 2022.

3.5 Derecognition of financial assets and liabilities

Derecognition of financial assets other than due to substantial modification

i) Financial Assets

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is derecognized when the contractual rights to the cash flows from the financial asset expires or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Company neither transfers nor retains substantially all of the risks and rewards of ownership and it does not retain control of the financial asset.

On derecognition of a financial asset in its entirety, the difference between the carrying amount (measured at the date of derecognition) and the consideration received (including any new asset obtained less any new liability assumed) is recognized in the statement of profit and loss.

Accordingly, gain on sale or derecognition of assigned portfolio are recorded upfront in the statement of profit and loss as per Ind AS 109. Also, the Company recognizes servicing income as a percentage of interest spread over tenure of loan in cases where it retains the obligation to service the transferred financial asset.

ii) Financial Liability

A financial liability is derecognized when the obligation under the liability is discharged, cancelled or expired. 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 recognized in the statement of profit and loss.

3.6 Impairment of financial assets

a) Overview of ECL principles

In accordance with Ind AS 109, the Company uses ECL model, for evaluating impairment of financial assets other than those measured at fair value through profit and loss (FVTPL).

Expected credit losses are measured through a loss allowance at an amount equal to:

- i) The 12-months expected credit losses (expected credit losses that result from those default events on the financial instrument that are possible within 12 months after the reporting date); or
- ii) Full lifetime expected credit losses (expected credit losses that result from all possible default events over the life of the financial instrument)

Both Life Time ECLs and 12 months ECLs are calculated on collective basis.

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

Stage 1:

When loans are first recognized, the Company recognizes an allowance based on 12 months ECL. Stage 1 loans includes those loans where there is no significant credit risk observed and also includes facilities where the credit risk has been improved and the loan has been reclassified from stage 2 or stage 3.

Stage 2:

When a loan has shown a significant increase in credit risk since origination, the Company records an allowance for the life time ECL. Stage 2 loans also includes facilities where the credit risk has improved and the loan has been reclassified from stage 3.

Stage 3:

Loan commitments:

When estimating LTECLs for undrawn loan

commitments, the Company estimates the expected portion of the loan commitment that will be drawn down over its expected life. The ECL is then based on the present value of the expected shortfalls in cash flows if the loan is drawn down

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

PD:

Probability of Default ("PD") is an estimate of the likelihood of default over a given time horizon. A default may only happen at a certain time over the assessed period, if the facility has not been previously derecognized and is still in the portfolio.

EAD:

Exposure at Default ("EAD") is an estimate of the exposure at a future default date, taking into account expected changes in the exposure after the reporting date, including repayments of principal and interest

LGD:

Loss Given Default ("LGD") is an estimate of the loss arising in the case where a default occurs at a given time. It is based on the difference between the contractual cash flows due and those that the lender would expect to receive, including from the realisation of any collateral. It is usually expressed as a percentage of the EAD

The Company has calculated PD, EAD and LGD to determine impairment loss on the portfolio of loans and discounted at an approximation to the EIR. At every reporting date, the above calculated PDs, EAD and LGDs are reviewed and changes in the forward looking estimates are analyzed.

The mechanics of the ECL method are summarized below:

Stage 1:

The 12 months ECL is calculated as the portion of LTECLs that represent the ECLs that result from default events on a financial instrument that are possible within the 12 months after the reporting date. The Company calculates the 12 months ECL allowance based on the expectation of a default occurring in the 12 months following the reporting date. These expected 12-months default probabilities are applied to a forecast EAD and multiplied by the expected LGD and discounted by an approximation to the original EIR.

Stage 2:

When a loan has shown a significant increase in credit risk since origination (if financial asset is more than 30 days but upto 90 days past due), the Company records an allowance for the LTECLs. The mechanics are similar to those explained above, but PDs and LGDs are estimated over the lifetime of the instrument. The expected cash shortfalls are discounted by an approximation to the original EIR.

Stage 3:

For loans considered credit-impaired (if financial asset is more than 90 days past due), the Company recognizes the lifetime expected credit losses for these loans. The method is similar to that for Stage 2 assets, with the PD set at 100%.

b) Loans and advances measured at FVOCI

The ECLs for loans and advances 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 recognized in OCI as an accumulated impairment amount, with a corresponding charge to profit or loss. The accumulated loss recognized in OCI is recycled to the profit and loss upon derecognition of the assets.

3.7 Presentation of allowance for expected credit losses in the balance sheet

Loss allowance for financial assets measured at amortised cost are deducted from the gross carrying amount of the assets.

3.8 Write-offs

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

3.9 Determination of fair value

i) Fair Value Hierarchy

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Company has taken into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date.

In addition, for financial reporting purposes, fair value measurements are categorized into Level 1, 2, or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

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

Level 2 financial instruments: Those where the inputs that are used for valuation and are significant, are derived from directly or indirectly observable market data available over the entire period of the instrument's life. Such inputs include quoted prices for similar assets or liabilities in active markets, quoted prices for identical instruments in inactive markets and observable inputs other than quoted prices such as interest rates and yield curves, implied volatilities, and credit spreads; and

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

ii) Valuation Process

The management of the Company performs the valuations of financial assets and liabilities required

for financial reporting purposes. The carrying amounts of trade receivables, trade payables, capital creditors and cash and cash equivalents are considered to be the same as their fair values, due to their short-term nature. The fair values for loans are calculated based on cash flows discounted using a current lending rate. They are classified as level 3 fair values in the fair value hierarchy due to the inclusion of unobservable inputs including counterparty credit risk. The fair values of borrowings are based on discounted cash flows using a current borrowing rate. They are classified as level 3 fair values in the fair value hierarchy due to the use of unobservable inputs, including own credit risk. For financial assets and liabilities that are measured at fair value, the carrying amounts are equal to the fair values.

4 Other Accounting Policies

4.1 Leases (as a lessee)

Operating lease:

The Company evaluates each contract or arrangement, whether it qualifies as lease as defined under Ind AS 116

The Company assesses, whether the contract is, or contains, a lease. A contract is, or contains, a lease if the contract involves-

- a) the use of an identified asset,
- b) the right to obtain substantially all the economic benefits from use of the identified asset, and
- c) the right to direct the use of the identified asset.

The Company at the inception of the lease contract recognizes a Right-of-Use (RoU) asset at cost and a corresponding lease liability, for all lease arrangements in which it is a lessee, except for leases with term of less than twelve months (short term) and low-value assets.

The cost of the right-of-use assets comprises the amount of the initial measurement of the lease liability, any lease payments made at or before the inception date of the lease plus any initial direct costs, less any lease incentives received. Subsequently, the right-of-use assets is measured at cost less any accumulated depreciation and accumulated impairment losses, if any. The right-of-use assets is depreciated using the straight-line method from the commencement date over the shorter of lease term or useful life of right-of-use assets.

Right of use assets are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the Cash Generating Unit (CGU) to which the asset belongs.

For lease liabilities at inception, the Company measures the lease liability at the present value of the lease payments that are not paid at that date. The lease payments are discounted using the interest rate implicit in the lease, if that rate is readily determined, if that rate is not readily determined, the lease payments are discounted using the incremental borrowing rate.

The Company recognizes the amount of the re-measurement of lease liability as an adjustment to the right-of-use assets. Where the carrying amount of the right-of-use assets is reduced to zero and there is a further reduction in the measurement of the lease liability, the Company recognizes any remaining amount of the re-measurement in the Statement of profit and loss.

For short-term and low value leases, the Company recognizes the lease payments as an operating expense on a straight-line basis over the lease term.

Lease liability has been presented in Note 15 "Other Financial Liabilities" and ROU asset has been presented in Note 11B "Property, Plant and Equipment" and lease payments have been classified as financing cash flows.

Finance lease:

Assets held under finance leases are initially recognised as assets of the Group at their fair value at the inception of the lease or, if lower, at the present value of the minimum lease payments. The corresponding liability to the lessor is included in the balance sheet as a finance lease obligation.

4.2 Income tax

Income tax comprises current and deferred tax. It is recognized in Statement of profit or loss except to the extent that it relates to a business combination or to an item recognized directly in equity or in other comprehensive income.

i) Current tax

Current tax comprises the expected tax payable or receivable on the taxable income or loss for the year and any adjustment to the tax payable or receivable in respect of previous years. The amount of current tax reflects the best estimate of the tax amount expected to be paid or received after considering the uncertainty, if any, related to income taxes. It is measured using tax rates (and tax laws) enacted or substantively enacted by the reporting date.

Current tax assets and current tax liabilities are offset only if there is a legally enforceable right to set off the recognized amounts, and it is intended to realise the asset and settle the liability on a net basis or simultaneously.

ii) Deferred tax

Deferred tax is recognized in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the corresponding amounts used for taxation purposes. Deferred tax is also recognized in respect of carried forward tax losses and tax credits. Deferred tax is not recognized for temporary differences arising on the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss at the time of the transaction; temporary differences related to investments in subsidiaries, associates and joint arrangements to the extent that the Company is able to control the timing of the reversal of the temporary differences and it is probable that they will not reverse in the foreseeable future; and taxable temporary differences arising on the initial recognition of goodwill.

Deferred tax assets are recognized to the extent that it is probable that future taxable profits will be available against which they can be used. The existence of unused tax losses is strong evidence that future taxable profit may not be available. Therefore, in case of a history of recent losses, the Company recognises a deferred tax asset only to the extent that it has sufficient taxable temporary differences or there is convincing other evidence that sufficient taxable profit will be available against which such deferred tax asset can be realised. Deferred tax assets – unrecognized or recognized, are reviewed at each reporting date and are recognized/ reduced to the extent that it is probable/ no longer probable respectively that the related tax benefit will be realised.

Deferred tax is measured at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, based on the laws that have been enacted or substantively enacted by the reporting date. The measurement of deferred tax reflects the tax consequences that would follow from the manner in which the Company expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities.

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

4.3 Borrowing cost

Borrowing costs are interest and other costs incurred in connection with the borrowings of funds. Borrowing costs directly attributable to acquisition or construction of an asset which necessarily take a substantial period of time to get ready for their intended use are capitalized as part of the cost of the asset. Other borrowings costs are recognized as an expense in the statement of profit and loss account on an accrual basis using the effective interest method.

Interest expenses are calculated using the EIR and all other Borrowing costs are recognized in the Statement of profit and loss in the period in which they are incurred.

4.4 Foreign Currency Transactions

Transactions in foreign currencies are translated into the functional currency of the Company, at the exchange rates at the dates of the transactions or an average rate if the average rate approximates the actual rate at the date of the transaction.

Monetary assets and liabilities denominated in foreign currencies are translated into the functional currency at the exchange rate at the reporting date. Non-monetary assets and liabilities that are measured at fair value in a foreign currency are translated into the functional currency at the exchange rate when the fair value was determined. Non-monetary assets and liabilities that are measured based on historical cost in a foreign currency are translated at the exchange rate at the date of the transaction. Exchange differences are recognized in profit or loss.

4.5 Property, plant and equipment

i) Recognition and measurement

Items of property, plant and equipment are measured at cost, which includes capitalized borrowing costs, less accumulated depreciation and accumulated impairment losses, if any.

Cost of an item of property, plant and equipment comprises its purchase price, including import duties and non-refundable purchase taxes, after deducting trade discounts and rebates, any directly attributable cost of bringing the item to its working condition for its intended use and estimated costs of dismantling and removing the item and restoring the site on which it is located.

If significant parts of an item of property, plant and equipment have different useful lives, then they are accounted for as separate items (major components) of property, plant and equipment.

Any gain or loss on disposal of an item of property, plant and equipment is recognized in profit or loss.

ii) Subsequent expenditure

Subsequent expenditure is capitalized only if it is probable that the future economic benefits associated with the expenditure will flow to the Company.

iii) Depreciation

Depreciation is calculated on cost of items of property, plant and equipment less their estimated residual values over their estimated useful lives using the straight line method, and is generally recognized in the statement of profit and loss.

The Company follows estimated useful lives which are given under Part C of the Schedule II of the Companies Act, 2013. The estimated useful lives of items of property, plant and equipment for the current and comparative periods are as follows:

Asset category	Estimated Useful life
Furniture and fittings	8 years
Office equipment	5 years
Computers	3 years
Servers	6 years
Vehicles	5 years

4.6 Intangible assets

i) Intangible assets

Intangible assets including those acquired by the Company are initially measured at cost. Such intangible assets are subsequently measured at cost less accumulated amortisation and any accumulated impairment losses.

ii) Subsequent expenditure

Subsequent expenditure is capitalized only when it increases the future economic benefits embodied in the specific asset to which it relates. All other expenditure, including expenditure on internally generated goodwill and brands, is recognized in profit or loss as incurred.

iii) Amortisation

Amortisation is calculated to write off the cost of intangible assets less their estimated residual values over their estimated useful lives using the straight line method, and is included in depreciation and amortisation in Statement of Profit and Loss.

Asset category	Estimated Useful life
Computer software's	6 years

Amortisation method, useful lives and residual values are reviewed at the end of each financial year and adjusted if appropriate.

4.7 Impairment of non-financial assets

The Company determines periodically whether there is any indication of impairment of the carrying amount of its non-financial assets. The recoverable amount (higher of net selling price and value in use) is determined for an individual asset, unless the asset does not generate cash inflow that are largely independent of those from other assets or group of assets. The recoverable amounts of such asset are estimated, if any indication exists and impairment loss is recognized wherever the carrying amount of the asset exceeds its recoverable amount. Where it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

4.8 Employee benefits

i) Post-employment benefits

Defined contribution plan

The Company's contribution to provident fund are considered as defined contribution plan and are

charged as an expense as they fall due based on the amount of contribution required to be made and when the services are rendered by the employees.

Defined benefit plans

Gratuity

A defined benefit plan is a post-employment benefit plan other than a defined contribution plan. The Company's net obligation in respect of defined benefit plans is calculated separately for each plan by estimating the amount of future benefit that employees have earned in the current and prior periods, discounting that amount and deducting the fair value of any plan assets.

The Company's gratuity plan is funded. The calculation of defined benefit obligation is performed annually by a qualified actuary using the projected unit credit method. When the calculation results in a potential asset for the Company, the recognized asset is limited to the present value of economic benefits available in the form of any future refunds from the plan or reductions in future contributions to the plan ('the asset ceiling'). In order to calculate the present value of economic benefits, consideration is given to any minimum funding requirements.

Remeasurements of the net defined benefit liability, which comprise actuarial gains and losses and the effect of the asset ceiling (if any, excluding interest), are recognized in OCI. The Company determines the net interest expense (income) on the net defined benefit liability (asset) for the period by applying the discount rate used to measure the defined benefit obligation at the beginning of the annual period to the then-net defined benefit liability (asset), taking into account any changes in the net defined benefit liability (asset) during the period as a result of contributions and benefit payments. Net interest expense and other expenses related to defined benefit plans are recognized in Statement of profit or loss.

When the benefits of a plan are changed or when a plan is curtailed, the resulting change in benefit that relates to past service ('past service cost' or 'past service gain') or the gain or loss on curtailment is recognized immediately in Statement of profit or loss. The Company recognizes gains and losses on the settlement of a defined benefit plan when the settlement occurs.

ii) Other long-term employee benefits

Compensated absences

The employees can carry forward a portion of the unutilized accrued compensated absences and utilize it in future service periods. Since the compensated absences do not fall due wholly within twelve months after the end of such period, the benefit is classified as a long-term employee benefit. The Company records an obligation for such compensated absences in the period in which the employee renders the services that increase this entitlement. The obligation is measured on the basis of independent actuarial valuation using the projected unit credit method.

iii) Short-term employee benefits

The undiscounted amount of short-term employee benefits expected to be paid in exchange for the services rendered by employees are recognized during the year when the employees render the service. These benefits include performance incentive which are expected to occur within twelve months after the end of the year in which the employee renders the related service.

4.9 Provisions, contingent liabilities and contingent assets

i) Provisions

Provisions are recognized when the Company 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. The expense relating to any provision is presented in the statement of profit and loss net of any reimbursement.

ii) Contingent liability

A possible obligation that arises from past events and the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or; present obligation that arises from past events where it is not probable that

an outflow of resources embodying economic benefits will be required to settle the obligation; or the amount of the obligation cannot be measured with sufficient reliability are disclosed as contingent liability and not provided for.

iii) Contingent asset

A contingent asset is a possible asset that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company. Contingent assets are not recognized in the financial statements.

4.10 Commitments

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

- a) Estimated amount of contracts remaining to be executed on capital account and not provided for;
- b) Uncalled liability on shares and other investments partly paid;
- c) Funding related commitment to associate; and
- d) Other non-cancellable commitments, if any, to the extent they are considered material and relevant in the opinion of management.

4.11 Cash and cash equivalents

Cash and cash equivalents comprises cash on hand, cheques on hand and balances with banks. Cash equivalents are short-term balances (with an original maturity of three months or less from the date of acquisition), highly liquid investments that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value.

4.12 Segment reporting- Identification of segments:

An operating segment is a component of the Company that engages in business activities from which it may earn revenues and incur expenses, whose operating results are regularly reviewed by the Company's Chief Operating Decision Maker (CODM) to make decisions for which discrete financial information is available. Based on the management approach as defined in Ind AS 108, the CODM evaluates the Company's performance and allocates resources based on an analysis of various performance indicators by business segments and geographic segments.

4.13 Earnings per share

The Company reports basic and diluted earnings per equity share in accordance with Ind AS 33, Earnings Per Share. Basic earnings per equity share is computed by dividing **the net profit / loss (before other comprehensive income)** attributable to the equity share holders for the year by the weighted average number of equity shares outstanding during the year. Diluted earnings per equity share is computed and disclosed by dividing **the net profit / loss (before other comprehensive income)** attributable to the equity share holders for the year after giving impact of dilutive potential equity shares for the year by the weighted average number of equity shares and dilutive potential equity shares outstanding during the year, except where the results are anti-dilutive.

4.14 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 and any deferrals or accruals of past or future cash receipts or payments. The cash flows from regular revenue generating, financing and investing activities of the Company are segregated. Cash and cash equivalents (including bank balances) shown in the Statement of Cash Flows exclude items which are not available for general use as on the date of Balance Sheet.

4.15 Goods and Services Input Tax Credit

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

4.16 Segment Reporting

The Company's main business is financing by way of loans for the purchase or construction of residential houses, commercial real estate or certain other purposes, in India. All other activities of the Corporation revolve around the main business. This in the context of Ind AS 108 – Operating Segments reporting is considered to constitute one reportable segment.

(INR in Lakh)

Particulars	As at 31 March 2024	As at 31 March 2023
5 Cash and cash equivalents		
Cash on hand	894.04	228.15
Balances with Banks		
- In current / cash credit accounts	1,860.18	2,305.35
- In deposit accounts - Original maturity less than 3 months	21,046.91	6,501.29
Total	23,801.13	9,034.79
5.1 There are no repatriation restrictions with regard to cash and cash equivalents as at the end of the reporting period and prior periods.		
5.2 The bank deposits earn interest at fixed rates		
6 Bank Balances other than cash and cash equivalents		
CSR Accounts earmarked	41.83	64.39
Total	41.83	64.39
7 Other Receivables		
Unsecured, Considered Good		
Receivables from others	598.00	188.69
Total	598.00	188.69

(This Page has been intentionally left blank)

Particulars	As at 31 March 2024			As at 31 March 2023		
	At amortised cost	At fair value through OCI	Total	At amortised cost	At fair value through OCI	Total
	(INR in Lakh)					
A. Based on nature						
Retail Loans	656,714.54	256,918.17	913,632.71	582,166.06	-	582,166.06
Term Loans	20,943.63	-	20,943.63	25,890.41	-	25,890.41
Total gross	677,658.17	256,918.17	934,576.34	608,056.47	-	608,056.47
Less : Impairment loss allowance	(11,589.58)	(329.77)	(11,919.35)	(9,367.63)	-	(9,367.63)
Total net	666,068.59	256,588.40	922,656.99	598,688.84	-	598,688.84
B. Based on security						
(i) Secured by tangible assets	677,658.17	256,918.17	934,576.34	608,056.47	-	608,056.47
Total gross	677,658.17	256,918.17	934,576.34	608,056.47	-	608,056.47
Less : Impairment loss allowance	(11,589.58)	(329.77)	(11,919.35)	(9,367.63)	-	(9,367.63)
Total net	666,068.59	256,588.40	922,656.99	598,688.84	-	598,688.84
C. Based on region						
(I) Loans in India						
(i) Public Sector						
(ii) Others	677,658.17	256,918.17	934,576.34	608,056.47	-	608,056.47
Total Gross	677,658.17	256,918.17	934,576.34	608,056.47	-	608,056.47
Less : Impairment loss allowance	(11,589.58)	(329.77)	(11,919.35)	(9,367.63)	-	(9,367.63)
Total net (I)	666,068.59	256,588.40	922,656.99	598,688.84	-	598,688.84
(II) Loans outside India						
Loans outside India	-	-	-	-	-	-
Total net (II)	-	-	-	-	-	-
Total (I) and (II)	666,068.59	256,588.40	922,656.99	598,688.84	-	598,688.84

Notes :

1. Retail loans are secured exposures that are secured by assets mortgaged to the company.
2. Term loans are secured exposures that are secured by assets/ underlying portfolio hypothecated to the company by the borrower.

(INR in Lakh)

Particulars	As at 31 March 2024	As at 31 March 2023
9 Investments		
Measured at amortised cost		
Investment in Alternative Investment Fund (unquoted)		
Vivriti Samarath Bond Fund	-	1,038.01
Investment in Treasury Bills (quoted)	5,911.33	-
Measured at fair value through profit and loss (unquoted)		
Vasuki India AIF	1,921.28	-
Gross Investments	7,832.61	1,038.01
(i) Investments outside India	-	-
(ii) Investments in India	7,832.61	1,038.01
Gross Investments	7,832.61	1,038.01
Less: Allowance for impairment loss	-	(2.45)
Net Investments	7,832.61	1,035.56
10 Other financial assets		
Employee advances	12.50	21.59
Debenture Recovery Expenses Fund	4.67	-
Security deposits (Refer Note 32)	440.27	157.77
Receivable from assignment of portfolio	24,415.86	10,173.94
Receivables towards insurance refund	761.52	375.70
Total	25,634.82	10,729.00
11 Tax assets (net)		
Current tax assets (net)		
Advance income tax (net of provision)	535.71	273.24
Deferred tax assets (net)		
Deferred tax assets / (liability) (Refer Note 30)	(14,235.67)	(776.31)

(This Page has been intentionally left blank)

12 Property, Plant and Equipment

(INR in Lakh)

Particulars	Vehicle	Furniture and fixtures	Office equipment	Computers	Total
Cost (gross carrying amount)					
Balance as at 1 April 2022	2.64	25.22	34.43	617.98	680.27
Additions	-	24.20	9.14	508.54	541.88
Deletion	-	-	-	-	-
Balance as at 31 March 2023	2.64	49.42	43.57	1,126.52	1,222.15
Balance as at 1 April 2023	2.64	49.42	43.57	1,126.52	1,222.15
Additions	-	185.93	209.30	970.75	1,365.98
Deletion	-	-	-	88.72	88.72
Balance as at 31 March 2024	2.64	235.35	252.87	2,008.55	2,499.41
Accumulated depreciation					
Balance as at 1 April 2022	1.36	11.53	28.20	389.55	430.63
Depreciation for the year	0.53	4.38	3.55	162.18	170.64
Deletion	-	-	-	-	-
Balance as at 31 March 2023	1.89	15.91	31.75	551.73	601.27
Balance as at 1 April 2023	1.89	15.91	31.75	551.73	601.27
Depreciation for the year	0.53	15.66	21.71	372.33	410.23
Deletion	-	-	-	33.67	33.67
Balance as at 31 March 2024	2.42	31.57	53.46	890.39	977.83
Carrying amount (net)					
As at 31 March 2023	0.75	33.51	11.82	574.79	620.88
As at 31 March 2024	0.22	203.78	199.41	1,118.16	1,521.58

12A Other Intangible Assets

(INR in Lakh)

Particulars	Computer Software	Total
Cost (gross carrying amount)		
Balance as at 1 April 2022	6.82	6.82
Additions	80.68	80.68
Deletion	-	-
Balance as at 31 March 2023	87.50	87.50
Balance as at 1 April 2023	87.50	87.50
Additions	-	-
Deletion	-	-
Balance as at 31 March 2024	87.50	87.50
Accumulated Amortisation		
Balance as at 1 April 2022	5.93	5.93
Amortisation for the year	11.32	11.32
Deletion	-	-
Balance as at 31 March 2023	17.25	17.25
Balance as at 1 April 2023	17.25	17.25
Amortisation for the year	20.19	20.19
Deletion	-	-
Balance as at 31 March 2024	37.44	37.44
Carrying amount (net)		
As at 31 March 2023	70.25	70.25
As at 31 March 2024	50.06	50.06

12B Right to Use Asset

(INR in Lakh)

Particulars	Right to use asset	Total
Cost (gross carrying amount)		
Balance as at 1 April 2022	-	-
Additions	96.58	96.58
Deletion	-	-
Balance as at 31 March 2023	96.58	96.58
Balance as at 1 April 2023	96.58	96.58
Additions	2,123.36	2,123.36
Deletion	-	-
Balance as at 31 March 2024	2,219.94	2,219.94
Accumulated Amortisation		
Balance as at 1 April 2022	-	-
Amortisation for the year	19.82	19.82
Deletion	-	-
Balance as at 31 March 2023	19.82	19.82
Balance as at 1 April 2023	19.82	19.82
Amortisation for the year	335.52	335.52
Deletion	-	-
Balance as at 31 March 2024	355.34	355.34
Carrying amount (net)		
As at 31 March 2023	76.76	76.76
As at 31 March 2024	1,864.60	1,864.60

13 Other Non-Financial Assets

(INR in Lakh)

Particulars	As at 31 March 2024	As at 31 March 2023
Prepaid Expenses	224.89	100.23
GST Input Tax Credit	315.82	221.97
Trade Advances	103.67	18.66
Others (Refer Note 36)	-	16.08
Total	644.38	356.94

14 Trade Payable

(INR in Lakh)

Particulars	As at 31 March 2024	As at 31 March 2023
(i) Total outstanding dues of micro and small enterprises (Refer Note 37 & 38)	-	-
(ii) Total outstanding dues of creditors other than micro and small enterprises	307.26	178.63
Total	307.26	178.63

15 Debt Securities

(INR in Lakh)

Particulars	As at 31 March 2024	As at 31 March 2023
Measured at amortised cost		
In India		
Secured		
Non Convertible Debentures		
- From Related Party	-	-
- From Others	25,172.00	-
Total	25,172.00	-

15.1 Securities: The redeemable non-convertible debentures issued by the Company are secured by exclusive charge on hypothecation of specific loan receivables and other free assets with a security cover of upto 100% as per the terms of issue

15.2 25,000 debentures with a face value of Rs. 1,00,000/- were outstanding as on 31 March 2024 (31 March 2023: Nil). These debentures carry interest rates at 8.85% p.a. and the redemption period is ranging from 35 to 36 months from the date of allotment. The aforesaid debentures are listed at BSE Limited.

15.3 Details of terms of redemption/ repayment and security provided in respect of debt securities:

(INR in Lakh)

ISIN	Rate of Interest	Date of Redemption	Amount
INE401Y07019	8.85%	1-Jan-27	12,500.00
INE401Y07027	8.85%	1-Feb-27	(-)
			12,500.00
			(-)

(i) Figures in bracket represents the figures for FY 2022-23

16 Borrowings (other than debt securities)

(INR in Lakh)

Particulars	As at 31 March 2024	As at 31 March 2023
Measured at amortised cost		
Secured borrowings		
Term Loan from banks (Refer Note 16.1)	738,888.76	484,109.44
Cash credit and working capital demand loans from banks (Refer Note 16.2)	14,231.68	39,466.28
Interest accrued but not due on borrowings	-	-
Total	753,120.44	523,575.72
Borrowings in India	753,120.44	523,575.72
Borrowings outside India	-	-
Total	753,120.44	523,575.72
Total	753,120.44	523,575.72

16.1 Details of terms of redemption/ repayment and security provided in respect of term loans:

(INR in Lakh)

Particulars	Amount	Terms of redemption/repayment	Security
Term loans from banks			
Term loan - 1	6,827.37 (9,333.00)	Repayable in 96 Equal Monthly installments Remaining no. of installments: 33	Exclusive charge on Specific receivables
Term loan - 2	523.32 (1,578.95)	Repayable in 57 Equal Monthly installments Remaining no. of installments: 6	Exclusive hypothecation of standard receivables
Term loan - 3	6,440.00 (8,056.00)	Repayable in 31 Equal Quarterly installments Remaining no. of installments: 16	Exclusive charge on the company's receivables
Term loan - 4	3,870.00 (4,838.00)	Repayable in 31 Equal Quarterly installments Remaining no. of installments: 16	Exclusive charge on the priority sector receivables (housing) (created out of loan proceeds)
Term loan - 5	4,990.16 (6,417.73)	Repayable in 28 Equal Quarterly installments Remaining no. of installments: 14	Exclusive charge on the receivables
Term loan - 6	4,622.15 (6,055.73)	Repayable in 28 Equal Quarterly installments Remaining no. of installments: 13	Exclusive floating charge on specific book debts and future receivables
Term loan - 7	2,116.93 (3,544.93)	Repayable in 28 Equal Quarterly installments Remaining no. of installments: 6	Exclusive charge on receivables of the company
Term loan - 8	1,944.79 (2,661.36)	Repayable in 28 Equal Quarterly installments Remaining no. of installments: 11	Exclusive Floating charge on specific book debts and future receivables
Term loan - 9	3,568.61 (5,353.61)	Repayable in 28 Equal Quarterly installments Remaining no. of installments: 11	Exclusive charge on receivables of the company
Term loan - 10	0 (435.64)	Repayable in 31 Equal Quarterly installments Remaining no. of installments: 0	Exclusive charge on specific receivables / book debts other than those specifically charged to other lenders
Term loan - 11	1,661.95 (3,326.26)	Repayable in 24 Equal Quarterly installments Remaining no. of installments: 4	Exclusive charge on specific receivables
Term loan - 12	2,500.00 (3,500.00)	Repayable in 20 Equal Quarterly installments Remaining no. of installments: 10	Exclusive charge on the unencumbered identified set of receivables from standard assets portfolio of receivables.
Term loan - 13	0 (637.00)	Repayable in 31 Equal Quarterly installments Remaining no. of installments: 0	Exclusive charge on specific receivables / book debts other than those specifically charged to other lenders
Term loan - 14	619.82 (1,869.91)	Repayable in 24 Equal Quarterly installments Remaining no. of installments: 2	First charge by way of hypothecation of the specific future receivables from the performing loan portfolio, which are identified by the company from time to time

(INR in Lakh)

Particulars	Amount	Terms of redemption/repayment	Security
Term loan - 15	0 (300.00)	Repayable in 20 Equal Quarterly installments Remaining no. of installments: 0	Exclusive charge on specific loan receivables
Term loan - 16	0 (3,600.00)	Repayable in 20 Equal Quarterly installments Remaining no. of installments: 0	Exclusive Charge on Book debts
Term loan - 17	0 (625.00)	Repayable in 24 Equal Quarterly installments Remaining no. of installments: 0	Exclusive charge on Specific receivables
Term loan - 18	0 (625.00)	Repayable in 16 Equal Quarterly installments Remaining no. of installments: 0	Exclusive charge on the unencumbered identified set of receivables from standard assets portfolio of receivables.
Term loan - 19	3,863.04 (5,529.71)	Repayable in 72 Equal Monthly installments Remaining no. of installments: 28	Exclusive charge on specific receivables
Term loan - 20	12,835.61 (15,695.72)	Repayable in 28 Equal Quarterly installments Remaining no. of installments: 18	Exclusive charge on the receivables
Term loan - 21	0 (4,583.33)	Repayable in 18 Equal Quarterly installments Remaining no. of installments: 0	Exclusive charge on the unencumbered identified set of receivables from standard assets portfolio of receivables.
Term loan - 22	0 (8,792.82)	Repayable in 81 Equal Monthly installments Remaining no. of installments: 0	Exclusive charge on specific receivables
Term loan - 23	4,242.97 (5,354.08)	Repayable in 81 Equal Monthly installments Remaining no. of installments: 46	Exclusive charge on the priority sector receivables (housing)
Term loan - 24	7,133.39 (8,560.26)	Repayable in 28 Equal Quarterly installments Remaining no. of installments: 20	First charge by way of hypothecation of the specific future receivables from the performing loan portfolio, which are identified by the company from time to time
Term loan - 25	6,147.48 (7,688.73)	Repayable in 26 Equal Quarterly installments Remaining no. of installments: 16	Exclusive charge on the receivables
Term loan - 26	4,000.00 (6,000.00)	Repayable in 60 Equal Monthly installments Remaining no. of installments: 24	Exclusive charge on the priority sector receivables (housing)
Term loan - 27	0 (2,000.00)	Repayable in 3 Equal Annual installments Remaining no. of installments: 0	Exclusive charge on the unencumbered identified set of receivables from standard assets portfolio of receivables.
Term loan - 28	6,414.82 (7,843.47)	Repayable in 84 Equal Monthly installments Remaining no. of installments: 54	Exclusive charge of specific receivables from the performing loan portfolio
Term loan - 29	15,356.38 (19,285.15)	Repayable in 28 Equal Quarterly installments Remaining no. of installments: 23	Exclusive charge on the receivables

(INR in Lakh)

Particulars	Amount	Terms of redemption/repayment	Security
Term loan - 30	5,596.32 (7,197.53)	Repayable in 20 Equal Quarterly installments Remaining no. of installments: 14	Exclusive charge on specific housing loan receivables
Term loan - 31	5,277.59 (6,388.89)	Repayable in 81 Equal Monthly installments Remaining no. of installments: 57	Exclusive hypothecation of PSL receivables
Term loan - 32	6,000.00 (8,000.00)	Repayable in 60 Equal Monthly installments Remaining no. of installments: 36	Exclusive charge on specific loan receivables
Term loan - 33	8,178.21 (9,606.84)	Repayable in 30 Equal Quarterly installments Remaining no. of installments: 25	Exclusive charge on the standard receivables
Term loan - 34	15,829.46 (19,163.86)	Repayable in 24 Equal Quarterly installments Remaining no. of installments: 19	Exclusive charge on standard loan receivables
Term loan - 35	7,344.00 (8,602.38)	Repayable in 96 Equal Monthly installments Remaining no. of installments: 71	Exclusive charge on priority sector house mortgage loans/ assets
Term loan - 36	8,636.46 (9,892.98)	Repayable in 96 Equal Monthly installments Remaining no. of installments: 83	Exclusive charge on priority sector house mortgage loans/ assets
Term loan - 37	10,160.00 (12,096.00)	Repayable in 31 Equal Quarterly installments Remaining no. of installments: 21	Exclusive charge on the company's receivables
Term loan - 38	15,485.00 (18,065.00)	Repayable in 31 Equal Quarterly installments Remaining no. of installments: 24	Exclusive charge on the company's receivables
Term loan - 39	2,812.21 (4,062.48)	Repayable in 16 Equal Quarterly installments Remaining no. of installments: 9	Exclusive charge of specific standard receivables
Term loan - 40	13,845.68 (16,923.08)	Repayable in 26 Equal Quarterly installments Remaining no. of installments: 18	Exclusive charge on the receivables
Term loan - 41	7,378.19 (8,808.99)	Repayable in 84 Equal Monthly installments Remaining no. of installments: 62	Exclusive hypothecation of book debts
Term loan - 42	21,153.24 (25,000.00)	Repayable in 26 Equal Quarterly installments Remaining no. of installments: 22	Exclusive charge of specific standard receivables
Term loan - 43	9,027.74 (11,305.56)	Repayable in 18 Equal Quarterly installments Remaining no. of installments: 13	Exclusive charge on identified receivables of the company
Term loan - 44	3,611.15 (4,722.23)	Repayable in 18 Equal Quarterly installments Remaining no. of installments: 13	Exclusive charge on identified receivables of the company
Term loan - 45	37,334.00 (10,000.00)	Repayable in 30 Equal Quarterly installments Remaining no. of installments: 28	Exclusive charge of specific standard receivables
Term loan - 46	4,382.74 (5,000.00)	Repayable in 81 Equal Quarterly installments Remaining no. of installments: 71	Exclusive charge of specific standard receivables which are forming part of PSL portfolio

(INR in Lakh)

Particulars	Amount	Terms of redemption/repayment	Security
Term loan - 47	8,765.25 (10,000.00)	Repayable in 81 Equal Quarterly installments Remaining no. of installments: 71	Exclusive charge of specific standard receivables which are forming part of PSL portfolio
Term loan - 48	6,048.37 (7,016.11)	Repayable in 93 Equal Monthly installments Remaining no. of installments: 75	Exclusive charge on the company's receivables
Term loan - 49	6,129.03 (7,096.77)	Repayable in 93 Equal Monthly installments Remaining no. of installments: 76	Exclusive charge on the company's receivables
Term loan - 50	9,032.25 (10,000.00)	Repayable in 93 Equal Monthly installments Remaining no. of installments: 84	Exclusive charge on the company's receivables
Term loan - 51	8,841.96 (9,992.57)	Repayable in 96 Equal Monthly installments Remaining no. of installments: 85	Exclusive charge of specific standard receivables
Term loan - 52	19,994.24 (8,000.00)	Repayable in 96 Equal Monthly installments Remaining no. of installments: 96	Exclusive charge of specific standard receivables
Term loan - 53	27,845.66 (29,999.86)	Repayable in 28 Equal Quarterly installments Remaining no. of installments: 26	Exclusive charge on the company's receivables
Term loan - 54	17,482.87 (19,985.21)	Repayable in 72 Equal Monthly installments Remaining no. of installments: 63	Exclusive charge of specific standard receivables
Term loan - 55	16,659.05 (19,521.65)	Repayable in 84 Equal Monthly installments Remaining no. of installments: 70	Exclusive charge of specific standard receivables
Term loan - 56	8,214.24 (9,640.70)	Repayable in 28 Equal Quarterly installments Remaining no. of installments: 23	Exclusive charge of specific standard receivables
Term loan - 57	3,911.62 (4,781.49)	Repayable in 23 Equal Quarterly installments Remaining no. of installments: 18	Exclusive charge of specific standard receivables
Term loan - 58	8,999.27 (9,999.93)	Repayable in 18 Quarterly installments Remaining no. of installments: 14	Exclusive charge of specific standard receivables
Term loan - 59	4,721.86 (0)	Repayable in 90 Equal Monthly installments Remaining no. of installments: 85	Exclusive charge on specific receivables / book debts other than those specifically charged to other lenders
Term loan - 60	6,375.00 (0)	Repayable in 20 Equal Quarterly installments Remaining no. of installments: 17	Exclusive charge of specific standard receivables
Term loan - 61	31,712.04 (0)	Repayable in 32 Equal Quarterly installments Remaining no. of installments: 29	Exclusive charge of specific standard receivables
Term loan - 62	48,507.40 (0)	Repayable in 102 Equal Monthly installments Remaining no. of installments: 99	Exclusive charge of specific standard receivables

(INR in Lakh)

Particulars	Amount	Terms of redemption/repayment	Security
Term loan - 63	5,000.00 (0)	Repayable in 18 Equal Quarterly installments Remaining no. of installments: 18	Exclusive charge on identified receivables of the company
Term loan - 64	19,999.75 (0)	Repayable in 78 Equal Monthly installments Remaining no. of installments: 78	Exclusive charge of specific standard receivables
Term loan - 65	9,999.86 (0)	Repayable in 18 Quarterly installments Remaining no. of installments: 18	Exclusive charge of specific standard receivables
Term loan - 66	9,628.71 (0)	Repayable in 81 Equal Monthly installments Remaining no. of installments: 78	Exclusive charge of specific standard receivables
Term loan - 67	20,999.39 (0)	Repayable in 28 Quarterly installments Remaining no. of installments: 28	Exclusive charge of specific standard receivables
Term loan - 68	13,000.00 (0)	Repayable in 19 Quarterly installments Remaining no. of installments: 19	Exclusive charge on identified receivables of the company
Term loan - 69	19,996.39 (0)	Repayable in 27 Quarterly installments Remaining no. of installments: 27	Exclusive charge of specific standard receivables
Term loan - 70	37,500.00 (0)	Repayable in 30 Quarterly installments Remaining no. of installments: 30	Exclusive charge of specific standard receivables which are forming part of PSL portfolio
Term loan - 71	34,997.51 (0)	Repayable in 24 Quarterly installments Remaining no. of installments: 24	Exclusive charge of specific standard receivables
Term loan - 72	14,249.92 (0)	Repayable in 20 Equal Quarterly installments Remaining no. of installments: 19	Exclusive charge of specific standard receivables
Term loan - 73	24,999.91 (0)	Repayable in 32 Equal Quarterly installments Remaining no. of installments: 32	Exclusive charge of specific standard receivables
Term loan - 74	14,997.15 (0)	Repayable in 20 Equal Quarterly installments Remaining no. of installments: 20	Exclusive charge of specific standard receivables
Total term loans from banks	7,40,339.46 (4,84,961.49)		

Note:

- (i) Figures in bracket represents the figures for FY 2022-23
- (ii) Maturity profile above is disclosed at face value which excludes the impact of effective rate of interest amounting to INR 2,680.49 Lakh (31 March 2023 - INR 1,693.89 Lakh)

16.2 Term loan, cash credit and working capital demand loans from banks and financial institutions are secured by charge on loan receivables and eligible investments other than those that are specifically charged to the lenders. The company generally gives exclusive charges. These facilities carry interest rates ranging from "MCLR of the respective bank" per annum" to "MCLR of the respective bank + spread". Some of the facilities also carry interest linked with other benchmark like T-bill rates or Repo rates. As at 31 March, 2024, the rate of interest across the loans was in the range of 7.25% p.a to 9.68% p.a

16.3 The Company has not defaulted in repayment of borrowings and interest.

16.4 Term loans from banks are secured by exclusive charge by way of hypothecation of specific receivables with security covers ranging from 105% to 111% of loan amount.

17 Subordinated Liabilities

(INR in Lakh)

Particulars	As at 31 March 2024	As at 31 March 2023
Measured at amortised cost		
Unsecured Subordinated Redeemable Non-Convertible Debentures	22,024.69	-
Total (A)	22,024.69	-
Subordinated Liabilities in India	22,024.69	-
Subordinated Liabilities outside India	-	-
Total (B)	22,024.69	-

17.1 Details relating to subordinated redeemable non-convertible debentures:

21,700 debentures with a face value of Rs. 1,00,000/- were outstanding as on 31 March 2024 (31 March 2023: Nil) . These debentures carry interest rates ranging from 9.65% p.a. to 9.75% p.a. and the redemption period is 7 years to 15 years. The aforesaid debentures are listed at BSE Limited.

17.2 Details of terms of redemption/ repayment and security provided in respect of debt securities:

(INR in Lakh)

Particulars	Rate of Interest	Date of Redemption	Amount
INE401Y08017	9.75%	12-Jun-30	10,000.00
			(-)
INE401Y08025	9.65%	29-Dec-38	8,000.00
			(-)
INE401Y08025*	9.65%	29-Dec-38	3,700.00
			(-)

*represents reissuance of existing subordinated debt

18 Other Financial Liabilities

(INR in Lakh)

Particulars	As at 31 March 2024	As at 31 March 2023
Accrued employee benefits expenses	1,062.32	496.79
Payable to customer	2,941.46	1,967.83
Payable towards assignment of portfolio	5,110.86	1,780.67
Lease liability	1,909.52	48.94
Other Payable	68.48	5.43
Total	11,092.64	4,299.66

19 Provisions

(INR in Lakh)

Particulars	As at	
	31 March 2024	31 March 2023
Provision for Employee Benefits		
- Gratuity (Refer Note 36)	45.44	-
- Compensated Absences (Refer Note 36)	407.41	188.82
Total	452.85	188.82

20 Other Non-Financial Liabilities

(INR in Lakh)

Particulars	As at	
	31 March 2024	31 March 2023
Statutory dues	434.41	274.35
Others (Refer Note 35)	375.27	235.10
Total	809.68	509.45

21 Equity Share Capital

(INR in Lakh)

Particulars	As at	
	31 March 2024	31 March 2023
Authorised		
400,000,000 (31 March 2023: 400,000,000) equity shares of Rs.10/- each	40,000.00	40,000.00
	40,000.00	40,000.00
Issued, Subscribed and fully paid up		
238,677,425 (31 March 2023: 236,100,000) equity shares of Rs.10/- each	23,867.74	23,610.00
	23,867.74	23,610.00

Notes:

a) Reconciliation of the number of equity shares and amount outstanding as at beginning and as at end of the year:

(INR in Lakh)

Particulars	Year ended 31 March 2024		Year ended 31 March 2023	
	No. of shares	Amount	No. of shares	Amount
Equity shares				
At the beginning of the year	236,100,000	23,610.00	223,600,000	22,360.00
Add: Shares issued during the year	2,577,425	257.74	12,500,000	1,250.00
At the end of the year	238,677,425	23,867.74	236,100,000	23,610.00

b) Terms/ rights attached to equity shares

The Company has a single class of equity shares having face value of Rs. 10/- each. Accordingly, all equity shares rank equally with regard to dividends and share in the Company's residual assets. The equity shares are entitled to receive dividend as declared from time to time. The voting rights of an equity shareholder on a poll (not on show of hands)

are in proportion to its share of the paid-up equity capital of the Company. On winding up, the holders of equity shares will be entitled to receive the residual assets of the Company, remaining after distribution of all preferential amounts in proportion to the number of equity shares held.

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

Particulars	As at 31 March 2024		As at 31 March 2023	
	No. of shares	% held	No. of shares	% held
Equity shares				
Hinduja Leyland Finance Limited, holding company and it's nominees	238,677,425	100.00%	236,100,000	100.00%

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

Particulars	As at 31 March 2024		As at 31 March 2023	
	No. of shares	% held	No. of shares	% held
Equity shares				
Hinduja Leyland Finance Limited, holding company and it's nominees	238,677,425	100.00%	236,100,000	100.00%

e) Shareholding of Promoters

Shares held by promoters at the end of the year Promoter name	As at 31 March 2024			As at 31 March 2023		
	No. of Shares	% of total shares	% Change During the year	No. of Shares	% of total shares	% Change During the year
Hinduja Leyland Finance Limited	238,677,419	100%	-	236,099,994	100%	-
Nagarajan Srinivasan*				1	-	-
Shivkumar Iyer*	1	-	-			
Sachin Pillai*	1	-	-	1	-	-
Gopal Mahadevan*	1	-	-	1	-	-
Vikas Jain*	1	-	-	1	-	-
Vamsi Kumar*	1	-	-	1	-	-
B Shanmugasundaram*	1	-	-	1	-	-

* Beneficiary interest in 6 equity shares are held by Hinduja Leyland Finance Limited

f) Aggregate number of bonus shares issued during the year of five years immediately preceding the reporting date is nil (31 March 2023: nil)

22 Other Equity

(INR in Lakh)

Particulars	As at 31 March 2024	As at 31 March 2023
a) Securities Premium		
Balance at the beginning of the year	21,651.00	6,794.00
Add: Premium on issue of share capital	3,763.04	14,857.00
Balance at the end of the year	25,414.04	21,651.00
b) Special Reserve		
(As per section 36(1)(viii) of Income Tax Act, 1961)		
Balance at the beginning of the year	7,158.23	3,972.60
Add: Amount transferred from surplus in statement of profit and loss	3,508.90	3,185.63
Balance at the end of the year	10,667.13	7,158.23
c) Statutory Reserve		
(As per section 29C of The National Housing Bank Act,1987)		
Balance at the beginning of the year	2,100.87	950.44
Add: Amount transferred from surplus in statement of profit and loss	2,497.93	1,150.43
Balance at the end of the year	4,598.80	2,100.87
d) Retained Earnings (Surplus in Statement of Profit and Loss)		
Balance at the beginning of the year	37,010.76	19,666.51
Add: Profit for the year	30,034.16	21,680.31
Less :Transferred to Special Reserve	(3,508.90)	(3,185.63)
Less :Transferred to Statutory Reserve	(2,497.93)	(1,150.43)
Balance at the end of the year	61,038.09	37,010.76
e) Other comprehensive income		
Balance at the beginning of the year	79.89	33.43
Add: Remeasurement of defined benefit plans	(22.88)	46.46
Add: Fair value (loss)/gain on financial assets	32,323.67	-
Balance at the end of the year	32,380.68	79.89
Total	134,098.74	68,000.75

Nature and purpose of reserve

22.1 Statutory & Statutory Reserve

Section 29C (i) of The National Housing Bank (NHB), 1987 defines that every housing finance institution which is a company shall create a reserve fund and transfer therein a sum not less than twenty percent of its net profit every year as disclosed in the statement of profit and loss before any dividend is declared. For this purpose any special reserve created by the company under section 36(1)(viii) of the Income Tax Act,1961, is considered to be an eligible transfer. The Company does not anticipate any withdrawal from Statutory & Special Reserves in the foreseeable future.

22.2 Surplus in the statement of profit and loss

Surplus in the statement of profit and loss is the accumulated profit of the Company carried forward from earlier years. These reserve are free reserves

which can be utilised for any purpose as may be required.

22.3 Remeasurement of the defined benefit liabilities

Remeasurement of the net defined benefit liabilities comprise actuarial gain or loss, return on plan assets excluding interest and the effect of asset ceiling, if any

22.4 Other comprehensive Income

a) The Company has elected to recognise changes in the fair value of certain loans and advances where the business model is to collect contractual cash flows and also sell financial assets in other comprehensive income. These changes are accumulated within the FVOCI - loans and advances reserve within

b) Remeasurement of the net defined benefit liabilities comprise actuarial gain or loss, return on plan assets excluding interest and the effect of asset ceiling, if any.

23 Revenue from operations

(INR in Lakh)

Particulars	Year ended 31 March 2024	Year ended 31 March 2023
Interest income on financial assets measured at amortised cost		
- Interest income on loans to customers	74,571.44	61,848.50
- Interest income from investments		
- on pass through certificates	-	62.65
- on debentures	-	15.58
- on alternative investment funds	56.67	136.92
- on certificate of deposit		
- on fixed of deposit	380.66	9.88
- on Treasury Bills	112.50	-
- Interest on security deposit	10.49	14.69
Interest income on financial assets measured at fair value through OCI		
- Interest income on loans to customers	16,839.37	-
Total (A)	91,971.13	62,088.22
Fees and commission income		
- Service charges	1,937.43	874.89
Total (B)	1,937.43	874.89
Net Gain on Derecognition of Financial Instruments		
- Income on assignment of loans	19,885.31	7,219.68
Total (C)	19,885.31	7,219.68
Total	113,793.87	70,182.79

24 Other Income

(INR in Lakh)

Particulars	Year ended 31 March 2024	Year ended 31 March 2023
- Income from interest on Income Tax refund	-	17.20
- Income from marketing/display services	6,899.00	4,555.00
- Income on sale of Investment	167.39	-
Total	7,066.39	4,572.20

25 Finance Costs

(INR in Lakh)

Particulars	Year ended 31 March 2024	Year ended 31 March 2023
Finance costs on financial liabilities measured at amortised cost		
Interest on borrowings		
- on term loans	52,694.88	31,653.27
- on cash credits and working capital demand loans	356.11	530.97
- on sub debt	1,054.61	-
- on debt securities	373.89	-
Interest on deferred lease liability	104.94	3.57
Total	54,584.43	32,187.81

26 Impairment on financial assets

(INR in Lakh)

Particulars	Year ended 31 March 2024	Year ended 31 March 2023
On financial assets measured at amortised cost		
Provision for expected credit loss		
- on loans	2,529.78	2,922.30
- on investments	(2.45)	(3.75)
On financial assets measured at fair value through OCI		
Provision for expected credit loss		
- on loans	21.94	-
Others - Waiver	3,564.50	1,164.80
Total	6,113.77	4,083.35

27 Employee benefits expenses

(INR in Lakh)

Particulars	Year ended 31 March 2024	Year ended 31 March 2023
Salaries, wages and bonus	12,179.86	6,027.96
Contribution to provident and other funds	541.23	286.40
Sitting fees to directors	40.65	26.25
Staff welfare expenses	309.70	124.70
Gratuity and Compensated Absences (Refer Note 36)	249.53	130.98
Total	13,320.97	6,596.29

28 Depreciation and amortization

(INR in Lakh)

Particulars	Year ended 31 March 2024	Year ended 31 March 2023
Depreciation of property, plant and equipment (Refer Note 12)	410.23	170.64
Amortisation of intangible assets (Refer Note 12A)	20.19	11.32
Amortisation of right to use assets (Refer Note 12B)	335.52	19.82
Total	765.94	201.78

29 Other expenses

(INR in Lakh)

Particulars	Year ended 31 March 2024	Year ended 31 March 2023
Advertisement and sale promotion	299.15	68.15
Bank charges	162.14	63.58
Communication expenses	398.44	176.43
Electricity charges	90.96	29.56
Expenditure incurred on Corporate Social Responsibility	333.45	170.70
Insurance	393.68	175.82
Legal and professional charges	1,961.02	1,152.73
Loss on disposal of asset	41.47	-
Manpower Cost	238.78	194.94
Office maintenance	318.02	13.43
Payment to Auditors	70.10	49.01
Printing and stationery	264.48	136.05
Rates and taxes	165.99	98.36
Rent	166.09	160.07
Repairs & Maintenance	78.04	34.58
Subscription and licensing charges	104.36	12.30
Service Fees	389.68	37.10
Travelling and conveyance	1,415.93	639.22
Miscellaneous expenses	26.69	7.01
Total	6,918.47	3,219.04

Note: Payment to auditors

Statutory audit	30.38	25.62
Tax audit	1.91	1.91
Certification	17.79	6.37
Limited Review	15.66	10.90
Reimbursement of expenses	4.36	4.21
	70.10	49.01

30 Income Tax

The components of income tax expense for the years ended 31 March 2024 and 31 March 2023 are:

Particulars	(INR in Lakh)	
	Year ended 31 March 2024	Year ended 31 March 2023
Current tax	6,460.61	5,518.19
Deferred tax	2,595.74	1,268.22
Tax pertaining for earlier years	-	-
Total tax charge	9,056.35	6,786.41

30.1 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 years ended 31 March 2024 and 31 March 2023 is, as follows:-

Particulars	(INR in Lakh)	
	Year ended 31 March 2024	Year ended 31 March 2023
Accounting profit before tax	39,090.51	28,466.72
Applicable tax rate	25.17%	25.17%
Computed tax expense	9,838.30	7,164.50
Tax effect of :		
Deduction under section 36(1) of Income Tax Act, 1961	(883.12)	(801.76)
CSR expenses	83.92	42.96
Effect of current tax related to earlier years	-	-
Non deductible items and other adjustments	17.25	380.71
Tax expenses	9,056.35	6,786.41
Effective tax rate	23.17%	23.84%
Tax expenses recognised in the statement of profit and loss	9,056.35	6,786.41

30.2 Deferred tax

The following table shows deferred tax recorded in the balance sheet and changes recorded in the Income tax expense

	(INR in Lakh)			
	As at 31 March 2023	Statement of profit and loss	Other comprehen- sive income	As at 31 March 2024
Component of Deferred tax asset / (liability)				
Deferred tax asset / (liability) in relation to:				
Difference between WDV of property, plant and equipment as per books of accounts and income tax records	(15.48)	(0.44)	-	(15.92)
Impairment on financial assets	1,766.74	930.69		2,697.43
Impact of fair value of assets	-		(10,871.32)	(10,871.32)
Provision for employee benefits	31.91	58.20	7.70	97.81
Excess Interest Spread upfronting	(2,559.47)	(3,584.19)	-	(6,143.66)
Total	(776.31)	(2,595.74)	(10,863.62)	(14,235.67)

	As at 31 March 2022	Statement of profit and loss	Other comprehen- sive income	As at 31 March 2023
Component of Deferred tax asset / (liability)				
Deferred tax asset / (liability) in relation to:				
Difference between WDV of property, plant and equipment as books of accounts and income tax records	(0.29)	(15.19)	-	(15.48)
Impairment on financial assets	1,322.62	444.12	-	1,766.74
Provision for employee benefits	62.09	(14.55)	(15.63)	31.91
Excess Interest Spread upfronting	(876.87)	(1,682.60)	-	(2,559.47)
Total	507.54	(1,268.22)	(15.63)	(776.31)

31 Earnings per share ("EPS")

(INR in Lakh)

Particulars	Year ended 31 March 2024	Year ended 31 March 2023
Net profit after tax attributable to equity shareholders	30,034.16	21,680.31
Weighted average number of equity shares outstanding during the year for calculation of basic and diluted EPS	237,846,452	227,514,520
Face value per share (INR)	10.00	10.00
Earnings per share (INR)		
- Basic	12.63	9.53
- Diluted	12.63	9.53

32 Related party disclosure

Name of the related parties and nature of relationship

	Amas Holdings S.A. – Holding Company of MDC
	Machen Development Corporation ("MDC") – Holding Company of Machen
	Machen Holdings S.A ("Machen") – Holding Company of HAL
Holding company / Ultimate holding company	Hinduja Automotive Limited ("HAL") – Holding Company of ALL Ashok Leyland Limited ("ALL") – Holding Company of HLF Hinduja Leyland Finance Limited ("HLF") - Holding company of Hinduja Housing Finance Limited Hinduja Housing Finance Limited ("HHF")
Associate of the holding company	HLF Services Limited ("HSL")
	Mr. Dheeraj Hinduja, Non Executive Chairman (Appointed on 29th September,2023)
	Mr. Sachin Pillai, Managing Director
	Mr. Gopal Mahadevan, Director
Key management personnel ("KMP")	Mr. G S Sundararajan, Independent Director
	Mr. Bhumika Batra, Independent Director
	Mr. Srinivas Acharya, Independent Director
	Ms. Manju Agarwal, Independent Director
	Mr. S V Parthasarathy, Independent Director (Appointed on 29th September,2023)

(INR in Lakh)

Related party transactions	Holding company (HLF)	Associate of the holding company (HSL)	KMP
Allotment of equity shares (including securities premium)	4,020.78 (16,107.00)	-	-
Reimbursement of expenses incurred on behalf of HHF	391.34 (415.93)	-	-
Managerial Services	150.00 (130.00)	-	-
Purchase of Investment	1,987.44	-	-
Service provider fees	-	9,524.38	-
Rental expense	11.16 (10.38)	(5,056.16)	-
Interest on security deposit	10.49 (14.69)	-	-
Short term employee benefits			
- Mr. G S Sundararajan	-	-	11.10
- Ms. Bhumika Batra	-	-	(9.60)
- Mr. Srinivas Acharya	-	-	9.00
- Ms. Manju Agarwal	-	-	(7.80)
- Mr. S V Parthasarathy	-	-	9.60
	-	-	(8.10)
	-	-	6.30
	-	-	(0.75)
	-	-	4.65
	-	-	-

Note: Figures in bracket represents the figures for FY 2022-23

Related party disclosure

(INR in Lakh)

Related party balances	Year ended 31 March 2024	Year ended 31 March 2023
Hinduja Leyland Finance Limited		
Security deposit (recoverable)	141.59	131.10
Right to use asset	19.09	30.26
Prepaid rent	-	-

32.1 There are no provisions for doubtful debts / advances or amounts written off or written back for debts due from / due to related parties.

32.2 The transactions disclosed above are exclusive of GST.

32.3 The Company enters into transactions, arrangements and agreements involving related parties and their business associates, or close family members, in the ordinary course of business under the same commercial and market terms, interest and commission rates that apply to non-related parties.

32.4 There are no loans or advances in the nature of loans, that are granted to promoters, directors, KMPs and the related parties, either severally or jointly with any other person.

33 Segment reporting

The Company is primarily engaged into business of providing housing & term loans. The company has its operations within India and all revenues are generated within India. As such, there are no separate reportable segments as per the provisions of IND AS 108 on 'Operating Segments'.

34 Contingent liabilities and commitments

a) Contingent liabilities	- There are no contingent liabilities as at 31 March 2024. (31 March 2023: Nil)
b) Commitments	- Sanctioned and undisbursed amounts of loans for stage 1 and stage 2 assets as at 31 March 2024 : INR 31,580.60 lakh (31 March 2023 : INR 18,570.76 lakh)

35 Corporate Social Responsibility (CSR) expenses

(INR in Lakh)

Particulars	Year ended 31 March 2024	Year ended 31 March 2023
(a) Amount required to be spent by the company during the year	333.45	170.70
(b) Amount of expenditure incurred	-	-
(c) Shortfall at the end of the year	333.45	170.70
(d) Total of previous years shortfall	375.27	235.10
(e) Reason for shortfall	The Company has identified CSR projects and allocated the CSR budget. As the project is ongoing, the unspent amount has been transferred to unspent CSR account and will be spent towards the projects.	
(f) Nature of CSR activities	<ol style="list-style-type: none"> 1. Water Conservation 2. Road to School (Education) 	
(g) Details of related party transactions, e.g., contribution to a trust controlled by the company in relation to CSR expenditure as per relevant Accounting Standard	Nil	Nil
(h) Where a provision is made with respect to a liability incurred by entering into a contractual obligation, the movements in the provision during the year shall be shown separately	Nil	Nil

36 Retirement benefits

(a) Defined contribution plans:

The Company makes contributions, determined as a specified percentage of employee salaries, in respect of qualifying employees towards provident fund, which is a defined contribution plan. The Company has no obligations other than to make the specified contributions. The contributions are charged to the statement of profit and loss as they accrue. The amount recognised as an expense towards contribution to provident fund for the year aggregated to INR 540.27 lakh (31 March 2023 : INR 285.43 lakh)

(b) Defined benefit plan:

Gratuity plan

Financial assets not measured at fair value

The Company operates a defined benefit plan (the gratuity plan) covering eligible employees. The gratuity plan is governed by the Payment of Gratuity Act, 1972. Under the act, employee who has completed five years of service is entitled to specific benefit. The level of benefits provided depends on the member's length of service and salary at retirement age/ resignation date.

The defined benefit plans expose the Company to risks such as actuarial risk, investment risk, liquidity risk, market risk, legislative risk etc. These are discussed as follows:

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

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.

Salary Inflation Risk: The benefits under the plan are related to the employee's last drawn salary. Consequently, any unusual rise in future salary of the employee raises the quantum of benefit payable by the company, which results in a higher liability for the company and is therefore a plan risk for the company.

Market risk: Market risk is a collective term for risks that are related to the changes and fluctuations of the financial markets. One actuarial assumption that has a material effect is the discount rate. The discount rate reflects the time value of money. An increase in discount rate leads to decrease in defined benefit obligation of the plan benefits and vice versa. This assumption depends on the yields on the government bonds and hence the valuation of liability is exposed to fluctuations in the yields as at the valuation date.

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.

The following table sets out the status of the gratuity plan as required under IND AS 19. Reconciliation of opening and closing balances of the present value of the defined benefit obligation.

Particulars	(INR in Lakh)	
	Year ended 31 March 2024	Year ended 31 March 2023
Present value of obligations	152.87	93.95
Fair value of plan assets	107.43	110.03
Asset / (Liability) recognised in the Balance Sheet	(45.44)	16.08

Movement in present values of defined benefit obligations

Defined benefit obligation at the beginning of the year	93.95	107.70
Current service cost	32.07	45.69
Interest cost	6.20	7.48
Actuarial (gains) / losses	31.29	(62.19)
Benefits paid by the plan	(10.64)	(4.73)
Defined benefit obligation at the end of the year	152.87	93.95

Particulars	(INR in Lakh)	
	Year ended 31 March 2024	Year ended 31 March 2023
Movement in fair value of plan assets		
Fair value of plan assets at the beginning of the year	110.03	98.45
Contributions paid into the plan	-	9.26
Benefits paid by the plan	(10.64)	(4.73)
Expected Interest income of assets	7.33	7.15
Actuarial (losses) / gains	0.71	(0.10)
Fair value of plan assets at the end of the year	107.43	110.03

Expense recognised in the statement of profit or loss

Current service cost	32.07	45.69
Interest on obligation	6.20	7.48
Expected return on plan assets	(7.33)	(7.15)
Net actuarial (gain)/ loss recognised in the year	30.58	(62.09)
Total	61.52	(16.08)

(INR in Lakh)

Particulars	Year ended 31 March 2024	Year ended 31 March 2023
Remeasurements on the net defined benefit liability :		
- Actuarial (gain)/loss from change in demographic assumptions	3.34	6.36
- Actuarial (gain)/loss from change in financial assumptions	0.61	(24.26)
- Actuarial (gain)/loss from change in experience DBO	27.34	(44.29)
- Return on plan assets more/less than expected based on discount rate	(0.71)	0.10
Total amount recognised in other comprehensive income	30.58	(62.09)
Actuarial assumptions		
Discount rate	6.90%	7.00%
Estimated rate of return on plan assets	7.00%	7.11%
Attrition rate	M1-M7: 38% M8-M12: 18%	M1-M7: 38% M8-M12: 26%
Future salary increases	8%	8.00%
Retirement age	58 years	58 years
Mortality Rate	Indian Assured Lives Mortality (2006-08) Ultimate	Indian Assured Lives Mortality (2012-14) Ultimate

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. Assumptions

regarding future mortality are based on published statistics and mortality tables. The calculation of the defined benefit obligation is sensitive to the mortality assumptions.

Five year information

(INR in Lakh)

Gratuity	Year ended 31 March 2024	Year ended 31 March 2023	Year ended 31 March 2022	Year ended 31 March 2021	Year ended 31 March 2020
Defined benefit obligation	152.87	93.95	107.70	97.75	64.12
Fair value of plan assets	107.43	110.03	98.45	-	-
Deficit in plan	61.52	(16.08)	9.25	97.75	64.12
Experience adjustments on plan liabilities	30.58	(62.09)	(35.76)	(15.67)	8.64
Experience adjustments on plan assets	-	-	-	-	-

Sensitivity Analysis

Reasonably possible changes at the reporting date to one of the relevant actuarial assumptions, holding other assumptions constant, would have affected the defined benefit obligation by the amounts shown below:

(INR in Lakh)

Particulars	Year ended 31 March 2024	Year ended 31 March 2023
Defined benefit obligation (Base)	152.87	93.95

(INR in Lakh)

Particulars	Year ended 31 March 2024		Year ended 31 March 2023		
	100 base points increase/decrease	Increase	Decrease	Increase	Decrease
Discount rate (- / + 1%)		(5.90)	6.37	(3.01)	3.21
(% change compared to base due to sensitivity)		-3.90%	4.20%	-3.20%	3.40%
Future salary growth (- / + 1%)		6.01	(5.80)	3.16	(3.02)
(% change compared to base due to sensitivity)		3.90%	-3.80%	3.40%	-3.20%
Attrition rate (- / + 1%)		(2.68)	2.80	(1.30)	1.34
(% change compared to base due to sensitivity)		-1.80%	1.80%	-1.40%	1.40%

Although the analysis does not take account of the full distribution of cash flows expected under the plan, it does provide an approximation of the sensitivity of the assumptions shown

(c) Other long term employee benefits

The liability for compensated absences as at 31 March 2024 is INR 407.41 lakh (31 March 2023 - INR 188.82 lakh).

(d) Code on Social Security, 2020

The Indian Parliament has approved the Code on Social Security, 2020 which would impact the contributions by the Company towards Provident Fund and Gratuity.

The Ministry of Labour and Employment has released draft rules for the Code on Social Security, 2020 on November 13, 2020, and has invited suggestions from stakeholders which are under active consideration by the Ministry. The Company will assess the impact and its evaluation once the subject rules are notified and will give appropriate impact in its financial statements in the period in which, the Code becomes effective and the related rules to determine the financial impact are published.

37 Micro and small enterprises

Under the Micro, Small and Medium Enterprises Development Act, 2006 which came into force from 2 October 2006, certain disclosures are required to be made relating to Micro, Small and Medium enterprises. There have been no reported cases of delays in payments to micro and small enterprises or of interest payments due to delays in such payments. The disclosure as required by section 22 of MSMED Act has been given below:

Particulars	(INR in Lakh)	
	Year ended 31 March 2024	Year ended 31 March 2023
(i) Principal amount remaining unpaid to any supplier as at the end of the accounting year	-	-
(ii) Interest due thereon remaining unpaid to any supplier as at the end of the accounting year	-	-
(iii) The amount of interest paid along with the amounts of the payment made to the supplier beyond the appointed day	-	-
(iv) The amount of interest due and payable for the year	-	-
(v) The amount of interest accrued and remaining unpaid at the end of the accounting year	-	-
(vi) The amount of further interest due and payable even in the succeeding year, until such date when the interest dues as above are actually paid	-	-

38 Trade Payable Ageing Schedule

Year ended 31 March, 2024

Particulars	Outstanding for following periods from due date of payment#					Total
	Unbilled Dues	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	
(i) MSME	-	-	-	-	-	-
(ii) Others	307.26	-	-	-	-	307.26
(iii) Disputed dues – MSME	-	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-	-

(INR in Lakh)

Year ended 31 March, 2023

Particulars	Outstanding for following periods from due date of payment#					Total
	Unbilled Dues	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	
(i) MSME	-	-	-	-	-	-
(ii) Others	178.63	-	-	-	-	178.63
(iii) Disputed dues – MSME	-	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-	-

(INR in Lakh)

(This Page has been intentionally left blank)

39 Maturity Analysis Of Assets And Liabilities

The table below shows an analysis of assets and liabilities analysed according to when they are expected to be recovered or settled. With regard to loans and advances to customers, the company uses the same basis of expected repayment behavior as used for estimating the EIR.

(INR in Lakh)

Particulars	As at 31 March 2024			As at 31 March 2023		
	Within 12 Months	After 12 Months	Total	Within 12 Months	After 12 Months	Total
ASSETS						
Financial assets						
Cash and cash equivalents	23,801.13	-	23,801.13	9,034.79	-	9,034.79
Bank Balances other than cash and cash equivalents	41.83	-	41.83	64.39	-	64.39
Receivable	598.00	-	598.00	188.69	-	188.69
Loans	53,002.03	869,654.96	922,656.99	37,956.19	560,732.65	598,688.84
Investments	5,911.33	1,921.28	7,832.61	37.92	997.64	1,035.56
Other financial assets	8,097.74	17,537.08	25,634.82	3,410.01	7,318.99	10,729.00
Non-financial assets						
Current tax assets (net)	-	535.71	535.71	-	273.24	273.24
Property, plant and equipment	-	1,521.58	1,521.58	-	620.88	620.88
Other intangible assets	-	50.06	50.06	-	70.25	70.25
Right to use asset	-	1,864.60	1,864.60	-	76.76	76.76
Other non-financial assets	629.73	14.65	644.38	340.86	16.08	356.94
TOTAL ASSETS	92,081.79	893,099.92	985,181.71	51,032.85	570,106.49	621,139.34
LIABILITIES						
Financial Liabilities						
Trade payables	-	-	-	-	-	-
(i) Total outstanding dues of micro and small enterprises	-	-	-	-	-	-
(ii) Total outstanding dues of creditors other than micro and small enterprises	307.26	24,877.39	307.26	178.63	-	178.63
Debt Securities	294.61	25,172.00	25,172.00	-	-	-
Borrowings	141,819.29	611,301.15	753,120.44	127,533.19	396,042.53	523,575.72
Subordinated Liabilities	993.71	21,030.98	22,024.69	-	-	-
Other financial liabilities	9,632.07	1,460.57	11,092.64	4,271.48	28.18	4,299.66
Non-financial liabilities						
Provisions	140.56	312.29	452.85	110.57	78.25	188.82
Deferred tax liabilities (net)	-	14,235.67	14,235.67	-	776.31	776.31
Other non-financial liabilities	809.68	-	809.68	509.45	-	509.45
TOTAL LIABILITIES	153,997.18	673,218.05	827,215.23	132,603.32	396,925.27	529,528.59
NET	(61,915.39)	219,881.87	157,966.48	(81,570.47)	173,181.22	91,610.75

***Note:** Estimated recovery from loans measured at fair value through OCI as at 31st March 2024 could increase by Rs. 101,110.78 Lakh within 12 months, subject to transfer of loan exposure through future direct assignment transactions.

40 Financial instrument

a) Fair value measurement

The non-housing loan (excluding NPA and refinance loans) portfolio has been held to collect contractual cash flows and sales; accordingly, it has been classified at fair value through OCI.

The fair value of the loan assets as at 31 March 2024 is INR 2,56,918.17 Lakh, including a gain of INR 43,194.99 Lakh has been recognised in OCI.

Valuation Principles

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

To calculate the Fair value, we have used Income approach as defined in Ind AS 113 Fair Value Measurement as: "Valuation techniques that convert future amounts (e.g. cash flows or income and expenses) to a single current (i.e. discounted) amount. The fair value measurement is determined on the basis of the value indicated by current market expectations about those future amounts."

The valuation technique used to determine the fair valuation of the Loan Portfolio under Income approach is expected present value technique. This technique, for each loan, uses:

- a) The Expected future cash flows after considering the probability of default and loss given default for each product category of the loan portfolio
- b) A Discount rate adjusted to include the risk premium for the credit rating of the company

Fair value is arrived by discounting each expected future cash flow after considering the PD and LGD for each product category in the Loan Portfolio using the appropriate Discount rate to its present value as of Valuation Date

Financial instruments by category

The carrying value and fair value of financial instruments measured at fair value were as follows:

The carrying value and fair value of financial instruments measured at fair value were as follows:

(INR in Lakh)

Particulars	Carrying amount	Fair value			
		Level 1	Level 2	Level 3	Total
As at 31 March, 2024					
Loans	213,723.18	-	-	256,918.17	256,918.17
As at 31 March, 2023					
Loans	-	-	-	-	-

Reconciliation of level 3 fair value measurement is as follows

(INR in Lakh)

Particulars	Year ended 31 March 2024	Year ended 31 March 2023
Loans, measured at FVOCI		
Balance at the beginning of the year	-	-
Total gain measured through OCI	43,194.99	-
Balance at the end of the year	43,194.99	-

Sensitivity Analysis

(INR in Lakh)

Particulars	Increase	Decrease
For the year ended 31 March 2024		
Loans		
Interest rates (1% movement)	7,376.41	7,755.39
For the year ended 31 March 2023		
Loans		
Interest rates (1% movement)	-	-

Investment in Alternative investment funds measured at fair value through profit and loss is valued at NAV as on the reporting date.

The carrying value and fair value of financial instruments measured at fair value were as follows:

(INR in Lakh)

Particulars	Carrying amount	Fair value			
		Level 1	Level 2	Level 3	Total
As at 31 March, 2024					
Investment in Alternative Investment Fund	1,921.28	-	-	1,921.28	1,921.28
As at 31 March, 2023					
Investment in Alternative Investment Fund	-	-	-	-	-

The carrying value and fair value of financial instruments by categories as at 31 March 2024 were as follows:

Particulars	Carrying amount		Fair value			Total
	Amortised cost	Level 1	Level 2	Level 3		
Financial assets not measured at fair value*						
Loans	677,658.17	-	-	677,658.17	-	677,658.17
Investments	5,911.33	5,911.33	-	-	-	5,911.33
Total	683,569.50					
Financial liabilities not measured at fair value*						
Debt Securities	25,172.00	25,172.00	-	-	-	25,172.00
Borrowings	753,120.44	-	-	753,120.44	-	753,120.44
Subordinated Liabilities	22,024.69	22,024.69	-	-	-	22,024.69
Total	800,317.13					

The carrying value and fair value of financial instruments by categories as at 31 March 2023 were as follows:

Particulars	Carrying amount		Fair value			Total
	Amortised cost	Level 1	Level 2	Level 3		
Financial assets not measured at fair value*						
Loans	598,688.84	-	-	598,688.84	-	598,688.84
Investments	1,035.56	-	-	1,035.56	-	1,035.56
Total	599,724.40					
Financial liabilities not measured at fair value*						
Borrowings	523,575.72	-	-	523,575.72	-	523,575.72
Total	523,575.72					

Sensitivity Analysis

(INR in Lakh)

	Increase	Decrease
For the year ended 31 March 2024		
Loans		
Interest rates (1% movement)	5,499.49	(5,499.49)
For the year ended 31 March 2023		
Loans		
Interest rates (1% movement)	4,645.48	(4,645.48)

b. Measurement of Fair Values**Valuation methodologies of financial instruments not measured at fair value**

Below are the methodologies and assumptions used to determine fair values for the above financial instruments which are not recorded and measured at fair value in the financial statements. These fair values were calculated for disclosure purposes only.

Short-term financial assets and liabilities

For financial assets and financial liabilities that have a short-term maturity (less than twelve months), the carrying amounts, which are net of impairment, are a reasonable approximation of their fair value. Such instruments include: cash and cash equivalent, other financial assets (excluding security deposit), trade payables and other financial liability.

Loans and advances to customers

In case of retail loans and term loans with floating rates, the interest rate represents the market rate. Consequently the carrying amount represents the fair value. Term loans with fixed rate, fair values are estimated by discounted cash flow model that incorporates assumptions for credit risk, probability of default and loss given default estimates.

Investments

The fair values are estimated by discounted cash flow model that incorporates assumptions for credit risk, probability of default and loss given default estimates.

Borrowings

In case of borrowings with floating rates, the interest rate represents the market rate. Consequently the carrying amount represents the fair value.

c. 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 maximize shareholder value.

The Company manages its capital structure and makes adjustments to it according to changes in economic conditions and the risk characteristics of its activities. In order to maintain or adjust the capital structure, the Company may adjust the amount of dividend payment to shareholders, return capital to shareholders or issue 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.

The company monitors capital using adjusted net debt (total borrowings net of cash and cash equivalents) to equity ratio.

(INR in Lakh)

Particulars	Year ended 31 March 2024	Year ended 31 March 2023
Gross Debt	753,120.44	523,575.72
Less:		
Cash and Cash equivalent	23,801.13	9,034.79
Adjusted Net Debt	729,319.31	514,540.93
Total Equity	157,966.48	91,610.75
Adjusted Net Debt to Equity Ratio	4.62	5.62

The Company is subject to capital adequacy ratio ("CAR") requirements which are prescribed by the NHB. Refer Note 59

(INR in Lakh)

Liquidity Coverage Ratio	Q1 FY24		Q2 FY24		Q3 FY24		Q4 FY24	
	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)
Total High Quality Liquid Assets								
1. Cash in hand including demand deposits with Banks	3,734.82	3,734.82	8,028.13	8,028.13	6,419.97	6,419.97	11,642.25	11,642.25
Cash outflows								
2. Deposits (for deposit taking companies)	-	-	-	-	-	-	-	-
3. Unsecured wholesale funding	-	-	-	-	-	-	-	-
4. Secured wholesale funding	-	-	-	-	-	-	-	-
5. Additional requirements, of which	-	-	-	-	-	-	-	-
i) Outflows related to derivative exposures and other collateral requirements	-	-	-	-	-	-	-	-
ii) Outflows related to loss of funding on debt products	-	-	-	-	-	-	-	-
iii) Credit and liquid facilities	-	-	-	-	-	-	-	-
6. Other contractual funding obligations	9,298.75	10,693.57	9,476.32	10,897.76	12,377.54	14,234.17	11,318.01	13,015.71
7. Other contingent funding obligations	-	-	-	-	-	-	-	-
Total Cash outflows	9,298.75	10,693.57	9,476.32	10,897.76	12,377.54	14,234.17	11,318.01	13,015.71
Cash inflows								
8. Secured lending	-	-	-	-	-	-	-	-
9. Inflows from fully performing exposures	9,906.47	7,429.85	8,954.42	6,715.81	10,087.75	7,565.81	10,203.60	7,652.70
10. Other cash inflows	18,644.00	13,983.00	26,358.75	19,769.06	29,022.95	21,767.21	28,832.90	21,624.68
Total Cash inflows	28,550.47	21,412.85	35,313.17	26,484.88	39,110.69	29,333.02	39,036.51	29,277.38
Total High Quality Liquid Assets	3,734.82	3,734.82	8,028.13	8,028.13	6,419.97	6,419.97	11,642.25	11,642.25
Total Net Cash outflows		2,673.39		2,724.44		3,558.54		3,253.93
Liquidity coverage ratio (%)		139.70%		294.67%		180.41%		357.79%

41 Disclosure on Liquidity Risk Management Public disclosure on liquidity risk

(a) Funding concentration based on significant counterparty* (both deposits and borrowings):

(INR in Lakh)

Particulars	As at 31 March 2024	As at 31 March 2023
Number of Significant Counterparties	17	16
Balance as at year-end	747,711.53	515,353.01
% of Total Deposits	Not applicable	Not applicable
% of Total Liabilities	75.90%	82.97%

*Significant counterparty is 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.

(b) Top 20 large deposits:

Not applicable. The Company does not accept public deposits.

(c) Top 10 Borrowings

(INR in Lakh)

Particulars	As at 31 March 2024	As at 31 March 2023
Balance as at year-end for Top 10 Borrowings	599,191.95	449,144.54
% of Total Borrowings	74.87%	85.78%

(d) Funding Concentration based on significant instrument / product@:

(INR in Lakh)

Particulars	As at 31 March 2024	As at 31 March 2023
(i) Term Loans	738,888.71	484,109.44
% of Total Liabilities	75.00%	77.94%
(ii) Non Convertible Debentures	25,172.00	-
% of Total Liabilities	2.56%	0.00%
(iii) Subordinated Liabilities	22,024.68	-
% of Total Liabilities	2.24%	0.00%
(ii) Working Capital Loans	14,231.72	39,466.28
% of Total Liabilities	1.44%	6.35%

@ Significant instrument/productise 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.

(e) Stock Ratios:

(INR in Lakh)

Particulars	As at 31 March 2024	As at 31 March 2023
(i) Commercial papers	Not Applicable	Not Applicable
(ii) Non-convertible debentures (original maturity of less than one year)	Not Applicable	Not Applicable
(iii) Other short-term liabilities, if any as a % of total assets	Not Applicable	Not Applicable

(f) Institutional set-up for liquidity risk management

The Board of Directors of the Company have adopted the ALM policy, which contains the guidelines and framework for Liquidity Risk management, among other things. The changes brought in the Liquidity Risk Management Framework vide its Circular No. RBI/2019-20/88 DOR.NBFC (PD) CC. No.102/03.10.001/2019-20 November 04, 2019 are also being covered as part of the ALM Policy which will be reviewed by the Board periodically for compliance and implementation.

The Board shall has the overall responsibility for management of liquidity risk by reviewing the implementation of the ALM Policy. The Asset-Liability Management Committee constituted by the Board carries out the functions as listed out in the circular.

(g) Liquidity Coverage Ratio

(INR in Lakh)

Particulars	For the quarter ended 31 March 2024	For the quarter ended 31 March 2023
Liquidity Coverage Ratio	357.79%	148.13%

42 Financial risk management objectives and policies

The Company's principal financial liabilities comprise borrowings. The main purpose of these financial liabilities is to finance the Company's operations and to support its operations. The Company's financial assets include loans, cash and cash equivalents, investments and other financial assets that derive directly from its operations.

The Company is exposed to credit risk, liquidity risk and market risk. The Company's board of directors has an overall responsibility for the establishment and oversight of the Company's risk management framework. The board of directors has established the risk management committee, which is responsible for developing and monitoring the Company's risk management policies. The committee reports regularly to the board of directors on its activities.

The Company's risk management policies are established to identify and analyse the risks faced by the Company, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Company's activities.

The Company's risk management committee oversees how management monitors compliance with the Company's risk management policies and procedures, and reviews the adequacy of the risk management framework in relation to the risks faced by the Company.

(i) Credit risk

Credit risk is the risk of financial loss to the Company if a customer or counter-party to financial instrument fails to meet its contractual obligations and arises primarily from the Company's loans and investments.

The carrying amounts of financial assets represent the maximum credit risk exposure.

A. Loans and advances

The Company's exposure to credit risk is influenced mainly by the individual characteristics of each

customer. However, management also considers the factors that may influence the credit risk of its customer base, including the default risk associated with the industry.

The risk management committee has established a credit policy under which each new customer is analysed individually for creditworthiness before the Company's standard payment and delivery terms and conditions are offered. The Company's review includes external ratings, if they are available, financial statements, credit agency information, industry information etc.

The Company's gross exposure to credit risk for loans and investments by type of counterparty is as follows:

(INR in Lakh)

Particulars	Carrying amount	
	Year Ended 31 March 2024	Year Ended 31 March 2023
Retail loans	913,632.71	582,166.06
Term loans	20,943.63	25,890.41
Investments	7,832.61	1,038.01
	942,408.95	609,094.48

The above exposure is entirely concentrated in India. There are no overseas exposure.

An impairment analysis is performed at each reporting date based on the facts and circumstances existing on that date to identify expected losses on account of time value of money and credit risk. For the purposes of this analysis, the loan receivables are categorised into groups based on days past due. Each group is then assessed for impairment using the Expected Credit Loss (ECL) model as per the provisions of Ind AS 109 - financial instruments.

Staging:

As per the provision of Ind AS 109 general approach all financial instruments are allocated to stage 1 on initial recognition. However, if a significant increase in credit risk is identified at the reporting date compared with the initial recognition, then an instrument is transferred to stage 2. If there is objective evidence of impairment, then the asset is credit impaired and transferred to stage 3.

The Company considers a financial instrument defaulted and therefore Stage 3 (credit-impaired) for ECL calculations in all cases when the borrower becomes more than 90 days past due on its contractual payments

For financial assets in stage 1, the impairment calculated based on defaults that are possible in next twelve months, whereas for financial instrument in stage 2 and stage 3 the ECL calculation considers default event for the lifespan of the instrument.

As per Ind AS 109, Company assesses whether there is a significant increase in credit risk at the reporting date from the initial recognition. Company has staged the assets based on the day past dues criteria and other market factors which significantly impact the portfolio.

Days past dues status	Stage	Provisions
Current - 31 Days*	Stage 1	12 Months Provision
32 - 90 Days	Stage 2	Lifetime Provision
90+ Days	Stage 3	Lifetime Provision

*All financial assets with current / zero days past due upto one month past due (30 / 31 days past due depending on the number of days in the month of reporting) shall be classified as Stage 1 assets.

Grouping

As per Ind AS 109, Company is required to group the portfolio based on the shared risk characteristics. Company has assessed the risk and its impact on the various portfolios and has divided the portfolio into following groups:

- Retail Loans
- Term Loans
- Investments

Expected credit loss ("ECL"):

ECL on financial assets is an unbiased probability weighted amount based out of possible outcomes after considering risk of credit loss even if probability is low. ECL is calculated based on the following components:

- a. Marginal probability of default ("MPD")
- b. Loss given default ("LGD")
- c. Exposure at default ("EAD")
- d. Discount factor ("D")

Marginal probability of default:

PD is defined as the probability of whether borrowers will default on their obligations in an

ensuing period of 12 months. Historical PD is derived from the HFC's internal data calibrated with forward looking macroeconomic factors. Macroeconomic factors having a high correlation with the HFC's internal data are selected as references for estimating future probabilities of default, which are:

1. GDP
2. Domestic Demand

Loss given default ("LGD"):

LGD is an estimate of the loss from a transaction given that a default occurs. Under Ind AS 109, lifetime LGD's are defined as a collection of LGD's estimates applicable to different future periods. Various approaches are available to compute the LGD. Company has considered workout LGD approach. The following steps are performed to calculate the LGD:

- 1) Haircut was applied on the value of the collateral (asset cost) as of reporting date.
- 2) The outstanding amount was adjusted with the haircut adjusted collateral value.
- 3) LGD has been computed using the outstanding amount in step (2).

Exposure at default ("EAD"):

As per Ind AS 109, EAD is estimation of the extent to which the financial entity may be exposed to counterparty in the event of default and at the time of counterparty's default. Company has modelled EAD based on the contractual and behavioral cash flows till the lifetime of the loans considering the expected prepayments.

Company has considered expected cash flows for all the loans at DPD bucket level for each of the segments, which was used for computation of ECL. Moreover, the EAD comprised of principal component, accrued interest and also the interest on the outstanding exposure for the ensuing 12 months. So discounting was done for computation of expected credit loss.

Discounting:

As per Ind AS 109, ECL is computed by estimating the timing of the expected credit shortfalls associated with the defaults and discounting them using effective interest

ECL computation:

Conditional ECL at DPD pool level was computed with the following method:

Conditional ECL for year (yt) = EAD (yt) * conditional PD (yt) * LGD (yt) * discount factor (yt)

The calculation is based on provision matrix which considers actual historical data adjusted appropriately for the future expectations and probabilities. Proportion of expected credit loss provided for across the stage is summarized below:

(INR in Lakh)

Particulars	Year ended 31 March 2024	Year ended 31 March 2023
Stage 1	0.07%	0.08%
Stage 2	0.83%	1.92%
Stage 3	43.49%	46.28%
Amount of expected credit loss provided for	11,919.35	9,370.08

The loss rates are based on actual credit loss experience over past years. These loss rates are then adjusted appropriately to reflect differences between

current and historical economic conditions and the Company's view of economic conditions over the expected lives of the loan receivables. Movement in provision of expected credit loss has been provided in below note.

Movement of ECL:

(INR in Lakh)

Particulars	Year ended 31 March 2024	Year ended 31 March 2023
Opening provision of ECL	9,370.08	6,451.53
Addition during the year	5,248.91	4,167.17
Utilization / reversal during the year	(2,699.64)	(1,248.62)
Closing provision of ECL	11,919.35	9,370.08

Reconciliation of ECL balance is given below:

(INR in Lakh)

Particulars	As at 31 March 2024			
	Stage 1	Stage 2	Stage 3	Total
Gross carrying amount opening balance	414.00	1,058.59	7,897.49	9,370.08
Assets repaid (excluding write offs)*	(50.52)	(119.27)	(1,570.81)	(1,740.60)
Transfers from Stage 1 **	(562.20)	25.28	1.58	(535.34)
Transfers from Stage 2 **	234.00	(436.81)	204.11	1.30
Transfers from Stage 3 **	209.21	27.77	4,132.95	4,369.93
Amounts written off	-	-	-	-
New assets originated	374.40	67.24	12.34	453.98
Gross carrying amount closing balance	618.89	622.80	10,677.66	11,919.35

(INR in Lakh)

Particulars	As at 31 March 2023			
	Stage 1	Stage 2	Stage 3	Total
Gross carrying amount opening balance	289.23	717.18	5,445.12	6,451.53
Assets repaid (excluding write offs)*	(29.64)	(68.04)	(687.95)	(785.63)
Transfers from Stage 1 **	(320.08)	17.96	1.72	(300.40)
Transfers from Stage 2 **	167.53	168.14	73.58	409.25
Transfers from Stage 3 **	86.09	47.19	3,008.52	3,141.80
Amounts written off	-	-	-	-
New assets originated	220.87	176.16	56.50	453.53
Gross carrying amount closing balance	414.00	1,058.59	7,897.49	9,370.08

An analysis of changes in the gross carrying amount:

(INR in Lakh)

Particulars	As at 31 March 2024			
	Stage 1	Stage 2	Stage 3	Total
Gross carrying amount opening balance	536,794.85	55,234.80	17,064.83	609,094.48
Assets repaid (excluding write offs)*	(71,153.20)	(6,464.22)	(3,621.21)	(81,238.63)
Transfers from Stage 1 **	(147,476.23)	40,244.25	2,492.77	(104,739.21)
Transfers from Stage 2 **	12,756.06	(22,455.58)	8,784.92	(914.60)
Transfers from Stage 3 **	946.47	242.95	(282.22)	907.20
Amounts written off	-	-	-	-
New assets originated	503,329.28	8,023.03	114.79	511,467.10
Gross carrying amount closing balance	835,197.23	74,825.23	24,553.88	934,576.34

(INR in Lakh)

Particulars	As at 31 March 2023			
	Stage 1	Stage 2	Stage 3	Total
Gross carrying amount opening balance	329,861.24	35,192.21	11,247.42	376,300.87
Assets repaid (excluding write offs)*	(41,896.23)	(3,655.50)	(1,510.64)	(47,062.37)
Transfers from Stage 1 **	(74,781.04)	27,973.45	2,678.71	(44,128.88)
Transfers from Stage 2 **	9,001.22	(14,102.44)	3,953.55	(1,147.67)
Transfers from Stage 3 **	564.02	282.92	199.92	1,046.86
Amounts written off	-	-	-	-
New assets originated	314,045.64	9,544.16	495.87	324,085.67
Gross carrying amount closing balance	536,794.85	55,234.80	17,064.83	609,094.48

Note: The gross carrying value includes retail loans, term loans and investments.

* Excludes the unamortized component of sourcing cost/ income which is adjusted as part of loan balances.

** Represents the balance outstanding as at beginning of the year, net of repayments made during the year, if any. The repayments are forming part of "Assets derecognised or repaid".

In respect of loans and advances in the nature of loans, the schedule of repayment of principal and payment of interest has been stipulated. In accordance with Company's accounting policy relating to impairment of financial assets, which include loans assets, with balances as at 31 March 2024, aggregating INR 24,397.39 lakh were categorised as credit impaired ("Stage 3") and INR 70,678.18 lakh were categorised as those where the credit risk has increased significantly since initial recognition ("Stage 2"). Total amount overdue for more than ninety days is INR 5,400.26 lakh as on 31 March 2024.

B. Collateral and other credit enhancements

The amount and type of collateral required depends on an assessment of the credit risk of the counterparty. Guidelines are in place covering the acceptability and valuation of each type of collateral. The main types of collateral obtained are mortgaged properties based on the nature of loans. Management monitors the market value of collateral and will request additional collateral in accordance with the underlying agreement. The Company advances loan to maximum extent of 90% of the value of the mortgaged properties.

(ii) Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting its obligations associated with its financial liabilities. The Company's approach in managing liquidity is to ensure that it will have sufficient funds to meet its liabilities when due. The Company is monitoring its liquidity risk by estimating the future inflows and outflows during the start of the year and planned accordingly the funding requirement. The Company manages its liquidity by unutilized cash credit facility, term loans and direct assignment.

The composition of the Company's liability mix ensures healthy asset liability maturity pattern and well diverse resource mix. The total cash credit and working capital limit available to the Company is INR 34,500 lakh spread across 8 banks. The utilization level is maintained in such a way that ensures sufficient liquidity on hand. Majority of the Company's portfolio is individual housing loans. The company does not have any off book asset under management.

The table below summarizes the maturity profile of the Company's financial assets and financial liabilities based on contractual undiscounted payments along with its carrying value as at the balance sheet date.

As at 31 March 2024		Contractual cash flows				(INR in Lakh)
		Carrying Amount	0-1 Year	1-3 Year	3-5 Year	
Financial Liabilities						
Trade Payable	307.26	307.26	-	-	-	-
Debt Securities	25,172.00	294.61	24,877.39	-	-	-
Borrowings	753,120.44	141,819.29	264,211.82	212,773.78	134,315.55	134,315.55
Subordinated Liabilities	22,024.69	993.71	-	-	21,030.98	21,030.98
Other financial liabilities	11,092.64	9,632.07	695.07	378.90	386.60	386.60
Total	811,717.03	153,046.94	289,784.28	213,152.68	155,733.13	155,733.13
Financial Assets						
Cash and cash equivalents	23,801.13	23,801.13	-	-	-	-
Bank Balances other than cash and cash equivalents	41.83	41.83	-	-	-	-
Other Receivables	598.00	598.00	-	-	-	-
Loans & Investments	930,489.60	58,913.36	88,237.96	100,256.30	683,081.97	683,081.97
Other financial assets	25,634.82	8,097.75	9,513.31	4,682.51	3,341.25	3,341.25
Total	980,565.38	91,452.07	97,751.27	104,938.81	686,423.22	686,423.22
As at 31 March 2023		Contractual cash flows				
		Carrying Amount	0-1 Year	1-3 Year	3-5 Year	More than 5 Year
Financial Liabilities						
Trade Payable	178.63	178.63	-	-	-	-
Borrowings	523,575.72	127,533.19	172,098.90	138,950.00	84,993.63	84,993.63
Other financial liabilities	4,299.66	4,271.48	28.18	-	-	-
Total	528,054.01	131,983.30	172,127.08	138,950.00	84,993.63	84,993.63
Financial Assets						
Cash and cash equivalents	9,034.79	9,034.79	-	-	-	-
Bank Balances other than cash and cash equivalents	64.39	64.39	-	-	-	-
Other Receivables	188.69	188.69	-	-	-	-
Loans & Investments	599,724.40	37,994.11	60,992.67	68,036.52	432,701.10	432,701.10
Other financial assets	10,729.00	3,409.69	4,133.49	1,970.33	1,215.49	1,215.49
Total	619,741.27	50,691.67	65,126.16	70,006.85	433,916.59	433,916.59

*Note: Estimated recovery from loans measured at fair value through OCI as at 31st March 2024 could increase by Rs. 101,110.78 Lakh within 0-1 year, subject to transfer of loan exposure through future direct assignment transactions.

(iii) Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk includes interest rate risk and foreign currency risk. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimizing the return.

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest

rates. The Company's exposure to the risk of changes in market interest rates relates primarily to the Company's investment in bank deposits and variable interest rate borrowings and lending. Whenever there is a change in borrowing interest rate for the Company, necessary change is reflected in the lending interest rates over the timeline in order to mitigate the risk of change in interest rates of borrowings.

The sensitivity analysis have been carried out based on the exposure to interest rates lending and borrowings carried at variable rate.

(INR in Lakh)

Particulars	Year ended 31 March 2024		Year ended 31 March 2023	
	100 bp increase	100 bp decrease	100 bp increase	100 bp decrease
Change in interest rates				
Variable rate borrowings	-	-	-	-
Impact on profit for the year	5,900.88	(5,900.88)	(3,845.62)	3,845.62

43 Leases

The company has taken office premises on lease. These leases are generally renewed on mutual consent and at prevailing market rate. Short term leases are recognised as an expense on a straight line basis over the lease term.

(INR in Lakh)

Particulars	Year ended 31 March 2024	Year ended 31 March 2023
Amortisation for right of use assets	335.52	19.82
Interest expense on deferred lease liabilities	104.94	3.57
Expenses pertaining to short term leases	166.09	160.07
Total cash outflow for leases	293.70	167.41
Additions to right of use asset (Refer note 12B)	2,123.36	96.58

(i) Refer note 12B for carrying amount of right of use assets as at end of the reporting period

(ii) Contractual cash maturities of lease liabilities on an undiscounted basis :

(INR in Lakh)

Particulars	Year ended 31 March 2024	Year ended 31 March 2023
Within one year	448.95	23.76
After one year but not more than five years	1,073.98	28.71
More than five years	386.60	-
Total	1,909.53	52.47

44 Expenditure in Foreign currency

(INR in Lakh)

Particulars	Year ended 31 March 2024	Year ended 31 March 2023
Legal and professional charges	22.52	-

- 45** As a part of normal lending business, the Company grants loans and advances on the basis of security / guarantee provided by the borrower/ co-borrower. These transactions are conducted after exercising proper due diligence.
- a. No funds have been advanced or loaned or invested by the Company to or in any other person(s) or entity(is) including foreign entities ("Intermediaries") with the understanding that the Intermediary shall lend or invest in a party identified by or on behalf of the Company (Ultimate Beneficiaries);
- b. No funds have been received by the Company from any party(s) (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 Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- 46** RBI vide Circular dated November 12, 2021 and further clarified vide circular dated February 15, 2022. - "Prudential norms on Income Recognition, Asset Classification and Provisioning (IRACP) pertaining to Advances - Clarifications" has clarified / harmonized certain aspects of extant regulatory guidelines with a view to ensuring uniformity in the implementation of IRACP norms across all lending institutions. The Company has complied with the said norms with effect from 01 October 2022.
- 47** 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 without tampering in the software. Additionally, the audit trail has been reserved by the company as per the statutory requirements for record retention.
- 48** The Company does not hold any immovable property as on 31 March 2024 and 31 March 2023. All the lease agreements are duly executed in favour of the company for properties where the company is the lessee.
- 49** No proceedings have been initiated or pending against the company for holding any benami property under the Benami Transactions (prohibition) Act 1988 and rules made thereunder, as at 31 March 2024 and 31 March 2023.
- 50** The company is not a declared wilful defaulter by any bank or financial institution or other lender, in accordance with the guidelines on wilful defaulters issued by the Reserve Bank of India, during the year ended 31 March 2024 and 31 March 2023.
- 51** There are no pending charges or satisfaction yet to be registered with Registrar of Companies beyond the statutory period as on 31 March 2024 and 31 March 2023.
- 52** The company does not have any transactions with the companies struck off under section 248 of Companies Act, 2013 or section 560 of Companies Act, 1956 during the year ended 31 March 2024 and 31 March 2023.
- 53** The company has taken borrowings from banks and utilised them for the specific purpose for which they were taken as at the Balance sheet date.
- 54** There have been no transactions which have not been recorded in the books of accounts, that have been surrendered or disclosed as income during the year ended 31 March 2024 and 31 March 2023, in the tax assessments under the Income Tax Act, 1961. There have been no previously unrecorded income and related assets which were to be properly recorded in the books of account during the year ended 31 March 2024 and 31 March 2023.
- 55** The company has not traded or investment in Crypto currency or Virtual Currency during the year ended 31 March 2024 and 31 March 2023.
- 56** There are no significant subsequent events that have occurred after the reporting period till the date of these financial statements.
- 57** Previous year figures have been regrouped / reclassified wherever necessary to conform to current year's classification.

As per our report of even date
for **Sharp & Tannan Associates**
Chartered Accountants
Firm's registration number: 109983W
Tirtharaj Khot
Partner
Membership No: 037457

Place : Chennai
Date : May 14, 2024

For and on behalf of the Board of Directors of
Hinduja Housing Finance Limited
CIN No: U65922TN2015PLC100093

Dheeraj Hinduja	Sachin Pillai
<i>Non Executive Chairman</i>	<i>Managing Director</i>
<i>DIN No. 00133410</i>	<i>DIN No. 06400793</i>
<i>Place : London</i>	<i>Place : Chennai</i>

Prateek Parekh	Srinivas Rangarajan
<i>Chief Financial Officer</i>	<i>Company Secretary</i>
<i>Place : Chennai</i>	<i>Place : Chennai</i>
<i>Date : May 14, 2024</i>	<i>Date : May 14, 2024</i>

58 Disclosure required as per Annexure III of Non-Banking Financial Company - Housing Finance Company (Reserve Bank) Directions, 2021, dated 17 February 2021.

Schedule to Balance Sheet

(INR in Lakh)

S.No	Particulars	As at 31st March 2024		As at 31st March 2023	
		Amount Outstanding	Amount Overdue	Amount Outstanding	Amount Overdue
1 Loans and advances availed by the HFC inclusive of interest accrued thereon but not paid:					
	(a) Debentures				
	- Secured	25,172.00	-	-	-
	- Unsecured	22,024.69	-	-	-
	(b) Deferred Credits	-	-	-	-
	(c) Term Loans	738,888.76	-	484,109.44	-
	(d) Inter-corporate loans and borrowing	-	-	-	-
	(e) Commercial Paper	-	-	-	-
	(f) Public Deposits	-	-	-	-
	(g) Other Loans				
	- Cash credit and Working capital demand loans from bank	14,231.68	-	39,466.28	-

2 Break up of (1)(f) above (Outstanding public deposits inclusive of interest accrued thereon but not paid) :

	(a) In form of Unsecured debentures	-	-	-	-
	(b) In form of partly secured debentures	-	-	-	-
	(c) Other public deposits	-	-	-	-

(INR in Lakh)

Asset Side	Year ended 31 March 2024	Year ended 31 March 2023
3 Break up of Loans and Advances including bills receivables (other than those included in (4) below):		
(a) Secured	934,576.34	608,056.47
(b) Unsecured	-	-

(INR in Lakh)

Asset Side	Year ended 31 March 2024	Year ended 31 March 2023
4 Break up of Leased Assets and stocks 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) Stocks 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	-	-

(INR in Lakh)

Particulars	Year ended 31 March 2024	Year ended 31 March 2023
Asset Side	Amount Outstanding	
5 Break-up of Investments		
Current Investments		
(i) Quoted		
(a) Shares		
- Equity	-	-
- Preference	-	-
(b) Debentures and Bond	-	-
(c) Units of mutual fund	-	-
(d) Government securities	5,911.33	-
(e) Others	-	-
(ii) Unquoted		
(a) Shares		
- Equity	-	-
- Preference	-	-
(b) Debentures and Bond	-	-
(c) Units of mutual fund	-	-
(d) Government securities	-	-
(e) Others	-	-

(INR in Lakh)

Asset Side	Year ended 31 March 2024	Year ended 31 March 2023
Break-up of Investments		
Long Term Investments		
(i) Quoted		
(a) Shares		
- Equity	-	-
- Preference	-	-
(b) Debentures and Bond	-	-
(c) Units of mutual fund	-	-
(d) Government securities	-	-
(e) Others	-	-
(ii) Unquoted		
(a) Shares		
- Equity	-	-
- Preference	-	-
(b) Debentures and Bond	-	-
(c) Units of mutual fund	-	-
(d) Government securities	-	-
(e) Others		
- Investment in Alternative Investment Fund	1,921.28	1,038.01

6 Borrower group-wise classification of assets financed as in (3) and (4) above :

Category	As at 31 March 2024			As at 31 March 2023		
	Secured	Unsecured	Total	Secured	Unsecured	Total
(i) Related Party						
(a) Subsidiaries	-	-	-	-	-	-
(b) Companies in the same group	-	-	-	-	-	-
(c) Other related party	-	-	-	-	-	-
(ii) Other than related party	934,576.34	-	934,576.34	608,056.47	-	608,056.47

7 Investor group wise classification of all investments (current and long term) in shares and securities (both quoted and unquoted)

(INR in Lakh)

Particulars	As at 31 March 2024		As at 31 March 2023	
	Market value/ Break up of fair value or NAV	Book value (Net of provisions)	Market value/ Break up of fair value or NAV	Book value (Net of provisions)
(i) Related Party				
(a) Subsidiaries	-	-	-	-
(b) Companies in the same group	-	-	-	-
(c) Other related party	-	-	-	-
(ii) Other than related party	7,832.60	7,832.60	1,038.01	1,038.01

8 Other Information

(INR in Lakh)

Particulars	As at 31 March 2024 Amount	As at 31 March 2023 Amount
(i) Gross Non-Performing Assets		
(a) Related parties	-	-
(b) Other than related parties	24,397.94	17,890.08
(ii) Net Non-Performing Assets		
(a) Related parties	-	-
(b) Other than related parties	13,720.26	9,978.63
(iii) Assets acquired in satisfaction of debt	-	-

59 Disclosure required as per Annexure IV of Non-Banking Financial Company - Housing Finance Company (Reserve Bank) Directions, 2021, dated 17 February 2021.

(i) Capital

(INR in Lakh)

Particulars	As at 31 March 2024	As at 31 March 2023
CRAR %	20.11%	20.26%
CRAR - Tier I Capital %	16.38%	20.16%
CRAR - Tier II Capital %	3.74%	0.10%
Amount of subordinated debt raised as Tier II Capital	21,700.00	-
Amount raised by issue of perpetual debt instruments	-	-

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

(INR in Lakh)

Statutory reserve	As at 31 March 2024	As at 31 March 2023
Balance at the beginning		
a) Statutory reserve as per section 29C of the National Housing Bank Act, 1987	2,100.87	950.44
b) Amount of special reserve u/s 36(1)(viii) of Income tax Act, 1961 taken in to account for the purpose of statutory reserve u/s 29C of the National Housing Bank Act, 1987	7,158.23	3,972.60
c) Total	9,259.10	4,923.04
Addition/Appropriation/withdrawals during the year		
Add:		
a) Amount transferred as per section 29C of the National Housing Bank Act, 1987	2,497.93	1,150.43
b) Amount of special reserve u/s 36(1)(viii) of Income tax Act, 1961 taken in to account for the purpose of statutory reserve u/s 29C of the National Housing Bank Act, 1987	3,508.90	3,185.63
Less:		
a) Amount appropriated as per section 29C of the National Housing Bank Act, 1987	-	-
b) Amount withdrawn from special reserve u/s 36(1)(viii) of Income tax Act, 1961 taken in to account for the purpose of statutory reserve u/s 29C of the National Housing Bank Act, 1987	-	-
Balance as at end of the year		
a) Statutory reserve as per section 29C of the National Housing Bank Act, 1987	4,598.80	2,100.87
b) Amount of special reserve u/s 36(1)(viii) of Income tax Act, 1961 taken in to account for the purpose of statutory reserve u/s 29C of the National Housing Bank Act, 1987	10,667.13	7,158.23
c) Total	15,265.93	9,259.10

(iii) Investments

Particulars	(INR in Lakh)	
	As at 31 March 2024	As at 31 March 2023
1 Value of investment		
(i) Gross value of investment		
(a) In India	7,832.61	1,035.56
(b) Outside India	Nil	Nil
(ii) Provision for depreciation		
(a) In India	Nil	Nil
(b) Outside India	Nil	Nil
(iii) Net Value of Investment		
(a) In India	7,832.61	1,035.56
(b) Outside India	Nil	Nil
2 Movement of provisions held towards depreciation on investments		
(i) Opening balance		
(ii) Add : Provisions made during the year		
(iii) Less: Write off/ write back of excess provisions during the year	Nil	Nil
(iv) Closing balance		

(iv) Derivatives

There have been no forward rate contracts / interest rate swaps or any other derivative transactions carried out by the Company during the year ended 31 March 2024 and 31 March 2023.

(This Page has been intentionally left blank)

(v) Asset Liability Management (ALM)

Maturity pattern of certain items assets and liabilities - As at 31 March 2024

Particulars	(INR in Lakh)										
	1 day to 7 days	8 days to 14 days	15 days to 30/31 days	Over one month to 2 months	Over 2 months to 3 months	Over 3 months to 6 months	Over 6 months to 1 year	Over 1 year to 3 years	Over 3 years to 5 years	Over 5 years	Total
Liabilities											
Borrowings from banks *	1,551.61	237.11	5,846.50	6,813.05	18,633.35	35,420.60	73,317.09	264,211.82	212,773.78	134,315.55	753,120.44
Market borrowings	-	-	-	-	749.03	-	539.29	24,877.39	-	21,030.98	47,196.69
Foreign currency liabilities	-	-	-	-	-	-	-	-	-	-	-
Assets											
Advances #	20,126.49	2,932.71	4,108.16	13,316.56	13,139.29	38,428.63	73,056.96	243,627.94	175,663.51	338,256.73	922,656.99
Investments	2,998.32	-	-	-	-	1,469.44	1,443.56	1,921.29	-	-	7,832.61
Foreign currency assets	-	-	-	-	-	-	-	-	-	-	-

Maturity pattern of certain items assets and liabilities - As at 31 March 2023

Particulars	(INR in Lakh)										
	1 day to 7 days	8 days to 14 days	15 days to 30/31 days	Over one month to 2 months	Over 2 months to 3 months	Over 3 months to 6 months	Over 6 months to 1 year	Over 1 year to 3 years	Over 3 years to 5 years	Over 5 years	Total
Liabilities											
Borrowings from banks *	1,744.02	893.96	3,704.36	7,589.08	17,389.60	31,664.16	64,548.01	172,098.90	138,950.00	84,993.64	523,575.72
Market borrowings	-	-	-	-	-	-	-	-	-	-	-
Foreign currency liabilities	-	-	-	-	-	-	-	-	-	-	-
Assets											
Advances #	11,537.83	1,813.97	3,562.64	8,664.72	8,700.07	25,260.91	47,938.28	159,208.20	114,387.67	217,614.55	598,688.83
Investments	38.01	-	-	-	-	-	-	-	997.55	-	1,035.56
Foreign currency assets	-	-	-	-	-	-	-	-	-	-	-

#Maturity pattern of advances has been disclosed based on the their behavioral pattern of cash flows

*Cash credit borrowings and working capital demand loan from banks are usually for a period of 1 year. As per the prevalent practice, these facilities are renewed on a year to year basis. Accordingly, repayments of cash credit borrowings and working capital demand loans from banks aggregating INR 14,231.68 Lakh (31 March 2023 - INR 39,466.28 Lakh) has been distributed over the same period as the maturity pattern of assets on finance.

59 Disclosure required as per Annexure IV of Non-Banking Financial Company - Housing Finance Company (Reserve Bank) Directions, 2021, dated 17 February 2021.

(vi) a. Exposure to Real Estate Sector

(INR in Lakh)

Category	As at 31 March 2024	As at 31 March 2023
(a) Direct exposure		
(i) Residential Mortgage Lending fully secured by mortgage on residential property that is or will be occupied by borrower or that is rented	859,969.84	576,258.56
(ii) Commercial real estate Lending fully secured by mortgage on commercial real estate (Office building or retail space, multi-purpose commercial premises, multi-family residential building, multi-tenanted commercial building, industrial or warehouse space, hotels, land acquisitions, developments and constructions, etc.). Exposure would also include Non-Fund Based (NFB) limits.	93.82	-
(iii) Investment in mortgage back securities (MBS) and Other securitized exposures		
(a) Residential	-	-
(b) Commercial Real Estate	-	-
(b) Indirect Exposure Fund based and non fund based exposure on National Housing Bank (NHB) and Housing Finance Corporations (HFCs)	21,007.57	27,007.33

* Includes exposures to Non-Housing loans secured by residential mortgages

Note: The total outstanding amount mean principal + accrued interest + other charges pertaining to loans without netting off.

(vi) b. Exposure to capital market

(INR in Lakh)

Category	As at 31 March 2024	As at 31 March 2023
(i) Direct investment in equity shares, convertible bonds, convertible debentures and units of equity oriented mutual funds the corpus of which is not exclusively invested in corporate debt	-	-
(ii) Advances against shares / bonds / debentures or other securities or on clean basis to individuals for investment in shares (including IPOs / ESOPs), convertible bonds, convertible debentures, and units of equity oriented mutual funds	-	-
(iii) Advances for any other purposes where shares or convertible bonds or convertible debentures or units of equity oriented mutual funds are taken as primary security	-	-
(iv) Advances for any other purposes to the extent secured by the collateral security of shares or convertible bonds or convertible debentures or units of equity oriented mutual funds i.e. where the primary security other than shares / convertible bonds / convertible debentures / units of equity oriented mutual funds does not fully cover the advances	-	-
(v) Secured and unsecured advances to stockbrokers and guarantees issued on behalf of stockbrokers and market makers	-	-
(vi) Loans sanctioned to corporates against the security of shares / bonds / debentures or other securities or on clean basis for meeting promoter's contribution to the equity of new companies in anticipation of raising resources	-	-
(vii) Bridge loans to companies against expected equity flows / issues	-	-
(viii) Underwriting commitments taken up by the NBFCs in respect of primary issue of shares or convertible bonds or convertible debentures or units of equity oriented mutual funds	-	-
(ix) Financing to stockbrokers for margin trading	-	-
(x) All exposures to Alternative Investment Funds:		
(a) Category I	-	-
(b) Category II	-	1,038.01
(c) Category III	1,921.28	-

(vi) c. Details of financing of parent company products

There is no exposure to financing of parent company products during the year ended 31 March 2024 and 31 March 2023

(vi) d. Details of Single Borrower Limit (SGL)/ Group Borrower Limit (GBL)

During the year, the company had not exceeded the single borrower limit and group borrower limit as stipulated by the Prudential Norms in respect of loans and advances.

(vi) e. Unsecured loans

There is no exposure to unsecured loans during the year ended 31 March 2024 and 31 March 2023.

(vi) f. Exposure to group companies engaged in real estate business

There is no exposure to group companies engaged in real estate business during the year ended 31 March 2024 and 31 March 2023.

60 Miscellaneous - Disclosure required as per Annexure IV of Non-Banking Financial Company - Housing Finance Company (Reserve Bank) Directions, 2021, dated 17 February 2021.

(i) Registration/ license/ authorization obtained from other financial sector regulators

Registration/ License	Authority issuing the registration / license	Registration / License reference
Certificate of registration	National Housing Bank	09.0129.15

(ii) Disclosure of Penalties imposed by NHB

Items	(INR in Lakh)	
	As at 31 March 2024	As at 31 March 2023
a) Penalty Penalty if any levied by National Housing Bank/ Reserve Bank of India	-	-
b) Adverse remarks	-	-

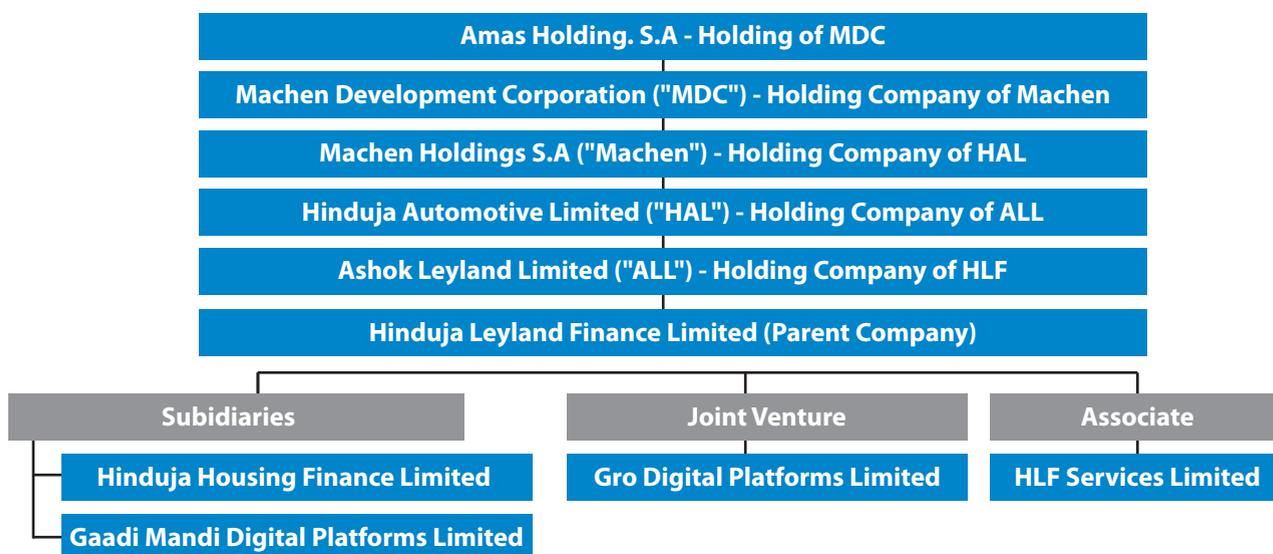
(iii) Related Party Transactions

(a) Details of all material transactions with related parties - Refer note 32

(b) The policy on dealing with Related Party Transactions - Refer Board's Report

(iv) Group Structure

Diagrammatic representation of group structure



(v) Ratings assigned by credit rating agency and migration of ratings during the year

Facility	Rating agency	As at 31 March 2024	Date of rating
Long-term : Bank borrowings	CARE	AA/Stable	2-Jan-24
Short-term : Bank borrowings	CARE	AA/Stable	2-Jan-24
Short-term : Commercial paper	CARE	A1+	27-Feb-24
Long-term: Non-convertible debentures	CARE	AA/Stable	27-Feb-24
Long-term: Subordinated debt	CARE	AA/Stable	27-Feb-24
Long-term: Non-convertible debentures	CRISIL	AA/Stable	23-Feb-24
Long-term: Subordinated debt	CRISIL	AA/Stable	23-Feb-24
Short-term : Commercial paper	CRISIL	A1+	23-Feb-24

(vi) Remuneration to Director

There are no pecuniary relationship or transaction with non-executive directors of the company during the year ended 31 March 2024 and 31 March 2023. For Remuneration paid to independent directors as sitting fee Refer noter no 32.

(vii) Management - Refer Director's Report for relevant disclosures

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

The Company does not have any prior period items / change in accounting policies during the current year other than disclosed in financials.

(ix) Revenue Recognition

There has been no instance in which revenue recognition has been postponed pending the resolution of significant uncertainty.

(x) Accounting Standard 21 - Consolidated Financial Statements, is not applicable**61 Additional Disclosures required as per Annexure IV of Non-Banking Financial Company - Housing Finance Company (Reserve Bank) Directions, 2021, dated 17 February 2021.****(i) Provisions and Contingencies shown under the head expenditure in profit and loss account**

Particulars	(INR in Lakh)	
	As at 31 March 2024	As at 31 March 2023
Provisions for depreciation on investment	-	-
Provisions made towards income tax	9,056.35	6,786.41
Provisions towards non-performing assets	2,766.22	2,466.31
Provision for Standard Assets	(216.95)	452.24
Other provision and contingencies		
- Provision for Expenses	682.53	356.06
- Provision for Employee Benefits	1,515.17	555.69

(ii) break up of loans and advances and provisions thereon

(INR in Lakh)

Particulars	Housing loan as at		Non-housing loan as at	
	31 March 2024	31 March 2023	31 March 2024	31 March 2023
Standard assets				
Total outstanding	566,597.72	380,978.95	290,075.58	204,396.86
Provisions	(795.49)	(893.49)	(446.19)	(565.15)
Sub-standard assets				
Total outstanding	5,492.09	5,311.10	4,205.67	3,010.53
Provisions	(516.03)	(561.38)	(399.69)	(304.89)
Doubtful assets 1				
Total outstanding	3,217.84	2,536.11	2,094.74	597.66
Provisions	(1,633.91)	(1,476.58)	(990.18)	(365.22)
Doubtful assets 2				
Total outstanding	3,216.60	1,647.23	1,717.48	431.50
Provisions	(2,055.73)	(1,017.20)	(1,116.98)	(272.52)
Doubtful assets 3				
Total outstanding	974.16	1,067.86	435.08	132.60
Provisions	(636.57)	(674.42)	(284.31)	(83.74)
Loss assets				
Total outstanding	2,397.05	2,663.92	647.22	491.56
Provisions	(2,397.05)	(2,663.92)	(647.22)	(491.56)
Total				
Total outstanding	581,895.46	394,205.17	299,175.77	209,060.71
Provisions	(8,034.78)	(7,286.99)	(3,884.57)	(2,083.07)

Note: The total outstanding amount mean principal + accrued interest + other charges pertaining to loans without netting off.

(iii) Divergence in asset classification and provisioning

There has been no instances of divergence in asset classification and provisioning

(iv) Draw Down from Reserves

There has not been any draw down from the reserves during the year ended 31 March 2024 and 31 March 2023.

(v) Concentration of public deposits, Advances, Exposure and NPAs

(INR in Lakh)

S. No.	Particulars	For year ended 31 March 2024	For year ended 31 March 2023
1	Concentration of Public Deposits (for Public Deposit taking/holding HFCs)	NA	NA
2	Concentration of loans & advances		
	Total advances to twenty largest borrowers	21,126.59	26,081.43
	Percentage of Advances to twenty largest borrowers to Total Advances of the HFC	2.40%	4.32%
3	Concentration of all Exposures (including off-balance sheet exposures)		
	Total Exposure to twenty largest borrowers / customers	21,126.59	27,017.33
	Percentage of Exposures to twenty largest borrowers / customers to Total Exposure of the HFC on borrowers / customers	2.40%	4.34%
4	Concentration of NPAs		
	Total exposure to top ten NPA accounts	1,142.92	950.23

(vi) Sector wise NPA

(INR in Lakh)

Particulars	% of NPAs to total advances in that sector	
	As at 31 March 2024	As at 31 March 2023
A. Housing Loans		
Individuals	2.63%	3.36%
Builders/Project Loans	0.00%	0.00%
Corporates	0.00%	0.00%
Others (specify)	0.00%	0.00%
B. Non-Housing Loans:		
Individuals	3.04%	2.23%
Builders/Project Loans	0.00%	0.00%
Corporates	0.00%	0.00%
Others (specify)	0.00%	0.00%

(vii) Movement of NPAs

(INR in Lakh)

Particulars	Year ended 31 March 2024	Year ended 31 March 2023
(i) Net NPAs to Net Advances (%)	1.58%	1.68%
(ii) Movement of NPAs (Gross)		
(a) Opening balance	17,890.08	11,247.42
(b) Additions during the year	11,930.52	9,085.11
(c) Reductions during the year	(5,422.66)	(2,442.45)
(d) Closing balance	24,397.94	17,890.08
(iii) Movement of Net NPAs		
(e) Opening balance	9,978.63	5,802.29
(f) Additions during the year	9,638.63	7,391.47
(g) Reductions during the year	(5,897.00)	(3,215.13)
(h) Closing balance	13,720.26	9,978.63
(iv) Movement of provisions for NPAs (excluding provisions on standard assets)		
(a) Opening balance	7,911.45	5,445.13
(b) Provisions made during the year	4,667.88	3,353.10
(c) Write-off / write-back of excess provisions	(1,901.66)	(886.78)
(d) Closing balance	10,677.67	7,911.45

(viii) Overseas assets

The Company does not have any joint ventures and subsidiaries abroad during the year ended 31 March 2024 and 31 March 2023 and hence this disclosure is not applicable.

(ix) Off-balance sheet SPVs sponsored

There were no off-balance sheet SPVs sponsored by the Company during the year ended 31 March 2024 and 31 March 2023.

(x) Customer Complaints*

(x)(a) Summary information on complaints received by the NBFCs from customers and from the Offices of Ombudsman

S.No	Particulars	Year ended 31 March 2024	Year ended 31 March 2023
	Complaints received by the NBFC from its customers		
1	Number of complaints pending at the beginning of the year	25	1
2	Number of complaints received during the year	815	686
3	Number of complaints disposed during the year	830	662

S.No	Particulars	Year ended 31 March 2024	Year ended 31 March 2023
3.1	Of which, number of complaints rejected by the NBFC	0	0
4	Number of complaints pending at the end of the year	10	25
	Maintainable complaints received by the NBFC from Office of Ombudsman		-
5	Number of maintainable complaints received by the NBFC from Office of Ombudsman	-	-
5.1	Of 5, number of complaints resolved in favour of the NBFC by Office of Ombudsman	-	-
5.2	Of 5, number of complaints resolved through conciliation / mediation / advisories issued by Office of Ombudsman	-	-
5.3	Of 5, number of complaints resolved after passing of Awards by Office of Ombudsman against the NBFC	-	-
6	Number of Awards unimplemented within the stipulated time (other than those appealed)	-	-

(x)(b) Top five grounds of complaints received by the NBFCs from customers

(INR in Lakh)

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
For Year ended 31 March 2024					
EMI	13	151	Decrease by 8%	3	-
Foreclosure	12	144	Increase by 23%	1	-
Loan Documents	-	73	Decrease by 32%	-	-
Credit Bureau	-	110	Increase by 633%	-	-
Insurance	-	153	Increase by 107%	2	-
For Year ended 31 March 2023					
EMI	1	164	Increase by 82%	13	-
PMAY Subsidy	-	143	Increase by 8%	-	-
Foreclosure	-	117	Decrease by 3%	12	-
Loan Documents	-	107	Increase by 45%	-	-
Insurance	-	74	Increase by 80%	-	-

62 Disclosure as per Annexure XXII of Master directions - Reserve Bank of India (Non-Banking Financial Company - Scale based regulation) directions, 2023 dated 19 October 2023.

(i) - Exposure

(i)(a) - Exposure to Real Estate Sector - Refer note no 59(vi)(a)

(i)(b) - Exposure to Capital Market - Refer note no 59(vi)(b)

(i)(c) - Sectoral Exposure

(INR in Lakh)

Sectors	As at 31 March 2024			As at 31 March 2023		
	Total Exposure (including on balance sheet and off balance sheet exposure)	Gross NPA	Percentage of Gross NPAs to total exposure in that sector	Total Exposure (including on balance sheet and off balance sheet exposure)	Gross NPA	Percentage of Gross NPAs to total exposure in that sector
1. Agricultural and Allied activities	-	-	-	-	-	-
2. Industry						
(i).....	-	-	-	-	-	-
(ii).....	-	-	-	-	-	-
Others	-	-	-	-	-	-
Total of Industry	-	-	-	-	-	-
3. Services						
(i).....	-	-	-	-	-	-
(ii).....	-	-	-	-	-	-
Others	-	-	-	-	-	-
Total of Industry	-	-	-	-	-	-
4. Personal Loans						
(i) Housing	581,895.46	15,297.74	2.63%	412,219.76	13,226.22	3.21%
(ii) Non Housing	278,074.38	8,757.33	3.15%	182,609.56	4,663.85	2.55%
(iii) CRE-RH	93.82	-	0.00%	-	-	0.00%
Others	-	-	-	-	-	-
Total of Personal Loans	860,063.66	24,055.07	2.80%	594,829.32	17,890.07	3.01%
5. Others if any	21,007.57	342.86	1.63%	27,007.33	-	-

(i)(d) - Intra Group Exposures

The company does not have any intra group exposures during the year ended 31 March 2024 and 31 March 2023 other than the related party balances as disclosed in note no 32.

(i)(e) - Unhedged foreign currency exposure

There is no unhedged foreign currency exposures during the year ended 31 March 2024 and 31 March 2023.

(ii) Disclosure of Complaints - Refer note no 61(x)

63 Disclosure required as per Notification No - RBI/DOR/2021-22/86 DOR.STR.REC.51/21.04.048/2021-22

(INR in Lakh)

Particulars	For the year ended 31 March 2024	
	Transferred	Acquired
Aggregate amount of loans transferred / acquired (INR in lakh)	134,890.07	19,385.40
Weighted average maturity (in months)	134.43	132.44
Weighted average holding period (in months)	11.71	33.97
Retention of beneficial economic interest by the Originator	10%	4%
Tangible security coverage	218%	373%
Rating-wise distribution of rated loans	Not applicable	Not applicable

(INR in Lakh)

Particulars	For the quarter ended 31 March 2024	
	Transferred	Acquired
Aggregate amount of loans transferred / acquired (INR in lakh)	57,000.79	-
Weighted average maturity (in months)	158.99	-
Weighted average holding period (in months)	13.01	-
Retention of beneficial economic interest by the Originator	10%	-
Tangible security coverage	195%	-
Rating-wise distribution of rated loans	Not applicable	-

64 Principal Business Criteria - as per para 4.1.17 of Non-Banking Financial Company - Housing Finance Company (Reserve Bank) Directions, 2021, dated 17 February 2021.

Housing Finance Company shall mean a company incorporated under the Companies Act, 2013 that fulfills the following conditions;

- It is an NBFC whose financial assets, in the business of providing finance for housing, constitute at least 60% of its total assets (netted off by intangible assets)
- Out of the total assets (netted off by intangible assets), not less than 50% should be by way of housing financing for individuals.

The company meets the aforesaid principal business criteria ;

(INR in Lakh)

Particulars	As at 31 March 2024	As at 31 March 2023
Total Assets	941,986.72	621,139.34
Less: Intangible assets	2,139.55	70.25
Net total assets	939,847.17	621,069.09
Housing Finance	580,841.74	390,940.33
Individual Housing Finance	580,841.74	390,940.33
Percentage of housing finance to total assets (net of intangible assets)	61.80%	62.95%
Percentage of individual housing finance to total assets (net of intangible assets)	61.80%	62.95%

**65 Comparison of Provision under IRACP Norms and Impairment Allowance under IND AS 109 as per RBI Guidelines.
For year ending 31st March 2024**

Asset Classification as per RBI Norms	Asset Classification as per INDAS	Gross Carrying amount as per INDAS	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
Performing assets						
Standard	Stage 1	785,995.12	596.64	785,398.48	2,404.78	(1,808.14)
	Stage 2	70,678.18	613.90	70,064.28	223.29	390.61
Subtotal - Standard		856,673.29	1,210.54	855,462.75	2,628.07	(1,417.53)
Non performing assets						
Substandard	Stage 3	9,697.76	915.71	8,782.04	1,454.66	(538.95)
Doubtful - upto 1 year	Stage 3	5,312.58	2,624.09	2,688.49	1,328.14	1,295.95
1 to 3 years	Stage 3	4,934.09	3,172.71	1,761.38	1,973.64	1,199.07
More than 3 years	Stage 3	1,409.24	920.88	488.36	1,409.24	(488.36)
Subtotal - Doubtful		11,655.91	6,717.68	4,938.23	4,711.02	2,006.66
Loss assets	Stage 3	3,044.27	3,044.27	-	3,044.27	-
Subtotal - NPA		24,397.93	10,677.66	13,720.27	9,209.95	1,467.71
Other items such as guarantees, loan commitments, etc, which are in scope of IND AS 109 but not covered under current IRACP norms						
Total	Stage 1	30,567.25	22.25	30,544.99	77.13	(54.88)
	Stage 2	1,013.35	8.89	1,004.46	2.64	6.25
	Stage 3	-	-	-	-	-
	Total	816,562.36	618.89	815,943.47	2,481.91	(1,863.02)
Total	Stage 2	71,691.53	622.80	71,068.73	225.93	396.86
	Stage 3	24,397.93	10,677.66	13,720.27	9,209.95	1,467.71
	Total	912,651.83	11,919.35	900,732.47	11,917.80	1.56

(This Page has been intentionally left blank)

**65 Comparison of Provision under IRACP Norms and Impairment Allowance under IND AS 109 as per RBI Guidelines.
For year ending 31st March 2023**

Asset Classification as per RBI Norms	Asset Classification as per INDAS	Gross Carrying amount as per INDAS	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
Performing assets						
Standard	Stage 1	531,417.67	403.03	531,014.64	1,640.93	(1,237.90)
	Stage 2	53,958.14	1,027.93	52,930.21	171.01	856.92
Subtotal - Standard		585,375.81	1,430.96	583,944.85	1,811.94	(380.98)
Non performing assets						
Substandard	Stage 1	166.14	0.10	166.04	24.92	(24.82)
	Stage 2	744.33	13.58	730.75	111.65	(98.07)
	Stage 3	7,411.16	852.32	6,558.84	1,111.68	(259.36)
Doubtful - upto 1 year	Stage 3	3,133.78	1,841.80	1,291.98	783.44	1,058.36
	1 to 3 years	2,078.73	1,289.72	789.01	831.49	458.23
	More than 3 years	1,200.46	758.16	442.30	1,200.46	(442.30)
Subtotal - Doubtful		6,412.97	3,889.68	2,523.29	2,815.39	1,074.29
Loss assets	Stage 3	3,155.48	3,155.48	-	3,155.48	-
Subtotal - NPA		17,890.08	7,911.16	9,978.92	7,219.12	692.04
Other items such as guarantees, loan commitments, etc, which are in scope of IND AS 109 but not covered under current IRACP norms						
	Stage 1	17,634.84	10.88	17,623.96	-	10.88
	Stage 2	935.92	17.07	918.85	-	17.07
	Stage 3	-	-	-	-	-
Total	Stage 1	549,218.65	414.01	548,804.64	1,640.93	(1,226.92)
	Stage 2	55,638.39	1,058.58	54,579.81	171.01	887.57
	Stage 3	16,979.61	7,897.48	9,082.13	7,219.12	678.36
	Total	621,836.65	9,370.07	612,466.58	9,031.06	339.01

66 Previous year figures have been regrouped / reclassified wherever necessary to conform to current year's classification.

for and on behalf of the Board of Directors of
Hinduja Housing Finance Limited
CIN No: U65922TN2015PLC100093

Dheeraj Hinduja
Non Executive Chairman
DIN No. 00133410
Place : London

Prateek Parekh
Chief Financial Officer
Place : Chennai

Place : Chennai
Date : 14 May 2024

Sachin Pillai
Managing Director
DIN No. 06400793
Place : Chennai

Srinivas Rangarajan
Company Secretary
Place : Chennai

Hinduja Housing Finance Limited

REGISTERED OFFICE

27-A, Developed Industrial Estate, Guindy, Chennai - 600 032.

HEAD OFFICE

No. 167-169, 2nd Floor, Anna Salai, Saidapet, Chennai - 600 015. Ph: 044-3007 1559

Email: compliance@hindujahousingfinance.com

www.hindujahousingfinance.com