JM Financial Home Loans Limited

Annual Report 2024-25

JM FINANCIAL
HOME LOANS

POWERED BY PURPOSE

Corporate Information

BOARD OF DIRECTORS

INDEPENDENT DIRECTORS

Mr. V P Shetty - Chairman
Dr. Anup Shah
Ms. Tara Subramaniam

MANAGING DIRECTOR & CHIEF EXECUTIVE OFFICER

Mr. Manish Sheth

CHIEF FINANCIAL OFFICER

Mr. Rajesh Shah

COMPANY SECRETARY & COMPLIANCE OFFICER

Ms. Varsha Patel (Upto May 12, 2025)
Mr. Yogesh Singh (w.e.f. June 16, 2025)

REGISTERED OFFICE

7th Floor, Cnergy
Appasaheb Marathe Marg
Prabhadevi, Mumbai- 400025
Tel: +91-22-66303030 Fax: +91-22-6630 3223
Email: Po.homeloans@jmfl.com
Website: www.jmflhomeloans.com

CORPORATE OFFICE

3rd Floor, A-Wing, Suashish IT Park
Building B, C.T.S No. 68-E
Rajendra Nagar, Off. Dattapada Road
Borivali (East), Mumbai - 400066
Tel: +91 022-5075 5000
Fax: +91 022-2854 8523

STATUTORY AUDITORS

M/s. K P B & Associates, Chartered Accountants

REGISTRAR & SHARE TRANSFER AGENT

KFin Technologies Limited

Unit: JM Financial Home Loans Limited
Selenium Tower B
Plot No. 31-32, Gachibowli
Financial District,
Nanakramguda
Serilingampally Mandal
Hyderabad – 500 032
Tel: 040-6716 2222
Fax: 040-2300 1153
Email: einward.ris@kfintech.com
Website: www.kfintech.com

DEBENTURE TRUSTEE

Beacon Trusteeship Limited

5W, 5th Floor, The Metropolitan,
Bandra Kurla Complex,
Bandra (East),
Mumbai, Maharashtra, India, 400051
Tel: + 022 46060278
Email: contact@beacontrustee.co.in
Website: https://beacontrustee.co.in

BANKER

IDFC First Bank Limited
Bank of Baroda
State Bank of India
Kotak Mahindra Bank
Bank of Maharashtra
Indian Bank
Karur Vysya Bank
HDFC Bank Limited

CIN: U65999MH2016PLC288534

LEI: 335800KR78FCL2IQIK80

Independent Auditor's Report

To
The Members of
JM Financial Home Loans Limited

Report on the Audit of Financial Statements

Opinion

We have audited the accompanying financial statements of JM Financial Home Loans Limited ('the Company'), which comprise the Balance Sheet as at March 31, 2025, the Statement of Profit and Loss (including other comprehensive income), the Statement of Changes in Equity and the Statement of cash flows for the year then ended, and notes to financial statements, including a summary of the significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid 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 accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2025, and its profit (including other comprehensive income), changes in equity and its cash flows for the year ended on that date.

Basis of Opinion

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

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 year. 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 following matter as Key Audit Matter/s for the year.

Key Audit Matter - Impairment of loans measured at amortized cost

(Refer note 41.3 of the financial statements)

As at the year end, the Company has financial assets in form of loans granted to customers aggregating to ₹ 2,44,209.77 lakh net of provision for expected credit losses (ECL) of ₹ 4,111.95 lakh. The management estimates impairment provision using collective model-based approach for the loan exposure other than those subject to specific provision. We have reported this as a key audit matter because measurement of loan impairment involves application of significant judgement by the management. The most significant judgements are:

- Timely identification of the impaired loans in accordance with Ind AS 109
- Key assumptions in respect of determination of probability of defaults and loss given defaults including consideration of collateral values
- Inputs and judgements used in determination of management overlay at various asset stages
- The disclosures made in financial statements for ECL especially in relation to judgements and estimates by the management in determination of the ECL.

How the Key Audit Matter was addressed in the Audit

The audit procedures performed by us included the following:

- Test the design and effectiveness of internal controls implemented by the management for following:
  - Identification of credit deterioration and consequently impaired loan
  - Validation of the critical components viz. Exposure at Default (EAD), Probability of Default (PD) and Loss given default (LGD) used for the impairment provision
  - Management's judgement applied for the key assumptions used for the purpose of determination of impairment provision
  - Completeness and accuracy of the data inputs used
- Test the completeness and accuracy of data from underlying systems used in the model including the bucketing of loans into delinquency bands. Assess and

Independent Auditor's Report (Contd.)

test the key underlying assumptions and significant judgements used by management.

- For loans identified by management as potentially impaired, examine on a sample basis, the calculation of the impairment, assess the underlying assumptions and corroborate these to supporting evidence
- Examine a sample of loans which had not been identified by management as potentially impaired (Stage 1 and 2 assets) and form our own judgement as to whether that was appropriate through examining information such as the counterparty's payment history
- We assessed the adequacy and appropriateness of disclosures in compliance with the Ind AS 107 in relation to ECL especially in relation to judgements used in estimation of ECL provision.
- We performed an overall assessment of the ECL provision levels at each stage to determine if they were reasonable considering the Company's portfolio, risk profile, credit risk management practices and the macroeconomic environment.

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

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Board's report but does not include the financial statements and our auditor's report thereon.

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 in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Management for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134 (5) of the Companies Act, 2013 ('the Act') with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (IND AS) specified under Section 133 of the Act read with the rules made thereunder. 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, the Board of Directors is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors are 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 judgement and maintain professional scepticism 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 financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the 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 the misstatements in the financial statements that, individually or 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 of the scope of our audit work and evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatement 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.

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

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ('the Order') issued by the Government of India – Ministry of Corporate Affairs, in terms of sub-section (11) of section 143 of the Act, we enclose in the annexure 'A' a statement on the matters specified in paragraphs 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 including Other Comprehensive Income, the Statement of Changes in Equity and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
    d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act.
    e) On the basis of the written representations received from the directors as on March 31, 2025, taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2025, from being appointed as a director in terms of Section 164(2) of the Act.
    f) With respect to the adequacy of the internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in **"Annexure B"**.
    g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:

Independent Auditor's Report (Contd.)

In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of Section 197 of the Act.

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

i. The company has disclosed the impact of pending litigations as at 31st March, 2025, on its financial position in its financial statements- Refer note 32 to the financial statement.

ii. The Company did not have any long-term contracts including derivative contracts, as at the year-end for which there were any material foreseeable losses.

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

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

b) The management has represented, that, to the best of its knowledge and belief, other than as disclosed in the notes to the accounts, no funds have been received by the Company from any persons or entities, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

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

v. As stated in note 44, the dividend declared and / or paid during the year by the Company is in compliance with section 123 of the Companies Act, 2013.

vi. Based on our examination, which included test checks, the Company has used accounting software's for maintaining its books of account for the financial year ended March 31, 2025, 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's. Further, during the course of our audit we did not come across any instance of the audit trail feature being tampered with. Further, the audit trail has been preserved by the Company as per statutory requirements for record retention.

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

For K P B & Associates
Chartered Accountants
ICAI Firm Registration No. 114841W

Paras Savla
Partner
Membership No. 105175
UDIN : 25105175BMOIMR4943
Place: Mumbai
Date : April 29, 2025

Annexure A to the Auditor's Report

(Referred to in paragraph 1 under the heading 'Report on Other Legal and Regulatory Requirements' of our Report of even date on the financial statements for the year ended on March 31, 2025, of JM Financial Home Loans Limited)

In our opinion, and on the basis of such checks of the books and records as we considered appropriate and according to the information and explanations given to us during the normal course of audit, which were necessary to the best of our knowledge and belief, we report that:

(i) (a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of property, plant and equipment.

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

(b) The Company has a regular programme of physical verification of its property, plant and equipment and accordingly all the property, plant and equipment are verified during the year and according to the information and explanation given to us, no material discrepancies were noticed on such verification.

(c) With respect to immovable property of land which is freehold, according to the information and explanations given to us and the records examined by us and based on the examination of the registered sale deed provided to us, we report that, the title deed of such immovable property is held in the name of the Company as at the balance sheet date.

(d) The Company has not revalued any of its Property, Plant and Equipment including Right of Use assets) or intangible assets. Accordingly, provisions of clause 3(i)(d) are not applicable.

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

(ii) (a) The Company does not have any inventory and hence reporting under clause (ii)(a) of the CARO 2020 is not applicable.

(b) The Company has not been sanctioned working capital limits in excess of ₹ 5 crore, in aggregate, at any point of time during the year, from banks or financial institutions on the basis of security of current assets and hence reporting under clause 3(ii)(b) of the Order is not applicable.

(iii) (a) The Company is a registered housing finance company whose principal business is to give loans. Accordingly, provisions of clause 3(iii)(a) are not applicable.

(b) The Company has not made investments, provided any guarantee or security or any advances in the nature of loans, secured or unsecured to companies, firms, Limited Liability Partnerships or any other parties. The Company is a registered housing finance company whose principal business is to give loans. The terms and conditions of grant of these loans are not prejudicial to the Company's interest.

(c) The Company is a registered housing finance company whose principal business is to give loans. In respect of loans granted by the Company, the schedule of repayment of principal and payment of interest is stipulated and the repayments of principal amounts and receipts of interest are generally regular as per stipulation except as below:

In case of 745 accounts where the principal amount outstanding including interest is ₹ 10,265.37 Lakh, the overdue period is in the range between 1 to 30 days. In case of 547 accounts where the principal amount outstanding including interest is ₹ 8,681.95 Lakh, the overdue period is in the range between 31 to 60 days. In case of 123 accounts where the principal amount outstanding including interest is ₹ 2,220.01 Lakh, the overdue period is in the range between 61 to 90 days. In case of 265 accounts where the amount outstanding including interest is ₹ 2,241.12 Lakh, the overdue is more than 90 days (Non-Performing Assets).

Having regard to the nature of the Company's business and the volume of information involved, it is not practicable to provide an itemised list of loan assets where delinquencies in the repayment of principal and interest have been identified.

(d) The Company is a registered housing finance company whose principal business is to give loans. The total amount overdue including interest for more than 90 days (Non-Performing Assets) as on March 31, 2025, are ₹ 2,241.12 lakh. We are informed that in respect of the above amounts, reasonable steps have been taken by the Company for recovery of principal and interest.

(e) The Company is a registered housing finance company and in the business of giving loans. Accordingly, provisions of clause 3(iii)(e) are not applicable.

Annexure A to the Auditor's Report (Contd.)

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

(iv) The Company is a registered housing finance company to which the provisions of Sections 185 and 186 of the Companies Act, 2013, are not applicable, and hence reporting under clause 3(iv) of the CARO 2020 is not applicable.

(v) According to the information and explanations given to us, the Company has not accepted any deposit during the year. Therefore, the provisions of clause (v) of paragraph 3 of the Order is not applicable to the Company. Accordingly, no order has been passed by the Company Law Board, National Law Tribunal or Reserve Bank of India or any other court or any other tribunal.

(vi) The maintenance of cost records has not been specified by the Central Government under section 148(1) of the Companies Act, 2013

(vii) (a) According to the information and explanations given to us, in respect of statutory dues: (a) The Company has been regular in depositing undisputed statutory dues, including Provident Fund, Employees' State Insurance, Income-tax, Goods and Service Tax Act, Cess and other material statutory dues applicable to it to the appropriate authorities. There were no undisputed amounts payable in respect of Provident Fund, Employees' State Insurance, Income-tax, Sales Tax, Service Tax, cess and other material statutory dues in arrears as at March 31, 2025, for a period of more than six months from the date they became payable.

(b) According to the records of the Company statutory dues which have not been deposited on account of any dispute, are as follows:

Name of Statute (Nature of dues)	Year to which the amount relates	Forum where the dispute is pending	Amount (₹ in Lakh)
Central Goods and Service Tax Act, 2017 (Penalty)	Financial Year 2021-2022	Assessing Officer *	30.60

* The Company has represented us that they are in the process of filing appeal with Commissioner (Appeals)

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

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

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

(c) The term loans raised have been applied by the Company during the year for the purposes for which the funds were raised, other than temporary deployment if any.

(d) According to the information and explanations given to us and on an overall examination of the balance sheet of the Company, we report that no funds raised on short-term basis have been used for long-term purposes.

(e) The Company does not have any subsidiaries, associates or joint ventures. Accordingly, reporting under clause 3(ix)(e) and (f) of the Order is not applicable.

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

(b) According to the information and explanations given to us, the Company has not made any preferential allotment or convertible debentures during the year under review. The Company has issued equity shares to the existing shareholders on rights basis. Further, the Company has made private placement of non-convertible debentures during the year under review.

In respect of the above issue, we further report that: a) the requirement of Section 62 and Section 42 of the Companies Act, 2013, as applicable, have been complied with; and b) the amounts raised have been applied by the Company during the year for the purposes for which the funds were raised, other than temporary deployment if any.

(xi) (a) To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company and no fraud on the Company has been noticed or reported during the year.

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

(c) According to the information and explanations furnished by the management, which have been relied upon by us, the Company has received a whistle blower complaint during the year. However, the management did not find any corroborative evidence against the same.

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

(xiii) In our opinion and according to the information and explanations given to us the Company is in compliance with Section 188 and 177 of the Companies Act, 2013, where applicable, for all transactions with the related parties and the details of related party transactions have been disclosed in the financial statements etc. as required by the applicable accounting standards.

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

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

(xv) In our opinion and according to the information and explanations given to us, during the year the Company has not entered into any non-cash transactions with its directors or directors of its holding Company or persons connected with them and hence provisions of section 192 of the Act are not applicable.

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

(b) The Company is a registered housing finance company and has a valid Certificate of Registration issued by National Housing Bank

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

(d) According to the information and explanations given to us, there are no core investment companies within the Group ('Companies in the Group' as defined in the Core Investment Companies (Reserve Bank) Directions, 2016).

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

(xviii) There has been no resignation of the statutory auditors during the year and accordingly clause 3(xviii) of the Order is not applicable.

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

(xx) There are no unspent amounts towards Corporate Social Responsibility (CSR). Accordingly, reporting under clause 3(xx)(a) and (b) of the Order is not applicable for the year.

For KPB & Associates

Chartered Accountants
ICAI Firm Registration No. 114841W

Paras Savla

Partner
Membership No. 105175
UDIN: 25105175BMOIMR4943
Place: Mumbai
Date : April 29, 2025

Annexure B to the Independent Auditor's Report of the even date on the Financial Statements of JM Financial Home Loans Limited

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

We have audited the internal financial controls with reference to financial statements of **JM Financial Home Loans Limited** ("the Company") as of March 31, 2025, 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 issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility

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

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

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system with reference to financial statements about the adequacy of the internal financial controls system with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls with reference to financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

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

Meaning of Internal Financial Controls with reference to financial statements: -

A company's internal financial control with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control with reference to financial statements includes those policies and procedures that: -

(1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;

(2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance

with authorisations of management and directors of the company; and

(3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls with reference to financial statements:

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

Opinion:

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

For KPB & Associates

Chartered Accountants
ICAI Firm Registration No. 114841W

Paras Savla

Partner
Membership No. 105175
UDIN: 25105175BMOIMR4943
Place: Mumbai
Date : April 29, 2025

Balance Sheet

as at March 31, 2025

(₹ in lakh)

Sr. No.	Particulars	Note No.	As at March 31, 2025	As at March 31, 2024
	ASSETS			
1	**Financial assets**			
(a)	Cash and cash equivalents	4	3,552.68	1,958.04
(b)	Bank balance other than (a) above	5	761.29	1,054.68
(c)	Loans	6	2,44,209.77	2,07,268.20
(d)	Investments	7	529.26	–
(e)	Other Financial assets	8	6,654.68	2,962.95
	Total Financial Assets		**2,55,707.68**	**2,13,243.87**
2	**Non-Financial Assets**			
(a)	Deferred tax assets (net)	9	373.56	1,357.51
(b)	Property, Plant and Equipment	10	1,597.92	1,636.20
(c)	Capital work-in-progress	10	6.83	2.48
(d)	Other intangible assets	10	177.43	116.11
(e)	Other Non-Financial assets	11	257.06	145.99
	Total Non-Financial Assets		**2,412.80**	**3,258.29**
	Total Assets		**2,58,120.48**	**2,16,502.16**
	LIABILITIES AND EQUITY			
	LIABILITIES			
1	**Financial liabilities**			
(a)	Trade Payables			
	(i) total outstanding dues of micro and small enterprises	12	11.09	12.90
	(ii) total outstanding dues of creditors other than micro and small enterprises	12	700.22	1,031.08
(b)	Debt securities	13	56,267.84	27,004.15
(c)	Borrowings (other than debt securities)	14	1,17,484.58	1,22,252.74
(d)	Lease liabilities	15	1,052.97	1,086.76
(e)	Other Financial liabilities	16	2,238.41	2,247.24
	Total Financial Liabilities		**1,77,755.11**	**1,53,634.87**
2	**Non-financial liabilities**			
(a)	Provisions	17	275.55	195.23
(b)	Current tax liabilities (Net)		148.98	113.41
(c)	Other Non-Financial liabilities	18	198.17	239.35
	Total Non-financial Liabilities		**622.70**	**547.99**
3	**EQUITY**			
(a)	Equity Share Capital	19	48,710.27	43,235.37
(b)	Other Equity	20	31,032.40	19,083.93
	Total Equity		**79,742.67**	**62,319.30**
	Total Liabilities and Equity		**2,58,120.48**	**2,16,502.16**
	The accompanying notes form an integral part of the financial statements	1 to 93		

In terms of our report of even date attached

For K P B & Associates
Chartered Accountants
Registration No.114841W

For **JM Financial Home Loans Limited**

Paras Savla
Partner
Membership No. 105175

V P Shetty
Independent Director & Chairman
DIN – 00021773

Manish Sheth
Managing Director & CEO
DIN – 00109227

Rajesh Shah
Chief Financial officer

Varsha Patel
Company Secretary

Place: Mumbai
Date: April 29, 2025

Statement of Profit and Loss

for the year ended March 31, 2025

(₹ in Lakh)

Sr. No.	Particulars	Note No.	For the year ended March 31, 2025	For the year ended March 31, 2024
1	**INCOME**			
(a)	**Revenue from operations**			
	Interest income	21	29,399.02	21,505.08
	Fees and commission income	22	1,520.65	689.00
	Other operating income	23	516.75	397.03
	Net gain on fair value changes	24	440.47	328.48
	Net gain on derecognition of financial instruments under amortised cost category	25	4,408.57	1,456.31
	Total Revenue from Operations		**36,285.46**	**24,375.90**
(b)	**Other income**	26	559.22	1,335.38
	Total Income		**36,844.68**	**25,711.28**
2	**EXPENSES**			
(a)	Finance costs	27	13,118.01	9,356.91
(b)	Impairment on financial instruments	28	1,331.02	894.19
(c)	Employee benefits expense	29	10,397.03	6,870.84
(d)	Depreciation and amortization expense	10	750.61	635.24
(e)	Operating and other expenses	30	3,389.57	2,980.71
	Total expenses		**28,986.24**	**20,737.89**
3	**Profit before tax**		**7,858.44**	**4,973.39**
4	**Tax expense**			
	Current tax		1,120.00	1,210.00
	Deferred tax		990.21	(217.69)
	Tax adjustment of earlier years		(172.06)	–
	Total tax expense		**1,938.15**	**992.31**
	Profit for the year		**5,920.29**	**3,981.08**
5	**Other Comprehensive Income**			
	Items that will not be reclassified to profit or loss			
	- Actuarial gain/(losses) on post-retirement benefit plans		(24.93)	43.75
	- Income tax on the above		6.27	(11.01)
	Total Other Comprehensive Income		**(18.66)**	**32.74**
6	**Total Comprehensive Income**		**5,901.63**	**4,013.82**
7	**Earnings per equity share (EPS)**	35		
	(face value of ₹ 10/- each)			
	Basic EPS (in ₹)		1.10	1.02
	Diluted EPS (in ₹)		0.92	0.99
	The accompanying notes form an integral part of the financial statements	1 to 93		

In terms of our report of even date attached
For K P B & Associates
Chartered Accountants
Registration No.114841W

For **JM Financial Home Loans Limited**

Paras Savla
Partner
Membership No. 105175

V P Shetty
Independent Director & Chairman
DIN – 00021773

Manish Sheth
Managing Director & CEO
DIN – 00109227

Rajesh Shah
Chief Financial officer

Varsha Patel
Company Secretary

Place: Mumbai
Date: April 29, 2025

Statement of Cash Flow

for the year ended March 31, 2025

(₹ in Lakh)

Sr. No.	Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
A	**Cash flow from operating activities**		
	Profit before tax	7,858.44	4,973.39
	Adjustment for:		
	Depreciation and amortization expenses	750.61	635.24
	Impairment on financial instruments (net)	1,331.02	894.19
	Finance cost on lease liabilities	91.17	85.87
	Sundry Balances (written back) / Write-off	(0.06)	5.76
	Interest on debt component of compulsory convertible debenture	–	88.69
	Interest income on fixed deposits with bank	(96.19)	(69.74)
	Net gain on derecognition of right to use asset	(5.66)	(49.46)
	Net gain on Security Deposit of right to use asset	(13.44)	(23.26)
	Amortisation of deferred employee compensation (ESOP)	589.98	12.18
	(Profit) / Loss on sale of Fixed Assets	(0.12)	(0.11)
	Net realised gain on derecognition of investments carried at fair value	(440.47)	(328.48)
	Operating profit before working capital changes	**10,065.28**	**6,224.27**
	Changes in working capital		
	Adjustment for:		
	(Increase) in loans	(38,272.58)	(73,124.59)
	(Increase) in other financial assets	(3,691.74)	(425.98)
	(Increase) in Other non-financial assets	(77.49)	(40.86)
	Increase / (Decrease) in trade payables	(332.60)	558.76
	Increase in other financial liabilities	1,682.80	1,157.62
	Increase in provisions	55.39	51.23
	Increase / (Decrease) in other non-financial liabilities	(41.18)	74.41
	Cash used in operations	**(30,612.12)**	**(65,525.14)**
	Income taxes paid (net)	(912.36)	(1,239.46)
	Net cash used in operating activities (A)	**(31,524.48)**	**(66,764.60)**
B	**Cash flow from investing activities**		
	Purchase of investments in mutual fund units	(3,02,559.00)	(1,79,151.70)
	Sale of investments in mutual fund units	3,02,470.21	1,79,480.18
	Purchase of property, plant and equipment	(405.68)	(589.71)
	Sale of property, plant and equipment	0.52	0.76
	(Increase) / Decrease in capital advances	(33.58)	40.96
	Deposits placed	293.39	(0.28)
	Interest received on fixed deposits with bank	96.19	69.74
	Net cash generated from / (used) in investing activities (B)	**(137.95)**	**(150.05)**

Statement of Cash Flow

for the year ended March 31, 2025 (Contd..)

(₹ in Lakh)

Sr. No.	Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
C	**Cash flow from financing activities**		
	Issue of equity share capital (Including Securities premium)	10,975.02	15,036.59
	Proceeds from issue of compulsory convertible debenture	–	7,509.58
	Repayment of debt component of CCD (including interest)	–	(644.43)
	Repayment of lease obligations (including finance cost)	(478.59)	(237.62)
	Dividend Paid	(43.26)	(16.48)
	Proceeds from debt securities	31,000.00	16,500.00
	Repayment of debt securities	(3,130.00)	(6,250.00)
	Proceeds from borrowing other than debt securities	39,049.09	53,557.20
	Repayment of borrowings other than debt securities	(44,115.19)	(17,366.77)
	Net cash generated from financing activities (C)	**33,257.07**	**68,088.07**
	Net Increase / (decrease) in cash and cash equivalents (A+B+C)	1,594.64	1,173.42
	Cash and cash equivalents at the beginning of the year	1,958.04	784.62
	Cash and cash equivalents at the end of the year (refer note 4)	**3,552.68**	**1,958.04**

Additional Disclosure pursuant to Ind AS 7(Borrowing Movement during the year)

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Opening Balance	1,49,256.89	1,02,054.14
Cash Flows	22,803.90	46,648.80
Others*	1,691.63	553.95
Closing balance	**1,73,752.42**	**1,49,256.89**

*Includes effective interest rate (EIR) adjustment, interest accrued, etc

In terms of our report of even date attached
For K P B & Associates
Chartered Accountants
Registration No.114841W

For **JM Financial Home Loans Limited**

Paras Savla
Partner
Membership No. 105175

V P Shetty
Independent Director & Chairman
DIN – 00021773

Manish Sheth
Managing Director & CEO
DIN – 00109227

Rajesh Shah
Chief Financial officer

Varsha Patel
Company Secretary

Place: Mumbai
Date: April 29, 2025

Statement of Changes in Equity

as at March 31, 2025

A. EQUITY SHARE CAPITAL

(₹ in Lakh)

Particulars	Balance as at March 31, 2023	Changes in equity share during the year	Balance as at March 31, 2024	Changes in equity shares during the year	Balance as at March 31, 2025
Equity Share Capital	16,481.92	26,753.45	43,235.37	5,474.90	48,710.27

B. OTHER EQUITY

(₹ in Lakh)

Particulars	Reserve and Surplus					Total other equity
	Retained earning	Statutory reserve	Compulsory Convertible Debenture (Equity Component)	Stock option outstanding	Securities premium	
Balance at March 31, 2023	**2,721.10**	**883.72**	**10,959.35**	**216.02**	**3,518.08**	**18,298.27**
Profit for the year	3,981.08	-	-	-	-	3,981.08
Other comprehensive income	32.74	-	-	-	-	32.74
Final Dividend	(16.48)	-	-	-	-	(16.48)
Employee Stock options (Net)	-	-	-	518.30	17.29	535.59
Conversion of CCD to Equity Shares	-	-	(10,959.35)	-	2,921.05	(8,038.30)
Rights Issue	-	-	-	-	4,291.03	4,291.03
Transfer from / (to) Statutory reserve	(796.22)	796.22	-	-	-	-
Balance at March 31, 2024	**5,922.22**	**1,679.94**	**-**	**734.32**	**10,747.45**	**19,083.93**
Profit for the year	5,920.29	-	-	-	-	5,920.29
Other comprehensive income	(18.66)	-	-	-	-	(18.66)
Final Dividend	(43.26)	-	-	-	-	(43.26)
Employee Stock options (Net)	-	-	-	481.67	196.18	677.85
Rights Issue	-	-	-	-	5,412.25	5,412.25
Transfer from / (to) Statutory reserve	(1,184.06)	1,184.06	-	-	-	-
Balance at March 31, 2025	**10,596.53**	**2,864.00**	**-**	**1,215.99**	**16,355.88**	**31,032.40**

The accompanying notes from an integral part of the financial statements – note no. - 1 to 93

In terms of our report of even date attached
For K P B & Associates
Chartered Accountants
Registration No.114841W

For **JM Financial Home Loans Limited**

Paras Savla
Partner
Membership No. 105175

V P Shetty
Independent Director & Chairman
DIN – 00021773

Manish Sheth
Managing Director & CEO
DIN – 00109227

Rajesh Shah
Chief Financial officer

Varsha Patel
Company Secretary

Place: Mumbai
Date: April 29, 2025

Notes

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

1. Corporate Information

JM Financial Home Loans Limited ("the Company") is a public limited Company domiciled in India and incorporated under the provision of Companies Act, 2013. The Company was incorporated on 16/12/2016. The Company is a non-deposit taking housing finance Company registered with the National Housing Bank (NHB) with effect from November 17, 2017 having registration number 11.0162.17. The Company is primarily engaged into business of providing housing & mortgage loans.

The Non-convertible debentures (NCDs) of the Company are listed on the BSE Limited.

2. Material Accounting Policies

2.1 Basis of preparation of financial statements

Statement of Compliance

The financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) as per the Companies (Indian Accounting Standards) Rules, 2015 as amended from time to time and notified under section 133 of the Companies Act, 2013 (the Act) along with other relevant provisions of the Act, the Master Direction – Non-Banking Financial Company – Housing Finance Company (Reserve Bank) Directions, 2021, RBI/2020-21/73 DOR.FIN.HFC.CC.No.120/03.10.136/2020-21, dated 17 February, 2021 as amended ('the RBI Master Directions') and notification for Implementation of Indian Accounting Standard vide circular RBI/2019-20/170 DOR(NBFC).CC.PD.No.109/22.10.106/2019-20 dated 13 March 2020 ('RBI Notification for Implementation of Ind AS') issued by RBI.

Accounting policies are consistently applied except where a newly-issued Ind AS initially adopted or a revision to an existing Ind AS requires a change in the accounting policy.

Basis of Measurement

The financial statements have been prepared on the historical cost basis except for certain financial instruments that are measured at fair values at the end of each reporting period, as explained in the accounting policies below.

Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

Historical Cost Convention

The financial statements are prepared and presented on going concern basis and the relevant provisions of the Act and the guidelines and directives issued by the Reserve Bank of India (RBI) to the extent applicable.

Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

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 that 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, except for share based payment transactions that are within the scope of Ind AS 102, leasing transactions that are within the scope of Ind AS 17, and measurements that have some similarities to fair value but are not fair value in use in Ind AS 36, Impairment of Assets.

Measurement of fair values

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

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

Presentation of financial statements

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". The Balance Sheet, Statement of Profit and Loss, Statement of Cash Flow and Statement of Changes in Equity are together referred as the financial statement of the Company.

Notes

to the Financial Statements for the year ended March 31, 2025 (Contd..)

Amounts in the financial statements are presented in Indian Rupees in lakh rounded off to two decimal places as permitted by Schedule III to the Act. Per share data are presented in Indian Rupee to two decimal places.

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 to the nearest lakh, unless otherwise indicated.

2.2 Property, plant and equipment and Intangible Assets

A Property, plant and equipment

a. Recognition and measurement

Property, plant and equipment (PPE) is recognised when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. PPE is stated at original cost net of tax/duty credits availed, if any, less accumulated depreciation and cumulative impairment, if any. Cost includes professional fees related to the acquisition of PPE. PPE not ready for the intended use on the date of the Balance Sheet is disclosed as "capital work-in-progress".

(Also refer to policy on leases, borrowing costs and impairment of assets below).

Assets acquired under finance lease are capitalised at the inception of lease at the fair value of the assets or present value of minimum lease payments whichever is lower. These assets are fully depreciated on a straight-line basis over the lease term or its useful life whichever is shorter.

(Also refer to policy on leases, borrowing costs and impairment of assets below).

PPE held for use are stated in the balance sheet at cost less accumulated depreciation and accumulated impairment losses.

b. Subsequent expenditure

Subsequent expenditure is capitalised only if it is probable that the future economic benefits associated with the expenditure will flow to the Company and the cost of the item can be measured reliably.

c. Depreciation

Depreciation / amortization is recognised on a straight-line basis over the estimated useful lives of respective assets as under:

Tangible Assets	Useful Life
Vehicles	5 years
Computers	3 years
Servers and Networks	6 years
Office Equipment	5 years
Furniture and Fixtures	10 years
Leasehold improvements	10 years or period of lease, whichever is lower

Intangible Assets	Useful Life
Computer Software	3-5 years

Assets costing less than ₹ 5,000/- are fully depreciated in the year of purchase.

The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis.

d. Derecognition

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

B Intangible assets

a. Recognition and measurement

Intangible assets are recognised when it is probable that the future economic benefits that are attributable to the asset will flow to the enterprise and the cost of the asset can be measured reliably. Intangible assets are stated at original cost net of tax/duty credits availed, if any, less accumulated amortisation and cumulative impairment. Administrative and other general overhead expenses that are specifically attributable to acquisition of intangible assets are allocated and capitalised as a part of the cost of the intangible assets.

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

b. Subsequent expenditure

Subsequent expenditure is capitalised only if it is probable that the future economic benefits associated with the expenditure will flow to the Company and the cost of the item can be measured reliably.

c. Amortisation

Intangible assets are amortised on straight line basis over the estimated useful life of 5 years. The method of amortisation and useful life are reviewed at the end of each accounting year with the effect of any changes in the estimate being accounted for on a prospective basis.

Amortisation on impaired assets is provided by adjusting the amortisation charge in the remaining periods so as to allocate the asset's revised carrying amount over its remaining useful life.

d. Derecognition

An intangible asset is derecognised on disposal, or when no future economic benefits are expected from use or disposal. Gains or losses arising from derecognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset, are recognised in profit or loss when the asset is derecognised.

C. Impairment losses on non-financial assets

As at the end of each year, the Company reviews the carrying amount of its non-financial assets i.e., PPE and intangible to determine whether there is any indication that these assets have suffered an impairment loss.

An asset is considered as impaired when on the balance sheet date there are indications of impairment in the carrying amount of the assets, or where applicable the cash generating unit to which the asset belongs, exceeds its recoverable amount (i.e. The higher of the assets' net selling price and value in use). The carrying amount is reduced to the level of recoverable amount and the reduction is recognised as an impairment loss in the Statement of Profit and Loss.

When an impairment loss subsequently reverses, the carrying amount of the asset (or a cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss.

2.3 Revenue Recognition

Revenue is measured at the fair value of the consideration received or receivable. Revenue is reduced for estimated customer returns, rebates and other similar allowances.

a. Interest Income

Interest income on financial instruments at amortised cost is recognised on a time proportion basis taking into account the amount outstanding and the Effective Interest Rate (EIR) applicable. Interest on financial instruments measured as at fair value is included within the fair value movement during the period.

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

The calculation of the EIR includes all fees and points paid or received between parties to the contract that are incremental and directly attributable to the specific lending arrangement, transaction costs, and all other premiums or discounts. For financial assets at FVTPL, transaction costs are recognised in profit or loss at initial recognition.

The interest income is calculated by applying the EIR to the gross carrying amount of non-credit impaired financial assets (i.e. at the amortised cost of the financial asset before adjusting for any expected credit loss allowance). For credit-impaired financial assets the interest income is calculated by applying the EIR to the amortised cost of the credit-impaired financial assets (i.e. the gross carrying amount less the allowance for expected credit losses (ECLs)). For financial assets originated or purchased credit-impaired (POCI) the EIR reflects the ECLs in determining the future cash flows expected to be received from the financial asset.

Notes

to the Financial Statements for the year ended March 31, 2025 (Contd..)

b. Fees and Commission Income

Fee and commission income include fees other than those that are an integral part of EIR. The fees included in this part of the statement of profit and loss include among other things fees charged for servicing a loan.

Commission on insurance policies sold is recognised on accrual basis when the Company under its agency code sells the insurance policies.

c. Dividend Income

Dividend income from investments is recognised when the shareholder's right to receive payment has been established.

d. Income on derecognised (assigned) loans

The Company, on de-recognition of financial assets under the direct assignment transactions, recognises the right of Excess Interest Spread (EIS) which is difference between interest on the loan portfolio assigned and the applicable rate at which the direct assignment is entered into with the assignee. The Company records the discounted value of scheduled cash flow of the future EIS, entered into with the assignee, upfront in the Statement of Profit and Loss. Any subsequent increase or decrease in the fair value of future EIS is recognised in the period in which it occurs. The embedded interest component in the future EIS is recognised as interest income in line with Ind AS 109 'Financial instruments'.

2.4 Leases

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

As a lessee

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,

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.

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

The 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 9 "Property, Plant and Equipment" and lease payments have been classified as financing cash flows.

As a lessor

Leases for which the Company is lessor is classified as a finance or operating lease. Contracts in which all the risk and rewards of the lease are substantially transferred to the lessee are classified as a finance lease. All other lease is classified as operating leases.

Leases, for which the Company is an intermediate lessor, it accounts for the head-lease and sub-lease as two separate contracts. The sub-lease is classified as a finance lease or an operating lease by reference to the ROU asset arising from the head-lease.

Leases

Ind AS 116 define a lease term as the non-cancellable period for which the lessee has the right to use un underlying assets including optional periods, when an entity is reasonably certain to exercise an option to extend (or not to terminate) a lease. The Company considers all relevant facts and circumstances that create an economic incentive for the lessee to exercise the option when determining the lease term. The option to extend the lease term are included in the lease term, if it is reasonably certain that the lessee will exercise the option. The Company reassess the option when significant events or changes in circumstances occur that are within the control of the lessee.

2.5 Foreign currency transactions

In preparing the financial statements of the Company, transactions in currencies other than the Company's functional currency (foreign currencies) are recognised at the rates of exchange prevailing at the dates of the transactions. At the end of each reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing at that date. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing at the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

Exchange differences on monetary items are recognised in profit or loss in the period in which they arise.

2.6 Borrowing costs

Borrowing costs that are attributable to the acquisition, construction or production of qualifying assets as defined in Ind AS 23 are capitalized as a part of costs of such assets. A qualifying asset is one that necessarily takes a substantial period of time to get ready for its intended use.

Borrowing costs include interest expense calculated using the EIR on respective financial instruments measured at amortised cost, finance charges in respect of assets acquired on finance lease and exchange differences arising from foreign currency borrowings, to the extent they are regarded as an adjustment to interest costs.

The effective interest rate (EIR) is the rate that exactly discounts estimated future cash flows through the expected life of the financial instrument to the gross carrying amount of the financial liability. Calculation of the EIR includes all fees paid that are incremental and directly attributable to the issue of a financial liability.

2.7 Employee benefits

Retirement benefit costs and termination benefits:

Defined Contribution Plan

Payments to defined contribution plans are recognised as expense in the Statement of Profit & Loss of the year when employees have rendered service entitling them to the contributions. The Company pays provident fund contributions to publicly administered provident funds as per local regulations. The Company has no further payment obligations once the contributions have been paid. The contributions are accounted for as defined contribution plans and the contributions are recognised as employee benefit expense when they are due. Prepaid contributions are recognised as an asset to the extent that cash refund or a reduction in the future payment is available.

Defined Benefit Obligation

The Company's Gratuity liability under the Payment of Gratuity Act,1972 are determined on the basis of actuarial valuation made at the end of each financial year using the projected unit credit method.

The Company's net obligation in respect of defined benefit plans is calculated 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 calculation of defined benefit obligations 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 recognised 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.

Notes

to the Financial Statements for the year ended March 31, 2025 (Contd..)

Remeasurement of the net defined benefit liability, which comprise actuarial gains and losses, the return on plan assets (excluding interest) and the effect of the asset ceiling (if any, excluding interest), are recognised immediately in Other Comprehensive Income (OCI). Net interest expense (income) on the net defined liability (assets) is computed by applying the discount rate, used to measure the net defined liability (asset), to the net defined liability (asset) at the start of the financial year after taking into account any changes as a result of contribution and benefit payments during the year. Net interest expense and other expenses related to defined benefit plans are recognised in statement of profit and 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 or the gain or loss on curtailment is recognised immediately in Statement of Profit and Loss. The Company recognizes gains and losses on the settlement of a defined benefit plan when the settlement occurs.

Short-term employee benefits

Short-term employee benefits are expensed as the related service is provided at the undiscounted amount of the benefits expected to be paid in exchange for that service. A liability is recognised for the amount expected to be paid if the Company has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably. These benefits include performance incentive and compensated absences which are expected to occur within twelve months after the end of the period in which the employee renders the related service.

Other long-term employee benefits

Liabilities recognised in respect of other long-term employee benefits are measured at the present value of the estimated future cash outflows expected to be made by the Company in respect of services provided by employees up to the reporting date.

Share-based payment arrangements

Equity-settled share-based payments to employees are measured at the fair value of the equity instruments at the grant date.

The fair value determined at the grant date of the equity-settled share-based payments to employees is recognized as deferred employee compensation and is expensed in Statement of Profit and Loss over the vesting period with a corresponding increase in stock option outstanding in other equity.

At the end of each year, the Company revisits its estimate of the number of equity instruments expected to vest and recognizes any impact in profit or loss, such that the cumulative expense reflects the revised estimate, with a corresponding adjustment in other equity.

Equity-settled share-based payment transactions with parties other than employees are measured at the fair value of the goods or services received, except where that fair value cannot be estimated reliably, in which case they are measured at the fair value of the equity instruments granted, measured at the date the entity obtains the goods or the counterparty renders the service.

For cash-settled share-based payments, a liability is recognised for the goods or services acquired, measured initially at the fair value of the liability. At the end of each reporting period until the liability is settled, and at the date of settlement, the fair value of the liability is remeasured, with any changes in fair value recognised in statement of profit or loss for the year.

2.8 Income tax

Income tax expense represents the sum of the tax currently payable and deferred tax. Current and deferred tax are recognised in the Statement of profit and loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively.

The Company has determined that interest and penalties related to income taxes, including uncertain tax treatments, do not meet the definition of income taxes, and therefore accounted for them under Ind AS 37 Provisions, Contingent Liabilities and Contingent Assets

2.9 Current Tax

The tax currently payable is based on the taxable profit for the year of the Company. Taxable profit differs from ‘profit before tax’ as reported in the Statement of Profit and Loss because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. The current tax is calculated using applicable tax rates that have been enacted or substantively enacted by the end of the reporting period.

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

2.10 Deferred tax

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the Company's financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised. Such deferred tax assets and liabilities are not recognised if the temporary difference arises from the initial recognition (other than in a business combination) of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit. In addition, deferred tax liabilities are not recognised if the temporary difference arises from the initial recognition of goodwill.

Deferred tax liabilities are recognised for taxable temporary differences associated with investments in subsidiaries, except where the Company is able to control the reversal of temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future. Deferred tax assets arising from deductible temporary differences associated with such investments and interests are only recognised to the extent that it is probable that there will be sufficient taxable profits against which to utilise the benefits of the temporary differences and they are expected to reverse in the foreseeable future.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the assets to be recovered.

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset is realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Company intends to settle its current tax assets and liabilities on a net basis.

2.11 Goods and Services Input Tax Credit

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

2.12 Provisions, contingent liabilities and contingent assets

Provisions

Provisions are recognised only when:

i. an entity has a present obligation (legal or constructive) as a result of a past event, and

ii. it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation; and

iii. a reliable estimate can be made of the amount of the obligation

These are reviewed at each balance sheet date and adjusted to reflect the current best estimates.

Further, long term provisions are determined by discounting the expected future cash flows specific to the liability. The unwinding of the discount is recognised as finance cost. A provision for onerous contracts is measured at the present value of the lower of the expected cost of terminating the contract and the expected net cost of continuing with the contract. Before a provision is established, the Company recognises any impairment loss on the assets associated with that contract.

Contingent liability

Contingent liability is a possible obligation arising 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 entity or a present obligation that arises from past events but is not recognized because 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. The Company does not recognize a contingent liability but discloses its existence in the financial statements.

Notes

to the Financial Statements for the year ended March 31, 2025 (Contd..)

Contingent Assets

Contingent asset is not recognised in financial statements since this may result in the recognition of income that may never be realised. However, when the realisation of income is virtually certain, then the related asset is not a contingent asset and is recognized.

2.13 Commitments

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

i. estimated amount of contracts remaining to be executed on capital account and not provided for;

ii. uncalled liability on shares and other investments partly paid;

iii. Other non-cancellable commitments, if any, to the extent they are considered material and relevant in the opinion of management.

iv. Other commitments related to sales/procurements made in the normal course of business are not disclosed to avoid excessive details.

v. Commitments under Loan agreement to disburse Loans, if any

2.14 Statement of Cash Flows

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

i. changes during the period in inventories and operating receivables and payables transactions of a non-cash nature;

ii. non-cash items such as depreciation, provisions, deferred taxes, unrealised foreign currency gains and losses, and undistributed profits of associates and joint ventures; and

iii. all other items for which the cash effects are investing or financing cash flows.

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

2.15 Segments

Based on Ind AS 108, The Chief Operating Decision Maker (CODM) evaluates the “Operating Segments”. Operating segments are reported in a manner consistent with the internal reporting provided to the CODM. The accounting policies adopted for segment reporting are in conformity with the accounting policies adopted for the Company. Revenue and expenses have been identified to segments on the basis of their relationship to the operating activities of the segment. Income / costs which relate to the Company as a whole and are not allocable to segments on a reasonable basis have been included under Unallocated Income / Costs.

2.16 Financial Instruments

Recognition of Financial Instruments

Financial instruments comprise of financial assets and financial liabilities. Financial assets and liabilities are recognized when the company becomes the party to the contractual provisions of the instruments. Financial assets primarily comprise of loans and advances, premises and other deposits, trade receivables and cash and cash equivalents. Financial liabilities primarily comprise of borrowings and trade payables.

Initial Measurement of Financial Instruments

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

If the transaction price differs from fair value at initial recognition, the Company will account for such difference as follows:

- if fair value is evidenced by a quoted price in an active market for an identical asset or liability or based on a valuation technique that uses only data from observable markets, then the difference is recognised in profit or loss on initial recognition (i.e. day 1 profit or loss);

- in all other cases, the fair value will be adjusted to bring it in line with the transaction price (i.e., day 1 profit or loss will be deferred by including it in the initial carrying amount of the asset or liability).

After initial recognition, the deferred gain or loss will be released to the Statement of profit and loss on a rational basis, only to the extent that it arises from a change in a factor (including time) that market participants would take into account when pricing the asset or liability.

Classification of Financial Assets:

- Debt instruments that are held within a business model whose objective is to collect the contractual cash flows, and that have contractual cash flows that are solely payments of principal and interest on the principal amount outstanding (SPPI), are subsequently measured at amortised cost;
- All other debt instruments (e.g. debt instruments managed on a fair value basis, or held for sale) and equity investments are subsequently measured at FVTPL.

However, the Company may make the following irrevocable election / designation at initial recognition of a financial asset on an asset-by-asset basis:

- the Company may irrevocably elect to present subsequent changes in fair value of an equity investment that is neither held for trading nor contingent consideration recognised by an acquirer in a business combination to which Ind AS 103 applies, in OCI; and
- the Company may irrevocably designate a debt instrument that meets the amortised cost or FVTOCI criteria as measured at FVTPL if doing so eliminates or significantly reduces an accounting mismatch (referred to as the fair value option).

A financial asset is held for trading if:

- it has been acquired principally for the purpose of selling it in the near term; or
- on initial recognition it is part of a portfolio of identified financial instruments that the Company manages together and has a recent actual pattern of short-term profit-taking; or
- it is a derivative that is not designated and effective as a hedging instrument or a financial guarantee.

Subsequent Measurement of Financial Assets

All recognised financial assets that are within the scope of Ind AS 109 are required to be subsequently measured at amortised cost or fair value on the basis of the entity's business model for managing the financial assets and the contractual cash flow characteristics of the financial assets.

Debt instruments at amortised cost or at FVTOCI

The Company assesses the classification and measurement of a financial asset based on the contractual cash flow characteristics of the individual asset basis and the Company's business model for managing the asset.

For an asset to be classified and measured at amortised cost or at FVTOCI, its contractual terms should give rise to cash flows that are meeting SPPI test.

For the purpose of SPPI test, principal is the fair value of the financial asset at initial recognition. That principal amount may change over the life of the financial asset (e.g., if there are repayments of principal). Interest consists of consideration for the time value of money, for the credit risk associated with the principal amount outstanding during a particular period of time and for other basic lending risks and costs, as well as a profit margin. The SPPI assessment is made in the currency in which the financial asset is denominated.

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

An assessment of business models for managing financial assets is fundamental to the classification of a financial asset. The Company determines the business models at a level that reflects how financial assets are managed at individual basis and collectively to achieve a particular business objective.

When a debt instrument measured at FVTOCI is derecognised, the cumulative gain/loss previously recognised in OCI is reclassified from equity to profit or loss. In contrast, for an equity investment designated as measured at FVTOCI, the cumulative gain/loss previously recognised in OCI is not subsequently reclassified to profit or loss but transferred within equity.

Debt instruments that are subsequently measured at amortised cost or at FVTOCI are subject to impairment.

Equity Investments at FVTOCI

The Company subsequently measures all equity investments at fair value through profit or loss, unless the Company's management has elected to classify irrevocably some of its equity investments as equity instruments at FVTOCI, when such instruments meet the definition of Equity under Ind AS 32 Financial Instruments: Presentation and are not held for trading. Such classification is determined on an instrument-by-instrument basis.

Gains and losses on equity instruments measured through FVTPL are recognised in the Statement of Profit & Loss.

Gains and losses on equity instruments measured through FVTOCI are never recycled to profit or loss. Dividends are recognised in profit or loss as dividend income when the right of the payment has been established, except when the Company benefits from such proceeds as a recovery of part of the cost of the instrument, in which case, such gains are recorded in OCI. Equity instruments at FVTOCI are not subject to an impairment assessment.

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

Investments in equity instruments are classified as at FVTPL, unless the Company irrevocably elects on initial recognition to present subsequent changes in fair value in other comprehensive income for investments in equity instruments which are not held for trading.

Debt instruments that do not meet the amortised cost criteria or FVTOCI criteria are measured at FVTPL. In addition, debt instruments that meet the amortised cost criteria or the FVTOCI criteria but are designated as at FVTPL are measured at FVTPL.

A financial asset that meets the amortised cost criteria or debt instruments that meet the FVTOCI criteria may be designated as at FVTPL upon initial recognition if such designation eliminates or significantly reduces a measurement or recognition inconsistency that would arise from measuring assets or liabilities or recognising the gains and losses on them on different bases.

Financial assets at FVTPL are measured at fair value at the end of each reporting period, with any gains or losses arising on remeasurement recognised in profit or loss. The net gain or loss recognised in profit or loss incorporates any dividend or interest earned on the financial asset. Dividend on financial assets at FVTPL is recognised when the Company's right to receive the dividends is established, it is probable that the economic benefits associated with the dividend will flow to the entity, the dividend does not represent a recovery of part of cost of the investment and the amount of dividend can be measured reliably.

Reclassifications

If the business model under which the Company holds financial assets changes, the financial assets affected are reclassified. The classification and measurement requirements related to the new category apply prospectively from the first day of the first reporting period following the change in business model that result in reclassifying the Company's financial assets. During the current financial year and previous accounting period there was no change in the business model under which the Company holds financial assets and therefore no reclassifications were made. Changes in contractual cash flows are considered under the accounting policy on Modification and derecognition of financial assets described below.

Impairment of financial assets

Overview of the Expected Credit Loss principles:

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

Expected credit losses (ECL) are a probability-weighted estimate of the present value of credit losses. Credit loss is the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the Company expects to receive (i.e., all cash shortfalls), discounted at the original effective interest rate (or credit-adjusted effective interest rate for purchased or originated credit-impaired financial assets). The Company estimates cash flows by considering all contractual terms of the financial instrument (for example, prepayment, extension, call and similar options) through the expected life of that financial instrument.

The Company measures the loss allowance for a financial instrument at an amount equal to the lifetime expected credit losses if the credit risk on that financial instrument has increased significantly since initial recognition. If the credit risk on a financial instrument has not increased significantly since initial recognition, the Company measures the loss allowance for that financial instrument at an amount equal to 12-month expected credit losses. 12-month expected credit losses are portion of the life-time expected credit losses and represent the lifetime cash shortfalls that will result if default occurs within the 12 months after the reporting date and thus, are not cash shortfalls that are predicted over the next 12 months.

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

The Company measures ECL on an individual basis. The measurement of the loss allowance is based on the present value of the asset's expected cash flows using the asset's original EIR.

Impairment losses and releases are accounted for and disclosed separately from modification losses or gains that are accounted for as an adjustment of the financial asset's gross carrying value.

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

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

- Stage 1: Performing assets with Zero days past due (DPD). Stage 1 loans also include facilities where the credit risk has improved and the loan has been reclassified from Stage 2.
- Stage 2: Under-performing assets having 1 to 90 DPD. Stage 2 loans also include facilities, where the credit risk has improved and the loan has been reclassified from Stage 3.
- Stage 3: Non-performing assets with overdue more than 90 DPD.

For trade receivables or any contractual right to receive cash or another financial asset that result from transactions that are within the scope of Ind AS 109 and loans under short term financing, the Company always measures the loss allowance at an amount equal to lifetime expected credit losses.

Further, for the purpose of measuring lifetime expected credit loss allowance for trade receivables, the Company has used a practical expedient as permitted under Ind AS 109. This expected credit loss allowance is computed based on a provision matrix which takes into account historical credit loss experience and adjusted for forward-looking information.

The impairment requirements for the recognition and measurement of a loss allowance are equally applied to debt instruments at FVTOCI except that the loss allowance is recognised in other comprehensive income and is not reduced from the carrying amount in the balance sheet.

The Financial assets for which the Company has no reasonable expectations of recovering either the entire outstanding amount, or a proportion thereof, the gross carrying amount of the financial asset is reduced. This is considered a (partial) derecognition of the financial asset.

Derecognition of financial assets

A financial asset is derecognised only when:

- The Company has transferred the rights to receive cash flows from the financial assets or
- retains the contractual rights to receive the cash flows of the financial assets, but assumes a contractual obligation to pay the cash flows to one or more recipients.

Where the entity has transferred an asset, the Company evaluates whether it has transferred substantially all risks and rewards of ownership of the financial assets. In such cases, the financial assets are derecognised. Where the entity has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not derecognised.

Write-off

Loans and debt securities are written off when the Company has no reasonable expectations of recovering the financial asset (either in its entirety or a portion of it). This is the case when the Company determines

Notes

to the Financial Statements for the year ended March 31, 2025 (Contd..)

that the borrower does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the write-off. A write-off constitutes a derecognition event. The Company may apply enforcement activities to financial assets written off. Recoveries resulting from the Company's enforcement activities will result in impairment gains.

Financial liabilities and equity instruments

Classification as debt or equity

Debt and equity instruments issued by a Company entity are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

Equity Instrument

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

Repurchase of the Company's own equity instruments is recognised and deducted directly in equity. No gain/loss is recognised in profit or loss on the purchase, sale, issue or cancellation of the Company's own equity instruments.

Financial liabilities

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

All financial liabilities are subsequently measured at amortised cost using the effective interest method or at FVTPL.

However, financial liabilities that arise when a transfer of a financial asset does not qualify for derecognition or when the continuing involvement approach applies, financial guarantee contracts issued by the Company, and commitments issued by the Company to provide a loan at below-market interest rate are measured in accordance with the specific accounting policies set out below.

Financial liabilities at FVTPL

Financial liabilities are classified as at FVTPL when the financial liability is either contingent consideration recognised by the Company as an acquirer in a business combination to which Ind AS 103 applies or is held for trading or it is designated as at FVTPL.

A financial liability is classified as held for trading if:

- it has been incurred principally for the purpose of repurchasing it in the near term; or
- on initial recognition it is part of a portfolio of identified financial instruments that the Company manages together and has a recent actual pattern of short-term profit-taking; or
- it is a derivative that is not designated and effective as a hedging instrument.

Financial liabilities that are not held-for-trading and are not designated as at FVTPL are measured at amortised cost.

Financial liabilities subsequently measured at amortised cost

Financial liabilities that are not held-for-trading and are not designated as at FVTPL are measured at amortised cost at the end of subsequent accounting periods. The carrying amounts of financial liabilities that are subsequently measured at amortised cost are determined based on the effective interest method. Interest expense that is not capitalised as part of costs of an asset is included in the 'Finance costs' line item.

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

Derecognition of financial liabilities

The Company derecognises financial liabilities when, and only when, the Company's obligations are discharged, cancelled or have expired. An exchange between with a lender of debt instruments with substantially different terms is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. Similarly, a substantial modification of the terms of an existing financial liability (whether or not attributable to the financial difficulty of the debtor) is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in profit or loss.

2.17 Cash and Cash Equivalents

Cash and cash equivalent in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

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

2.18 Earnings Per Share

Basic earnings per share are calculated by dividing the net profit for the year attributable to equity shareholders by the weighted-average number of equity shares outstanding during the period. The weighted-average number of equity shares outstanding during the period and for all periods presented shall be adjusted for bonus element in a rights issue to existing shareholders that have changed the number of equity shares outstanding, without a corresponding change in resources.

For the purpose of calculating diluted earnings per share, the net profit or loss for the year attributable to equity shareholders and the weighted-average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

2.19 Recent Pronouncements

Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. For the year ended March 31, 2025, MCA has notified Ind AS – 117 Insurance Contracts and amendments to Ind AS 116 – Leases, relating to sale and leaseback transactions, applicable w.e.f. April 1, 2024. The Company has reviewed the new pronouncements and based on its evaluation has determined that it does not have any significant impact in its financial statements.

3. Critical accounting judgements and key sources of estimation uncertainties

The preparation of the financial statements in conformity with Ind AS requires the Management to make estimates and assumptions considered in the reported amounts of assets and liabilities (including contingent liabilities) and the reported income and expenses during the year. The Management believes that the estimates used in preparation of the financial statements are prudent and reasonable.

Future results could differ due to these estimates and the differences between the actual results and the estimates are recognised in the periods in which the results are known / materialise.

Expected Credit Loss

When determining whether the risk of default on a financial instrument has increased significantly since initial recognition, the Company considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Company's historical experience and credit assessment and including forward-looking information. In certain cases, the assessment based on past experience is required for future estimation of cash flows which requires significant judgment.

The inputs used and process followed by the Company in determining the increase in credit risk have been detailed in note 41.

Fair Valuation

Some of the Company's assets and liabilities are measured at fair value for financial reporting purposes. In estimating the fair value of an asset and liability, the Company uses market observable data to the extent it is available. When Level 1 inputs are not available, the Company has applied appropriate valuation techniques and inputs to the valuation model.

Information about the valuation techniques and inputs used in determining the fair value of various assets and liabilities are disclosed in note 41.

Notes
to the Financial Statements for the year ended March 31, 2025 (Contd..)

4. CASH AND CASH EQUIVALENTS

(₹ in Lakh)

Particulars	As at March 31, 2025	As at March 31, 2024
Cash on hand	60.24	30.83
Balances with Banks		
(a) In Current Accounts	3,188.65	1,423.85
(b) In Deposit accounts with maturity of less than 3 months (Refer note 4.1 & 4.2)	303.79	503.36
Total	**3,552.68**	**1,958.04**

Note 4.1: Balances with banks in deposit account earn interest at fixed rate based on short term bank deposit rates.

Note 4.2: Balance with bank in deposit account are held as security against other commitments (refer note 32).

5. OTHER BANK BALANCES

(₹ in Lakh)

Particulars	As at March 31, 2025	As at March 31, 2024
In Deposit accounts with maturity of more than 3 months	761.29	1,054.68
(Refer note 5.1 & 5.2)		
Total	**761.29**	**1,054.68**

Note 5.1: Balance with bank in deposit account earns interest at fixed rate based on long term bank deposit rates.

Note 5.2: Balance with bank in deposit account are held as security against guarantees and other commitments (refer note 32).

6. LOANS

(₹ in Lakh)

Particulars	As at March 31, 2025	As at March 31, 2024
At amortised cost		
Loans given in India to Other than Public Sector		
Term Loans (refer note 6.2)	2,46,219.20	2,08,939.54
Interest accrued	2,102.52	1,764.73
Gross loan	**2,48,321.72**	**2,10,704.27**
Less: Impairment loss allowance	4,111.95	3,436.07
Loans net of Impairment loss allowance	**2,44,209.77**	**2,07,268.20**

(₹ in Lakh)

Particulars	As at March 31, 2025	As at March 31, 2024
6.1 - Break up of loans into secured and unsecured		
Secured by tangible assets	2,48,321.72	2,10,704.27
Unsecured	–	–
Gross loan	2,48,321.72	**2,10,704.27**
Less: Impairment loss allowance (refer note 6.3 below)	4,111.95	3,436.07
Loans net of Impairment loss allowance	**2,44,209.77**	**2,07,268.20**

6.2- Includes impact of Effective interest rate amounting to ₹ 896.48 Lakh as at March 31, 2025, ₹ 1,420.52 Lakh as at March 31, 2024.

6.3 -Impairment allowance includes provision on undisbursed loan commitment amounting to ₹ 67.71 Lakh as at March 31, 2025, ₹ 60.67 Lakh as at March 31, 2024.

6.4 -The objective of the Company in respect of the Loan book is to collect the contractual cash flows, which are payments of principal and interest.

6.5 -The loans are given in India to other than Public sector companies.

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

7. INVESTMENTS

(₹ In Lakh

Particulars	As at March 31, 2025	As at March 31, 2024
Investments in Mutual Funds (within India)		
Unquoted:		
JM Liquid Fund Direct Growth Option	529.26	-
TOTAL	**529.26**	**-**

8. OTHER FINANCIAL ASSETS

(₹ in Lakh)

Particulars	As at March 31, 2025	As at March 31, 2024
Unsecured and considered good unless otherwise stated:		
Security deposits:		
To Others	195.52	193.21
Interest accrued but not due on bank deposits	8.91	9.24
Other Receivables	2,960.64	2,760.50
Interest only strip receivable	3,489.61	–
TOTAL	**6,654.68**	**2,962.95**

Note: Overdraft facilities from bank are secured by way of first ranking pari passu charges over the receivables of the Company.

9. DEFERRED TAX ASSETS (NET)

(refer note 31.2 and 31.3)

(₹ in Lakh)

Particulars	As at March 31, 2025	As at March 31, 2024
Impairment loss allowance on financial assets	857.48	905.46
Disallowances under section 43B of the Income Tax Act, 1961	210.71	105.76
Preliminary expense under section 35D of the Income Tax Act, 1961	16.41	24.28
Fiscal allowance on fixed assets	62.89	47.16
Measurement of financial instrument at amortized cost	96.20	274.85
DTL on account of EIS on assignment transaction	(870.13)	-
TOTAL	**373.56**	**1,357.51**

Notes

to the Financial Statements for the year ended March 31, 2025 (Contd..)

10. PROPERTY PLANT AND EQUIPMENT AND INTANGIBLE ASSETS - CURRENT YEAR

(₹ in Lakh)

Particulars	Gross Block				Accumulated depreciation				Net Block
	As at April 1, 2024	Additions / adjustments	Deductions / adjustments	As at March 31, 2025	As at April 1, 2024	Charge for the period	Deductions / adjustments	As at March 31, 2025	As at March 31, 2025
A) PROPERTY, PLANT AND EQUIPMENT									
Owned Assets:									
Freehold land	6.67	-	-	6.67	-	-	-	-	6.67
Leasehold improvements	207.62	26.06	-	233.68	107.17	42.04	-	149.21	84.47
Computers	569.57	167.90	3.69	733.78	301.52	154.45	3.67	452.30	281.48
Office Equipment	172.25	30.48	0.14	202.59	85.42	29.28	0.11	114.59	88.00
Furniture and fixtures	333.57	27.83	0.92	360.48	180.00	40.70	0.57	220.13	140.35
Leased Assets:									
Vehicles (refer note 10.1)	31.80	9.47	-	41.27	3.38	9.59	-	12.97	28.30
Office premises (Right to use)	1,771.33	437.42	528.07	1,680.68	779.12	386.82	453.91	712.03	968.65
Total - A	**3,092.81**	**699.16**	**532.82**	**3,259.15**	**1,456.61**	**662.88**	**458.26**	**1,661.23**	**1,597.92**
B) INTANGIBLE ASSETS (Refer note 10.2)									
Software	370.20	149.05	-	519.25	254.09	87.73	-	341.82	177.43
Total - B	**370.20**	**149.05**	**-**	**519.25**	**254.09**	**87.73**	**-**	**341.82**	**177.43**
C) CAPITAL WORK-IN-PROGRESS									6.83
Total (A+B+C)	**3,463.01**	**848.21**	**532.82**	3,778.40	**1,710.70**	**750.61**	**458.26**	2,003.05	**1,782.18**

PROPERTY PLANT AND EQUIPMENT AND INTANGIBLE ASSETS - PREVIOUS YEAR

(₹ in Lakh)

Particulars	Gross Block				Accumulated depreciation				Net Block
	As at April 1, 2023	Additions / adjustments	Deductions / adjustments	As at March 31, 2024	As at April 1, 2023	Charge for the year	Deductions / adjustments	As at March 31, 2024	As at March 31, 2024
A) PROPERTY, PLANT AND EQUIPMENT									
Owned Assets:									
Freehold land	6.67	-	-	6.67	-	-	-	-	6.67
Leasehold improvements	170.05	37.57	-	207.62	66.44	40.73	-	107.17	100.45
Computers	346.06	224.30	0.79	569.57	197.97	104.34	0.79	301.52	268.05
Office Equipment	116.38	57.48	1.61	172.25	59.53	26.88	0.99	85.42	86.83
Furniture and fixtures	289.55	44.31	0.29	333.57	129.37	50.78	0.15	180.00	153.57
Leased Assets:									
Vehicles (refer note 10.1)	-	31.80	-	31.80	-	3.38	-	3.38	28.42
Office premises (Right to use)	1,468.14	449.93	146.74	1,771.33	564.31	350.09	135.28	779.12	992.21
Total – A	**2,396.85**	**845.39**	**149.43**	**3,092.81**	**1,017.62**	**576.20**	**137.21**	**1,456.61**	**1,636.20**
B) INTANGIBLE ASSETS (Refer note 10.2)									
Software	279.31	90.89	-	370.20	195.05	59.04	-	254.09	116.11
Total – B	**279.31**	**90.89**	**-**	**370.20**	**195.05**	**59.04**	**-**	**254.09**	**116.11**
C) CAPITAL WORK-IN-PROGRESS									2.48
Total (A+B+C)	**2,676.16**	**936.28**	**149.43**	**3,463.01**	**1,212.67**	**635.24**	**137.21**	**1,710.70**	**1,754.79**

Notes:

10.1 Lessor has hypothecation over the assets taken on lease.

10.2 The intangible assets are other than internally generated.

10.3 The Company has not revalued its property, plant and equipment (including right-of-use assets) or intangible assets and also the company does not hold any benami property.

10.4 In respect of Intangible assets, the estimated useful lives and amortisation method are reviewed at the end of each reporting period.

10.5 Non-convertible debentures are secured by way of first charge on freehold land (proportionately) and secured through a pari-passu charge on the receivables of the Company.

11. OTHER NON-FINANCIAL ASSETS

(₹ in Lakh)

Particulars	As at March 31, 2025	As at March 31, 2024
Unsecured and considered good unless otherwise stated		
Capital advances	33.99	0.41
Prepaid expenses	140.86	85.62
Balances with government authorities	82.21	59.96
TOTAL	**257.06**	**145.99**

12. TRADE PAYABLES

(₹ in Lakh)

Particulars	As at March 31, 2025	As at March 31, 2024
Total outstanding dues of micro enterprises and small enterprises	11.09	12.90
Total outstanding dues of creditors other than micro enterprises and small enterprises	700.22	1,031.08
TOTAL	**711.31**	**1,043.98**

12.1 Note: Disclosure pertaining to Micro and Small Enterprises are as under:

As per the confirmation received from the parties following is the status of MSME parties:

(₹ in Lakh)

Particulars	As at March 31, 2025	As at March 31, 2024
(i) Principal amount remaining unpaid to any supplier as at the end of the accounting year	11.09	12.90
(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 amount of 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	-	-

Note: The above is based on the information available with the Company which has been relied upon by the auditors.

Notes

to the Financial Statements for the year ended March 31, 2025 (Contd..)

12.2 Trade Payable ageing schedule:

As at March 31, 2025

(₹ in Lakh)

Particulars	Outstanding for following periods from due date of payment					
	Unbilled dues	Less than 1 year	1-2 Years	2-3 Years	More than 3 Years	Total
i) MSME	-	11.09	-	-	-	11.09
ii) Others	700.22	-	-	-	-	700.22
iii) Disputed Dues- MSME	-	-	-	-	-	-
iv) Disputed Dues- Others	-	-	-	-	-	-
TOTAL	**700.22**	**11.09**	**-**	**-**	**-**	711.31

As at March 31, 2024

(₹ in Lakh)

Particulars	Outstanding for following Periods from Due Date of Payment					
	Unbilled dues	Less than 1 year	1-2 Years	2-3 Years	More than 3 Years	Total
i) MSME	-	3.37	9.54	-	-	12.91
ii) Others	1024.68	6.40	-	-	-	1,031.07
iii) Disputed Dues- MSME	-	-	-	-	-	-
iv) Disputed Dues- Others	-	-	-	-	-	-
TOTAL	**1024.68**	**9.77**	**9.54**	**-**	**-**	**1,043.98**

13. DEBT SECURITIES

(₹ in Lakh)

Particulars	As at March 31, 2025	As at March 31, 2024
(Within India)		
(At amortized cost)		
Non-Convertible Debentures – Secured (refer note 13.1, 13.2 & 13.3)	56,267.84	27,004.15
TOTAL	**56,267.84**	**27,004.15**

13.1 Non-convertible debentures are secured by way of first charge on freehold land (proportionately) and secured through a pari-passu charge on the receivables of the Company.

13.2 Maturity profile and rate of interest of Non-convertible debentures

(₹ in Lakh)

Particulars	As at March 31, 2025	As at March 31, 2024
Private Placement - Face value of ₹ 10,00,000 each		
10.10% NCD redeemable in the year 2024-25	-	630.00
8% NCD redeemable in the year 2025-26	1,000.00	1,000.00
8% NCD redeemable in the year 2026-27	500.00	500.00
7.90% NCD redeemable in the year 2027-28	500.00	500.00
9.51% NCD redeemable in the year 2028-29	2,500.00	2,500.00
Private Placement - Face value of ₹ 5,00,000 each#		
9.70% NCD redeemable in the year 2026-27*	2,500.00	-
9.60% NCD redeemable in the year 2026-27*	-	3,750.00
Private Placement - Face value of ₹ 1,00,000 each		
8.86% NCD redeemable in the year 2026-27	10,000.00	10,000.00
8.75% NCD redeemable in the year 2026-27	1,000.00	1,000.00
9.00% NCD redeemable in the year 2026-27	5,000.00	-
8.80% NCD redeemable in the year 2027-28	1,500.00	1,500.00
9.00% NCD redeemable in the year 2027-28	7,500.00	-
9.00% NCD redeemable in the year 2027-28	10,000.00	-
9.00% NCD redeemable in the year 2028-29	7,500.00	-
9.00% NCD redeemable in the year 2028-29	1,000.00	-
Private Placement - Face value of ₹ 75,000 each^		
8.35% NCD redeemable in the year 2027-28*	2,550.00	-
8.35% NCD redeemable in the year 2027-28*	1,200.00	-
8.60% NCD redeemable in the year 2027-28*	-	3,400.00
8.60% NCD redeemable in the year 2027-28*	-	1,600.00
TOTAL	**54,250.00**	**26,380.00**
Interest accrued but not due on NCD	2,307.51	648.08
TOTAL (refer note below)	**56,557.51**	**27,028.08**

* Indicates floating interest rates. The interest rates shown are the closing rates for the year.
\# FV redeemed of ₹ 5,00,000 per NCD (PY - ₹ 2,50,000 per NCD) since issuance date.
^ FV redeemed of ₹ 25,000 per NCD (PY - Nil) since issuance date.

Note: Maturity profile above is disclosed at face value which excludes the impact of effective interest rate adjustment amounting to ₹ 289.67 lakh. (₹ 23.93 lakh in FY 2023-24)

13.3 The Company has utilized the money raised by way of non-convertible debentures during the year for the purpose for which they were raised.

Notes

to the Financial Statements for the year ended March 31, 2025 (Contd..)

14. BORROWINGS (OTHER THAN DEBT SECURITIES)

(₹ in Lakh)

Particulars	As at March 31, 2025	As at March 31, 2024
(Within India)		
(At Amortized Cost)		
From banks & Financial Institutions - (refer note 14.1 and 14.3)	68,968.95	66,825.05
Overdraft facilities from banks – Secured (refer note 14.2)	-	2,115.17
Inter Corporate Deposits	-	16,500.00
From NHB – Refinance – Secured (refer note 14.3 and 14.4)	48,515.63	36,812.52
TOTAL	**1,17,484.58**	1,22,252.74

14.1 Term loans are secured by way of first ranking pari passu charges over receivable of the Company.

14.2 Overdraft facilities from bank are secured by way of first ranking pari passu charges over the receivables of the Company.

14.3 Maturity profile and rate of interest of term loans:

(₹ in Lakh)

Residual Maturities	As at March 31, 2025		
	Upto one year (April 2025 to March 2026)	1-3 years (April 2026 to March 2028)	3 years & above (April 2028 onwards)
Banks & Financial Institutions			
8.01% to 9.00%	2,665.87	4,769.23	4,134.62
9.01% to 10.00%	15,520.81	23,438.32	9,164.18
10.01% to 11.00%	2,810.53	5,013.16	1,500.00
NHB - Refinance – Secured			
2% to 3%	1,112.00	2,224.00	274.97
4% to 5%	592.80	1,185.60	431.68
5% to 6%	2,365.30	4,823.20	5,501.22
8% to 9%	3,373.64	7,360.91	18,619.11
TOTAL	**28,440.95**	**48,814.42**	**39,625.78**

(₹ in Lakh)

Residual Maturities	As at March 31, 2024		
	Upto one year	1-3 years	3 years & above
	(April 2024 to March 2025)	(April 2025 to March 2027)	(April 2027 onwards)
Banks & Financial Institutions			
8.01% to 9.00%	4,819.00	9,169.25	3,331.77
9.01% to 10.00%	10,920.37	22,002.71	7,343.06
10.01% to 11.00%	2,000.00	4,000.00	3,500.00
NHB - Refinance – Secured			
2% to 3%	1,112.00	2,224.00	1,386.97
4% to 5%	592.80	1,185.60	1,024.48
5% to 6%	2,226.40	4,452.80	7,184.65
7% to 8%	1,801.44	3,602.88	9,451.88
TOTAL	**23,472.01**	**46,637.24**	**33,222.81**

Note: Maturity profile above is disclosed at face value which excludes the impact of effective interest rate adjustment amounting to ₹ 224.56 lakh. (₹ 304.57 lakh in FY 2023-24) and interest accrued amounting to ₹ 828.01 Lakh (₹ 610.08 lakh in FY 2023-24).

14.4 Secured by way of exclusive charges on certain identified loan fund balances

14.5 The quarterly returns filed by the Company with banks / financial institutions from which borrowing is obtained on the basis of security of current assets are in agreement with the books of account of the Company.

15. LEASE LIABILITIES

(₹ in Lakh)

Particulars	As at March 31, 2025	As at March 31, 2024
Financial lease liabilities (refer note 34)		
Office Premises	1,022.37	1,057.55
Vehicles	30.60	29.21
TOTAL	**1,052.97**	**1,086.76**

16. OTHER FINANCIAL LIABILITIES

(₹ in Lakh)

Particulars	As at March 31, 2025	As at March 31, 2024
Employee benefits payable	1,557.36	1,245.82
Advance from Customers	202.01	255.05
Other Payables	479.04	746.37
TOTAL	**2,238.41**	**2,247.24**

17. PROVISIONS

(₹ In Lakh)

Particulars	As at March 31, 2025	As at March 31, 2024
For employee benefits:		
Gratuity (refer note 36)	207.44	146.62
Compensated absences	68.11	48.61
TOTAL	**275.55**	**195.23**

18. OTHER NON-FINANCIAL LIABILITIES

(₹ In Lakh)

Particulars	As at March 31, 2025	As at March 31, 2024
Statutory dues	198.17	239.35
TOTAL	**198.17**	**239.35**

Notes

to the Financial Statements for the year ended March 31, 2025 (Contd..)

19. EQUITY SHARE CAPITAL

(₹ In Lakh)

Particulars	As at March 31, 2025	As at March 31, 2024
Authorised		
1,00,00,00,000 (as at Mar 31, 2024: 1,00,00,00,000) Equity shares of ₹ 10/- each	1,00,000.00	1,00,000.00
TOTAL	**1,00,000.00**	**1,00,000.00**
Issued Capital		
43,29,80,205 (as at March 31, 2024 : 43,23,53,705) Equity shares of ₹ 10/- each fully paid up	43,298.02	43,235.37
21,64,90,105 (as at March 31, 2024 : Nil) Equity Shares of ₹ 10/- each (₹ 2.5 partly paid-up)	21,649.01	-
TOTAL	**64,947.03**	**43,235.37**
Subscribed and Paid-up Capital		
43,29,80,205 (as at March 31, 2024 : 43,23,53,705) Equity shares of ₹ 10/- each fully paid up	43,298.02	43,235.37
21,64,90,105 (as at March 31, 2024 : Nil) Equity Shares of ₹ 10/- each (₹ 2.5 partly paid-up)	5,412.25	-
TOTAL	**48,710.27**	**43,235.37**

The Company has only one class of equity shares. The shareholders are entitled to dividend in proportion to the amount paid up and their voting rights exercisable on a poll shall also be proportional to their respective share of the paid- up equity capital of the Company, as and when declared and approved by the board of directors and shareholders. The shareholders are entitled to residual assets, if any, after payment of all liabilities, in the event of liquidation of the company.

Reconciliation of number of shares:	As at March 31, 2025	As at March 31, 2024
At the beginning of the year	43,23,53,705	16,48,19,206
Add: Conversion of Compulsory Convertible Debentures (CCD) into Equity Shares	-	16,02,04,268
Add: Rights Issue	-	10,72,75,731
Add: Partly paid-up Rights Issue	21,64,90,105	-
Add: Shares allotted upon exercise of Stock Option	6,26,500	54,500
At the end of the year	**64,94,70,310**	**43,23,53,705**

Details of the shares reserved for issue under Employee Stock Options Plan (ESOP) of the Company are disclosed in Note 38.

Details of shareholding in excess of 5%

Name of the shareholders	As at March 31, 2025		As at March 31, 2024	
	Number of shares	% of holding	Number of shares	% of holding
JM Financial Products Limited (18 shares jointly held with certain individuals)	38,94,79,860 Equity shares of ₹ 10/- each fully paid up	89.95%	38,94,79,860	90.08%
	19,47,39,930 Equity Shares of ₹ 10/- each (₹ 2.5 partly paid-up)		-	-
JM Financial Credit Solutions Limited	3,88,67,220 Equity shares of ₹ 10/- each fully paid up	8.98%	3,88,67,220	8.99%
	1,94,33,610 Equity Shares of ₹ 10/- each (₹ 2.5 partly paid-up)		-	-
TOTAL	**64,25,20,620**	**98.93%**	**42,83,47,080**	**99.07%**

Details of Promoter:

Shares held by promoters at the end of the year			Percentage change during the year
Name of the Promoter	No. of shares	% of total shares	
JM Financial Products Limited	58,42,19,790	89.95%	(0.14%)

20. OTHER EQUITY

(₹ In Lakh)

Particulars	As at March 31, 2025	As at March 31, 2024
Retained Earnings	10,596.53	5,922.22
Statutory Reserve (Special reserve as per Section 29C of National Housing Bank Act, 1987 and Special reserve as per Section 36(1)(viii) of the Income Tax Act, 1961)	2,864.00	1,679.94
Employee Stock option outstanding	1,215.99	734.32
Securities Premium	16,355.88	10,747.45
Total	**31,032.40**	**19,083.93**

Nature and purpose of reserve:

Retained Earnings: Retained earnings represents net profit / loss made by the Company till date less any transfers to general reserve, statutory reserve, debenture redemption reserve, dividend or other distributions paid to shareholders.

Statutory Reserve: Statutory Reserve is the reserve created by transferring a sum not less than twenty percent of the Company's net profit after tax every year in terms of Section 29C of the National Housing Bank Act, 1987.

Securities premium: Securities premium is used to record the premium on issue of shares. The reserve can be utilised in accordance with the provisions of Section 52 of the Companies Act, 2013.

21. INTEREST INCOME

(₹ in Lakh)

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Interest on financial assets measured at amortised cost	29,399.02	21,505.08
TOTAL	**29,399.02**	**21,505.08**

22. FEE & COMMISSION INCOME

(₹ in Lakh)

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Fees & Commission	1,520.65	689.00
TOTAL	**1,520.65**	**689.00**

23. OTHER OPERATING INCOME

(₹ in Lakh)

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Interest income on deposits with bank	96.19	69.70
Miscellaneous income	420.56	327.33
TOTAL	**516.75**	**397.03**

Notes

to the Financial Statements for the year ended March 31, 2025 (Contd..)

24. NET GAIN ON FAIR VALUE CHANGES

(₹ in Lakh)

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Net gain on financial instruments designated at FVTPL (refer note no. 24.1)	440.47	328.48
TOTAL	**440.47**	**328.48**

24.1 Net gain/(loss) on fair value changes:

(₹ in Lakh)

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
- Realised	438.21	328.48
- Unrealised	2.26	-
TOTAL	**440.47**	**328.48**

25. NET GAIN ON DERECOGNITION OF FINANCIAL INSTRUMENTS

(₹ in Lakh)

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Net gain on derecognition of financial instruments under amortised cost category	4,408.57	1,456.31
TOTAL	**4,408.57**	**1,456.31**

26. OTHER INCOME

(₹ in Lakh)

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Promotional Service income	540.00	1,262.50
Net gain on derecognition of right to use asset	5.66	49.46
Other interest Income	13.44	23.31
Profit on sale of Fixed Assets	0.12	0.11
TOTAL	**559.22**	**1,335.38**

27. FINANCE COST

(₹ in Lakh)

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
On financial liabilities measured at amortised cost		
Debt securities	4,012.56	1,815.10
Borrowings (other than debt securities)	9,008.86	7,455.94
Finance charges on leased assets	91.17	85.87
Other Interest expense	5.42	-
TOTAL	**13,118.01**	**9,356.91**

28. IMPAIRMENT ON FINANCIAL INSTRUMENTS

(₹ in Lakh)

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
On financial Instruments measured at Amortised cost		
Provision for expected credit loss	675.88	290.21
Write-off (Includes provision of ₹ 220.18 lakh (previous year: ₹ 409.23 lakh)	655.14	603.98
TOTAL	**1,331.02**	**894.19**

29. EMPLOYEE BENEFITS EXPENSE

(₹ in Lakh)

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Salaries and wages including bonus	9,681.86	6,314.47
Contribution to provident and other fund	478.66	335.22
Staff welfare expenses	176.97	141.04
Gratuity (refer note 35)	59.54	80.11
TOTAL	**10,397.03**	**6,870.84**

30. OPERATING AND OTHER EXPENSES

(₹ in Lakh)

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Legal & professional fees	1,655.82	1,496.31
Security and manpower expense	137.97	126.51
Rates and taxes	36.39	128.11
Insurance expenses	176.04	171.16
Repairs & maintenance	159.62	97.10
Travelling, hotel and conveyance expenses	547.25	445.68
Communication expenses	112.69	80.46
Printing and stationery	153.03	121.37
Electricity expenses	84.40	59.76
Office expenses	105.11	83.29
Rent expenses (refer note 34)	8.45	11.71
Auditors' remuneration (refer note 33)	16.55	16.42
Motor car expenses	11.84	6.89
Advertisement and other related expenses	32.91	20.67
Corporate social responsibility (refer note 43)	78.00	51.00
Membership & Subscriptions	0.05	0.78
Miscellaneous expenses	73.45	63.49
TOTAL	**3,389.57**	**2,980.71**

31. RECONCILIATION OF TOTAL TAX CHARGE

31.1

(₹ in Lakh)

Particulars	Year Ended March 31, 2025	Year Ended March 31, 2024
Current Tax	1,120.00	1,210.00
Deferred tax	990.21	(217.69)
Tax Adjustment of earlier year	(172.06)	-
Total income tax expenses recognised in the current year	**1,938.15**	**992.31**
Profit before tax	7,858.44	4,973.39
Income tax rate	25.168%	25.168%
Income tax expense	1,977.81	1,251.70
Tax Effect of:		
Items that are allowable or disallowable in determining taxable profits (net)	32.46	(118.57)
Tax Adjustment of earlier year	(172.06)	-
Deduction under section 80 JJAA of the Income tax Act, 1961	(51.80)	(37.27)
Deduction under section 36(1)(viii) of the Income tax Act, 1961	(67.95)	(103.55)
Others	219.69	-
Income tax expense recognised in profit and loss	**1,938.15**	**992.31**
Income tax recognised in other comprehensive income	6.27	(11.01)

Notes

to the Financial Statements for the year ended March 31, 2025 (Contd..)

31.2 The Following table shows deferred tax recorded in the balance sheet and changes recorded in the Income tax expenses:

For the year ended March 31, 2025

(₹ in Lakh)

Deferred Tax Asset / (liability)	Opening balance as on 01.04.2024	Recognised in profit or loss (Expenses) / Income	Recognised in other comprehensive income	Closing balances as on 31.03.2025
Fiscal allowances on fixed assets	47.16	15.72	-	62.88
Disallowances under section 43B of the Income Tax Act, 1961	105.77	98.67	6.27	210.71
Preliminary expenses under Section 35D of the Income tax Act, 1961	24.28	(7.87)	-	16.41
Impairment loss allowance on financial assets	905.46	(47.98)	-	857.48
Measurement of financial instruments at amortised cost	274.84	(1,048.76)	-	(773.92)
TOTAL	**1,357.51**	**(990.21)**	**6.27**	**373.56**

For the year ended March 31, 2024

(₹ in Lakh)

Deferred Tax Asset / (liability)	Opening balance as on 01.04.2023	Recognised in profit or loss (Expenses) / Income	Recognised in other comprehensive income	Closing balances as on 31.03.2024
Fiscal allowances on fixed assets	43.32	3.84	-	47.16
Disallowances under section 43B of the Income Tax Act, 1961	47.25	69.52	(11.00)	105.77
Preliminary expenses under Section 35D of the Income tax Act, 1961	5.03	19.25	-	24.28
Impairment loss allowance on financial assets	745.94	159.52	-	905.46
Measurement of financial instruments at amortised cost	309.27	(34.43)	-	274.84
TOTAL	**1,150.81**	**217.70**	**(11.00)**	**1,357.51**

32. Contingent liabilities, guarantees and Commitments

(₹ In Lakh)

Particulars	As at March 31, 2025	As at March 31, 2024
Contingent liabilities (refer note 32.1.a, 32.1.b & 32.1.c)	163.41	2.50
Guarantees (refer note 32.2)	1,061.31	1,054.36
Commitments		
1. Capital Commitments		
Estimated amount of contract remaining to be executed on capital account and not provided for	29.29	16.05
2. Other Commitments		
Commitments related to loans sanction but undrawn	10,196.69	12,144.76
Commitments related to loans sanction but partially undrawn	9,306.01	10,213.31
TOTAL	**20,756.71**	**23,430.98**

32.1 (a) Contingent liability aggregating to ₹ 30.60 lakh, arising out of Show Cause Notice dated August 03, 2024 issued by the DGGSTI, Ghaziabad Regional Unit not acknowledged as debts for AY 2025-26.

32.1 (b) Contingent liability aggregating to ₹ 2.50 lakh, arising out of an Income Tax Demand not acknowledged as debts for AY 2022-23 in previous year.

32.1 (c) Disputed claims against the company not acknowledged as debts amounting to ₹ 132.81 lakh (FY 2023-24: Nil)

32.2 (a) Bank guarantee aggregating to ₹ 1,050.00 lakh (P.Y. ₹ 1,050.00 lakh) to National Housing bank against refinance assistance.

32.2 (b) Bank guarantee aggregating to ₹ 11.31 lakh (P.Y. ₹ 4.36 lakh) to BSE.

33. AUDITOR'S REMUNERATION (Including goods and service tax to the extent credit not availed)

(₹ in Lakh)

Particulars	As at March 31, 2025	As at March 31, 2024
Audit fees	8.39	7.85
In any other manner (certifications, limited reviews, etc.)	7.36	7.85
Out of pocket expenses	0.80	0.72
Total	**16.55**	**16.42**

34. LEASE TRANSACTIONS

Following are the changes in the carrying value of the Leased assets for the year ended March 31, 2025:

(₹ in Lakh)

Category of Leased Assets	Gross Block				Accumulated Depreciation				Net block
	As at April 01, 2024	Additions	Deletions	As at March 31, 2025	As at April 01, 2024	Depreciation	Deductions	As at March 31, 2025	As at March 31, 2025
Office Premises	1,771.33	437.42	528.07	1,680.68	779.12	386.82	453.91	712.03	968.65
Vehicles	31.80	9.47	-	41.27	3.38	9.59	-	12.97	28.30

Following are the changes in the carrying value of the Leased asset for the year ended March 31, 2024:

(₹ In Lakh)

Category of Leased Assets	Gross Block				Accumulated Depreciation				Net block
	As at April 01, 2023	Additions	Deletion	As at March 31, 2024	As at April 01, 2023	Depreciation	Deductions	As at March 31, 2024	As at March 31, 2024
Office Premises	1,468.14	449.93	146.74	1,771.33	564.31	350.09	135.28	779.12	992.21
Vehicles	-	31.80	-	31.80	-	3.38	-	3.38	28.42

The aggregate depreciation expenses on leased assets is included under depreciation and amortization expenses in the Statement of Profit and Loss.

The following are the movement in lease liabilities during the year ended March 31, 2025 and March 31, 2024:

(₹ in Lakh)

Particulars	As at March 31, 2025	As at March 31, 2024
Opening balance	1,086.75	976.23
Additions during the year	446.49	434.74
Deletions during the year	(114.42)	(9.52)
Finance cost accrued during the year	91.17	85.87
Payment of lease liabilities	(457.02)	(400.57)
Closing balance	**1,052.97**	**1,086.75**

Notes

to the Financial Statements for the year ended March 31, 2025 (Contd..)

Table showing contractual maturities of lease liabilities as at March 31, 2025 and March 31, 2024 on an undiscounted basis:

On Office Premises:

(₹ in Lakh)

Particulars	As at March 31, 2025	As at March 31, 2024
Not later than one year	427.84	406.08
Later than one year and not later than five years	728.37	803.94
Later than five years	-	-
Total	**1,156.21**	**1,210.02**

On Motor Vehicles:

(₹ in Lakh)

Particulars	As at March 31, 2025	As at March 31, 2024
Not later than one year	19.31	16.65
Later than one year and not later than five years	30.38	37.52
Later than five years	-	-
Total	**49.69**	**54.17**
Less: future finance charges	(8.20)	(9.10)
Present Value of minimum lease payments	**41.49**	**45.07**

The Company does not face significant liquidity risk with regards to its lease liabilities as the current assets are sufficient to meet the obligations related to lease liabilities as and when they fall due.

Rent expenses on short term lease aggregating ₹ 8.45 Lakh (FY 2023-24: ₹ 11.71 Lakh); has been recognised in the Statement of Profit and Loss under the head Other Expenses.

35. EARNING PER SHARE (EPS)

Earnings per share is calculated by dividing the profit attributable to the equity shareholders by the weighted average number of equity shares outstanding during the year, as under:

Sr. no.	Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
	Calculated as follows:		
(a)	Profit for the year (₹ In Lakh)	5,920.29	3,981.08
(b)	Weighted average number of equity shares outstanding during the year for calculating basic earnings per share (Nos.)	53,90,94,875	25,06,21,186
(c)	Add: Conversion of compulsory convertible debenture (Nos)	-	13,83,02,807
(d)	Weighted Number of equity shares outstanding during the year for calculating basic and diluted earnings per share (Nos) for Basic EPS	53,90,94,875	38,89,23,993
(e)	Add : Effect of stock option scheme & Right issue	10,65,08,048	1,35,33,833
(f)	Weighted Number of equity shares outstanding during the year for calculating basic and diluted earnings per share (Nos) for Diluted EPS	64,56,02,923	40,24,57,826
(g)	Basic EPS (₹) (a / d)	1.10	1.02
(h)	Diluted EPS (₹) (a / f)	0.92	0.99
(i)	Nominal value per share (₹)	10.00	10.00

Basic and Diluted earnings per share for the previous year have been retrospectively adjusted for the bonus element in respect of the Rights Issue made during the year.

36. EMPLOYEE BENEFITS

Defined contribution plans

The Company operates defined contribution plan (Provident fund) for all qualifying employees of the Company. The employees of the Company are members of a retirement contribution plan operated by the government. The Company is required to contribute a specified percentage of payroll cost to the retirement contribution scheme to fund the benefits. The only obligation of the Company with respect to the plan is to make the specified contributions.

The Company's contribution to Provident Fund aggregating ₹ 464.58 Lakh for FY 2024-2025 (FY 2023-2024: ₹ 317.04 Lakh) has been recognised in the Statement of Profit and Loss under the head Employee Benefits Expense.

Defined benefit obligation

The liability under the Payment of Gratuity Act, 1972 are determined on the basis of actuarial valuation made at the end of each financial year using the projected unit credit method.

The plan is of a final salary defined benefit in nature which is sponsored by the Company and hence it underwrites all the risks pertaining to the plan. The actuarial risks associated are:

Interest Rate Risk:

The risk of government security yields falling due to which the corresponding discount rate used for valuing liabilities falls. Such a fall in discount rate will result in a larger value placed on the future benefit cash flows whilst computing the liability and thereby requiring higher accounting provisioning.

Longevity Risks:

Longevity risks arises when the quantum of benefits payable under the plan is based on how long the employee lives post cessation of service with the Company. The gratuity plan provides the benefit in a lump sum form and since the benefit is not payable as an annuity for the rest of the lives of the employees, there is no longevity risks.

Salary Risks:

The gratuity 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.

a) The principal assumptions used for the purposes of the actuarial valuations were as follows:

Particulars	As at March 31, 2025	As at March 31, 2024
Significant assumptions		
Discount Rate	6.55%	7.15%
Expected rate of salary escalation	8.00%	7.00%
Other assumption		
Mortality rate	Indian Assured Lives Mortality 2012-14 Ult table	Indian Assured Lives Mortality 2012-14 Ult table

Notes
to the Financial Statements for the year ended March 31, 2025 (Contd..)

b) Amount recognised in balance sheet in respect of these defined benefit obligation:

(₹ in Lakh)

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Present value of defined benefit obligation	207.44	146.62
Fair value of plan assets	-	-
Net liability	**207.44**	**146.62**

c) Amount recognised in statement of profit and loss in respect of these defined benefit obligation:

(₹ In Lakh)

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Current service cost	49.88	72.36
Past service cost	-	-
Net interest cost	9.65	7.75
Components of defined benefits costs recognised in profit or loss.	**59.53**	**80.11**
Remeasurements on the net defined benefit liability:		
- Actuarial (gain)/loss from change in demographic assumptions	(2.21)	(45.58)
- Actuarial (gain)/loss from change in financial assumptions	12.38	2.24
- Actuarial (gain)/loss from change in experience adjustments	14.76	(0.41)
Total amount recognised in other comprehensive income	**24.93**	**(43.75)**
Total	**84.46**	**36.36**

The current service cost and the net interest expense for the year are included in the “Employee Benefit Expense” line item in the statement of profit and loss.

d) Movement in the present value of the defined benefit obligation are as follows:

(₹ in Lakh)

Particulars	As at March 31, 2025	As at March 31, 2024
Opening defined benefit obligation	146.63	105.01
Current service cost	49.88	72.36
Past service cost	-	-
Interest cost	9.65	7.75
Remeasurements (gains)/losses:		
Actuarial (gain)/loss from change in demographic assumptions	(2.21)	(45.58)
Actuarial (gain)/loss from change in financial assumptions	12.38	2.24
Actuarial (gain)/loss from change in experience adjustments	14.76	(0.41)
Benefits paid	(19.54)	(6.21)
Liabilities assumed*	(4.11)	11.47
Closing defined benefit obligation	**207.44**	**146.63**

* On Account of inter group transfer

e) **Significant actuarial assumptions for the determination of the defined benefit obligation are discount rate and expected salary increase. The sensitivity analysis below has been determined based on reasonable possible changes of the assumptions occurring at the end of the reporting period, while holding all other assumptions constant. The results of sensitivity analysis are as follows:**

Particulars	As at March 31, 2025		As at March 31, 2024	
	Decrease	Increase	Decrease	Increase
Discount Rate (- /+ 0.50%)	212.03	203.02	150.49	142.93
% changes compared to base due to sensitivity	2.21%	-2.13%	2.64%	-2.52%
Salary growth rate (- /+ 0.50%)	203.70	211.29	143.61	149.71
% changes compared to base due to sensitivity	-1.80%	1.86%	-2.06%	2.10%

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

There is no change in the method of valuation for the prior periods in preparing the sensitivity analysis. For change in assumptions refer to note (a) above.

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

Projected benefits payable:

(₹ in Lakh)

Particulars	For the year ended March 31,2025	For the year ended March 31,2024
Expected benefits for year 1	37.18	23.28
Expected benefits for year 2	36.51	21.89
Expected benefits for year 3	34.97	21.85
Expected benefits for year 4	33.51	19.71
Expected benefits for year 5	28.21	17.50
Expected benefits for year 6	21.93	13.09
Expected benefits for year 7	26.24	18.47
Expected benefits for year 8	12.82	26.49
Expected benefits for year 9	9.54	6.93
Expected benefits for year 10 and above	44.87	55.83

The weighted average duration of the payment of these cash flows is 4.34 years (FY 2023-24 – 5.15 years)

37. SEGMENTAL REPORTING

The Company is engaged primarily in the business of financing, majorly housing loans and accordingly there are no separate reportable segments as per Ind AS 108 dealing with Operating Segment. The Company operates in a single geographical segment i.e. domestic.

No single customer represents 10% or more of the total revenue for the year ended 31 March 2025 and 31 March 2024.

Notes

to the Financial Statements for the year ended March 31, 2025 (Contd..)

38. EMPLOYEE STOCK OPTION SCHEME (ESOP)

The Employee Stock Option Scheme ('the Scheme') provides for grant of stock options to the eligible employees and/or directors ("the Employees") of the Company and/or its holding Company. The Stock Options are granted at an exercise price, which is either equal to the fair market price or at a premium, or at a discount to market price as may be determined by the Nomination and Remuneration Committee of the Board of the Company.

During the previous financial year 2023-24, Nomination and Remuneration Committee had granted 3,70,000 options under Series II at an exercise price of ₹ 34 per option to the Employees. During the current financial year 2024-25, the Nomination and Remuneration Committee had granted 7,75,000 options under Series III at an exercise price of ₹ 33 per option to the Employees & 6,55,000 options under Series IV & at an exercise price of ₹ 36 per option to the Employees that will vest in a graded manner and which can be exercised within a specified period.

The details of options are as under:

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Outstanding at the beginning of the year	1,35,10,500	1,38,40,000
Add: Granted during the year	14,30,000	3,70,000
Less: Exercised and shares allotted during the year	(6,26,500)	(54,500)
Less: Forfeited/cancelled during the year	-	-
Less: Lapsed during the year	(18,25,000)	(6,45,000)
Outstanding at the end of the year	1,24,89,000	1,35,10,500
Exercisable at the end of the year	5,46,000	6,05,250

The Company follows fair value based method of accounting for determining compensation cost for its stock-based compensation scheme. The fair value of each stock options granted during the current year is mentioned in the table below. The fair value has been calculated by applying Black and Scholes model as valued by an independent valuer.

Following the recent Rights Issue concluded by the Company on November 28, 2024, the exercise price for the above "Exercisable Options" has been revised by the Nomination and Remuneration Committee of the Board to ₹ 19.50 per option for Series I & ₹ 20.50 per option for Series II, ₹ 24 per option for Series III & ₹ 25.50 per option for Series IV.

The said revision was made to reflect the requisite fair and reasonable adjustment to the exercise price, in accordance with the provisions of the Scheme.

Details of options granted based on the graded vesting and fair value of the options, after giving effect of repricing are as under:

Series IV

Tranches	% of Options to be vested	No. of options granted	Vesting date	Fair value per option (Revised)	Fair value per option (Original)
Tranche-1	10%	65,500	28-10-2025	22.15	15.38
Tranche-2	20%	1,31,000	28-10-2026	22.77	16.59
Tranche-3	30%	1,96,500	28-10-2027	23.30	17.61
Tranche-4	40%	2,62,000	28-10-2028	23.73	18.48

Series III

Tranches	% of Options to be vested	No. of options granted	Vesting date	Fair value per option (Revised)	Fair value per option (Original)
Tranche-1	10%	77,500	07-05-2025	22.97	14.91
Tranche-2	20%	1,55,000	07-05-2026	23.54	16.04
Tranche-3	30%	2,32,500	07-05-2027	24.02	17.01
Tranche-4	40%	3,10,000	07-05-2028	24.41	17.82

Series II

Tranches	% of Options to be vested	No. of options granted	Vesting date	Fair value per option (Revised)	Fair value per option (Repriced)
Tranche-1	5%	18,500	24-04-2024	25.33	16.80
Tranche-2	5%	18,500	24-04-2025	25.71	17.59
Tranche-3	20%	74,000	24-04-2026	26.04	18.20
Tranche-4	30%	1,11,000	24-04-2027	26.31	18.65
Tranche-5	40%	1,48,000	24-04-2028	26.52	18.97

Series I

Tranches	% of Options to be vested	No. of options granted	Vesting date	Fair value per option (Revised)	Fair value per option (Repriced)
Tranche-1	5%	7,06,500	28-09-2023	26.01	17.04
Tranche-2	5%	7,06,500	28-09-2024	26.34	17.52
Tranche-3	20%	28,26,000	28-09-2025	26.63	17.92
Tranche-4	30%	42,39,000	28-09-2026	26.87	18.22
Tranche-5	40%	56,52,000	28-09-2027	27.06	18.43

The following table summarizes the assumptions used in calculating fair value on the grant date:

Series	Life of the Option (in years)	Risk-free interest rate	Volatility	Dividend Yield
Series IV	3.5-6.5	6.81%	0.25	2.00%
Series III	3.5-6.5	7.12%	0.25	2.00%
Series II	3.5-7.5	7.22%	0.35	3.00%
Series I	3.5-7.5	7.24%	0.25	3.00%

Notes
to the Financial Statements for the year ended March 31, 2025 (Contd..)

Details of options granted under various series are as under:

	Series I	Series II	Series III	Series IV
Grant date	28-09-2022	24-04-2023	07-05-2024	28-10-2024
Options granted	1,41,30,000	3,70,000	7,75,000	6,55,000
Options exercised till March 31, 2025	6,73,500	7,500	-	-
Options forfeited/ cancelled till March 31, 2025	-	-	-	-
Options lapsed till March 31, 2025	23,45,000	1,20,000	2,95,000	-
Outstanding at the end of the year	1,11,11,500	2,42,500	4,80,000	6,55,000
Exercisable at the end of the year	5,41,000	5,000	-	-
Vesting of options	5%,5%,20%,30% & 40% respectively on completion of first, second, third, fourth & fifth year from the date of grant of options.	5%,5%,20%,30% & 40% respectively on completion of first, second, third, fourth & fifth year from the date of grant of options.	10%,20%,30% & 40% respectively on completion of first, second, third & fourth year from the date of grant of options.	10%,20%,30% & 40% respectively on completion of first, second, third & fourth year from the date of grant of options.
Exercise period	5 years from vesting date	5 years from vesting date	5 years from vesting date	5 years from vesting date
Exercise price (₹)	19.50	20.50	24.00	25.50
Pricing formula	As was determined by the Nomination and Remuneration Committee at its meeting held on September 28, 2022	As was determined by the Nomination and Remuneration Committee at its meeting held on April 24, 2023	As was determined by the Nomination and Remuneration Committee at its meeting held on May 07, 2024	As was determined by the Nomination and Remuneration Committee at its meeting held on October 28, 2024

Note:

(i) Esop cost recognised in Statement of Profit and Loss is ₹ 384.54 lakh (Previous year ₹ 12.18 lakh).

39. MATURITY ANALYSIS OF ASSETS AND LIABILITIES:

(₹ in Lakh)

		March 31, 2025			March 31, 2024		
		Within 12 months	After 12 months	Total	Within 12 months	After 12 Months	Total
	Assets						
1	**Financial Assets**						
(a)	Cash and cash equivalents	3,552.68	-	3,552.68	1,958.04	-	1,958.04
(b)	Other Bank Balances	5.06	756.23	761.29	4.68	1,050.00	1,054.68
(c)	Loans	47,237.54	1,96,972.23	2,44,209.77	56,713.87	1,50,554.33	2,07,268.20
(d)	Investments	529.26	-	529.26	-	-	-
(e)	Other Financial assets	3,784.74	2,869.94	6,654.68	2,769.74	193.21	2,962.95
	Total Financial Assets	**55,109.28**	**2,00,598.40**	**2,55,707.68**	**61,446.33**	**1,51,797.54**	**2,13,243.87**
2	**Non-financial Assets**						
(a)	Deferred tax Assets (Net)	-	373.56	373.56	-	1,357.51	1,357.51
(b)	Property, Plant and Equipment	383.42	1,214.50	1,597.92	348.24	1,287.96	1,636.20
(c)	Capital work-in-progress	6.83	-	6.83	2.48	-	2.48
(d)	Other Intangible assets	-	177.43	177.43	-	116.11	116.11
(e)	Other non-financial assets	255.49	1.57	257.06	145.99	-	145.99
	Total Non- Financial Assets	**645.74**	**1,767.06**	**2,412.80**	**496.71**	**2,761.58**	**3,258.29**
	Total Assets	**55,755.02**	**2,02,365.46**	**2,58,120.48**	**61,943.04**	**1,54,559.12**	**2,16,502.16**

(₹ in Lakh)

		March 31, 2025			March 31, 2024		
		Within 12 months	After 12 months	Total	Within 12 months	After 12 months	Total
	Liabilities						
1	**Financial Liabilities**						
(a)	Trade Payables						
	- Total outstanding dues of micro and small enterprises	11.09	-	11.09	12.90	-	12.90
	- Total outstanding dues of creditors other than micro and small enterprises	700.22	-	700.22	1,031.08	-	1,031.08
(b)	Debt Securities	5,697.19	50,570.65	56,267.84	3,766.04	23,238.11	27,004.15
(c)	Borrowings (Other than Debt Securities)	29,163.78	88,320.80	1,17,484.58	42,566.15	79,686.59	1,22,252.74
(d)	Lease liabilities	369.21	683.76	1,052.97	342.02	744.74	1,086.76
(e)	Other financial liabilities	2,029.04	209.37	2,238.41	1,992.19	255.05	2,247.24
	Total Financial Liabilities	**37,970.53**	**1,39,784.58**	**1,77,755.11**	**49,710.38**	**1,03,924.49**	**1,53,634.87**
2	**Non-Financial Liabilities**						
(a)	Provisions	105.29	170.26	275.55	71.89	123.34	195.23
(b)	Current tax liabilities	148.98	-	148.98	113.41	-	113.41
(c)	Other non-financial liabilities	198.17	-	198.17	239.35	-	239.35
	Total Non-Financial Liabilities	**452.44**	**170.26**	**622.70**	**424.65**	**123.34**	**547.99**
	Total Liabilities	**38,422.97**	**1,39,954.84**	**1,78,377.81**	**50,135.03**	**1,04,047.83**	**1,54,182.86**

Notes

to the Financial Statements for the year ended March 31, 2025 (Contd..)

40. RELATED PARTY DISCLOSURE

Name of Related Parties and description of Relationship

a. A person or a close member of that person's family is related to a reporting entity if that person:

i. has control or joint control of the reporting entity;
- None

ii. has significant influence over the reporting entity; or
- None

iii. is a member of the key management personnel of the reporting entity
- Mr. Manish Sheth
- Dr. Anup Shah
- Mr. V P Shetty
- Ms. Tara Subramaniam (ceased to be a director with effect from November 14, 2023 and appointed as an Independent Director w.e.f. November 15, 2023)
- Mr. Vishal Kampani (ceased to be Director of the Company w.e.f. September 30, 2024)

iv. is a member of the key management personnel of the ultimate holding entity
- Mr. Vishal Kampani

v. is a member of the key management personnel of a parent of the reporting entity
- Mr. V P Shetty
- Ms. Talha Salaria
- Mr. A Siddharth
- Mr. Munesh Khanna
- Mr. Dipti Neelakantan
- Dr. Anup Shah
- Mr. Atul Mehra (ceased to be Director of the Holding Company w.e.f. January 31, 2024)
- Mr. Vishal Kampani (ceased to be Director of the Holding Company w.e.f. September 30, 2024)

b. An entity is related to a reporting entity if any of the following conditions applies:

i. The entity and the reporting entity are members of the same group (which means that each parent, subsidiary and fellow subsidiary is related to the others).

Companies
- JM Financial Limited – Ultimate Holding Company
- JM Financial Products Limited - Holding Company
- JM Financial Asset Reconstruction Company Limited
- JM Financial Credit Solutions Limited
- JM Financial Services Limited
- JM Financial Commtrade Limited
- JM Financial Institutional Securities Limited
- JM Financial Properties and Holdings Limited
- CR Retail Malls (India) Limited
- Infinite India Investment Management Limited
- JM Financial Asset Management Limited

- JM Financial Securities, Inc.
- JM Financial Singapore Pte. Limited
- JM Financial Overseas Holdings Private Limited

Partnership Firm

- Astute Investments

Association of Persons (AOP)

- ARB Maestro

Trust

- Rail December 2024 Trust

ii. One entity is an associate or joint venture of the other entity (or an associate or joint venture of a member of a group of which the other entity is a member).

- JM Financial Trustee Company Private Limited (Trustee)

iii. Both entities are joint ventures of the same third party.

- None

iv. One entity is a joint venture of a third entity and the other entity is an associate of the third entity.

- None

v. The entity is a post-employment benefit plan for the benefit of employees of either the reporting entity or an entity related to the reporting entity. If the reporting entity is itself such a plan, the sponsoring employers are also related to the reporting entity.

- None

vi. The entity is controlled or jointly controlled by a person identified in (a).

- JM Financial and Investment Consultancy Services Private Limited
- JM Assets Management Private Limited
- JM Financial Trustee Company Private Limited
- JSB Securities Limited
- Kampani Consultants Limited
- Persepolis Investment Company Private Limited
- SNK Investments Private Limited
- Capital Market Publishers India Private Limited
- Kampani Properties and Holdings Limited
- DayOne Learning Solutions (OPC) Private Limited

vii. A person identified in (a)(i) has significant influence over the entity or is a member of the key management personnel of the entity (or of a parent of the entity).

- None

viii. The entity, or any member of a group of which it is a part, provides key management personnel services to the reporting entity or to the parent of the reporting entity.

- None

Notes

to the Financial Statements for the year ended March 31, 2025 (Contd..)

(i) Details of transactions with related parties

(₹ in Lakh)

Name of the related party	Nature of relationship	March 31, 2025	March 31, 2024
JM Financial Limited	(b)(i)		
Reimbursement of Expenses		0.45	0.24
Inter Corporate Deposit taken		10,000.00	8,500.00
Inter Corporate Deposit repaid		10,000.00	8,500.00
Interest on Inter Corporate Deposit taken		133.26	21.54
Gratuity liability transferred to		-	1.18
Gratuity Liability Transfer In		-	12.66
Reimbursement of ESOP		144.42	-
JM Financial Products Limited	(b)(i)		
Inter Corporate Deposit taken		24,500.00	40,500.00
Inter Corporate Deposit repaid		41,000.00	24,000.00
Interest on Inter Corporate Deposit taken		420.47	76.79
Sale of Loan Portfolio (including gain on sale)		4,237.11	11,257.41
Payment of Principal, Interest and Other Charges on Direct Assignment of identified Portfolio of retail mortgage loans		8,859.57	9,887.08
EMI for customers pertaining to both the entities inadvertently received at either end is being reimbursed		409.66	798.55
Servicer Fees for managing Loan Portfolio		18.19	20.06
Gratuity Paid		4.11	-
Dividend on equity shares paid		38.95	14.85
Reimbursement of expenses		2.24	2.12
Call money from partly paid-up Compulsory Convertible Debentures		-	6,766.03
Subscription to equity shares under rights issue		-	13,529.30
Subscription to equity shares under partly paid-up rights issue		9,737.00	-
Reimbursement of ESOP		61.02	510.88
Interest on Compulsory Convertible Debentures paid		-	580.62
JM Financial Credit Solutions Limited	(b)(i)		
Dividend on equity shares paid		3.89	1.48
Call money from partly paid-up Compulsory Convertible Debentures		-	675.20
Interest on Compulsory Convertible Debentures paid		-	57.94
Subscription to equity shares under rights issue		-	1,350.12
Subscription to equity shares under partly paid-up rights issue		971.68	-
Reimbursement of Expenses		-	0.10
JM Financial Services Limited	(b)(i)		
Space Cost reimbursed		-	4.54
JM Financial Asset Reconstruction Company Limited	(b)(i)		
Reimbursement of Expenses		0.19	0.18
CR Retail Malls (India) Limited	(b)(i)		
Inter Corporate Deposits taken		-	1,000.00
Inter Corporate Deposits paid		-	1,000.00
Interest on Inter Corporate Deposits paid		-	6.55

Name of the related party	Nature of relationship	March 31, 2025	March 31, 2024
Infinite India Investment Management Limited	(b)(i)		
Inter Corporate Deposits taken		–	2,000.00
Inter Corporate Deposits paid		–	2,000.00
Interest on Inter Corporate Deposits paid		–	13.11
Mr. Manish Sheth	(a)(iii)		
Call money from partly paid-up Compulsory Convertible Debentures		–	68.34
Interest on Compulsory Convertible Debentures paid		–	5.86
Subscription to equity shares under rights issue		–	136.66
Subscription to equity shares under partly paid-up rights issue		98.35	–
Remuneration		513.78	343.86
Dividend on equity shares paid		0.39	0.15
Mr. Vishal Kampani			
ESOP exercised	(a)(iii)	120.00	–
Dividend on equity shares paid		0.03	–
Subscription to equity shares under partly paid up rights issue	(a)(iv)	12.50	–
Mr. V P Shetty	(a)(iii)		
Sitting fees		4.50	5.00
Commission		4.75	4.25
Ms. Tara Subramaniam	(a)(iii)		
Sitting fees		2.30	3.10
Commission		3.50	3.00
Dr. Anup Shah	(a)(iii)		
Sitting fees		4.60	5.40
Commission		4.75	4.25

(ii) Balances of related parties:

(₹ in Lakh)

Name of the related party	Nature of relationship	March 31, 2025	March 31, 2024
Payables			
JM Financial Products Limited	(b)(i)	52.27	701.84
Mr. V P Shetty	(a)(iii)	4.75	4.25
Ms. Tara Subramaniam	(a)(iii)	3.50	3.00
Dr. Anup Shah	(a)(iii)	4.75	4.25
Mr. Manish Sheth	(a)(iii)	335.00	270.00
Borrowings and Debt Securities			
JM Financial Products Limited	(b)(i)	–	16,500.00
Security deposits refund received			
J.M. Financial and Investment Consultancy Services Private Limited	(b)(vi)	–	1.80
Receivables			
JM Financial Products Limited	(b)(i)	–	510.88

Notes

to the Financial Statements for the year ended March 31, 2025 (Contd..)

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

40 .2 The transactions disclosed above are exclusive of taxes.

40.3 The Company enters into transactions, arrangements and agreements involving directors, senior management 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.

41. FINANCIAL INSTRUMENTS

41.1 Capital Management

The Company manages its capital to ensure that the Company will be able to continue as going concern while maximizing the return to stakeholders through the optimization of the debt and equity balance.

For the purpose of the Company's capital management, capital includes issued capital and other equity reserves. The primary objective of the Company's Capital Management is to maximize shareholders value and minimize cost of capital. The Company manages its capital structure and makes adjustments in the light of changes in economic environment and the requirements of the financial covenants.

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

(₹ in Lakh)

Particulars	As at March 31, 2025	As at March 31, 2024
Gross debt	**1,73,752.42**	**1,49,256.89**
Less:		
Cash and cash equivalents	3,552.68	1,958.04
Other bank Balance	761.29	1,054.68
Adjusted net debt	**1,69,438.45**	**1,46,244.17**
Total equity	79,742.67	62,319.30
Adjusted net debt to equity ratio	**2.12**	**2.35**

In order to achieve this overall objective, the Company's capital management, amongst other things, aims to ensure that it meets financial covenants attached to the interest bearing loans and borrowings that define capital structure requirements. Breaches in financial covenants would permit the bank to immediately call loans and borrowings.

The Company is subject to capital adequacy ratio ("CAR") requirements which are prescribed by the NHB. (Refer note 49).

41.2 Fair Value

The following table combines information about:

- classes of financial instruments based on their nature and characteristics
- the carrying amounts of financial instruments
- fair values of financial instruments (except financial instruments when carrying amount approximates their fair value); and
- fair value hierarchy levels of financial assets and financial liabilities for which fair value was disclosed

Set out below, is a comparison by class of the carrying amounts and fair value of the Company's financial instruments, other than those with carrying amounts that are reasonable approximations of fair values:

1) Accounting Classification and fair values:

(₹ in Lakh)

As at March 31, 2025	Carrying Value			Fair Value			
	Amortised Cost	FVTPL	Total	Level 1	Level 2	Level 3	Total
Financial assets							
Cash and cash equivalents	3,552.68	-	3,552.68	-	-	-	-
Bank balance other than above	761.29	-	761.29	-	-	-	-
Loans	2,44,209.77	-	2,44,209.77	-	-	-	-
Investments	-	529.26	529.26	529.26	-	-	529.26
Other Financial Assets	6,654.68	-	6,654.68	-	-	-	-
Total	**2,55,178.42**	**529.26**	**2,55,707.68**	**529.26**	**-**	**-**	**529.26**
Financial liabilities							
Debt Securities	56,267.84	-	56,267.84	-	Note (a)	-	-
Borrowings	1,17,484.58	-	1,17,484.58	-	-	-	-
Trade payables	711.31	-	711.31	-	-	-	-
Lease liabilities	1,052.97	-	1,052.97	-	-	-	-
Other Financial Liabilities	2,238.41	-	2,238.41	-	-	-	-
Total	**1,77,755.11**	**-**	**1,77,755.11**	**-**	**-**	**-**	**-**

(₹ in Lakh)

As at March 31, 2024	Carrying Value			Fair Value			
	Amortised Cost	FVTPL	Total	Level 1	Level 2	Level 3	Total
Financial assets							
Cash and cash equivalents	1,958.04	-	1,958.04	-	-	-	-
Bank balance other than above	1,054.68	-	1,054.68	-	-	-	-
Loans	2,07,268.20	-	2,07,268.20	-	-	-	-
Other Financial assets	2,962.95	-	2,962.95	-	-	-	-
Total	**2,13,243.87**	**-**	**2,13,243.87**	**-**	**-**	**-**	**-**
Financial liabilities				-	-	-	-
Debt securities	27,004.15	-	27,004.15	-	Note (a)	-	-
Borrowings	1,22,252.74	-	1,22,252.74	-	-	-	-
Trade payables	1,043.98	-	1,043.98	-	-	-	-
Lease liabilities	1,086.76	-	1,086.76	-	-	-	-
Other Financial Liabilities	2,247.24	-	2,247.24	-	-	-	-
Total	**1,53,634.87**	**-**	**1,53,634.87**	**-**	**-**	**-**	**-**

Note (a)

For financial assets and liabilities measured at amortised cost, the Company considers that the carrying amount recognised in the financial statements approximate their fair values, except as under:

(₹ In Lakh)

Fixed rate debt securities	Carrying value		Fair value	
	31-Mar-25	31-Mar-24	31-Mar-25	31-Mar-24
Debt Securities	56,267.84	27,004.15	56,906.32	26,464.90

Note: Fair Value is determined by discounting the contractual cashflows using current market interest rates.

Notes

to the Financial Statements for the year ended March 31, 2025 (Contd..)

41.3 Financial risk management

The Company has exposure to the following risks arising from financial instruments:

- Credit Risk;
- Liquidity risk; and
- Market Risk (including interest rate risk)

Risk management framework

The Company has established the Risk Management Committee, which is responsible for developing and monitoring the Company's risk management policies. The committee reports 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, through its training and management standards and procedures, aims to maintain a disciplined and constructive control environment in which all employees understand their roles and obligations.

i) Credit risk

Credit risk is the risk of loss that may occur from the failure of any party to abide by the terms and conditions of any contract, principally the failure to make required payments of amounts due to us. In its lending operations, the Company is principally exposed to credit risk.

The Company has a systematic credit evaluation process monitoring the performance of its asset portfolio on a regular and continual basis to detect any material development, and constantly evaluate the changes and developments in sectors in which it has substantial exposure. The Company also undertakes periodic review of its entire asset portfolio with a view to determine the portfolio valuation, identify potential areas of action and devise appropriate strategies thereon.

In performing its credit assessment, the Company relies largely on information furnished by or on behalf of its borrowers, including financial information, based on which the Company performs its credit assessment. Any such information if materially misleading may increase the risk of default and could adversely impact the financial condition, financial results and/or operations of the Company.

The Company's current credit risk grading framework comprises the following categories:

Category	Description	Basis for recognising expected credit losses
Stage 1	Performing assets	12-month ECL
Stage 2	Under-performing assets	Lifetime ECL
Stage 3	Non-performing assets	Lifetime ECL – credit-impaired

The key elements in calculation of ECL are as follows:

PD - The Probability of Default is an estimate of the likelihood of default over a given time horizon. A default may only happen at a certain time over the assessed period, if the facility has not been previously derecognised and is still in the portfolio. The PD has been determined based on comparative external ratings.

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

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

For PD the Company has relied upon the PD data from external rating agencies. For Loss Given Default (LGD) the Company has relied on internal and external information.

The Company has made adjustments in ECL Model to consider the impact of the Covid-19 pandemic on the provision. The probability of default has been assessed considering the likelihood of increased credit risk and consequential default due to pandemic. The impact on collateral values is also assessed for determination of loss given default and reasonable haircuts are applied wherever necessary. The moratorium benefit wherever extended has been taken into consideration for staging of loans in the Model.

The table below shows the credit quality and the maximum exposure to credit risk based on the Group's internal credit rating system and year-end stage classification. The amounts presented are gross of impairment allowances.

(₹ in Lakh)

Category	As at March 31, 2025			
	Asset category	Gross Carrying Amount	Expected Credit Loss (Refer note 74)	Net Carrying Amount
Stage 1	Loan	2,34,677.94	1,859.70	2,32,818.24
Stage 2	Loan	11,415.62	1,458.42	9,957.20
Stage 3	Loan	2,228.16	793.83	1,434.33
Total		**2,48,321.72**	**4,111.95**	**2,44,209.77**

Note: The Company has used discounted cash flow methodology to determine provision for stage 3 assets.

(₹ in Lakh)

Category	As at March 31, 2024			
	Asset category	Gross Carrying Amount	Expected Credit Loss	Net Carrying Amount
Stage 1	Loan	2,03,581.66	1,559.20	2,02,022.46
Stage 2	Loan	5,677.19	1,044.50	4,632.69
Stage 3	Loan	1,445.42	832.37	613.05
Total		**2,10,704.27**	**3,436.07**	**2,07,268.20**

An analysis of change in the gross carrying amount and the corresponding ECL allowances in relation to loans:

(₹ in Lakh)

Particulars	2024-25			
	Stage 1	Stage 2	Stage 3	Total
Gross carrying amount opening balance	2,03,581.66	5,677.19	1,445.42	2,10,704.28
New assets originated or purchased	92,968.76	909.43	50.70	93,928.89
Assets derecognised or repaid (excluding write offs)	(53,903.14)	(849.55)	(880.54)	(55,633.23)
Transfers to Stage 1	2,093.62	(1,871.65)	(221.97)	-
Transfers to Stage 2	(8,163.60)	8,291.71	(128.11)	-
Transfers to Stage 3	(1,891.59)	(710.62)	2,602.21	-
Amounts written off during the year	(7.77)	(30.89)	(639.55)	(678.21)
Gross carrying amount closing balance	**2,34,677.94**	**11,415.62**	**2,228.16**	**2,48,321.73**

Notes

to the Financial Statements for the year ended March 31, 2025 (Contd..)

(₹ in Lakh)

Particulars	2023-24			
	Stage 1	Stage 2	Stage 3	Total
Gross carrying amount opening balance	1,33,660.76	3,426.70	1,096.20	**1,38,183.66**
New assets originated or purchased	1,05,246.72	416.13	82.18	**1,05,745.03**
Assets derecognised or repaid (excluding write offs)	(31,282.05)	(993.85)	(246.25)	**(32,522.15)**
Transfers to Stage 1	492.38	(359.35)	(133.03)	-
Transfers to Stage 2	(3,256.78)	3,374.86	(118.08)	-
Transfers to Stage 3	(1,279.36)	(187.31)	1,466.67	-
Amounts written off during the year	-	-	(702.26)	**(702.26)**
Gross carrying amount closing balance	**2,03,581.67**	**5,677.19**	**1,445.42**	**2,10,704.28**

(₹ in Lakh)

Particulars	2024-25			
	Stage1	Stage 2	Stage 3	Total
ECL allowance - opening balance	1,559.20	1,044.50	832.37	**3,436.07**
New assets originated or purchased	734.80	171.27	13.13	**919.20**
Assets derecognised or repaid (excluding write offs)	(514.57)	(239.63)	9.65	**(744.55)**
Transfers to Stage 1	165.82	(439.69)	(124.10)	**(397.97)**
Transfers to Stage 2	(63.47)	1,023.12	(71.86)	**887.79**
Transfers to Stage 3	(14.31)	(70.26)	751.12	**666.55**
Amounts written off during the year	(7.77)	(30.89)	(616.48)	**(655.14)**
ECL allowance - closing balance	**1,859.70**	**1,458.42**	**793.83**	**4,111.95**

(₹ in Lakh)

Particulars	2023-24			
	Stage1	Stage 2	Stage 3	Total
ECL allowance - opening balance	1,544.37	1,029.48	572.01	**3,145.86**
New assets originated or purchased	843.16	44.83	32.14	**920.13**
Changes to inputs used in the previous year for ECL calculation	(538.21)	(46.62)	(277.76)	**(862.59)**
Assets derecognised or repaid (excluding write offs)	(233.95)	(167.80)	467.79	**66.04**
Transfers to Stage 1	4.82	(44.56)	(68.64)	**(108.38)**
Transfers to Stage 2	(46.99)	281.09	(58.11)	**175.99**
Transfers to Stage 3	(14.00)	(51.92)	768.90	**702.98**
Amounts written off during the year	-	-	(603.96)	**(603.96)**
ECL allowance - closing balance	**1,559.20**	**1,044.50**	**832.37**	**3,436.07**

Collateral held:

The Company holds collateral and other credit enhancement against certain of its credit exposures.

The following table sets out the principal types of collateral held against different types of financial assets.

Instrument Type	% of exposure	Principal type of collateral held
Loans	100%	Properties

Assets possessed under Securitisation and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002

Loan Portfolio includes gross loans amounting to ₹ 403.66 lakh (31 March 2024: ₹ 477.61 lakh), out of which ₹ 29.60 lakh (31 March 2024: ₹ 00.02 lakh) pertains to retained portion of loans from the assigned portfolio, against which the Company has taken possession of the properties under Securitisation and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002 and held such properties for disposal. The value of assets possessed against these loans is ₹ 1,717.14 lakh (31 March 2024: ₹ 1,168.86 lakh). Value of repossessed assets for loans written off is ₹ 602.39 lakh (31 March 2024: ₹ 427.77 lakh).

ii) Liquidity risk

Liquidity risk is the current and prospective risk arising out of an inability to meet financial commitments as they fall due, through available cash flows or through the sale of assets at fair market value. It includes both, the risk of unexpected increases in the cost of funding an asset portfolio at appropriate maturities and the risk of being unable to liquidate a position in a timely manner at a reasonable price.

The Company manages liquidity risk by maintaining sufficient cash and by having access to funding through an adequate amount of committed credit lines. Given the need to fund diverse products, the Company maintains flexibility in funding by maintaining availability under committed credit lines to meet obligations when due. Management regularly monitors the position of cash and cash equivalents vis-à-vis projections. Assessment of maturity profiles of financial assets and financial liabilities including debt financing plans and maintenance of Balance Sheet liquidity ratios are considered while reviewing the liquidity position.

We manage liquidity risk in accordance with our Asset Liability Management Policy. This policy is framed as per the current regulatory guidelines and is approved by the Board of Directors. The Asset Liability Management Policy is reviewed periodically to incorporate changes as required by regulatory stipulation or to realign the policy with changes in the economic landscape. The Asset Liability Committee (ALCO) of the Company formulates and reviews strategies and provides guidance for management of liquidity risk within the framework laid out in the Asset Liability Management Policy.

The Company has undrawn lines of credit of ₹ 3,000 Lakh & ₹ 10,884.83 Lakh, as of March 31, 2025 and March 31, 2024 respectively, from its bankers for working capital requirements.

Exposure to liquidity risk

The following are the details of Company's remaining contractual maturities of financial liabilities and assets at the reporting date.

(₹ in Lakh)

As at March 31, 2025	Contractual cash flows				
	Carrying amount	0-1 year	1-3 years	3-5 years	More than 5 years
Financial liabilities					
Trade Payables	711.31	711.31	-	-	-
Debt Securities	56,267.84	5,697.19	39,744.09	10,826.56	-
Borrowings	1,17,484.58	29,163.78	48,724.39	22,591.18	17,005.23
Lease Liabilities	1,052.97	369.22	571.69	112.06	-
Other financial liabilities	2,238.41	2,029.03	-	-	209.38
Total	**1,77,755.11**	**37,970.53**	**89,040.17**	**33,529.80**	**17,214.61**
Financial Assets					
Cash and cash equivalents	3,552.68	3,552.68	-	-	-
Bank Balance other than above	761.29	5.06	756.23	-	-
Loans	2,44,209.77	47,237.54	91,885.99	16,166.10	88,920.14
Investments	529.26	529.26	-	-	-
Other Financial assets	6,654.68	3,784.74	1,474.05	1,018.83	377.06
Total	**2,55,707.68**	**55,109.28**	**94,116.27**	**17,184.93**	**89,297.20**

Notes

to the Financial Statements for the year ended March 31, 2025 (Contd..)

(₹ in Lakh)

As at March 31, 2024	Contractual cash flows				
	Carrying amount	0-1 year	1-3 years	3-5 years	More than 5 years
Financial liabilities					
Trade Payables	1,043.98	1,043.98	-	-	-
Debt Securities	27,004.15	3,766.05	17,489.59	5,748.51	-
Borrowings	1,22,252.74	42,566.15	46,495.36	23,486.52	9,704.71
Lease Liabilities	1,086.76	342.02	526.03	218.71	-
Other financial liabilities	2,247.24	1,992.19	-	-	255.05
Total	**1,53,634.87**	**49,710.39**	**64,510.98**	**29,453.74**	**9,959.76**
Financial Assets					
Cash and cash equivalents	1,958.04	1,958.04	-	-	-
Bank Balance other than above	1,054.68	4.68	-	1,050.00	-
Loans	2,07,268.20	56,713.87	1,11,307.22	12,558.82	26,688.29
Other Financial assets	2,962.95	2,769.74	103.22	89.99	-
Total	**2,13,243.87**	**61,446.33**	**1,11,410.44**	**13,698.81**	**26,688.29**

The inflows/(outflows) disclosed in the above table represent the contractual cash flows relating to financial liabilities held for risk management purposes and which are not usually closed out before contractual maturity.

Contractual maturities of financial liabilities based on undiscounted cash flows:

(₹ in Lakh)

As at March 31, 2025	Carrying amount	Total	0-1 year	1-3 years	3-5 years	More than 5 years
			April 25 to March 26	April 26 to March 28	April 28 to March 30	April 30 onwards
Financial liabilities						
Trade Payables	711.31	711.31	711.31	-	-	-
Debt Securities	56,267.84	56,557.51	5,807.51	39,750.00	11,000.00	-
Borrowings	1,17,484.58	1,17,709.14	29,268.95	48,814.42	22,615.91	17,009.86
Lease Liabilities	1,052.97	1,205.90	447.15	639.89	118.86	-
Other financial liabilities	2,238.41	2,238.41	2,029.03	-	-	209.38
Total	**1,77,755.11**	**1,78,422.27**	**38,263.95**	**89,204.31**	**33,734.77**	**17,219.24**

(₹ in Lakh)

As at March 31, 2024	Carrying amount	Total	0-1 year	1-3 years	3-5 years	More than 5 years
			April 24 to March 25	April 25 to March 27	April 27 to March 29	April 29 onwards
Financial liabilities						
Trade Payables	1,043.98	1,043.98	1,043.98	-	-	-
Debt Securities	27,004.15	27,028.08	3,778.08	17,500.00	5,750.00	-
Borrowings	1,22,252.74	1,22,557.32	42,697.27	46,637.24	23,511.75	9,711.06
Lease Liabilities	1,086.76	1,264.19	422.73	612.07	229.39	-
Other financial liabilities	2,247.24	2,247.24	1,992.19	-	-	255.05
Total	**1,53,634.87**	**1,54,140.81**	**49,934.25**	**64,749.31**	**29,491.14**	**9,966.11**

iii) Market risk

The Company is exposed to interest rate risk as it has assets based on floating interest rates as well. The Company has an approved Asset and Liability Management Policy which empowers the Asset and Liability Management Committee (ALCO) to assess the interest rate risk run by it and provide appropriate guidelines to the Treasury to manage the risk. The ALCO reviews the interest rate risk on periodic basis and decides on the asset profile and the appropriate funding mix. The ALCO reviews the interest rate gap statement and the interest rate sensitivity analysis.

iv) Interest rate risk

The Company's interest income from lending is dependent upon interest rates and their movement. Interest rates are highly sensitive to many factors beyond the control of the Company, including the monetary policies of the RBI, deregulation of the financial sector in India, domestic and international economic and political conditions, inflation and other factors. Due to these factors, interest rates in India have historically experienced a relatively high degree of volatility. Consequently, there can be no assurance that significant interest rate movements will not have an adverse effect on the Company's financial results and/or operations.

Exposure to interest rate risk

The Company's exposures to interest rates on financial assets and financial liabilities are detailed in the liquidity risk management section of this note.

(₹ in Lakh)

Particulars	March 31, 2025	March 31, 2024
Financial assets		
Fixed-rate instruments	725.24	990.15
Floating-rate instruments	2,45,493.95	2,07,949.39
Total	**2,46,219.19**	**2,08,939.54**
Financial liabilities		
Fixed-rate instruments	66,510.77	55,519.70
Floating-rate instruments	1,04,106.13	92,479.03
Total	**1,70,616.90**	**1,47,998.73**

Fair value sensitivity analysis for Floating-rate instruments

The sensivity analysis below have been determined based on exposure to the interest rates for financial instruments at the end of the reporting period and the stipulated change taking place at the beginning of the financial year and held constant throughout the reporting period in case of instruments that have floating rates. A 100 basis points increase or decrease is used when reporting interest rate risk internally to key management personnel and represents management's assessment of the reasonably possible change in interest rates.

If interest rates had been 100 basis points higher or lower and all other variables were constant, the Company's profit before tax would have changed by the following:

(₹ in Lakh)

Particulars	March 31, 2025		March 31, 2024	
	100 bps higher	100 bps lower	100 bps higher	100 bps lower
Floating rate borrowings	1,041.06	(1,041.06)	924.79	(924.79)
Floating rate loans	2,454.94	(2,454.94)	2,079.49	(2,079.49)
	3,496.00	**(3,496.00)**	**3,004.28**	**(3,004.28)**

Notes

to the Financial Statements for the year ended March 31, 2025 (Contd..)

42. Registration of charges or satisfaction with Registrar of Companies

There are no charges or satisfaction which are yet to be registered with the Registrar of Companies beyond the statutory period.

43. Details of expenses towards Corporate Social Responsibility as per Section 135 of the Companies Act, 2013 read with Schedule VII

(₹ in Lakh)

Sr. No.	Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
a)	Gross amount required to be spent by the Group during the year.	78.00	51.00
b)	Amount Spent:		
	In Cash	78.00	51.00
	Yet to be paid in cash	-	-
	Total	**78.00**	**51.00**
i	Construction/Acquisition of any asset	-	-
ii	On purposes other than (i) above	78.00	51.00

44. The Board of Directors of the Company at their meeting held on April 29, 2025 have recommended a dividend of Re. 0.01 per share for the financial year 2024-25, subject to the approval of the Members at their ensuing Annual General Meeting.

45. Unhedged Foreign Currency Exposure

(₹ in Lakh)

Particulars	Unhedged			Hedged through forward or derivative (#)			Natural Hedge
	</=1 Year	>1 Year	Total	</=1 Year	> Year	Total	</=1 Year
FCY Receivables							
Export	-	-	-	-	-	-	-
Loans to JV/WOS	-	-	-	-	-	-	-
Others	-	-	-	-	-	-	-
FCY Payables							
Imports	-	-	-	-	-	-	-
Trade Credits	-	-	-	-	-	-	-
ECBs	-	-	-	-	-	-	-
Other FCY loans	-	-	-	-	-	-	-
INR to USD swaps	-	-	-	-	-	-	-
Total	**-**	**-**	**-**	**-**	**-**	**-**	**-**

#Note: Covered Option(s) is/are not included

The Company has no foreign currency denominated assets and liabilities. Accordingly, there is no exposure to currency risk.

The below disclosures required pursuant to RBI Circulated dated February 17, 2021, (as amended) are prepared after giving effect required to comply with extant provision of National Housing Bank directions including framework on Prudential Norms and other related circulars.

46. Additional disclosures:

a. **Wilful Defaulter:** The Company has not been declared wilful defaulter by any bank or financial institutions or government or any government authority.

b. **Relationship with struck off Companies:** The Company has no transactions with the companies struck off under the Companies Act, 2013.

c. **Details of benami property held:** No proceedings have been initiated on or are pending against the Company for holding benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and Rules made there under.

d. **Compliance with number of layers of Companies :** The Company has complied with the number of layers prescribed under the Companies Act, 2013.

e. **Compliance with approved scheme(s) of arrangements :** The Company has not entered into any scheme of arrangement which has an accounting impact on current or previous financial year.

f. **Utilisation of Borrowed funds and Share premium:**

a) During the year, the Company has not advanced or loaned or invested funds (either borrowed funds or share premium or any other sources or kind of funds) to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding (whether recorded in writing or otherwise) that the Intermediary shall:

(i) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries); or

(ii) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.

b) During the year, the Company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:

(i) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries); or

(ii) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.

g. **Undisclosed Income :** There is no income surrendered or disclosed as income during the current or previous year in the tax assessments under the Income Tax Act, 1961, that has not been recorded in the books of account.

h. **Details of crypto currency or virtual currency :** The Company has not traded or invested in crypto currency or virtual currency during the current or previous year.

i. **Valuation of Property, Plant and Equipment, intangible asset and investment property :** The Company has not revalued its property, plant and equipment (including right of use assets) or intangible assets during the current or previous year.

The below disclosures (from note 47 to note 81) as required in terms of Master Direction – Non-Banking Financial Company – Housing Finance Company (Reserve Bank) Directions, 2021, RBI/2020-21/73 DOR.FIN. HFC.CC.No.120 /03.10.136/2020-21, 17 February, 2021 and RBI/2022-23/26 DOR ACC.REC.No.20/21.04.018/ 2022-23, 19 April, 2022 (as amended) have been prepared in compliance with Indian Accounting Standards (Ind AS).

Notes

to the Financial Statements for the year ended March 31, 2025 (Contd..)

47. Breakup of Loans & Advances and Provision in respect of standard, sub-standard, doubtful and loss assets are recorded in accordance with Companies policy as stated in note

(₹ in lakh)

	Housing loans	Non-housing loans	Housing loans	Non-housing loans
	For the year ended March 31, 2025		For the year ended March 31, 2024	
Standard Asset				
Total outstanding amount	1,56,684.85	89,408.70	1,35,958.54	73,300.31
Provisions	1,672.89	1,645.21	1,345.41	1,258.28
Sub-standard assets				
Total outstanding amount	1,324.91	872.81	820.68	572.66
Provisions	469.87	306.72	473.46	327.56
Doubtful assets - Category I				
Total outstanding amount	27.95	2.13	27.56	24.25
Provisions	15.82	1.21	16.61	14.58
Doubtful assets - Category II				
Total outstanding amount	0.24	0.12	0.15	0.11
Provisions	0.14	0.07	0.09	0.07
Doubtful assets - Category III				
Total outstanding amount	-	-	-	-
Provisions	-	-	-	-
Loss Assets*				
Total outstanding amount	0.01	-	0.01	-
Provisions	0.01	-	0.01	-
Total				
Total outstanding amount	1,58,037.96	90,283.75	1,36,806.94	73,897.33
Provisions	2,158.73	1,953.21	1,835.58	1,600.49

*Loss assets represents amount of ₹ 0.01 Lakh (Previous Year ₹ 0.01 Lakh) related to fraud.

Note: Provision includes provision on undisbursed loan commitment amounting to ₹ 67.52 Lakh as at March 31, 2025 and ₹ 60.67 Lakh as at March 31, 2024.

48. Reserve Fund u/s 29C of NHB Act, 1987

(₹ in lakh)

Particulars	As at March 31, 2025	As at March 31, 2024
Balance at the beginning of the year		
a) Statutory reserves (as per Section 29C of The National Housing Bank Act, 1987)	505.54	346.30
b) Amount of special reserve under Section 36(1)(viii) of the Income Tax Act, 1961 taken into account for the purpose of statutory reserve under Section 29C of the NHB Act, 1987.	1,174.40	537.42
Addition / appropriation / withdrawals during the year		
Add: -		
a) Amount transferred as per Section 29C of The National Housing Bank Act, 1987.	236.81	159.24
b) Amount of special reserve under Section 36(1)(viii) of the Income Tax Act, 1961 taken into account for the purpose of statutory reserve under Section 29C of the NHB Act, 1987.	947.25	636.98
Less: -		
a) Amount appropriated as per Section 29C of The National Housing Bank Act, 1987.	-	-
b) Amount withdrawn from special reserve under Section 36(1)(viii) of the Income Tax Act, 1961 taken into account for the purpose of statutory reserve under Section 29C of the NHB Act, 1987.	-	-
Balance at the end of the year		
a) Statutory reserves (as per Section 29C of The National Housing Bank Act, 1987).	742.35	505.54
b) Amount of special reserve under Section 36(1)(viii) of the Income Tax Act, 1961 taken into account for the purpose of statutory reserve under Section 29C of the NHB Act, 1987.	2,121.65	1,174.40
Total	**2,864.00**	**1,679.94**

Note: During FY 2024-25, there were no draw down from Reserves.

49. Regulatory Capital, Exposure to Real Estate, Assets Liability Management and Loans granted against the collateral of gold jewellery

I. Capital Risk Asset Ratio (CRAR)

(₹ in lakh)

Particulars	As at March 31, 2025	As at March 31, 2024
Tier I Capital	72,850.35	57,517.98
Tier II Capital	2,299.89	1,891.14
Total Capital	**75,150.24**	**59,409.12**
Total Risk Weighted Assets	**1,83,990.97**	**1,51,291.45**
CRAR - Tier I capital (%)	39.59%	38.02%
CRAR - Tier II capital (%)	1.25%	1.25%
CRAR (%)	**40.84%**	39.27%
Amount of subordinated debt raised as Tier - II capital	**Nil**	**Nil**
Amount raised by issue of Perpetual Debt Instruments	**Nil**	**Nil**

Notes

to the Financial Statements for the year ended March 31, 2025 (Contd..)

II. Exposure to Real Estate Sector

(₹ in Lakh)

	Category	As at March 31, 2025	As at March 31, 2024
A)	**Direct Exposure**		
(a)	**Residential Mortgages-**		
	Lending fully secured by mortgage on residential property that is or will be occupied by the borrower:	2,43,936.00	2,05,544.25
(i)	**Commercial Real Estate-**		
	Lending secured by mortgages on commercial real estates	310.61	1,759.41
	Exposure would also include non-fund based (NFB) Limits		
(ii)	**Investment in Mortgage Backed Securities (MBS) and other securitised exposures-**		
	a) Residential	-	-
	b) Commercial Real Estate	-	-
B)	**Indirect Exposure**		
(i)	Funded and Non-funded Exposures on National Housing Bank and Housing Finance Companies (HFCs)	-	-
	Total Exposure	**2,44,246.61**	**2,07,303.66**

Note: Above exposure exclude provision on undisbursed loan commitment amounting to ₹ 36.84 Lakh as at March 31, 2025 and ₹ 35.46 Lakh as at March 31, 2024.

III. Asset Liability Management

Maturity Pattern of certain items of Assets and Liabilities as at March 31, 2025: -

(₹ in Lakh)

Particulars	Liabilities		Assets	
	Borrowings from Banks	Market Borrowings	Advances	Investments
1 day to 7 days	2,379.42	329.35	3,128.44	529.26
8 days to 14 days	-	-	1,361.35	-
15 days to 30/31 days (1 month)	2,552.94	0.96	1,679.13	-
Over 1 month and up to 2 months	1,239.92	292.95	3,709.90	-
Over 2 months and up to 3 months	1,658.15	452.12	3,714.25	-
Over 3 months and up to 6 months	7,004.12	2,836.21	11,170.87	-
Over 6 months and up to 1 year	12,623.14	3,491.70	22,473.60	-
Over 1 year and up to 3 years	45,407.27	43,061.20	91,885.99	-
Over 3 years and up to 5 years	16,374.70	17,043.03	16,166.10	-
Over 5 years	12,498.30	4,506.93	88,920.14	-
Grand Total	**1,01,737.96**	**72,014.45**	**2,44,209.77**	**529.26**

Maturity Pattern of certain items of Assets and Liabilities as at March 31, 2024: -

(₹ in Lakh)

Particulars	Liabilities		Assets	
	Borrowings from Banks	Market Borrowings	Advances	Investments
1 day to 7 days	3,548.33	9.30	2,799.17	-
8 days to 14 days	-	-	1,504.29	-
15 days to 30/31 days (1 month)	2,584.22	646.02	2,149.87	-
Over 1 month and up to 2 months	1,237.91	16,748.12	4,553.58	-
Over 2 months and up to 3 months	1,428.12	508.80	4,557.24	-
Over 3 months and up to 6 months	6,242.13	463.74	13,693.36	-
Over 6 months and up to 1 year	11,648.30	700.59	27,456.36	-
Over 1 year and up to 3 years	49,374.32	14,610.64	1,11,307.22	-
Over 3 years and up to 5 years	24,533.89	4,701.15	12,558.82	-
Over 5 years	9,704.70	-	26,688.29	-
Grand Total	**1,10,301.92**	**38,388.36**	**2,07,268.20**	**-**

Notes:

1) In computing above information, certain estimates, assumptions and adjustments have been made by the Management which have been relied upon by the auditor based on behavioral pattern.

2) The above statement includes only certain items of assets and liabilities (as stipulated in Annex IV of Master Direction Non – Banking Financial Company – Housing Finance Company (Reserve Bank) Directions, 2021 dated February 17, 2021 issued by Reserve Bank of India) and therefore does not reflect the complete asset liability maturity pattern of the Company.

3) The Company does not have any Foreign Currency Assets or Liabilities. Also, the Company has not accepted any deposits.

IV. Percentage of outstanding loans granted against the collateral of gold jewellery to their outstanding total assets

The Company does not grant any loan against gold jewellery as collateral.

50. Disclosure of penalties imposed by NHB/RBI and other regulators

During the financial year 2024-25, penalty of ₹ 1.50 lakh was imposed by RBI. No penalty was imposed by NHB or any other regulators in the previous year.

51. Investments

Please refer note no.7 for the relevant disclosures.

52. Details of Single Borrower Limit (SGL) / Group Borrower Limit (GBL) exceeded by the HFC

The Company has not exceeded Single Borrower Limit (SGL) / Group Borrower Limit (GBL) during the financial year ended March 31, 2025.

Notes

to the Financial Statements for the year ended March 31, 2025 (Contd..)

53. Provisions and Contingencies (Break up of 'Provisions and Contingencies' shown under the head Expenditure in Statement of Profit and Loss Account)

(₹ in Lakh)

	Particulars	31-March-2025	31-March-2024
1.	Provision for depreciation on investment	–	–
2.	Provision made towards income tax (net of reversal of tax of earlier years)	1,120.00	1,210.00
3.	Provision towards NPAs	616.60	864.35
4.	Provision for standard assets		
	(i) Commercial Real Estates - Residential Housing (CRE-RH)	–	–
	(ii) All other Commercial Real Estates (CRE)	(41.09)	(87.18)
	(iii) Others	755.50	117.03
5.	Other provisions and contingencies		
	(a) Gratuity	59.54	22.93
	(b) Compensated absence	40.61	(55.18)
	(c) Provision for expenses	–	–

54. Concentration of Non-Performing Assets (NPA)

(₹ in Lakh)

Particulars	As at March 31, 2025	As at March 31, 2024
Total exposure to top ten NPA accounts	453.05	415.47

55. Sector wise NPAs Provisions and Contingencies

Particulars	As at March 31, 2025	As at March 31, 2024
	(% of NPA to Total Advances in sector)	
a. Housing Loans:		
(I) Individuals	0.86%	0.62%
(II) Builders / Project Loans	-	-
(III) Corporates	-	-
(IV) Others	-	-
b. Non-Housing loans		
(I) Individuals	0.94%	0.83%
(II) Builders / Project Loans	-	-
(III) Corporates	-	-
(IV) Others	0.03%	0.27%

56. Movement of NPAs

(₹ in Lakh)

Particulars	As at March 31, 2025	As at March 31, 2024
(I) Net NPAs to Net Advances (%)	0.59%	0.30%
(II) Movement of Gross NPAs (Gross)		
(a) Opening balance	1,445.42	1,096.20
(b) Additions during the year	4,305.47	2,662.24
(c) Reductions during the year	3,522.72	2,313.02
(d) Closing balance	2,228.17	1,445.42
(III) Movement of Net NPAs		
(a) Opening balance	613.05	524.19
(b) Additions during the year	2,771.59	1,206.59
(c) Reductions during the year	1,950.31	1,117.73
(d) Closing balance	1,434.33	613.05
(IV) Movement of provisions for NPAs		
(a) Opening balance	832.38	572.01
(b) Additions during the year	1,533.87	1,455.65
(c) Reductions during the year	1,572.41	1,195.28
(d) Closing balance	793.84	832.38

57. Overseas assets.

The Company has not held any overseas assets as on reporting date (Previous Year - Nil).

58. Off-Balance Sheet SPVs sponsored (which are required to be consolidated as per accounting norms)

The Company does not have any off-balance sheet Special Purpose Vehicle (SPV) sponsored in current year and previous year which are required to be consolidated as per accounting norms.

59. Disclosure of Complaints

Customer Complaints

Particulars	As at March 31, 2025	As at March 31, 2024
(a) No. of complaints pending at the beginning of the year	-	-
(b) No. of complaints received during the year	21	24
(c) No. of complaints redressed during the year	21	24
(d) No. of complaints pending at the end of the year	-	-

Top five grounds of complaints received by the Company from customers

March 31, 2025					
Grounds of complaints, (i.e. complaints relating to)	Number of complaints pending at the beginning of the year	Number of complaints received during the year	% increase/ decrease in the number of complaints received over the previous year	Number of complaints pending at the end of the year	Of 5, number of complaints pending beyond 30 days
1	2	3	4	5	6
Ground – 1	–	–	(100.00%)	–	–
Ground – 2	–	3	(25.00%)	–	–
Ground – 3	–	10	(23.08%)	–	–
Ground – 4	–	5	100.00%	–	–
Ground – 5	–	–	–	–	–
Others	–	3	(25.00%)	–	–
Total	**–**	**21**	**(12.50%)**	**–**	**–**

Notes

to the Financial Statements for the year ended March 31, 2025 (Contd..)

March 31, 2024					
Grounds of complaints, (i.e. complaints relating to)	Number of complaints pending at the beginning of the year	Number of complaints received during the year	% increase/ decrease in the number of complaints received over the previous year	Number of complaints pending at the end of the year	Of 5, number of complaints pending beyond 30 days
1	2	3	4	5	6
Ground – 1	–	3	(40.00%)	–	–
Ground – 2	–	4	(50.00%)	–	–
Ground – 3	–	13	160.00%	–	–
Ground – 4	–	–	–	–	–
Ground – 5	–	–	–	–	–
Others	–	4	300.00%	–	–
Total	**–**	**24**	**26.32%**	**–**	**–**

Ground – 1 includes Complaints relating to PMAY subsidy related
Ground – 2 includes Complaints relating to Loan foreclosure/rejection related
Ground – 3 includes Complaints relating to Terms of loan/disbursement related
Ground – 4 Recovery Agents/ Direct Sales Agents;
Others

60. Exposure to Capital Market

The Company has no exposure to capital market directly or indirectly in the current and previous year.

61. (a) Exposure to group companies engaged in real estate business

The Company has no exposure to group companies engaged in real estate business directly or indirectly in the current and previous year.

61. (b) Intragroup Exposure

The Company has no intra-group exposures directly or indirectly in the current and previous year.

62. Securitisation

During the year the Company has not entered into any securitisation deal. Accordingly, no disclosure is required pursuant to Notification No. NHB/HFCCG-DIR.1 /MD&CEO/2016.

63. Purchase and sale of non-performing financial assets

During the year the Company has not entered in deal of purchase and sale of NPAs from/to other HFCs, accordingly no disclosure is made pursuant to Notification No. NHB/HFCCG-DIR.1 /MD&CEO /2016.

64. Registration obtained from other financial regulator

The Company is registered with NHB and has all its operations in India. The Company is acting as a corporate agent (composite) and is registered with the Insurance Regulatory and Development Authority of India (IRDAI) vide registration number CA0991 dated November 06,2024.

65. Unsecured advances

The Company has not financed any unsecured advances against intangible securities such as rights, licenses, authority etc. as collateral security.

66. Details of financing parent Company products.

The Company does not have any financing of Parent Company products during the current and previous year.

67. Concentration of Public Deposits

The Company is non-public deposit taking housing finance Company and has not accepted any public deposits during the current and previous year.

68. Concentration of Loans & Advances

(₹ in Lakh)

Particulars	As at March 31, 2025	As at March 31, 2024
Total Loans & Advances of twenty largest borrowers	2,385.91	2,723.01
Percentage of Loans & Advances of twenty largest borrowers to total advances of the HFC	0.96%	1.29%

69. Concentration of all Exposure (including off-balance sheet exposure)

(₹ in Lakh)

Particulars	As at March 31, 2025	As at March 31, 2024
Total Exposure to twenty largest borrowers / customers	2,704.49	2,995.24
Percentage of exposure to twenty largest borrowers / customers to total exposure of the HFC on borrowers / customers.	1.01%	1.29%

70. Derivatives

The Company has not entered into any derivative / forward rate agreement / interest rate swap / exchange traded interest rate derivative during the current year and previous year.

The Company has no unhedged foreign currency exposure on March 31, 2025 (P.Y. - Nil)

71. Rating assigned by rating agency during the year

The Company has obtained credit rating from two credit rating agencies during the year.

Facilities	ICRA	CRISIL
Non-Convertible Debenture	(ICRA) AA (Stable)	CRISIL AA (Stable)
Bank Lines	(ICRA) AA (Stable)	CRISIL AA (Stable)
Commercial Paper	(ICRA) A1+ (Stable)	-

72. Remuneration of Directors

(₹ in Lakh)

	Particulars	As at March 31, 2025	As at March 31, 2024
i)	Mr. V P Shetty	9.25	9.25
ii)	Ms. Tara Subramaniam	5.80	6.10
iii)	Dr. Anup Shah	9.35	9.65

Note: The above remuneration is relating to Director's sitting fees & commission excluding GST.

73. Loans granted by the Company are secured by equitable mortgage/registered mortgage of the property and/or undertaking to create a security and/or personal guarantees and/or hypothecation of assets and/or assignments of life insurance policies. The process of security creation was in progress for loans to the extent of ₹ 10,559.39 Lakh as at March 31, 2025 (as at March 31, 2024 ₹ 12,824.01 Lakh).

Notes

to the Financial Statements for the year ended March 31, 2025 (Contd..)

74. Sectoral Exposure

(₹ in lakh)

Sectors	As at March 31, 2025			As at March 31, 2024		
	Total Exposures (includes on balance sheet & off balance sheet exposures)	Gross NPA's	Percentage of Gross NPAs to total exposures in that sector	Total Exposures (includes on balance sheet & off-balance sheet exposures)	Gross NPA's	Percentage of Gross NPAs to total exposures in that sector
Personal Loans						
i) Housing Loans	1,71,217.26	1,353.13	0.79%	1,54,754.13	848.40	0.55%
ii) Non-Housing Loans	96,607.16	875.04	0.91%	78,308.23	597.02	0.76%
Total of Personal Loans	**2,67,824.42**	**2,228.17**	**0.83%**	**2,33,062.36**	**1,445.42**	**0.62%**

75. Management

Refer to the Management Discussion and Analysis report for the relevant disclosures.

76. Net Profit or Loss for the period, prior period items and changes in accounting policies

There are no prior period items that have impact on the current year's profit and loss.

77. Revenue Recognition

There have been no instances in which revenue recognition has been postponed pending the resolution of significant uncertainties.

78. Ind As 110 – Consolidated Financial Statements (CFS)

The Company does not have any subsidiary, associate or joint venture accordingly CFS is not applicable.

79. Significant Accounting Policy

The accounting policies are disclosed as note 2 and 3 of the Financial Statement for the year ended March 31, 2025.

80. Related party transactions

Details of all material transactions with related parties are disclosed in note.40.

80. Related party transactions

As at March 31, 2025

(₹ in Lakh)

Related Party	Parent (as per ownership or control)		Subsidiaries*		Associates/ Joint Ventures		Key Management Personnel		Relatives of Key Management Personnel		Others		Total	
Items	Maximum Value	Outstanding Balance	Maximum Value	Outstanding Balance	Maximum Value	Outstanding Balance	Maximum Value	Outstanding Balance	Maximum Value	Outstanding Balance	Maximum Value	Outstanding Balance	Maximum Value	Outstanding Balance
Borrowings	13,000.00	-	-	-	-	-	-	-	-	-	-	-	13,000.00	-
Sale of fixed/other assets	4,237.11	-	-	-	-	-	-	-	-	-	-	-	4,237.11	-
Interest paid	208.43	-	-	-	-	-	-	-	-	-	-	-	208.43	-
Others	588.41	-	3.97	-	-	-	514.20	335.00	-	-	-	-	1,106.58	335.00
Payment of Principal, Interest and other Charges on Direct Assignment of identified -Portfolio of retail mortgage loans	1,097.09	52.27	-	-	-	-	-	-	-	-	-	-	1,097.09	52.27
Subscription to right shares	9,737.00	-	971.68	-	-	-	110.85	-	-	-	-	-	10,819.53	-
ESOP exercised	-	-	-	-	-	-	60.00	-	-	-	-	-	60.00	-

* Includes fellow subsidiaries

As at March 31, 2024

(₹ in Lakh)

Related Party	Parent (as per ownership or control)		Subsidiaries*		Associates/ Joint Ventures		Key Management Personnel		Relatives of Key Management Personnel		Others		Total	
Items	Maximum Value	Outstanding Balance	Maximum Value	Outstanding Balance	Maximum Value	Outstanding Balance	Maximum Value	Outstanding Balance	Maximum Value	Outstanding Balance	Maximum Value	Outstanding Balance	Maximum Value	Outstanding Balance
Borrowings	20,500.00	16,500.00	3,000.00	-	-	-	-	-	-	-	-	-	23,500.00	16,500.00
Sale of fixed/other assets	11,257.41	-	-	-	-	-	-	-	-	-	-	-	11,257.41	-
Interest paid	587.68	-	75.08	-	-	-	5.86	-	-	-	-	-	668.62	-
Others	1,340.82	(510.88)	2.87	-	-	-	344.01	270.00	-	-	-	-	1,687.69	(240.88)
Issue of Compulsory Convertible Debentures	6,766.03	-	675.20	-	-	-	68.34	-	-	-	-	-	7,509.57	-
Payment of Principal, Interest and other Charges on Direct Assignment of identified -Portfolio of retail mortgage loans	9,887.08	701.84	-	-	-	-	-	-	-	-	-	-	9,887.08	701.84
Subscription to right shares	13,529.30	-	1,350.12	-	-	-	136.66	-	-	-	-	-	15,016.08	-
Security Deposits received back	-	-	-	-	1.80	-	-	-	-	-	-	-	1.80	-

* Includes fellow subsidiaries

Notes

to the Financial Statements for the year ended March 31, 2025 (Contd..)

81. Schedule to Balance Sheet

(₹ In Lakh)

	Particulars	As at March 31, 2025		As at March 31, 2024	
	Liabilities side	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				
	(i) Secured	56,267.84	-	27,004.15	-
	(ii) Unsecured	-	-	-	-
(b)	Deferred Credits	-	-	-	-
(c)	Term Loans	1,17,484.58	-	1,03,637.57	-
(d)	Inter-corporate loans and borrowing	-	-	16,500.00	-
(e)	Commercial Paper	-	-	-	-
(f)	Public Deposit	-	-	-	-
(g)	Other Loans: Bank Overdraft	-	-	2,115.17	-

(₹ In Lakh)

2)	**Break-up of (1)(f) above (Outstanding public deposits inclusive of interest accrued thereon but not paid):**	As at March 31, 2025	As at March 31, 2024
a)	In the form of Unsecured debentures	-	-
b)	In the form of partly secured debentures i.e., debentures where there is a shortfall in the value of security	-	-
c)	Other Public Deposits	-	-

(₹ In Lakh)

	Assets side	Amount outstanding as at March 31, 2025	Amount Outstanding as at March 31, 2024
3)	**Break-up of Loans and Advances including bills receivables [other than those included in (4) below]:**		
(a)	Secured	2,44,209.77	2,07,268.20
(b)	Unsecured	-	-

(₹ In Lakh)

4)	**Break up of Leased Assets and stock on hire and other assets counting towards asset financing activities**	Amount outstanding as at March 31, 2025	Amount outstanding as at March 31, 2024
i)	Lease assets including lease rentals under sundry debtors:		
	(a) Financial Lease	-	-
	(b) Operating Lease	-	-
(ii)	Stock on hire including hire charges under sundry debtors:		
	(a) Assets on hire	-	-
	(b) Repossessed Assets	-	-
(iii)	Other loans counting towards asset financing activities		
	(a) Loans where assets have been repossessed	-	-
	(b) Loans other than (a) above	-	-
		-	-

(₹ In Lakh)

(5)	Break – up of Investments	Amount outstanding as at March 31,2025	Amount outstanding as at March 31,2024
	Current Investment		
	1. Quoted		
	(i) Shares	-	-
	(a) Equity	-	-
	(b) Preference	-	-
	(ii) Debentures and Bonds	-	-
	(iii) Units of Mutual Funds	529.26	-
	(iv) Government Securities	-	-
	(v) Others (Please Specify)	-	-
	2. Unquoted		
	(i) Shares	-	-
	(a) Equity	-	-
	(b) Preference	-	-
	(ii) Debentures and Bonds	-	-
	(iii) Units of Mutual Funds	-	-
	(iv) Government Securities	-	-
	(v) Others (Please Specify)	-	-
	Long Term investments		
	1. Quoted		
	(i) Shares	-	-
	(a) Equity	-	-
	(b) Preference	-	-
	(ii) Debentures and Bonds	-	-
	(iii) Units of Mutual Funds	-	-
	(iv) Government Securities	-	-
	(v) Others (Please Specify)	-	-
	2. Unquoted		
	(i) Shares	-	-
	(a) Equity	-	-
	(b) Preference	-	-
	(ii) Debentures and Bonds	-	-
	(iii) Units of Mutual Funds	-	-
	(iv) Government Securities	-	-
	(v) Others (Please Specify)	-	-

Notes

to the Financial Statements for the year ended March 31, 2025 (Contd..)

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

(₹ In Lakh)

	Category	Amount net of provisions		
		Amount as at March 31, 2025		
		Secured	Unsecured	Total
1)	**Related Parties****			
	(a) Subsidiaries	-	-	-
	(b) Companies in the same group	-	-	-
	(c) Other related parties	-	-	-
2)	Other than related parties	2,44,209.77	-	2,44,209.77
	Total	**2,44,209.77**	**-**	**2,44,209.77**

(₹ in Lakh)

	Category	Amount net of provisions		
		Amount as at March 31, 2024		
		Secured	Unsecured	Total
1)	**Related Parties****			
	(a) Subsidiaries	-	-	-
	(b) Companies in the same group	-	-	-
	(c) Other related parties	-	-	-
2)	Other than related parties	2,07,268.20	-	2,07,268.20
	Total	**2,07,268.20**	**-**	**2,07,268.20**

(₹ in Lakh)

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

	Category	Market Value/ Breakup or fair value or NAV	Book Value (Net of Provisions)
1)	**Related Parties****		
	(a) Subsidiaries	-	-
	(b) Companies in the same group	-	-
	(c) Other related parties	-	-
2)	Other than related parties	-	-
	Total	**-**	**-**

** As per notified Accounting Standard

(₹ in Lakh)

(8)	**Other Information:**	As at March 31, 2025	As at March 31, 2024
	Particulars		
(i)	Gross Non – Performing Assets		
	(a) Related Parties	-	-
	(b) Other than related parties	2,228.18	1,445.43
(ii)	Net Non – Performing Assets		
	(a) Related Parties	-	-
	(b) Other than related parties	1,434.34	613.05
(iii)	Assets acquired in satisfaction of debt	-	-

82. Disclosure Pursuant to Notification No. RBI/2021-22/86 DOR.STR.REC.51/21.04.048/2021-22 dated September 24, 2021 issued by RBI for Transfer of Loan Exposures: -

(a) Details of transfer through assignment in respect of loans not in default

(₹ in Lakh)

	Particulars	For the year ended March 31, 2025		For the year ended March 31, 2024
i)	Count of loans accounts assigned (in numbers)	384	2,717	184
ii)	Amount of loan account assigned	3,741.03	25,115.68	9,801.09
iii)	Retention of beneficial economic interest (MRR)*	0.00%	10.00%	20.00%
iv)	Weighted average maturity (residual maturity in months)	147.11	184.65	174
v)	Weighted average holding period (in months)	32.21	21.04	13
vi)	Coverage of tangible security	100%	100%	100%
vii)	Rating-wise distribution of rated loans	Unrated	Unrated	Unrated

* Retained by the originator

(b) The Company has not acquired any loan not in default during the year ended March 31, 2025.

(c) The Company has not transferred or acquired any stressed loan during the year ended March 31, 2025.

(d) The Assignment transaction have been undertaken at the instance/ request of the borrowers, if required.

83. Disclosure of Frauds as per NHB (ND)/DRS/Policy Circular No.92/2018-19 dated 05 February, 2019

(₹ in Lakh)

Particulars	As at March 31, 2025	As at March 31, 2024
Amount of Fraud	0.01	0.01

84. Disclosure pursuant to RBI Notification - RBI/2019-20/170 DOR (NBFC).CC.PD.no.109/22.10.106 /2019-20 Dated March 13, 2020 - A comparison between provisions required under Income recognition, asset classification and provisioning (IRACP) and impairment allowances as per Ind AS 109 'Financial instruments'

As at March 31, 2025

(₹ in Lakh)

Asset Classification as per RBI Norms	Asset Classification as per RBI Norms	Gross Carrying Amount as per Ind AS	Loss Allowances (Prov.) as required under Ind AS 109	Net Carrying Amount	Provision required as per IRACP norms	Difference between Ind AS 109 provisions and IRACP norms
Performing assets						
Standard	Stage 1	2,34,677.94	1,802.08	2,32,875.86	758.94	1,043.14
	Stage 2	11,415.60	1,448.50	9,967.10	90.86	1,357.64
Subtotal		**2,46,093.55**	**3,250.58**	**2,42,842.97**	**849.80**	**2,400.78**
Non-Performing Assets						
Substandard	Stage 3	2,197.72	776.59	1,421.13	332.54	444.04
Doubtful- up to 1 Year	Stage 3	30.08	17.03	13.05	7.52	9.51
1 to 3 years	Stage 3	0.36	0.22	0.14	0.14	0.07
More than 3 years	Stage 3	-	-	-	-	-
Subtotal for Doubtful		**30.44**	**17.25**	**13.19**	**7.67**	**9.58**
Loss Assets	Stage 3	0.01	0.01	-	0.01	-
Subtotal For NPA		**2,228.17**	**793.84**	**1,434.33**	**340.22**	**453.62**
Other items such as loan commitments, etc. which are in the scope of Ind AS 109 but not covered under current Income Recognition, Asset Classification and Provisioning (IRACP) norms	Stage 1	-	57.61	(57.61)	-	57.61
	Stage 2	-	9.91	(9.91)	-	9.91
	Stage 3	-	-	-	-	-
Total		**2,48,321.72**	**4,111.95**	**2,44,209.77**	**1,190.02**	**2,921.93**

Notes
to the Financial Statements for the year ended March 31, 2025 (Contd..)

Note:

i. ECL policy formulated by the Company has been duly approved by the Board of Directors of the Company at its meeting held on April 30, 2020.

ii. Pursuant to the RBI circular dated November 12, 2021, "Prudential norms on Income Recognition Asset Classification and Provisioning pertaining to Advances - Clarification" on February 15, 2022, the Company is in compliance with the said directions.

85. Disclosure Pursuant to Notification No. RBI/2020-21/16 DOR.No.BP.BC/3/21.04.048/2020-21 dated August 6, 2020 issued by RBI for resolution framework for COVID-19-related stress

(₹ in Lakh)

	(A)	(B)	(C)	(D)	(E)
Type of borrower	**Exposure to accounts classified as Standard consequent to implementation of resolution plan – Position as at the end of the previous half-year (A)***	**Of (A), aggregate debt that slipped into NPA during the half-year**	**Of (A) amount written off during the half-year**	**Of (A) amount paid by the borrowers during the half-year**	**Exposure to accounts classified as Standard consequent to implementation of resolution plan – Position as at the end of 31.03.25**
Personal Loans (Housing)	1,227.24	29.70	-	78.51	1,119.03
Corporate persons	-	-	-	-	-
Of which, MSMEs	-	-	-	-	-
Others	-	-	-	-	-
Total	**1,227.24**	**29.70**	**-**	**78.51**	**1,119.03**

* Includes accounts restructured under RBI's Resolution Framework 2.0 upto September 30,2021.

86. Disclosure pursuant to RBI circular DOR.NBFC (HFC).CC. No.118/03.10.136/2020-21 dated October 22, 2020 on fulfilment of the principal business criteria

The Company is in compliance with the said circular as under:

Percentage of Financial Assets in Housing Finance / Total Assets (Net of Intangible Assets)	Percentage of Assets in Housing Finance to Individuals / Total Assets (Net of Intangible Assets)
61.61%	61.61%

Note: The Company has complied and is meeting principal business criteria as laid down under paragraph 4.1.17 of the RBI circular dated February 17, 2021 RBI/2020-21/73 DOR.FIN.HFC.CC.No.120/03.10.136 /2020-21.

87. Disclosure pursuant to RBI circular RBI/2020-21/170, DOR.FIN.HFC.CC.No. 120/03.10.136 /2020-21 dated February 17, 2021 on liquidity risk management framework

I. Funding Concentration based on significant counterparty (both deposits and borrowings):

Number of Significant Counterparties	Amount (₹ in lakh)	% of Total deposits	% of Total Liabilities
13	1,67,381.13	NA	93.84%

II. Top 20 large deposits (amount in ₹ Lakh and % of total deposits): Not applicable

III. Top 10 borrowings (amount in ₹ Lakh and % of total borrowings):

Amount (₹ in lakh)	% of Total Borrowings
1,58,326.96	92.52%

IV. Funding Concentration based on significant instrument/product:

Name of the instrument/product	Amount (₹ in lakh)	% of Total Liabilities
Term Loans	1,16,881.13	65.52%
Non-Convertible Debentures	54,250.00	30.41%

V. Stock Ratios:

Sr. No.	Particulars	Ratios
1.	Commercial papers as a % of total public funds	Not applicable
	Commercial papers as a % of total liabilities	Not applicable
	Commercial papers as a % of total assets	Not applicable
2.	Non-convertible debentures (original maturity of less than one year) as a % of total public funds, total liabilities and total assets - None	None
	Non-convertible debentures (original maturity of less than one year) as a % of total liabilities and total assets - None	None
	Non-convertible debentures (original maturity of less than one year) as a % of total public funds, total liabilities and total assets - None	None
3.	Other short-term liabilities, if any as a % of total public funds	22.32%
	Other short-term liabilities, if any as a % of total liabilities	21.54%
	Other short-term liabilities, if any as a\ of total assets	14.89%

VI. Institutional set-up for liquidity risk management:

The Board of Directors of the Company has constituted the Asset Liability Management Committee and the Risk Management Committee.

The Asset Liability Management Committee, inter alia, reviews the asset liability profile, risk monitoring system, liquidity risk management, funding and capital planning, profit planning and growth projections, forecasting and analyzing different scenarios and preparation of contingency plans. Further, the Risk Management Committee, inter alia, monitors and measures the risk profile of the Company and oversees the integrated risk management system of the Company.

The Company has also constituted the Asset Liability Management Support Group, inter alia, to analyses, monitor and report the liquidity risk profile to the Asset Liability Management Committee.

The Company manages liquidity risk by maintaining sufficient cash/treasury surplus and by having access to funding through an adequate amount of committed credit lines to meet obligations, in case required.

Management regularly monitors the position of cash and cash equivalents. Assessment of maturity profiles of financial assets and financial liabilities including debt financing plans and maintenance of balance sheet liquidity is considered while reviewing the liquidity position.

The Company manages liquidity risk in accordance with the Company's Asset Liability Management Policy and Liquidity Risk Management Framework. The Asset Liability Management Policy and Liquidity Risk Management Framework is reviewed periodically to realign the same pursuant to any regulatory change/changes in the economic landscape or business needs.

88. The Company continues to operate as a Housing Finance Company.

89. Divergence in Asset Classification and Provisioning

There has been no divergence in asset classification and provisioning requirements as assessed by NHB during the year ended March 31, 2025 and March 31, 2024.

Notes

to the Financial Statements for the year ended March 31, 2025 (Contd..)

90. Loans to Directors, Senior Officers and Relatives of Directors

(₹ in Lakh)

Particulars	As at March 31, 2025	As at March 31, 2024
Directors and their relatives	-	-
Entities associated with directors and their relatives	-	-
Senior Officers and their relatives	-	-

91. Draw Down from Reserves

The Company has not made any draw down from reserves during the year ended March 31, 2025 and March 31, 2024.

92. The financial statements were approved for issue by the Board of Directors on April 29, 2025.

93. To provide more reliable and relevant information about the effect of certain items in the Balance Sheet and Statement of Profit and Loss, the Company has changed the classification of certain items. Previous year figures have been re-grouped or reclassified, to confirm to such current year's grouping / classifications. There is no impact on Equity or Net Profit due to these regrouping / reclassifications.

In terms of our report of even date attached
For K P B & Associates
Chartered Accountants
Registration No.114841W

For **JM Financial Home Loans Limited**

Paras Savla
Partner
Membership No. 105175

V P Shetty
Independent Director & Chairman
DIN – 00021773

Manish Sheth
Managing Director & CEO
DIN – 00109227

Rajesh Shah
Chief Financial officer

Varsha Patel
Company Secretary

Place: Mumbai
Date: April 29, 2025

JM FINANCIAL
HOME LOANS

7th Floor, Cnergy, Appasaheb Marathe Marg, Prabhadevi, Mumbai 400 025, India
www.jmflhomeloans.com