

Date: June 03, 2024

To, BSE Limited, Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai- 400001 Scrip Code: 544044	To, National Stock Exchange of India Limited, Exchange Plaza, C-1, Block G, Bandra Kurla Complex, Bandra (E), Mumbai – 400 051 NSE Symbol: INDIASHLTR
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Dear Sir/ Madam,

Subject: Corrigendum to the Annual Report for the Financial Year 2023-2024

Dear Sir / Madam,

The Corrigendum is being issued with reference to our letter dated May 28, 2024, with respect to the Annual Report for the Financial Year 2023-2024.

With reference to the captioned subject, we have noticed typographical errors as follows:

- DIN: 09691435 should be read as DIN: 02895343 on page no. 79;
- DIN: 02132315 should be read as DIN:00036085 and Rachna Dixit as Rachna Dikshit on page no. 178, 179, 180, 182, 247,256, 257,258,260 and 313.

It may be noted that the error is not a material error, but a typographical error and it does not impact the financial statements in any manner. As soon as the typographical errors were noticed, necessary rectifications were promptly executed.

For India Shelter Finance Corporation Limited

MUKTI
CHAPLOT
Digitally signed by
MUKTI CHAPLOT
Date: 2024.06.03
18:20:43 +05'30'

Mukti Chaplot

Company Secretary & Chief Compliance Officer

M. No.: 38326

India Shelter Finance Corporation Limited

Registered office – 6th Floor, Plot No 15, Institutional Area, Sector 44, Gurgaon, Haryana-122002

CIN: L65922HR1998PLC042782, Phone No +91-124-4131800

E-mail: customer.care@indiashelter.in, Website: www.indiashelter.in

PI NEERING GR WTH PURP SE INTEGRITY & TECHNOLOGY



GROWTH



PURPOSE



INTEGRITY



TECHNOLOGY

ACROSS THE PAGES

02-59

COMPANY OVERVIEW

- 02 Initial Public Offering and Listing: A Milestone Achieved
- 04 Highlights Of The Year
- 06 A Retail-Focussed Affordable Housing Finance Company
- 10 MD & CEO'S Message
- 14 Financial Prudence
- 16 The Journey Of Growth
- 18 A Decade Of Performance Excellence
- 20 Geographical Reach
- 22 Business Portfolio
- 24 Our Strengths
- 26 Robust Underwriting Process
- 28 Operating Environment
- 30 Strategic Imperatives
- 32 Integrated Business Model
- 34 Intellectual Capabilities
- 36 Our Marketing Symphony
- 38 Environmental Guardianship
- 40 Inclusive Culture For Our People
- 42 Customer Delight
- 46 For The Community
- 48 Stakeholder Engagement
- 50 Our Governance Philosophy
- 52 Our Board Members
- 56 Our Leadership Team
- 57 Our Awards & Accolades
- 58 Corporate Information

60-166

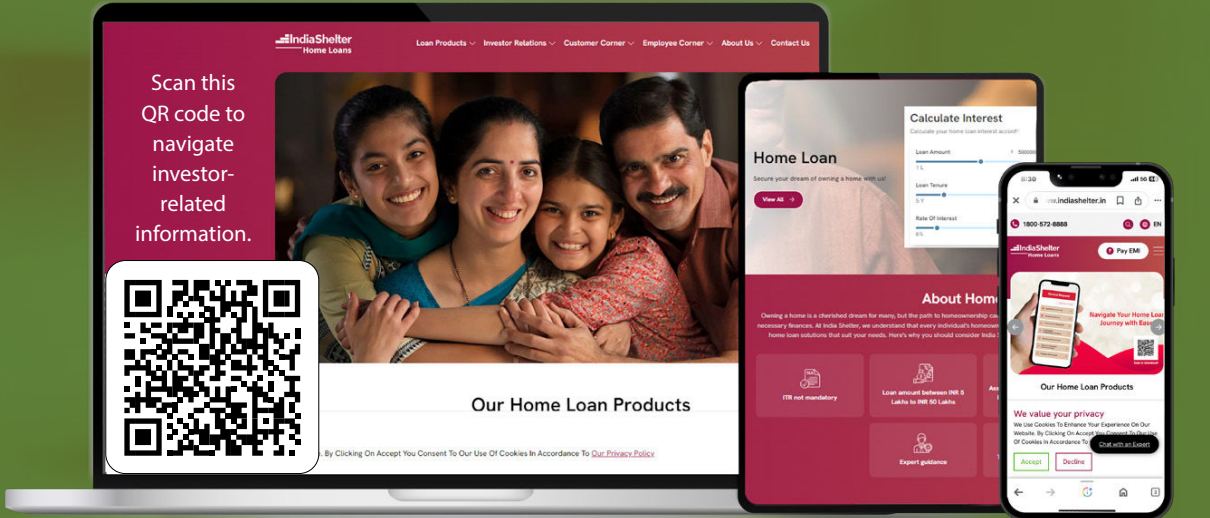
STATUTORY REPORTS

- 60 Director's Report
- 75 Corporate Governance Report
- 107 Business Responsibility and Sustainability Report (BRSR)
- 152 Management Discussion and Analysis (MDA)

167-313

FINANCIAL STATEMENTS

- 167 Standalone Financials
- 248 Consolidated Financials



Online version of the report can be accessed [here](#)

Investor Information	
Market Capitalisation*	: ₹ 6,678 Crs
CIN	: L65922HR1998PLC042782
BSE Code	: 544044
NSE Symbol	: INDIASHLTR
AGM Date	: 19 th June, 2024
AGM Mode	: Virtual

* As on 28th March 2024, National Stock Exchange (NSE)

Disclaimer

This document contains statements about expected future events and the financials of India Shelter Finance Corporation Limited (the Company) which are forward-looking. By their nature, forward-looking statements require the Company to make assumptions and are subject to inherent risks and uncertainties. There is a significant risk that the assumptions, predictions, and other forward-looking statements may not prove to be accurate. Readers are cautioned not to place undue reliance on forward-looking statements, as several factors could cause assumptions, actual future results and events to differ materially from those expressed in the forward-looking statements. Accordingly, this document is subject to the disclaimer and qualified in its entirety by the assumptions, qualifications and risk factors referred to in the Management Discussion and Analysis section of this Annual Report.

PIONEERING GROWTH WITH PURPOSE, INTEGRITY & TECHNOLOGY

Every brick of affordable housing lays the foundation for a more inclusive tomorrow. Inspired by the same philosophy, India Shelter Finance Corporation Limited is driven by a Purpose, a commitment to serve communities underserved by traditional financial institutions, particularly in Tier 2 and Tier 3 cities. With a firm belief that affordable housing is not just a policy but a commitment to the community, we focus on making homeownership dreams a reality for low and middle-income segments.

We take cognizance that each of our customer's financial aspirations are unique, and so our expert artisans carefully craft personal and perfectly tailored loan options, ensuring a smooth journey for our customers—a true reflection of our integrity.

With transparency in each of our operations and integrity towards customer service, we leverage on the strength of technology. Our digital platforms enable easy and secure access to our services, eliminating the need for extensive paperwork.

Our purpose drives us to serve the community, integrity defines our actions, and technology propels us forward.

Homeownership is the legacy we create and the shelter we provide.

At India Shelter Finance Corporation Limited, homeownership dreams take centre stage, supported by a commitment to understanding the unique needs and the principles of integrity that pave the way for pioneering growth.



INITIAL PUBLIC OFFERING AND LISTING: A MILESTONE ACHIEVED

The financial year 2023-24 marked a significant milestone for India Shelter Finance Corporation Limited as we successfully listed the shares on the National Stock Exchange (NSE) and the Bombay Stock Exchange (BSE) on December 20, 2023. The Initial Public Offering (IPO) was a resounding success, garnering overwhelming interest from investors across various categories.



STRONG DEBUT AND MARKET PERFORMANCE



₹ **1,200** Crs
(Primary Issue of ₹ 800 Crs)
Issue Size



26%
Listing Premium



₹ **493**
Issue Price



38.59 x
Oversubscribed



₹ **620**
Listing Price



₹ **6,637** Crs
Market Capitalisation on Listing Day



Our successful IPO listing is a testament to our commitment to providing affordable housing solutions and our focus on sustainable growth. Our strong distribution network, diversified product portfolio, and customer-centric approach have been the driving forces behind our success. We will continue to leverage these strengths while exploring new opportunities in the affordable housing segment. We are humbled by the trust placed in us by our investors, and this milestone will further motivate us to execute our strategies and create value for all our stakeholders.

– MD & CEO

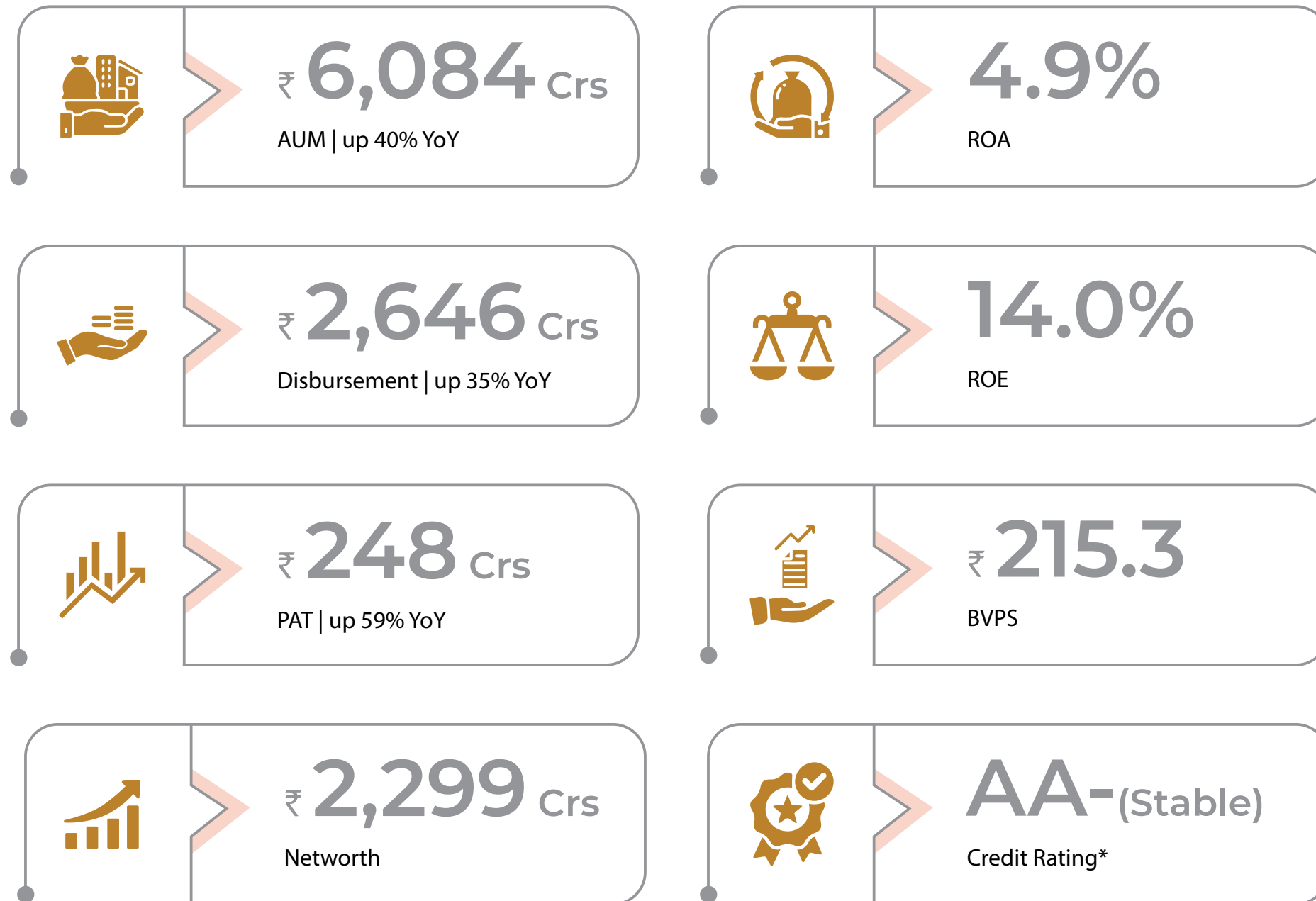


This marks the beginning of a new chapter for India Shelter Finance Corporation Limited. With a strengthened financial position and enhanced visibility, we are well-positioned to capitalise on the growing demand for affordable housing in India while maintaining our commitment to quality and customer satisfaction.



HIGHLIGHTS OF THE YEAR

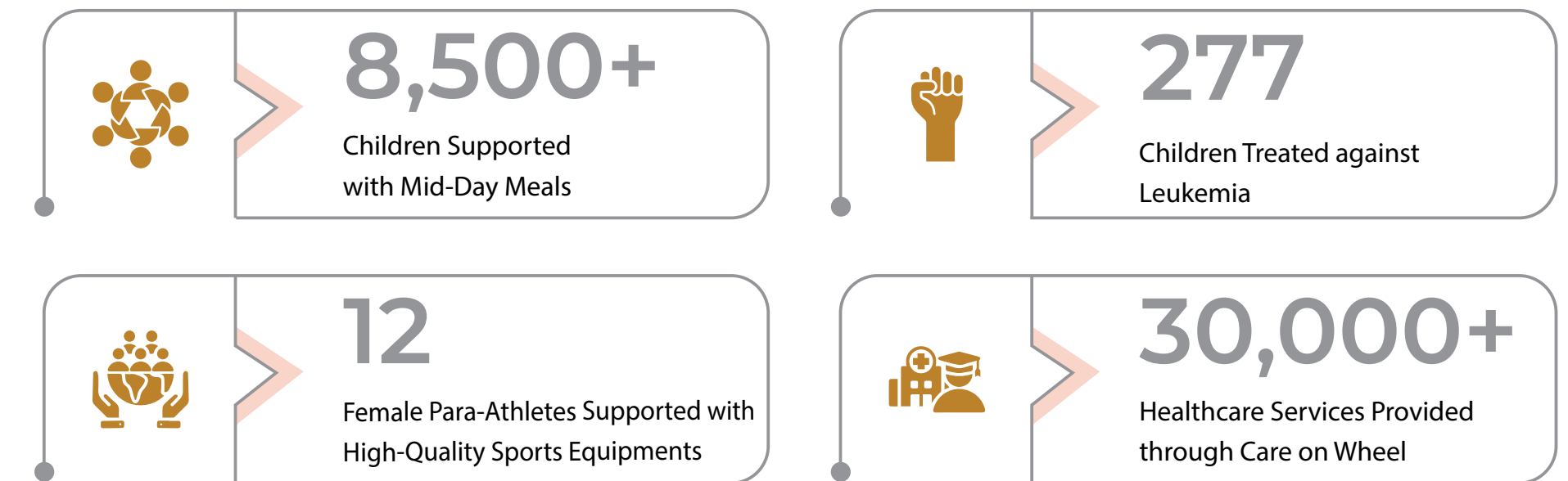
OPERATIONAL & FINANCIAL HIGHLIGHTS



*IND RA (AA- Stable), CARE Rating (A+ Positive), ICRA (A+ Positive)

SUSTAINABILITY HIGHLIGHTS

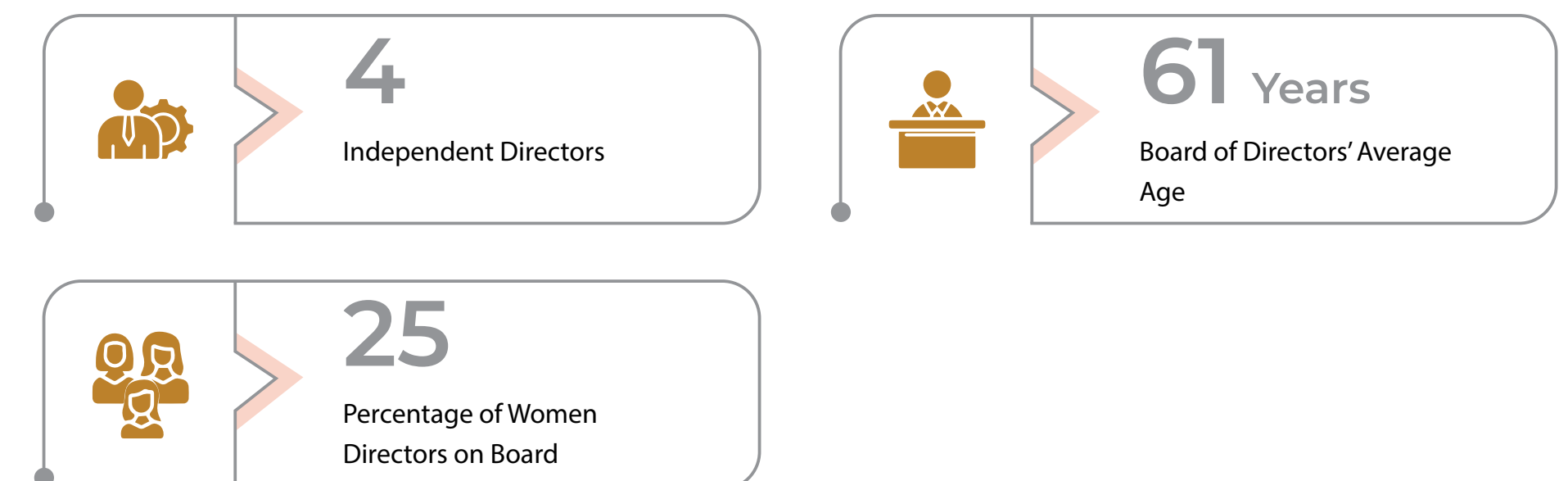
Social & Relationship



Human Capital



Governance



A RETAIL-FOCUSSED AFFORDABLE HOUSING FINANCE COMPANY

India Shelter Finance Corporation Limited ('India Shelter', 'our Company' or 'We') is equipped with an extensive distribution network and a scalable technology infrastructure that spans across our business operations and the entire loan life cycle. Our Company specialises in providing housing loans and loans against property, offering our customers comprehensive financial solutions to meet their diverse needs.

Established in 2010, India Shelter specialises in serving self-employed individuals with a focus on first-time home loan takers in low and middle-income segments across Tier 2 and Tier 3 cities in India.

Our Company leverages technology and analytics across our operations and throughout the customer life cycle, which includes onboarding, underwriting, asset quality monitoring, collections and customer service. We have implemented a paperless approach to customer acquisition and onboarding, with tailored mobile solutions that cater to different stages of the lending process.

With a deep commitment to governance, we stay dedicated to serving the expansive yet under-penetrated affordable housing finance industry, focussing on underserved customers through a blend of customer experience and technology.



70%

First Time Mortgage Borrowers



90%

Borrowers belong to Tier 2 & Tier 3 Cities



76%

Low-Income Group and Middle-Income Group Borrowers



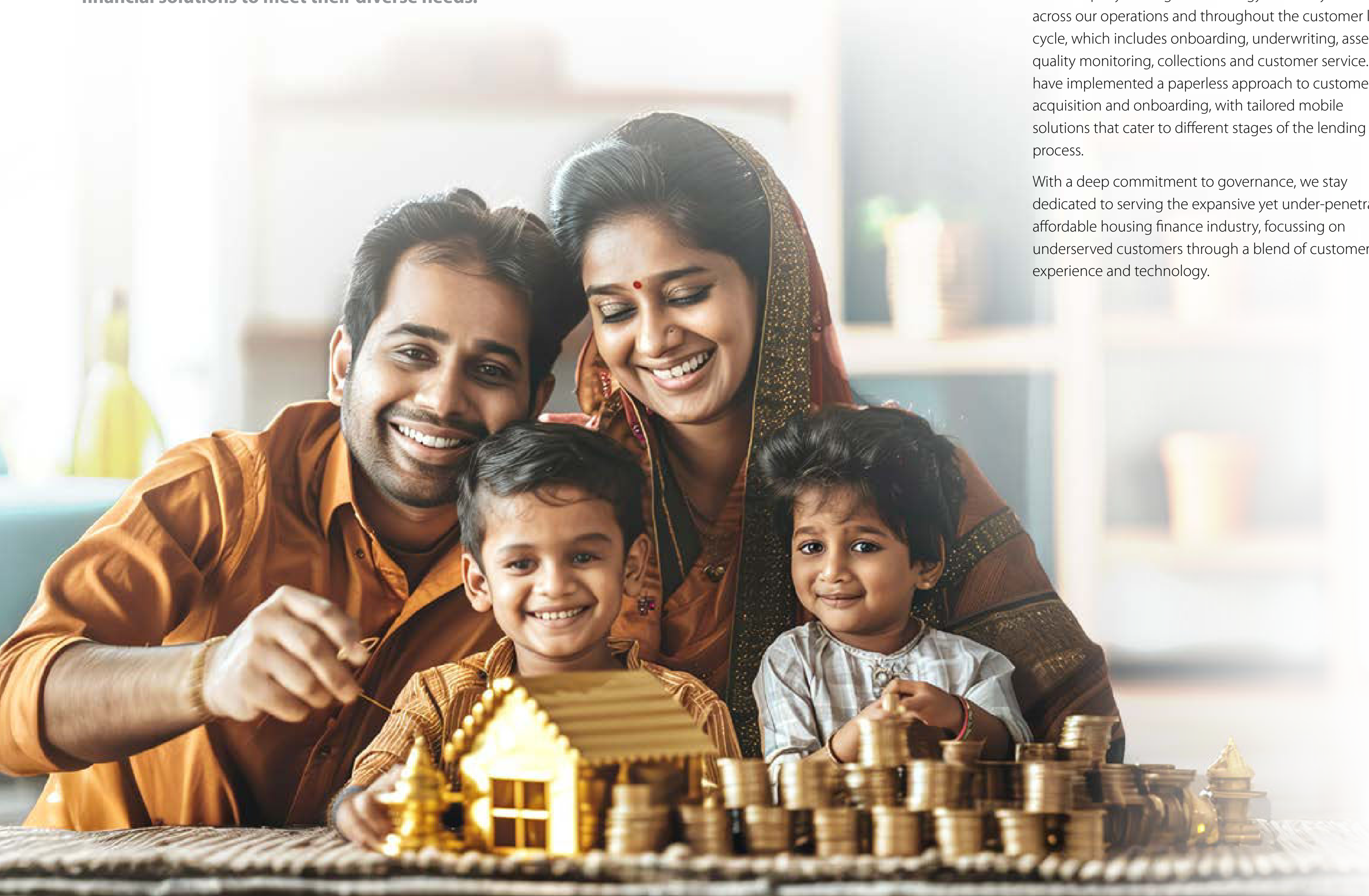
98%

Women Applicant



72%

Self-Employed



SETTING THE FOUNDATION

India Shelter is a catalyst for social impact, contributing to the building of a more inclusive India. By addressing the pressing issue of homeownership for low- and middle-income individuals, our Company fosters a sense of pride and belonging within communities.

At India Shelter, we have emerged as a leading player in the realm of affordable housing finance, owing to the right blend of innovative underwriting strategies and a strong understanding of the requirements of our target segment. Our Company's alternative income assessment methods and technology driven processes strategically address the challenges encountered by traditional lenders in assessing self-employed borrowers. This proactive approach ensures equitable and inclusive access to credit. India Shelter's commitment to innovation extends beyond lending by leveraging technology to streamline processes, enhance efficiency, and reach more customers.

India Shelter's foundation story is one of determination, resilience, and a firm belief in the power of dreams. Our Company's commitment to excellence has propelled it to achieve consistent and impressive growth. This quality helps us establish ourselves as a force to be reckoned with in the housing finance landscape. With our unique blend of experience, expertise, and passion for innovation, we are well-positioned to continue our successful journey and redefine the boundaries of the industry.

VALUES



HONESTY

We believe in maintaining a lasting brand that requires honesty and integrity.



RESPECT

We believe in treating all of our stakeholders with decency and respect.



HARDWORK

At India Shelter, hard work is the backbone that holds the weight of our objectives and primary responsibilities as we endeavour to improve housing finance availability for everyone in the country.

MD & CEO'S MESSAGE



“

Dear Shareholders,

It is my privilege to present our Annual Report for the financial year 2023-24 and share the remarkable journey of India Shelter Finance Corporation Limited's progress with you. This year has been an incredible and transformative one, marked by strong financial performance and rapid footprint expansion for sustaining high growth.

”

The IPO Listing Story

We are driven by a purpose, a commitment to serve communities underserved by traditional financial institutions, particularly in Tier 2 and Tier 3 cities. Our operations are defined by transparency, and our commitment to customer service is guided by integrity. By harnessing our technological capabilities, we ensure that our services are not only efficient but also widely accessible. This dedication helps us empower underserved communities, making a real difference where it matters the most.

This commitment to our purpose was evident in the successful completion of our Initial Public Offering (IPO) and subsequent listing on the NSE & BSE, which marked a significant milestone for us. I would like to express my sincere gratitude to all our investors for their support in making our IPO a resounding success with a 26% listing premium. The total size of the IPO was ₹ 1,200 Crs, of which the primary issue amounted to ₹ 800 Crs. The funds raised through the IPO have augmented the capital base, a necessary impetus to expand our operations, reach more customers, and impact underserved communities. This momentous occasion was the culmination of years of dedication, perseverance, and a belief in our mission to serve affordable housing. It was a surreal and humbling experience as we rang the ceremonial bell, ushering in a new era of growth and opportunity for India Shelter.

Growing Affordable Housing Sector Providing the Necessary Boost

Our focus on the affordable housing sector has been a critical driver of our growth, and we are committed to further expanding our footprint in this space. We believe that this segment provides significant potential and are proud to contribute to developing India's housing sector. Our focus on this segment has enabled us to serve a large and growing population that needs affordable housing solutions. According to data reports, there is a requirement for many crores of houses in this segment, typically categorised as the Low-Income Group (LIG) and Middle-Income Group (MIG) sector, where the monthly income ranges from ₹ 25,000 to ₹ 60,000.



70% of Loans
First-Time Mortgage Buyers

While progress in meeting this demand has been limited, we acknowledge the growing awareness and advancements in this area, largely driven by developments in infrastructure. As demand persistently rises and progress continues, the scope for affordable housing solutions is increasing.



“

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”

Tackling this monumental challenge represents an opportunity for India Shelter and the entire affordable housing sector. We are committed to expanding our impact and sustaining the positive momentum we have achieved in the 15 states where we operate.

Key Financial and Operational Developments during the Year

During the year, we witnessed strong Asset Under Management (AUM) growth of 40% year-on-year, led by a 35% year-on-year increase in disbursements. Over the years, we have been experiencing 30-40% consistent growth, and our strategy to collaborate with people through technology is playing out well. We are confident about our medium-term growth backed by a strong distribution structure covering 15 states where 94% of the mortgage industry lies. We will continue to focus on servicing self-employed individuals in this segment, while maintaining a balanced approach to growth, asset quality, and profitability.

Our liquidity pipeline remains strong, supported by effective Asset-Liability Management. Our total income for the year increased by 42% year-on-year, while our portfolio yield remained steady at 14.9%. We have broadened our borrowing sources to include more than 35 counter parties, and our cost of funds has been maintained at 8.8%.

Our margins remained in line with our guidance for the medium term at ~6%. Operating expenses increased by 30% and Net Total Income grew by 44%, resulting in operating leverage. Our Profit After Tax (PAT) for the year was ₹ 248 Crs, up 59% year-on-year. Our Return on Assets (ROA) for the year was at 4.9% and Return on Equity (ROE) for the year was at 14.0%.

Focussing on the Underserved Customer Group

India Shelter remains committed to identifying and serving underserved customer groups. We have focussed on specific market segments—Affordable Housing and Loan Against Property—that have been overlooked by larger players in the sector. This has helped us fulfill our mission of providing financial inclusion to those whom the mainstream financial sector has traditionally underserved.

In line with our mission, we have strategically expanded our footprint in lower-tier cities, prioritising underserved borrowers. This initiative is underpinned by a comprehensive grasp of local credit dynamics and property markets, reinforced by the appointment of the Middle-Management from within each state.

The substantial number of branches opened in recent years is expected to improve productivity across our existing network, facilitating future growth. We are committed to annual expansion, with plans to add 30 to 40 branches, reinforcing our distribution network for enhanced performance. Recognising the fact that it takes time for new branches to reach peak efficiency, our focus extends to boosting productivity.



15 States

with a Strong Distribution Network



30-35%

of Consistent Growth

We are committed to annual expansion with plans to add 30 to 40 branches, reinforcing our distribution network for enhanced performance. Recognising the fact that it takes time for new branches to reach peak efficiency, our focus extends to boosting productivity.

Technological Integration to Enhance Operating Efficiency

We are pioneers in embracing technology across various functions, including origination, underwriting, collections, and servicing, adopting a technology-first approach since 2013. We were among the early adopters of Salesforce in the Indian housing finance industry and have invested in technology since our inception, focussing on ease of doing business and lower turnaround times.

We have developed mobility apps for customers, sales, credit, technical, and collections teams, enabling paperless operations and API integration with third-party service providers. Our entire loan lifecycle processes are paperless.

We are pioneers in embracing technology across various functions, including origination, underwriting, collections, and servicing, adopting a technology-first approach since 2013. We were among the early adopters of Salesforce in the Indian housing finance industry and have invested in technology since our inception, focussing on ease of doing business and lower turnaround times.

Moreover, we have developed machine learning algorithms to predict the likelihood of customer default and increase customer engagement for fraud checks. Our underwriting process involves four to five field interactions before disbursal, with extensive field checks, a 'maker-checker' mechanism, and tech augmentation to ensure a strong credit appraisal. Our collections process is deeply integrated with technology, using models to predict bounce rate, forward flow, and plan collection routes for employees.

Our field teams are empowered to make subjective assessments of borrowers' income and collateral, while leveraging technology to independently assess our borrowers' repayment capability and collateral valuation. This approach allows for the monitoring of deviations from credit policy and underwriting norms, improving the scalability of our business model.

Conclusion and Expression of Gratitude

As we look ahead, we remain determined to pursue providing affordable housing solutions and empowering the underserved segments of our society. With our strong foundation, innovative spirit, and commitment to excellence, we are confident in our ability to create long-term value for all our stakeholders while positively impacting the lives of countless individuals and communities.

I would like to express my sincere gratitude to our esteemed Board members, regulators, shareholders, valued customers

and dedicated employees for their relentless support and trust. It is through our collective efforts that we have achieved these notable milestones and laid the foundation for sustainable growth. As we move ahead, we remain committed to our mission of empowering communities through inclusivity, integrity, and technological advancements. We look forward to sharing more success stories with you in the years to come, continuing to create a positive impact together.

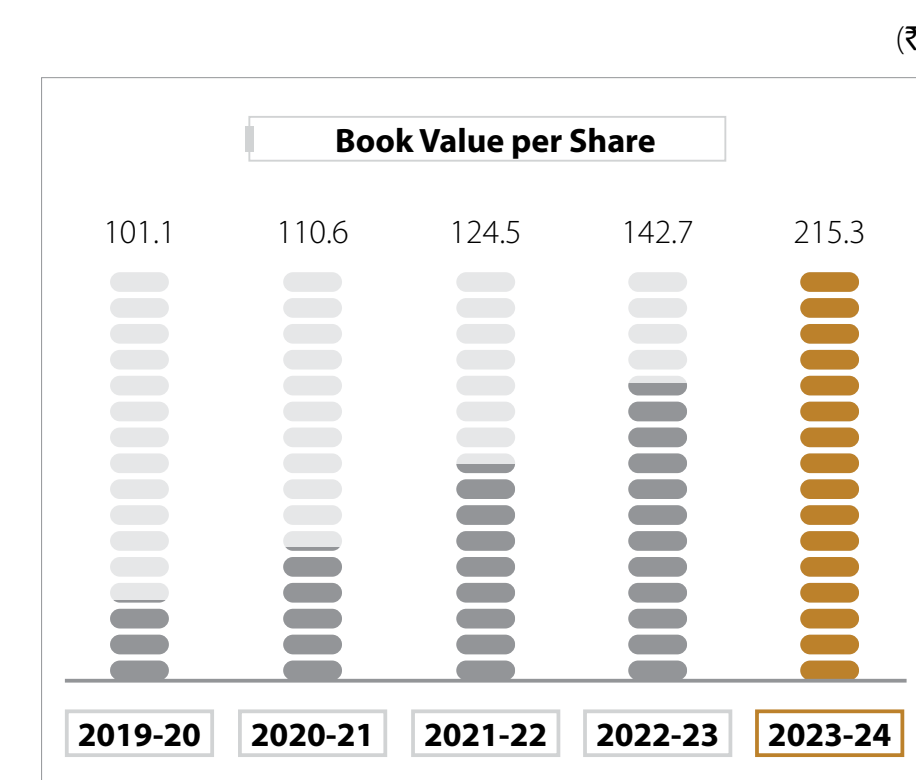
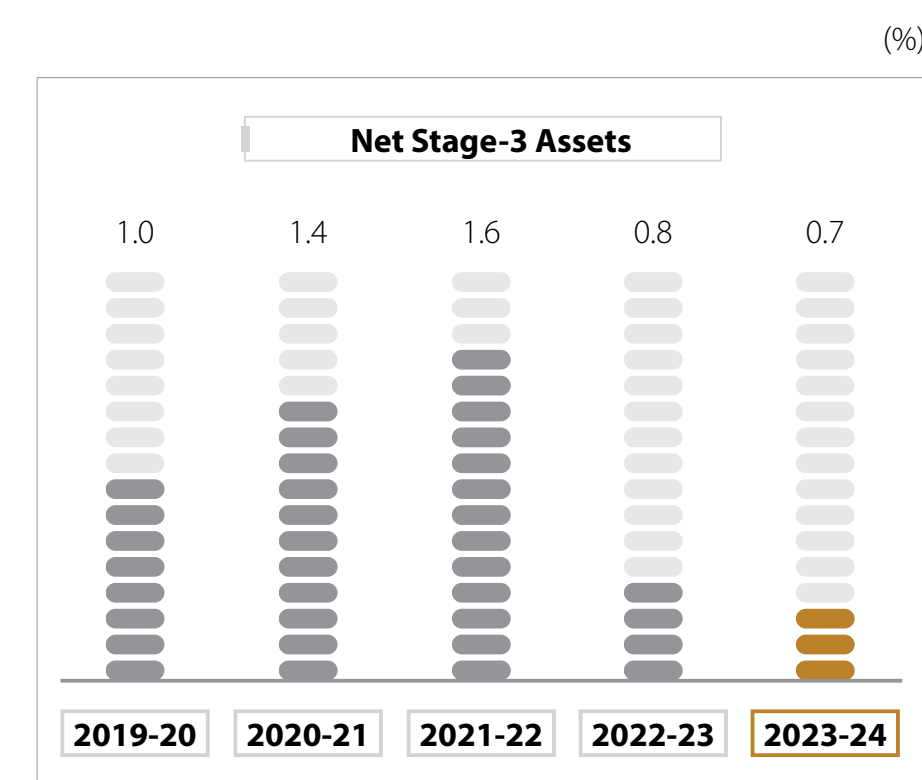
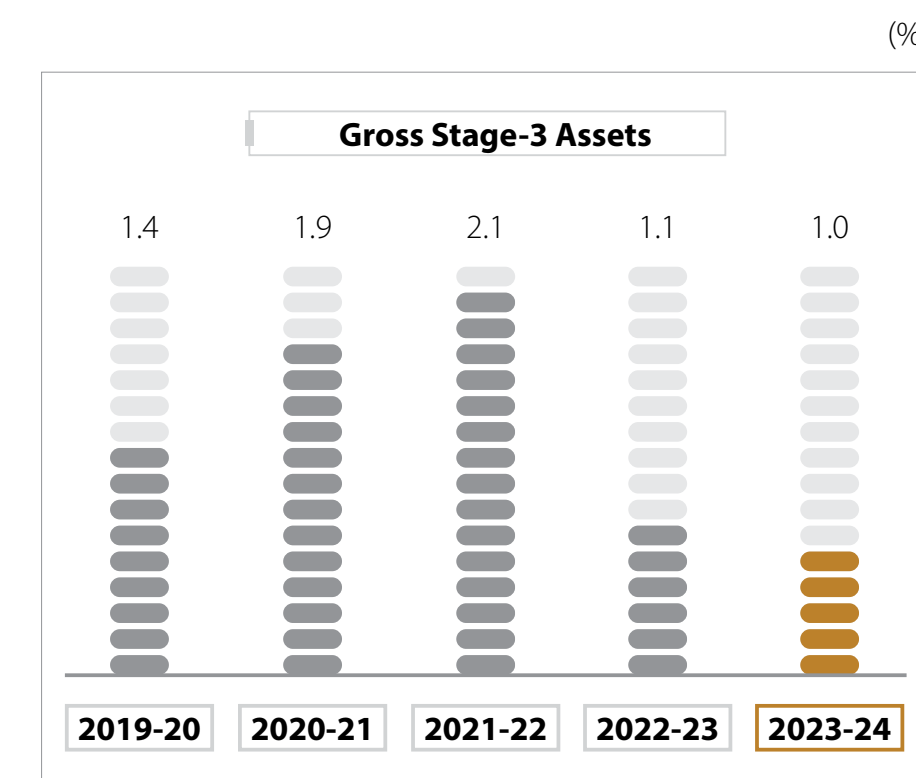
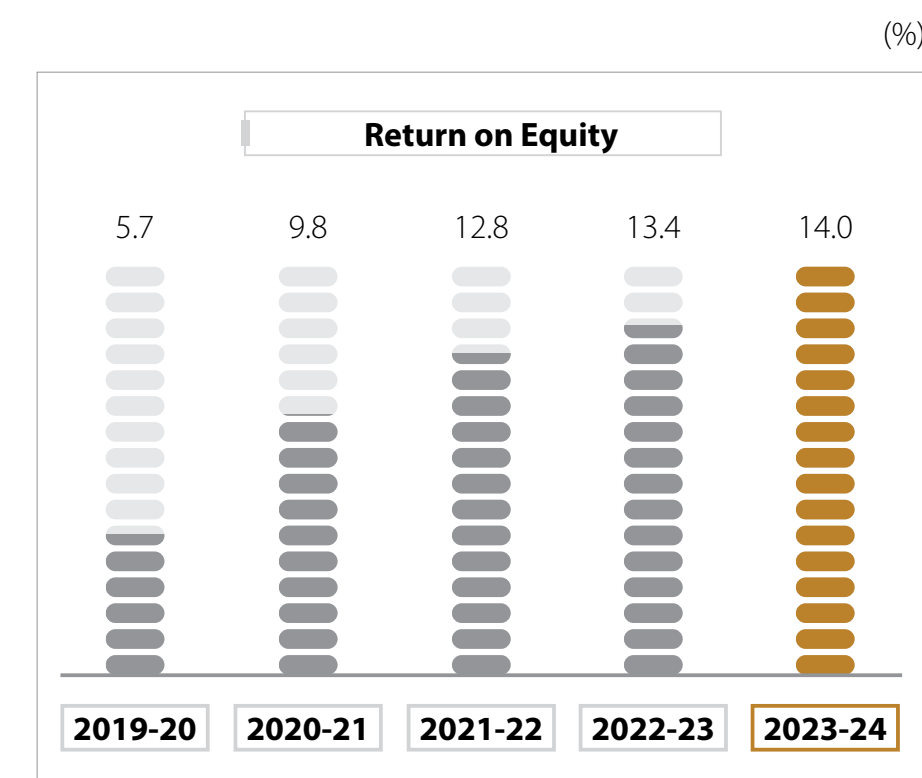
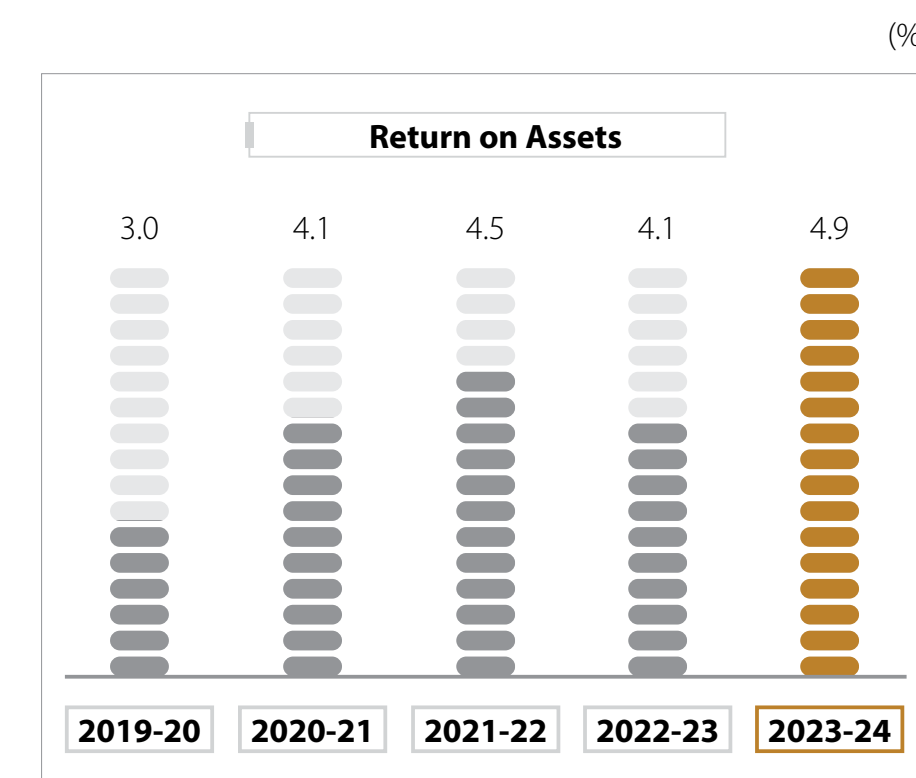
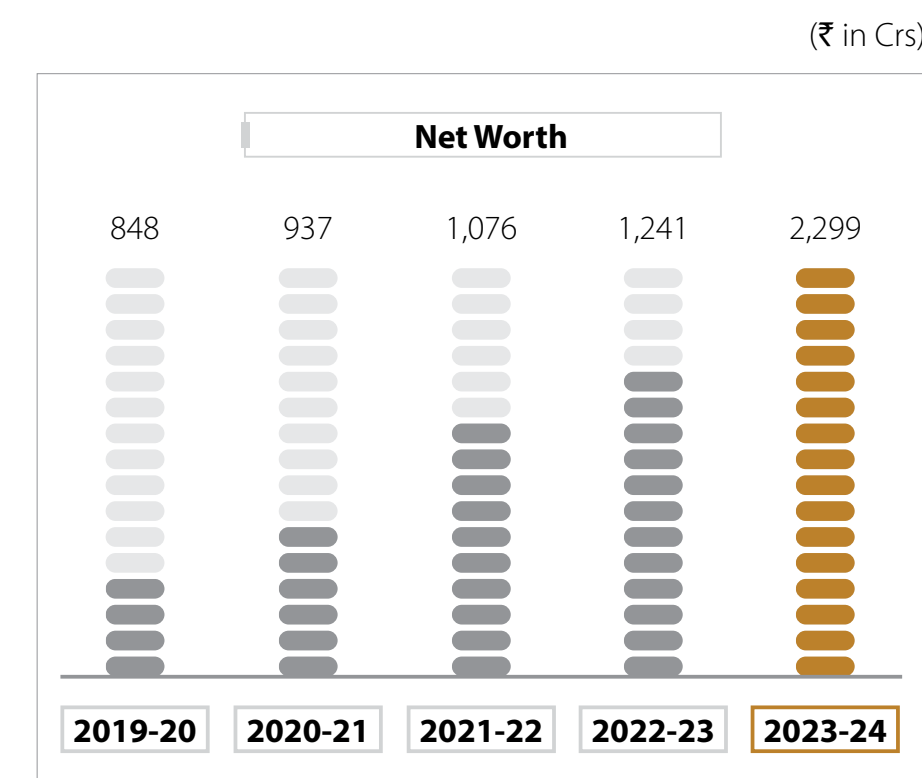
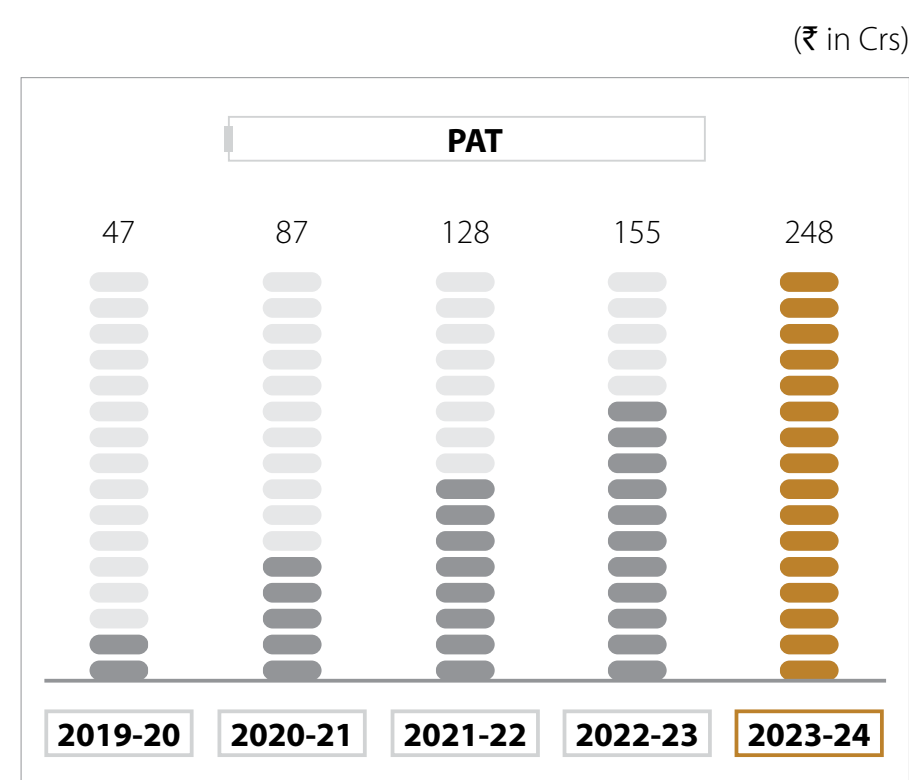
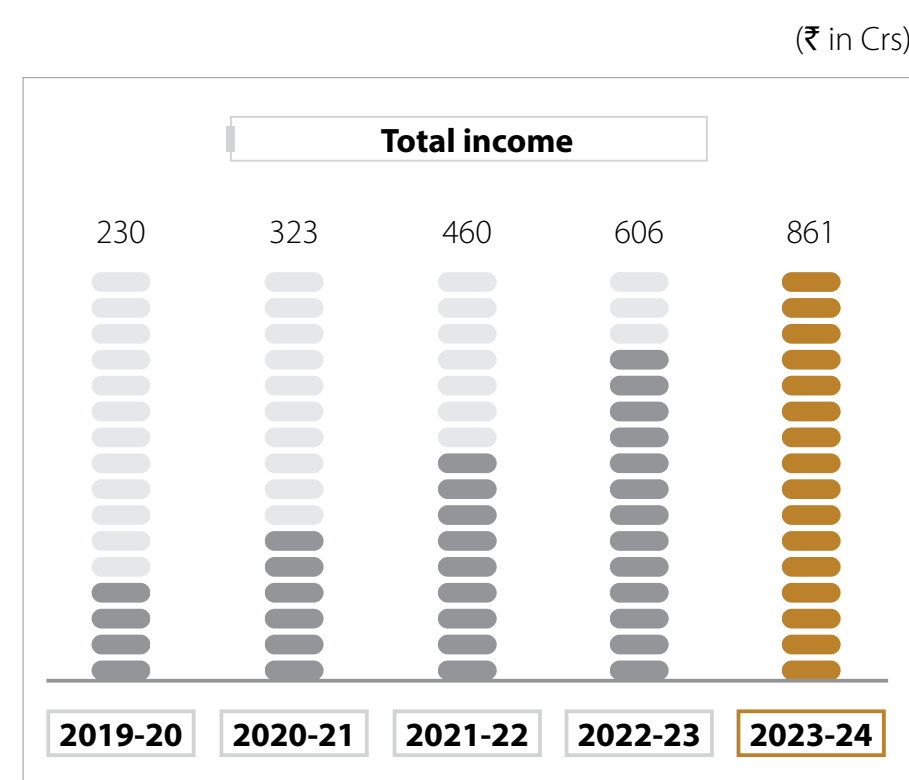
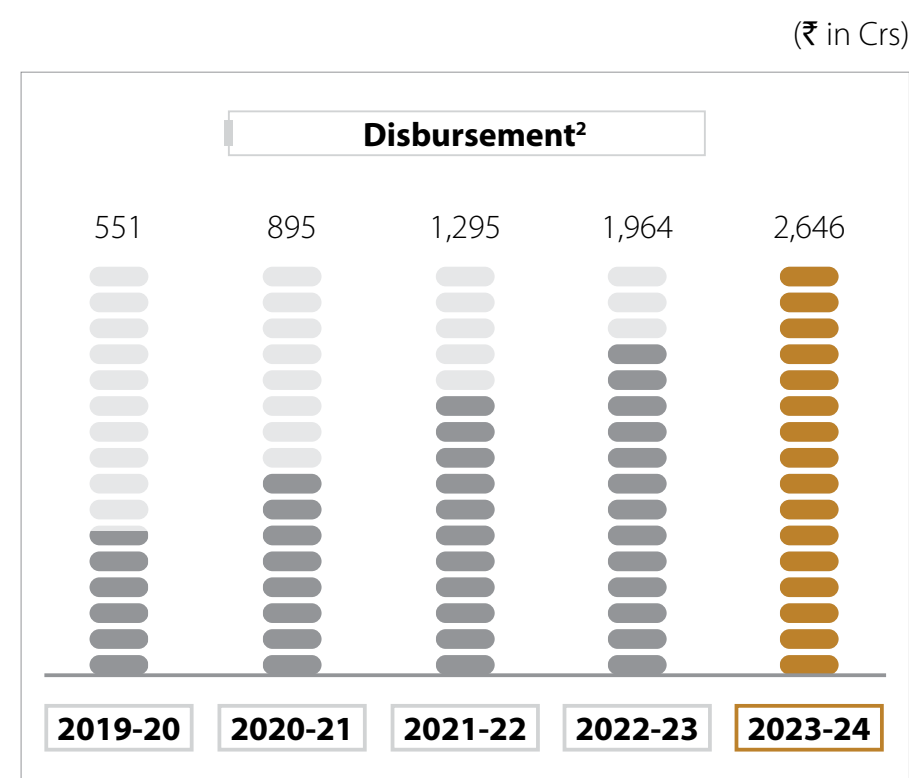
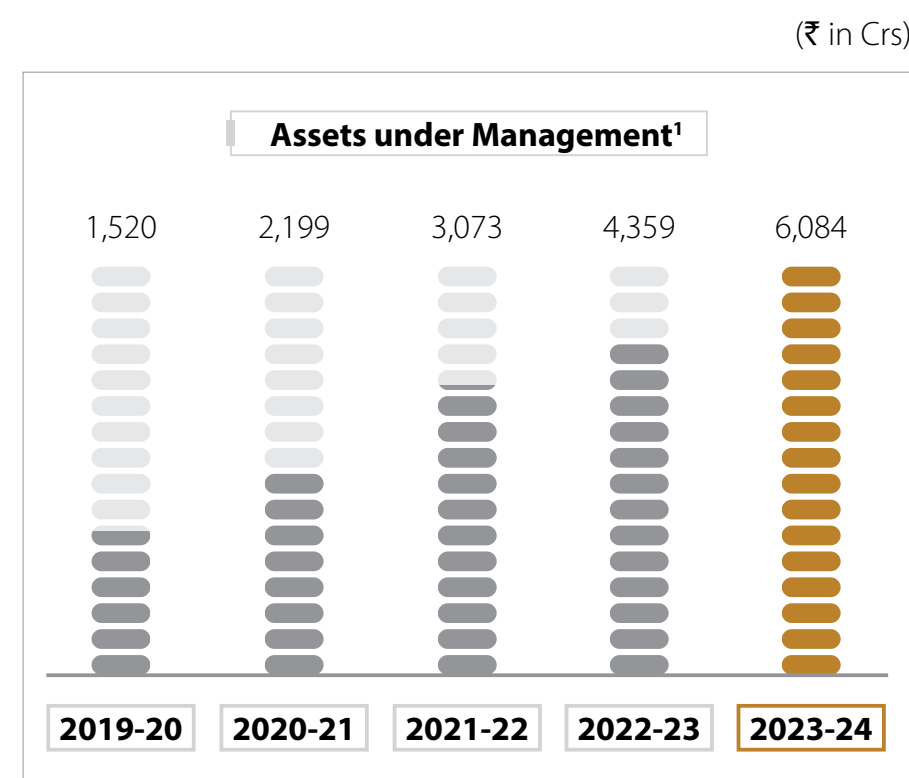
Rupinder Singh

Managing Director & Chief Executive Officer



FINANCIAL PRUDENCE

At India Shelter, our financial performance over the past fiscal years reflects our ongoing commitment to financial strength and operational excellence. Throughout this period, our Company has demonstrated resilience and adaptability in navigating the evolving economic landscape. With a focus on prudent risk management and sustainable growth strategies, we have maintained a steady trajectory, ensuring stability and value for our stakeholders.



¹Excludes the partner's share of loan assets originated and assigned under co-lending arrangements

²Includes partner's share of loan assets originated and assigned under co-lending arrangement

THE JOURNEY OF GROWTH

India Shelter has embarked on a remarkable journey since 2011, evolving into a rapidly expanding affordable housing finance company. Our Company's journey testifies to our firm commitment to making a difference in the lives of our customers. Founded with a vision of providing accessible and affordable housing solutions, we have embarked on a path of continuous growth and expansion. Over the years, at India Shelter, we have strategically extended our reach, establishing a strong footprint across a wider geographical area. This expansion reflects India Shelter's dedication to serving a broader audience and catering to the diverse housing needs within the Indian market.

AUM (In ₹ Crs)

2011-2013

2011

- Commenced Operations from Rajasthan
- First Investment by Sequoia

4

2012

- ICRA Credit Rating of BB+ (stable)

21

2013

- Expanded to 5 states
- Investment from Nexus Venture Partners

58

2014-2016

2014

- AUM Crosses ₹ 100 Crs

117

2015

- AUM Crosses ₹ 200 Crs

228

2016

- Presence in 7 States
- Investment from Westbridge Capital

399

AUM (In ₹ Crs)

2017-2021

2017

- AUM Crossed ₹ 500 Crs

548

2018

- ICRA Credit Rating upgraded to A- (Positive)
- Opened the 1st Branch in the South
- Presence in 8 States

801

2019

- AUM Crosses ₹ 1,000 Crs
- ICRA Credit Rating upgraded to A (Stable)

1,178

2020

- Presence in 12 States

1,520

2021

- Presence in 15 States
- Crossed 100 Branches

2,199

2022-2024

2022

- PAT Crossed ₹100 Crs
- West Bridge Capital Acquires Majority Stake

3,073

2023

- Care Credit Rating upgraded to A+ (Positive)

4,359

2024

- AUM Crosses ₹ 6,000 Crs
- Listed on BSE and NSE
- India Rating and Research assign Credit Rating of AA- (Stable)

6,084



A DECADE OF PERFORMANCE EXCELLENCE

Reflecting on the past decade, our Company's performance has been remarkable. We have witnessed steady growth in operational and financial aspects. This provides an overview of our journey, underscoring our commitment to excellence.

Particulars	FY14	FY15	FY16	FY17	FY18	FY19	FY20	FY21	FY22	FY23	FY24	CAGR (%)
OPERATIONAL												
Branches	31	33	47	61	64	81	86	115	130	183	223	
States	4	5	7	8	8	12	12	15	15	15	15	
Active Live Accounts	5,304	8,552	12,823	15,730	20,117	24,354	27,602	33,607	43,328	58,552	80,791	
Employees	255	254	420	523	740	1,126	1,219	1,576	2,200	2,709	3,323	
Disbursements (In ₹ Crs)	77	146	225	236	404	566	551	895	1,295	1,964	2,646	42%
AUM (In ₹ Crs)	117	228	399	548	801	1,178	1,520	2,199	3,073	4,359	6,084	48%

(In ₹ Crs)

Particulars

FY14

FY15

FY16

FY17

FY18

FY19

FY20

FY21

FY22

FY23

FY24

CAGR (%)



FINANCIAL

Net Total Income

14

19

45

71

91

122

156

218

312

398

574

Operating Expenses

12

16

33

37

57

77

80

85

133

182

236

Credit Cost

0

1

1

2

3

3

12

20

12

14

19

Profit before Tax

1

2

11

32

32

41

64

113

167

202

319

Profit after Tax

1

3

8

21

22

30

47

87

128

155

248

68%

Networth

62

65

263

351

568

800

848

937

1,076

1,241

2,299

44%

Particulars

FY14

FY15

FY16

FY17

FY18

FY19

FY20

FY21

FY22

FY23

FY24



RATIOS

Cost to Income

88.6%

84.6%

72.9%

52.4%

62.3%

63.5%

51.5%

39.1%

42.7%

45.7%

41.1%

GNPA

0.2%

0.2%

0.3%

0.7%

1.3%

1.4%

1.3%

1.9%

2.1%

1.1%

1.0%

ROA

1.3%

1.7%

2.6%

4.0%

2.9%

2.7%

3.0%

4.1%

4.5%

4.1%

4.9%

Leverage

1.7

2.9

2.0

1.7

1.7

1.7

1.9

2.4

2.8

3.2

2.9

ROE

2.3%

5.0%

5.2%

6.7%

4.9%

4.4%

5.7%

9.8%

12.8%

13.4%

14.0%

CRAR

83.2%

44.0%

122.2%

109.0%

100.6%

91.2%

81.1%

71.5%

55.9%

52.7%

70.9%

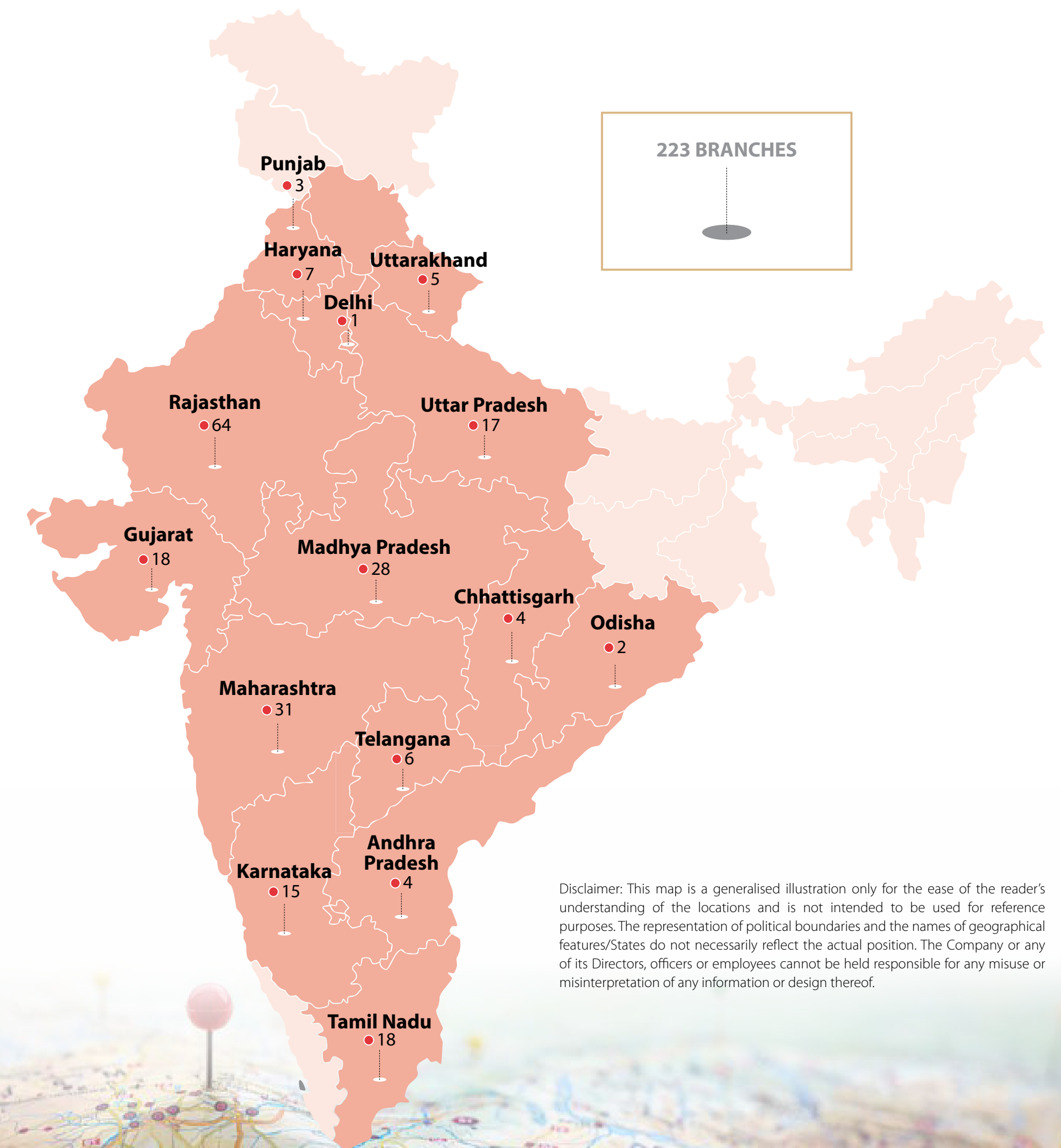
GEOGRAPHICAL REACH

At India Shelter, we have bolstered the scale of our operations and amplified our branch network by embracing a strategy centred on strengthening our footprint in regions with high demand for affordable housing finance. While the feet-on-street approach is centered around physical interaction with customers, the digital interface assists us in accessing a wider customer base.

Our Company's longstanding presence in these states has offered us invaluable insights into the unique intricacies of affordable housing finance within each locale. This experience has empowered us with a better understanding of local businesses and property regulations, facilitating more informed underwriting decisions grounded in precise evaluations of cash flows and collateral.

We added 40 new branches during the year to deepen our presence in existing locations, aiming to improve branch productivity and utilise operating leverage, with an increase in branch vintage.

STATE-WISE BRANCH PRESENCE



223

Total Branches



15

Presence across States



90%

Tier II & Tier III Cities

BUSINESS PORTFOLIO

India Shelter is committed to driving financial inclusion and empowering the under banked population in India. For over a decade, our Company's range of affordable financial products has been specifically designed to address homeownership and property-related financial requirements. This comprehensive product range fosters inclusivity by making homeownership a more attainable dream for many.

Home Loans

At India Shelter, we provide home loans for internal or external repairs to existing homes, upgradation of existing homes (including addition of rooms and floors), self-construction, plot purchase and property purchase.



₹ **3,538** Crs
AUM



₹ **1,482** Crs
Disbursement



₹ **10** Lacs
Average Ticket Size

Loan Against Property

Our Company provides secured loans, disbursed with an identified property mortgaged as collateral. Our loans against property primarily include self-occupied residential properties.



₹ **2,546** Crs
AUM



₹ **1,164** Crs
Disbursement



₹ **9** Lacs
Average Ticket Size



98%
SORP

THE BROADER VISION



Our core focus remains on providing financial support to first-time home loan applicants, particularly self-employed individuals in Tier II and Tier III cities in India.



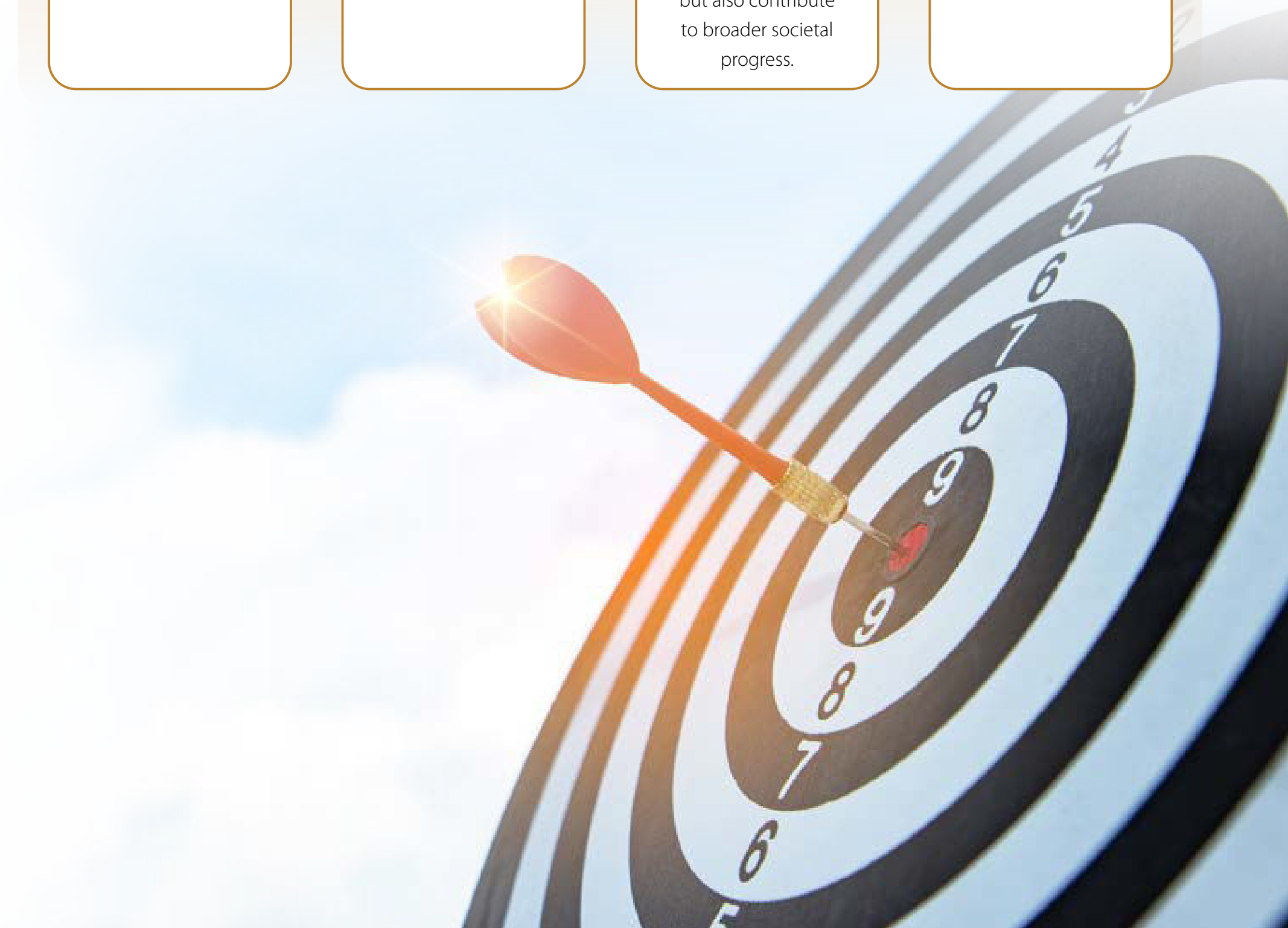
Through our business reach, we offer loan against property and financial aid for the purchase and self-construction of residential properties.



With a strong focus on financial inclusion and promotion of affordable housing, we aim to empower women, who play a pivotal role in households. By prioritising their economic empowerment, we not only enhance household stability but also contribute to broader societal progress.



As of 31 March, 2024, self-employed customers represented 72% of our Assets Under Management (AUM). 98% of our borrowers included women applicant and 70% of our customers were first-time mortgage borrowers.



OUR STRENGTHS

At India Shelter, an array of formidable strengths fuels our position in the housing finance sector. Our Company takes immense pride in our journey of success and innovation within the housing finance sector. Our achievements are anchored by a myriad of key strengths and strategic initiatives. Furthermore, from our deep understanding of customer needs to our robust tech-driven business model, diversified distribution strategies, and unyielding focus on governance and creditworthiness, we have solidified our position as a leader in the industry.

Deep Understanding of Customer Needs

With a strong 14-year vintage, at India Shelter, we have developed a deep understanding of the customer segment and micro-markets we serve. Strengthened with strong domain knowledge, our Company's understands the specific financial circumstances and challenges the low- and middle-income customer segment faces. We have tailored our underwriting process towards assessing their creditworthiness.

Tech-Driven Company with Scalable Business Model

As a technology-driven company, we leverage our cloud-based IT infrastructure to enhance lead sourcing and customer fulfilment processes. Our Company's focus on real-time updates and improved customer experiences drives efficiency, productivity, and business growth. At India Shelter, our in-house tools such as the Business Rule Engine (BRE) and Radial tool, enhance policy compliance, streamline operations, and optimise costs as we scale.

Diversified 'Phygital' Distribution

Our Company has built an extensive and diversified distribution network. We are present in 15 states, covering 94% of the affordable housing finance market. By implementing a penetrative expansion strategy, at India Shelter, we have targeted regions with high economic growth and demand for affordable housing finance, particularly in Tier II and Tier III cities. The 'Phygital' strategy optimises customer acquisition costs, enhances sales and productivity, and strengthens customer relationships, reflecting our extensive, diversified, and pan-India distribution network.



Curated In-House Processes Enable Robust Asset Quality

At India Shelter, with our robust in-house infrastructure, we ensure seamless operations and independence across key functions. Our Company prioritises localised hiring for branches to strengthen customer connections. The in-house origination model enables us to conduct all lending operations internally, reducing turnaround time and transaction costs. Our dedicated customer service solution, iServe, ensures prompt resolution of customer concerns. This approach has provided pricing power for loans, allowing us to offer competitive terms while maintaining healthy margins. As of 2023-24, 98% of disbursed loans originated in-house, demonstrating the effectiveness of our Company's operations.

Professional Management Led by Industry Veterans on Board

India Shelter's Board comprises industry veterans and Senior Management Personnel from diverse backgrounds, including credit evaluation, risk management, recovery, treasury, technology, and marketing. They bring varied experience in financial services, contributing to our Company's business growth and expansion into new geographies. Our employee retention and recognition are bolstered by our Employee Stock Options Plans (ESOPs), aligning our team's interests with our long-term success.

Strong Focus on Governance

At India Shelter, we are highly focussed on governance, which is evident from our comprehensive approach to transparency, accountability, and ethical conduct. Governance practices are deeply ingrained in our Company's culture, guiding our decision-making processes, mitigating risks, and ensuring the protection of stakeholders' interests. By prioritising governance, we not only enhance our reputation but also build trust with stakeholders, laying a solid foundation for sustainable growth and long-term success.

Enhancement of Creditworthiness

At India Shelter, we are focussed on diversifying our borrowing, optimising costs, and maintaining a positive ALM position. Our Company's current credit rating stands at AA- (Stable)*. Our borrowing costs were contained at 8.8% as of 31 March, 2024. Our Company is committed to enhancing our credit rating for better funding access and exploring co-lending for inclusive growth.



*IND RA (AA- Stable), CARE Rating (A+ Positive), ICRA (A+ Positive)

ROBUST UNDERWRITING PROCESS

At India Shelter, our comprehensive underwriting, collections, and risk management systems serve as the cornerstone of our expansion in the affordable housing finance sector, safeguarding asset quality at every turn. By prioritising the empowerment of women customers and promoting financial inclusion, our Company's dedicated teams carefully conduct in-depth credit evaluations, technical assessments, and legal verifications. Leveraging technology like mobile-first applications and verification APIs, we streamline loan approvals and conduct preventive checks. Our underwriting process, focussing on the '4 Cs' - Customer Profile, Cash Flow Assessment, Collateral Evaluation, and Controls—enables us to assess creditworthiness effectively, ensuring sustainable growth.



CUSTOMER PROFILING

- We prioritise assessing business vintage, sustainability, and customer repayment behaviour across different business cycles
- We utilise references from borrowers within the same industry or geographic region as the applicant
- We consider lifestyle indicators and living standards when selecting customer profiles for a holistic credit assessment
- We utilise credit bureau reports to evaluate and establish the repayment credentials of customers



CASH FLOW ASSESSMENT

- We excel at assessing customer cash flows and investing significant time at customers' business premises through discussions on business and household income
- We conduct household visits to triangulate the income, expenses, and savings of the applicant
- We leverage technology for our credit processes, with real-time KYC validation and API-based bank statement analysis, including Account Aggregator framework, supported by our BRE to minimise errors
- We disburse funds based on a comprehensive understanding of the intended utilisation of the loan proceeds by the customer



COLLATERAL EVALUATION

- Identification and Occupancy: Ensuring proper identification and occupancy status of the collateral
- Geo-tagging/Radial Variances: Utilising geo-tagging and the radial tool for accurate valuation
- Local By-laws: Checking compliance with local regulations
- Marketability: Assessing the marketability of the collateral



LEGAL EVALUATION

- Ensured all mortgages are executable under the SARFESI Act
- Title Check: Conducting legal opinions for title verification
- Encumbrance: Performing title searches to verify encumbrances
- Document Authenticity: Vetting legal documents for authenticity



CREDIT CONTROL

- In-house Business Rule Engine is utilised for conducting checks on customers digital presence, fraud history, negative database cross-references, pending legal or litigation issues, and other adverse findings
- Centralised Risk Containment Unit verifies the authenticity of documents provided by customers
- Centralised Credit and Hindsight Control Unit is responsible for evaluating each proposal after approval by the field credit team and before any disbursement takes place, verifying cash flow assessments conducted by the field credit team
- Maker Checker at critical processes is implemented to ensure accuracy and authenticity in critical processes
- Requirement for all applicants to visit the branch



51%
LTV¹



46%
FOIR



98%
SORP



₹ 10 Lacs
Average Ticket Size²

¹ - On AUM | ² - On Disbursement



OPERATING ENVIRONMENT

In the current operating landscape, India's economy is resilient, with a focus on robust domestic demand and growth in key sectors. HFCs and NBFCs are vital for financing underserved populations, especially in areas like affordable housing. There is also a broader trend towards financial inclusion and digital transformation in the financial services sector.

ROBUST ECONOMIC LANDSCAPE

Despite global geopolitical tensions, India's economy is expected to grow by 7.6% in 2023-24, driven by robust domestic demand and strong growth in the manufacturing and services sectors. Demand for credit is likely to remain strong, especially among MSMEs and retail, projected to grow by 13.5–14.0%. NBFCs have emerged as a crucial source of finance for a large segment of the population, including SMEs and underserved & unserved communities, efficiently meeting diverse financial needs. Non-bank money lenders have played a vital role in financial inclusion, supporting the growth of millions of MSMEs and self-employed individuals. The percentage of urbanisation is also expected to increase further in the years to come, thereby translating into higher demand for housing and related amenities in urban areas. Several drivers such as rising urbanisation, growing disposable income, favourable demographics and government measures are expected to lead to higher mortgage penetration going forward.

At India Shelter, we primarily finance the purchase and self-construction of residential properties by first-time home loan takers through home loans and also offer loans against property. Our focus is on serving low- and middle-income, salaried and self-employed individuals in Tier II and Tier III cities in India. The majority of our customers have a monthly income of up to ₹ 50,000, and our loan portfolio comprises mostly loans with principal amounts less than ₹ 2.5 million. India Shelter maintains a conservative average loan-to-value ratio for home loans and loans against property, with a lending portfolio entirely dedicated to the retail segment and a focus on loans with self-occupied residential property as collateral.



OPPORTUNITIES IN THE UNDER PENETRATED RURAL MARKET

India's housing shortage has been well documented over the years with potential demand for housing by 2022 pegged at 100 million units as per the Reserve Bank of India's Report of the Committee on the Development of Housing Finance Securitisation Market in September 2019. LIG (Low Income Group) and EWS (Economic Weaker Section) account for 95% of the shortage, while MIG (Middle Income Group) and above account for the remaining 5%. Total demand to fulfil the entire shortage in value terms is estimated at ₹ 50-60 trillion. Understanding and bridging this housing gap is crucial for India's inclusive growth and sustainable development.

By targeting this segment, India Shelter can tap into a market with substantial growth potential, where demand for housing finance is on the rise due to factors like increasing disposable income and a growing desire for homeownership. This strategic approach allows our Company to cater to a segment that is often underserved by traditional financial institutions, presenting a unique opportunity for us to expand our reach and generate higher yields on advances. The under penetrated rural market offers India Shelter a promising avenue for growth and market expansion, positioning us to capitalise on the increasing demand for affordable housing finance in these regions.



THE GROWING AFFORDABLE HOUSING FINANCE AND LAP SEGMENT

The growing Affordable Housing Finance and Loan Against Property (LAP) segment signifies a strategic shift among Affordable Housing Finance Companies (AHFCs) to diversify their loan portfolios. While housing loans continue to dominate AHFCs' loan books, accounting for 74% of the total share as of 2023, there is a noticeable trend towards increasing the share of non-housing segments, particularly LAP. This move is aimed at mitigating margin pressures and complying with regulatory guidelines such as the RBI's requirement for HFCs to have 60% of their portfolios in housing finance by 2024. AHFCs are focussing on LAP within the non-housing segment, unlike prime HFCs that diversify through builder book/construction finance. This strategic shift underscores AHFCs' adaptability and proactive approach to evolving market dynamics.

We have witnessed significant growth in the affordable housing finance segment, achieving a remarkable 5-year CAGR of 32% in assets under management from 2020-21 to 2023-24. Our scalable technology infrastructure and extensive distribution network have played pivotal roles in expanding our business operations. This strategic approach has empowered us to meet the evolving needs of customers seeking financial solutions backed by property assets. The growth witnessed in both the affordable housing finance and LAP segments underscores our commitment to serving a diverse customer base and seizing opportunities in India's burgeoning housing finance market.



RISING POPULARITY OF EFFICIENT NBFCs EMPOWERING UNDERSERVED SEGMENTS

NBFCs have emerged as a crucial source of finance for a large segment of the population, including SMEs and economically unserved and underserved people. They have managed to cater to the diverse needs of the borrowers in the fastest and most efficient manner, considering their vast geographical scope, understanding of the various financial requirements of the people and extremely fast turnaround times. Non-bank money lenders have played an important role in the financial inclusion process by supporting the growth of millions of MSMEs and independently employing people. The sector has grown significantly, with several players with heterogeneous business models starting operations. The last few years have seen a transformation in the Indian financial services landscape. The increasing penetration of neo-banking, digital authentication, the rise of UPI and mobile phone usage as well as mobile internet has resulted in the modularisation of financial services, particularly credit.

At India Shelter, our focus on the affordable housing finance segment aligns with the trend of NBFCs catering to the financial needs of underserved populations. Our Company's significant AUM growth serves as a testament to our efforts in addressing the housing finance requirements of this segment. By tapping into market demand, expanding our customer base, and enhancing our revenue streams, we have positioned ourselves as a key player in providing financial solutions to segments that are traditionally underserved by mainstream financial institutions.





STRATEGIC IMPERATIVES

At India Shelter, our strategies underscore our commitment to innovation, growth, and customer-centricity in the affordable housing finance sector. It centres on our key priorities and initiatives aimed at driving sustainable success. By focussing on deepening market penetration, enhancing operational efficiency, and fostering a culture of honesty & transparency, our Company aims to solidify our position as a leader in the industry.



EXPANDING REACH AND DEEPENING PENETRATION

At India Shelter, we aim to expand our footprint in adjacent markets, strategically increasing our reach and penetration in untapped areas. This, along with improved branch efficiency, will drive overall growth.



OPTIMISING BORROWING STRATEGY

Recognising the importance of a diversified and cost-effective borrowing approach, we plan to enhance our credit rating, prioritise long-term borrowings, and explore co-lending opportunities to secure capital at competitive rates.



LEVERAGING TECHNOLOGY FOR EFFICIENCY

Technology will play a pivotal role in our Company's growth strategy, improving lead generation and customer service processes. Internal data models will also be used to identify potential default risks and strengthening financial stability.



BUILDING BRAND EQUITY AND SUSTAINABILITY

At India Shelter, we aim to boost our brand presence by focussing on Tier II and Tier III cities. Additionally, fostering a positive work environment will help attract and retain top talent, supporting our Company's long-term sustainability.



OUR INTEGRATED BUSINESS MODEL

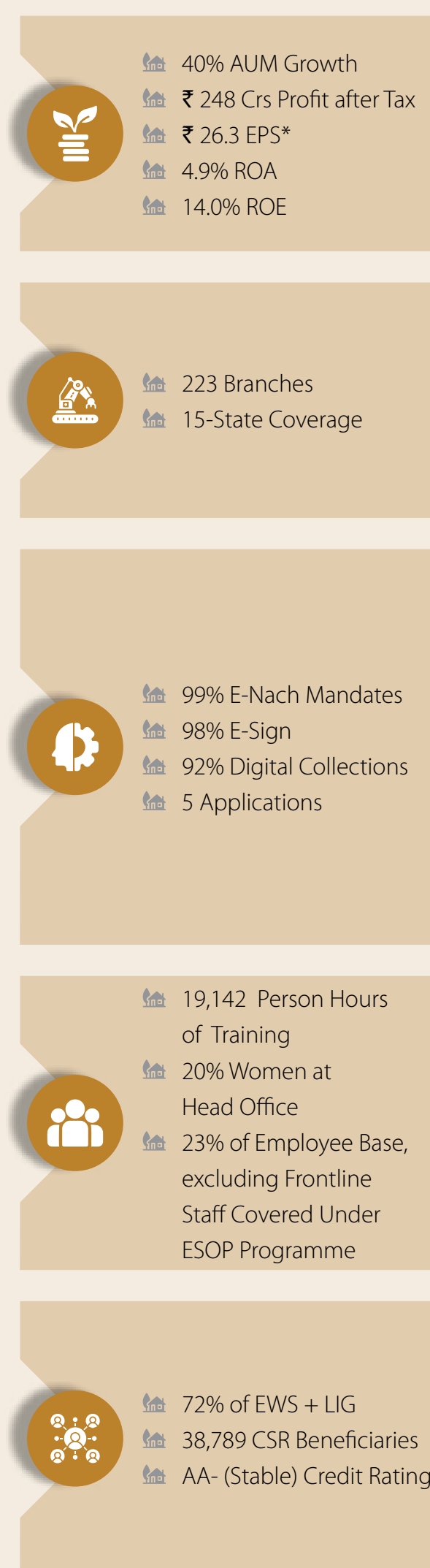
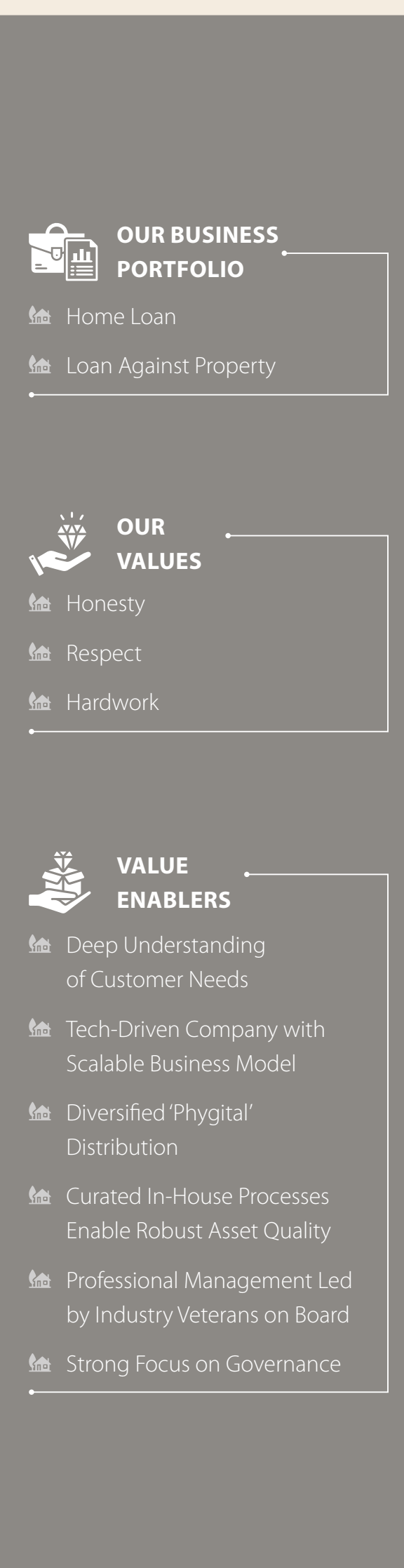
Capitals Engaged

Inputs

Output

Outcomes

SDGs Impacted

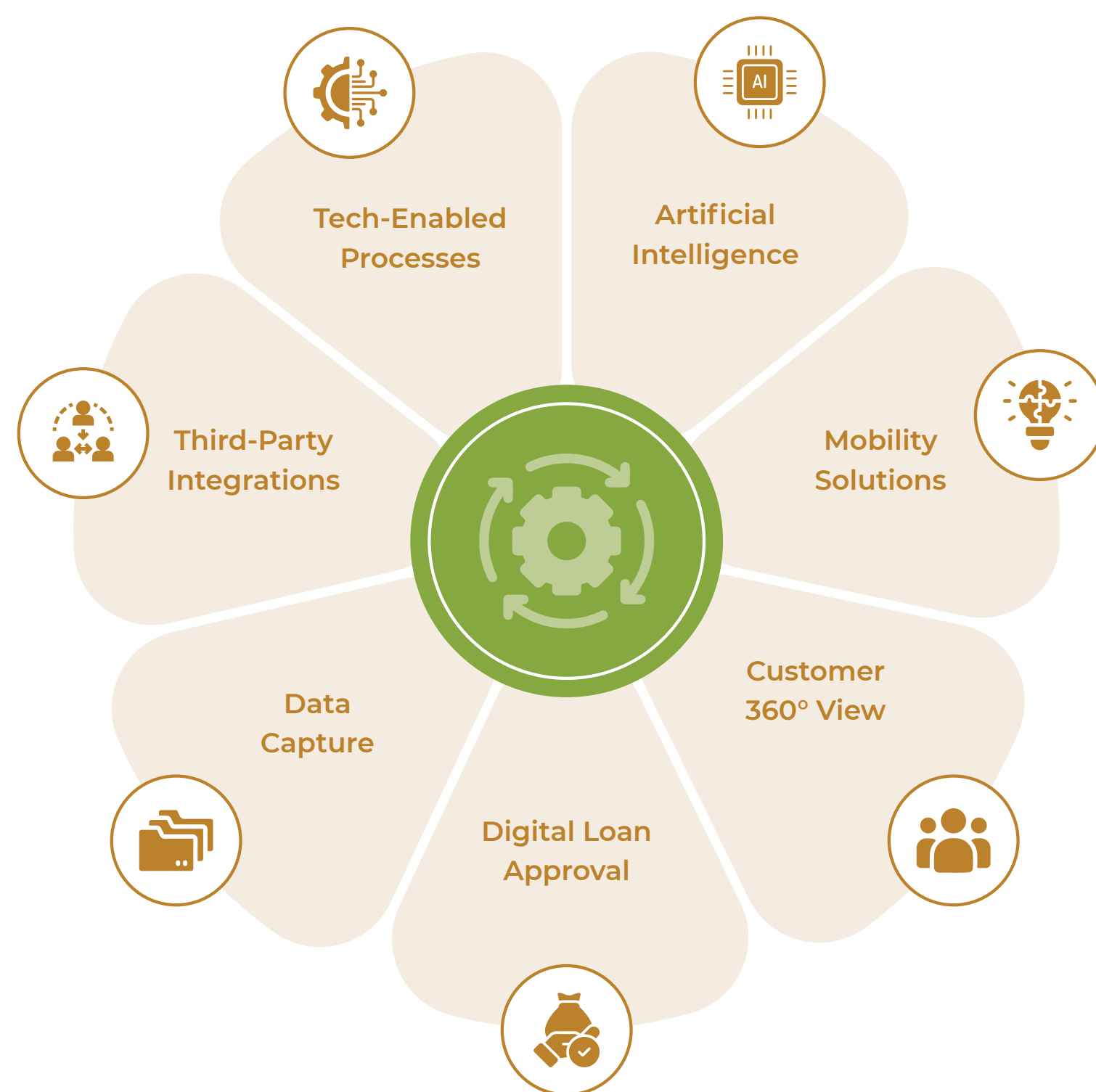


* Basic EPS ^IND RA (AA - Stable), CARE Rating (A+ Positive), ICRA (A+Positive)

INTELLECTUAL CAPABILITIES

At India Shelter, we harness the power of technology and analytics across all facets of our operations and throughout the customer life cycle. From onboarding and underwriting to asset quality monitoring, collections, and customer services, our innovative approach ensures efficiency and effectiveness at every step. By implementing a paperless approach to customer acquisition and onboarding, complemented by tailored mobile solutions, our Company strives to provide a seamless and personalised lending experience for our customers.

STRONG TECH ARCHITECTURE ACROSS PROCESSES



OUR IN-HOUSE MOBILE APP SOLUTIONS FOR STREAMLINING ENTIRE LOAN LIFECYCLE

iSales

(Customer Acquisition)

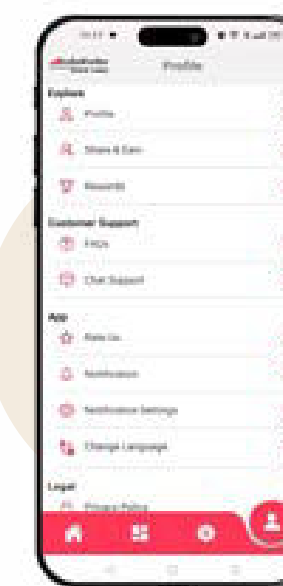
- Mobile app for new loan applications and onboarding.
- Enables online verification and document capture.
- Facilitates real-time submission of applications.



iCredit

(Credit Underwriting)

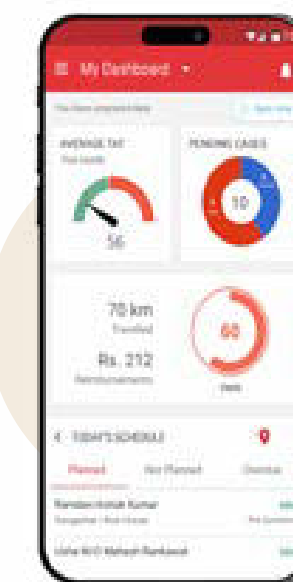
- Mobile app for customer income assessment.
- Online KYC checks.
- Real-time submission of reports to underwriters.



iTech

(Collateral Evaluation)

- Mobile app for property collateral valuation.
- Generates detailed valuation reports.
- Provides GPS coordinates of the property.



iCollect

(Collections Management)

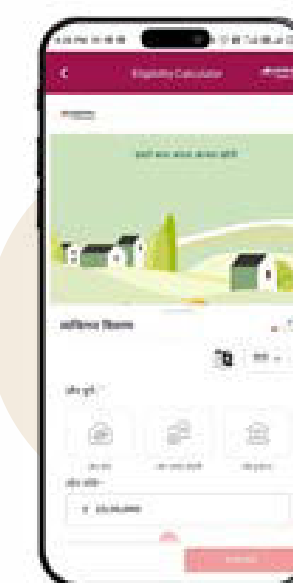
- Enables EMI collection and other dues from customers.
- Provides 360° view of customers payment history.
- Updates outstanding balances in real-time.



iServe

(Customer Service)

- App for existing customers to check loan status.
- Allows payment of EMIs and pending dues.
- Supports service requests in multiple languages.



92% Digital Collections

99% E-Nach Mandates

98% E-Signing

OUR MARKETING SYMPHONY

At India Shelter, our marketing strategy seamlessly integrates technology, personalised interactions, and data analytics to deliver a seamless customer experience. Our 'Phygital' strategy combines a dedicated and experienced sales force with targeted social media campaigns and data-driven customer insights. This allows our Company to not only nurture trust-based relationships with potential homeowners but also optimise sales efforts and maximise brand awareness. India Shelter's marketing efforts include data analysis for customer segmentation and targeting, allowing us to reach our audience effectively. By utilising social media and client databases, we strategically target potential customers, expanding our reach and engagement. Our marketing structure follows a multi-tiered approach that includes various components and strategies, as detailed alongside.



A 'PHYGITAL' BLEND

Our 'Phygital' strategy seamlessly combines a dedicated and experienced sales force with targeted social media campaigns and data-driven customer insights. This allows us to:

- Build Relationships:** Foster trust and personalised interactions with potential homeowners.
- Optimise Sales Efforts:** Concentrate resources and efforts on the most promising leads.
- Maximise Brand Awareness:** Expand our reach and establish brand recognition across various platforms.



DATA-DRIVEN TARGETING

India Shelter's marketing strategies utilise data analytics to segment and target customer audiences effectively. This allows:

- Customer Segmentation:** Develop targeted messaging and strategies for distinct customer groups based on demographics, behaviour, and psychographics.
- Strategic Communication:** Craft compelling narratives across social media and client databases to reach the right audience with the right message.



MULTI-TIERED APPROACH

Our marketing strategy in today's competitive landscape is about understanding our audience, building relationships, and guiding them through a seamless customer journey. We incorporate several key tiers, working together to achieve this goal.

Strategic Marketing

- Conduct market research to understand customer needs and preferences
- Identify target market segments based on demographics, behaviour, and psychographics
- Develop marketing strategies to reach and engage with potential customers
- Focus on market analysis, competitive positioning, and identifying growth opportunities

Customer Relationship Management

- Personalise customer communication for enhanced engagement
- Ensure seamless grievance redressal and post-sales support
- Build customer loyalty and generate referrals through satisfactory service

Product Marketing

- Create compelling value propositions for different loan products
- Develop product messaging that highlights unique features and benefits
- Communicate effectively to drive customer interest, generate leads, and onboard customers

Public Relations & Advertising

- Enhance brand visibility through industry events and exhibitions
- Issue press releases to improve brand reputation
- Run targeted advertising campaigns to reach specific audiences

Digital Marketing

- Utilise online channels like social media, SEO, and online advertising
- Expand reach and drive targeted campaigns for lead generation and brand awareness
- Engage third-party agencies for performance marketing and media partnerships

ENVIRONMENTAL GUARDIANSHIP

At India Shelter, our environmental initiatives are centred around enhancing energy efficiency and managing waste, including e-waste. Through digitalising our Company's lending process, we are committed to minimising paper usage and encouraging sustainable practices throughout our operations. India Shelter has been certified by JAN GRIHA for our Green Home initiative. This prestigious recognition highlights our relentless pursuit of eco-conscious living and sets a new benchmark for sustainable housing practices in the industry. We provide financing options tailored for green housing projects and actively support eco-friendly initiatives within the housing sector.



Practising energy efficiency



Securing Green Home Certification by JAN GRIHA



Adhering to efficient waste and e-waste management



Promoting e-mobility



Financing in a sustainable manner through green housing

INCLUSIVE CULTURE FOR OUR PEOPLE

At India Shelter, we nurture human capital as a key responsibility, forming the backbone of our operations. In line with this approach, we have adopted a three-dimensional strategy: **Get, Keep, and Grow**. It focusses on effectively acquiring, retaining, and developing the talent pool.



GET

India Shelter has implemented comprehensive strategies to attract top-quality candidates, with 95% sourced through employee referrals, highlighting the success of our referral programme.



KEEP

India Shelter promotes a culture of excellence, performance & meritocracy through various rewards and recognition programmes, including Long Service, Adversity, ICON Awards, Performance, Behind the Scenes, and Woman of Substance Awards, celebrating excellence within our organisation.



GROW

At India Shelter, we have invested significantly in employee development to support our ambitious business plans, focussing on building capabilities and maximising potential.



CAREER ADVANCEMENT

At India Shelter, we focus on the career growth of our people, with our leadership team actively supporting internal promotions based on performance. We offer career discussions through our Pragati programme, ensuring high-potential employees have opportunities for professional growth within the organisation.



EMPLOYEE DEVELOPMENT AND WELL-BEING

At India Shelter, we prioritise the development and well-being of our employees, ensuring a healthy and balanced work environment. Here are some initiatives that we have implemented:

- Parambh – A Leadership Journey
- India Shelter Child Scholarship Programme
- Mandatory Health Check-Up
- Yoga Classes
- Fitness Community



EMPLOYEE REWARD AND RECOGNITION

At India Shelter, we foster a work culture that inspires and motivates our employees to deliver their best each day. Our Company firmly believes in recognising and celebrating excellence, creating an environment that promotes healthy competition and rewards outstanding achievements. To achieve this, we have established a robust Reward & Recognition programme that highlights the exceptional contributions of our employees.

- 19,142** Person hours of training provided in 2023-24
- Multiple policies to create a safe and conducive work environment
- 290+** Employees are covered under the ESOP programme, comprising 9% of the total employee base and 23% of the employee base, excluding frontline staff
- Employment generated in Tier II, III & IV cities
- 25%** Women representation on the Board
- 20%** Women representation at corporate office

CUSTOMER DELIGHT

In our journey at India Shelter, we recognise the pivotal role of customer centricity in our operations. Catering to customers within the low and middle-income strata underscores our commitment of prioritising their needs and satisfaction. By tailoring financial solutions to align with the unique requirements of these segments, fostering transparency, and delivering efficient services, our Company demonstrates firm commitment to customer centricity. This approach not only cultivates enduring customer loyalty but also propels our overall success and growth within the affordable housing finance segment.

ELEVATING CUSTOMER DELIGHT THROUGH TECHNOLOGICAL ADVANCEMENTS



Streamlined onboarding experience



Integration of technology-led programmes such as E-Nach, E-Sign, and E-Stamp



Utilisation of data analytics for credit underwriting



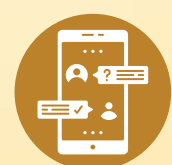
Expedited disbursements with thorough quality checks



Multi-channel customer engagement



Round-the-clock customer service through IVR (Interactive Voice Response)



Seamless digital service modules



Paperless processes



HOW DIGITALISATION BROUGHT INDIA SHELTER CLOSER TO CUSTOMERS

Boundary-Less Organisation

Embracing digitalisation has led to a collaborative and interconnected organisation.

Omni-Channel Transformation

Integration of multiple touchpoints has facilitated a transition to an omni-channel strategy, ensuring seamless customer interactions across various platforms.

Empowered Demand Forecasting

Digitalisation has strengthened India Shelter's demand forecasting capabilities by providing enhanced access to customer preferences and responses across geographies, enabling better anticipation of market needs.



THE ROLE OF TECHNOLOGY WITHIN OUR BUSINESS

-  Technology is integrated into every operation at India Shelter.
-  Our Company leverages technology to gain a comprehensive understanding of customers throughout their engagement lifecycle.
-  Through technology, we offer the best turnaround time, address emerging customer needs, and provide additional offerings, ultimately leading to higher customer retention.
-  Our Company thoroughly examines various technology options and tailors them to meet our specific requirements, ensuring a seamless alignment between customer demands and our services.
-  We have introduced innovative business use cases of technology such as geo-tagging for radial delinquency, valuation, and income assessment, lead eligibility and filtering, IRIS-based Aadhaar e-KYC with built-in biometric scans on tablets, E-Stamping, and insurance calculators.



HOW OUR COMPANY'S TECHNOLOGY PERSONALITY IS OUR BRAND

Simplifying Complex Processes

India Shelter excels at simplifying complex processes, automating labour-intensive tasks, and delivering extended services instantly, showcasing a commitment to efficiency and innovation.

Commitment to Service

We are renowned for our relentless commitment to serving customers with a smile, assurance, and speed, highlighting a customer-centric approach.

Innovative Business Practices

The ability to leverage technology empowers India Shelter to engage in traditional business practices in a modern and innovative manner. This approach challenges existing paradigms with a sense of urgency, passion, and the ability to design solutions that go beyond the ordinary, demonstrating a forward-thinking and progressive attitude.



OUR TECHNOLOGY INVESTMENTS HAVE PRIORITISED

Flexible Systems

At India Shelter, our strategic investments focus on flexible systems that facilitate smooth upgrades to the latest versions, ensuring we remain updated with technology trends.

Pure Software-as-a-Service (SaaS) Technologies

Our Company prioritises investments in pure SaaS technologies, which offer pricing based on usage, modular architecture, and adaptability. This approach ensures we are constantly prepared for future technological advancements.

Cloud Migration

We have taken steps to migrate all our knowledge capital to the cloud, enabling online access to our systems and data anytime, anywhere, enhancing flexibility and accessibility.



OUR COMPANY HAS ACHIEVED A HIGH LEVEL OF AUTOMATION

Mobile-Based Technology for Field Force

Investment in mobile-based technology for our entire field force, aimed at improving responsiveness, saving time, and enhancing customer satisfaction.

Investments in Top-Tier Systems

Prioritisation of investments in top-tier systems, efficient data management, and third-party online data services to optimise our Company's credit and operational functions.

Accessible Technology Stack

At India Shelter, our technology stack is accessible round the clock, from anywhere, ensuring continuous availability and convenience for our operations.

CASE STUDY



Loan Granted for Construction Purposes (Uttarakhand)

Challenge

Our customer applied for a home loan for construction on a pre-owned parcel of land. The customer did not have any previous loan history or documentary evidence of cash flows.

Tech-Driven Solutions

- Automated Income Assessment: Public data + cash register app data
- Radial Variances: Benchmarks and property value checks
- E-Verification & Background Checks: Secure mobile & bank verification (social media checks)
- E-signing & Disbursement: Digital paperwork and fast loan transfer

Benefits

- Loan approval in 4 days*
- No paperwork (entire process digital)
- Enhanced security (e-verification)
- Improved customer experience (faster and transparent)



*Login to Sanction TAT of 4 days and Login to Disbursement TAT of 6 days

FOR THE COMMUNITY

At India Shelter, we are deeply dedicated to catalysing positive change by uniting our employees and communities to create a profound impact on our society. Our Company's initiatives are strategically designed to empower communities through targeted interventions in crucial areas such as healthcare, education, women empowerment, and societal welfare. Guided by our corporate social responsibility (CSR) policy, we are committed to implementing sustainable solutions that generate enduring benefits for the communities we serve. Here are the details of some of India Shelter's CSR initiatives:

OUR CSR INITIATIVES

Education Initiative – An initiative to empower young girls through education

Under this initiative, we are working towards eradicating classroom hunger by providing mid-day meals to underprivileged children in partnership with the Akshaya Patra Foundation.

8,500+

Government school children supported with mid-day meals in Hubli and Jaipur

₹ 8,750,000

Contributed to Akshaya Patra Foundation under our education initiative



Healthcare Initiative – An initiative to support underprivileged women and young girls with better healthcare facilities

Through our healthcare initiative, we extend a helping hand to underprivileged women and young girls, offering them access to better healthcare facilities. This initiative embodies our commitment to nurturing a healthier future, bringing rays of hope and healing to those in need.

Under our healthcare initiative, we have partnered with Bansi Vidya Memorial Trust. With this partnership, we are supporting leukaemia-affected young girls by supporting their treatment and providing financial support to them.

276

Children supported in the treatment against leukaemia



We have partnered with the Impact Guru Foundation, a collaboration that aims to illuminate the lives of underprivileged communities through enhanced healthcare facilities. This initiative reflects our commitment to making a meaningful impact and bringing positive change to those in need.

₹ 8,817,288

Contributed to the Impact Guru Foundation

₹ 8,500,000

Contributed to the Bansi Vidya Memorial Trust



Women Empowerment Initiative – An initiative to upskill and empower young girls and women from underprivileged areas

We have partnered with the Paralympic Committee of India to empower para-athletes by extending financial support for their training and providing sport kits, showcasing their incredible accomplishments, and promoting the importance of sports for people with disabilities.

₹ 3,990,000

Contributed to the Paralympic Committee of India



STAKEHOLDER ENGAGEMENT

At India Shelter, we integrate diverse stakeholder perspectives, concerns, and expectations into our decision-making and practices through structured and inclusive engagement. Their feedback drives our Company's performance, aligning our efforts with their evolving needs. This initiative builds trust, fosters relationships and creates shared value. We are committed to open dialogue, listening and integrating feedback for sustainable outcomes.

Stakeholder Group	Mode of Engagement	Frequency	Matters of Importance	Value Created for Stakeholders
Customers 	 Loan officers, customer service executive, credit officers, technical & legal team and branch manager  Digital channels—social media, SMS, E-mail, Mobile app and call centre  Customer satisfaction surveys  Centralised customer support desk		 Knowledgeable and friendly staff  Availability of relevant products and services  Quick resolution of problems  Convenience of carrying out activities  Fairness and transparency  Availability of credit  Right sizing of loans	 Active Live Accounts - 80,791  A dedicated customer service team focussed on improving customer experience  Continuous training of employees
Investors/Shareholders 	 Annual General Meeting  Annual Report  Investor presentations  Investor/analyst meets  Media releases  Conference/video calls  Investor conferences  Roadshows		 Timely communication of material information  Shareholder value creation  Strong corporate governance and ethics  Clear and consistent business strategy  Disclosure of non-financial metrics  Compliance and transparency	 Increased investor engagement  Communicating the business strategy through the quarterly results and conference calls



Ongoing

Stakeholder Group	Mode of Engagement	Frequency	Matters of Importance	Value Created for Stakeholders
Employees 	 Internal publications and circulars  Performance updates  Feedback and surveys  Learning and development initiatives  Remuneration		 Career development opportunities  Responsive grievance handling process  Regular training to learn and develop new skills  Work-life balance	 Employee-centricity reflected through various initiatives  19,142 person hours of training provided  Annual awards programmes  Large ESOP Scheme
Communities/CSR 	 Through our partner NGOs  CSR projects  Supporting government initiatives		 Supporting community development  Addressing various social issues  Providing financial literacy	Uplifting the economically weaker sections (EWS) and low-income groups (LIG)  India Shelter Nakshatra: Our educational initiative  India Shelter Nav Jeevan: Our Healthcare initiative  India Shelter Nayi Umeed: initiative for women's empowerment
Government Regulators 	 Periodic meetings with regulatory bodies  Representation through various trade bodies and forums  Other forms of communication like e-mails, and letters, among others		 Timely reporting, statutory and legal compliance  Fair treatment of customers  Effective and efficient management of regulatory changes  Financial inclusion	 A dedicated team for communicating with regulators and responding timely  Playing a proactive role in creating awareness about financial inclusion

OUR GOVERNANCE PHILOSOPHY

At India Shelter, we uphold the highest standards of ethical integrity, corporate governance, and regulatory compliance, which serve as the bedrock of our corporate governance policy. Embracing a proactive approach, our Company continuously refines and elevates our adherence to best governance practices. Central to this commitment is our esteemed Board of Directors, whose guidance steers the trajectory of our Company and assesses our performance against the highest governance benchmarks.

Additionally, our evaluation criteria encompass a comprehensive spectrum, including compliance, internal control, risk management, information and cybersecurity, customer service, as well as social and environmental responsibility.

KEY POLICIES



Customer Grievance Policy

This policy ensures a timely, fair, and thorough resolution of customer complaints through an effective grievance management process.



Whistle-Blower Policy

This policy encourages and supports employees to promptly report any suspicions or observations of actions that may indicate corrupt, illegal, or unethical conduct.



Prevention of Sexual Harassment (POSH)

This policy shows our commitment to zero-tolerance towards sexual harassment, ensuring a safe and respectful workplace for all employees.



Equal Opportunities

This policy helps maintain a state of stringent non-discrimination ensuring fair treatment for all employees regardless of gender, age, social status, or religious beliefs.



Second Innings Policy

Through this policy, we actively encourage and support women to rejoin the workforce after a career break for personal reasons.

KEY RESPONSIBILITIES OF THE BOARD

The Board plays a crucial role as the guardian of our Company's stakeholders, overseeing and guiding all business operations. With a focus on corporate performance, the Board reviews, evaluates, and approves strategic investments, while ensuring vigilant oversight of regulatory compliance and corporate governance matters. By offering invaluable guidance and strategic direction, the Board enables the Management team to navigate complex challenges and seize opportunities. Working closely with the specialised committees, the Board provides leadership and wise counsel, ensuring that India Shelter operates optimally in the best interests of all stakeholders.





OUR BOARD MEMBERS



Age – 70 Years

Date of Appointment – 03 November, 2021

Member



MR. SUDHIN BHAGWANDAS CHOKSEY Chairman and Non-Executive Nominee Director

Area of Expertise — Industry Experience, Strategy & Planning, Financial Expertise, Leadership Experience, Governance, Compliance & Risk Advisory

Board in Indian Companies

- Anchorage Infrastructure Investments Holdings Limited
- CSB Bank Limited
- Fairchem Organics Limited
- Gujarat Ambuja Exports Limited
- Kuhoo Finance Private Limited
- Kuhoo Technology Services Private Limited



Age – 47 Years

Date of Appointment – 12 May, 2021

Member



MR. RUPINDER SINGH Managing Director & Chief Executive Officer

Area of Expertise — Industry Experience, Financial Expertise, Strategy & Planning, Leadership Experience, Technology Expertise, Governance, Compliance & Risk Advisory

Board in Indian Companies – NA



Age – 64 Years

Date of Appointment – 12 June, 2023

Member

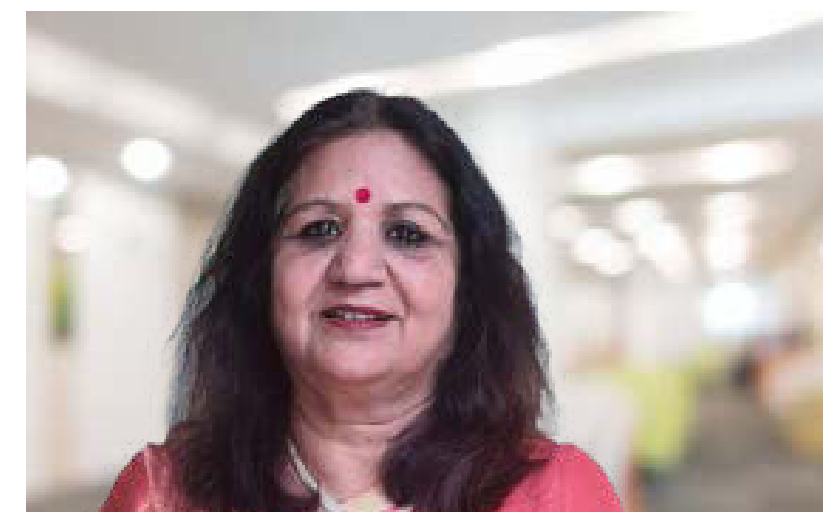


MR. PARVEEN KUMAR GUPTA Independent Director

Area of Expertise — Industry Experience, Financial Expertise, Strategy & Planning, Leadership Experience, Governance, Compliance & Risk Advisory

Board in Indian Companies

- Bank of India Investment Managers Private Limited
- Future Generali India Insurance Company Limited
- Midland Microfin Limited
- Protium Finance Limited
- Utkarsh Small Finance Bank Limited
- National Securities Depository Limited



Age – 64 Years

Date of Appointment – 12 February, 2021

Member



MS. RACHNA DIKSHIT Independent Director

Area of Expertise — Industry Experience, Strategy & Planning, Leadership Experience, Governance, Compliance & Risk Advisory

Board in Indian Companies

- Arthimpact Digital Loans Private Limited
- India SME Asset Reconstruction Company Limited
- Capital Small Finance Bank Limited
- Miracle Foundation India



Age – 64 Years

Date of Appointment – 03 November, 2021

Member



MS. SAVITA MAHAJAN Independent Director

Area of Expertise — Strategy & Planning, Leadership Experience, Governance, Compliance & Risk Advisory

Board in Indian Companies

- Aurobindo Pharma Limited
- Gemini Edibles & Fats India Limited
- Avanse Financial Services Limited
- Bhagirath Resurgence Private Limited



Age – 53 Years

Date of Appointment – 02 August, 2022

Member



MR. THOMSON KADANTOT THOMAS Independent Director

Area of Expertise — Strategy & Planning, Leadership Experience, Technology Expertise, Governance, Compliance & Risk Advisory

Board in Indian Companies – NA

Audit Committee

Nomination and Remuneration Committee

Risk Management Committee

Stakeholders' Relationship Committee

Corporate Social Responsibility Committee

IT Strategy Committee

Chairperson of Committee



Age – 74 Years

Date of Appointment – 31 August, 2017

Member

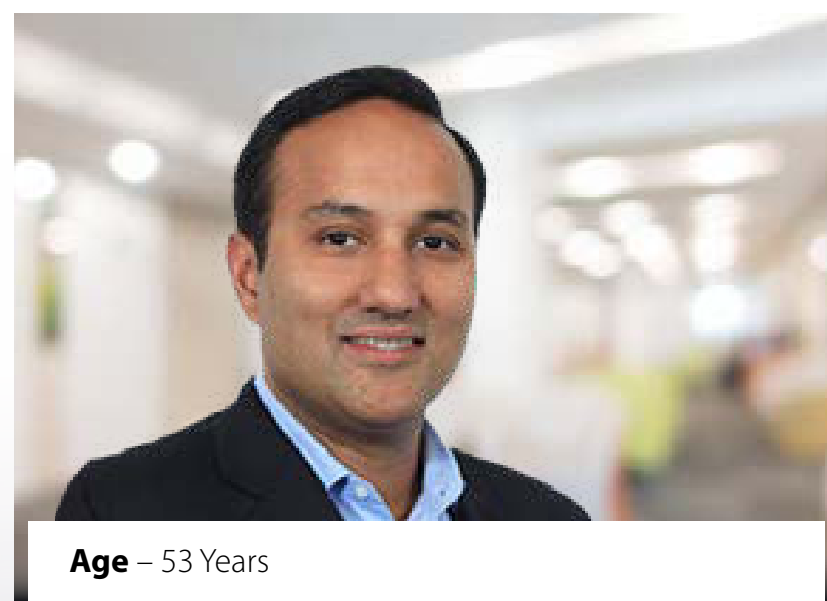
MR. SHAILESH J. MEHTA**Non-Executive Nominee Director**

Area of Expertise — Industry Experience , Financial Expertise, Strategy & Planning, Leadership Experience, Technology Expertise, Governance, Compliance & Risk Advisory

Board in Indian Companies

Aptus Value Housing Finance India Limited

Manappuram Finance Limited



Age – 53 Years

Date of Appointment – 03 June, 2015

Member

MR. SUMIR CHADHA**Non-Executive Nominee Director**

Area of Expertise — Industry Experience, Financial Expertise, Strategy & Planning , Leadership Experience, Governance, Compliance & Risk Advisory

Board in Indian Companies

Aptus Value Housing Finance India Limited

Kuhoo Technology Services Private Limited

MarketXpander Services Private Limited

Mountain Managers Private Limited

Star Health and Allied Insurance Company Limited

Safecrop Investments India LLP

**61** Years

Average Age

**2**

Women Directors

**50%**

Board Independence

**14**

Board Meetings

**84%**

Board Attendance

**99%**

Board Committee Attendance

**4**

Independent Directors

A brief resume of our Directors, along with details of the nature of their expertise in specific functional areas, is available at:

<https://www.indiashelter.in/board-of-directors>

Audit Committee

Nomination and Remuneration Committee

Risk Management Committee

Stakeholders' Relationship Committee

Corporate Social Responsibility Committee

IT Strategy Committee

Chairperson of Committee

OUR LEADERSHIP TEAM

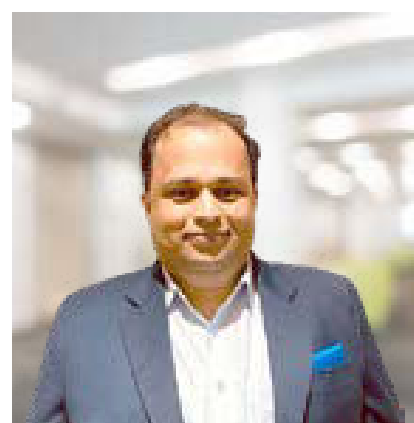
At India Shelter, we take pride in our leadership team, which boasts a proven track record of success. Comprising seasoned professionals with extensive experience in financial services, the team brings a wealth of knowledge and expertise to the table. Their strategic vision and collaborative leadership style are instrumental in steering our Company towards our ambitious goals.



MR. RUPINDER SINGH
MD & CEO



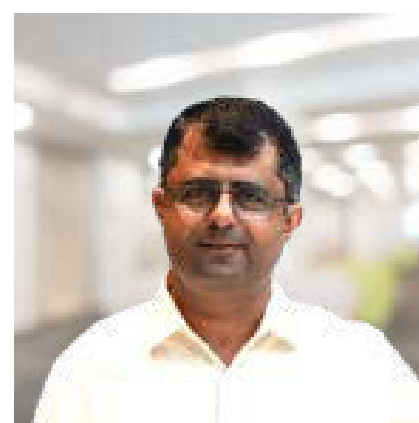
MR. ASHISH GUPTA
Chief Financial Officer



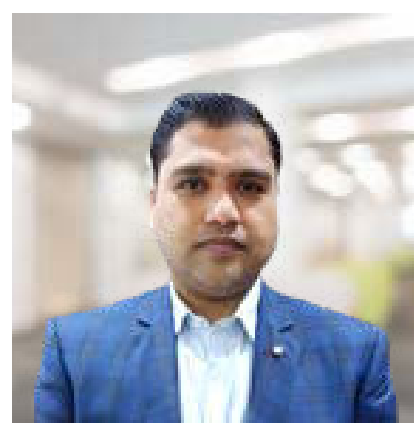
MR. SHARAD PAREEK
Chief Risk Officer



MR. NILAY
Chief Human Resources Officer



MR. AMAN SAINI
National Business Head



MR. NITIN GOEL
Head - Credit & Policy



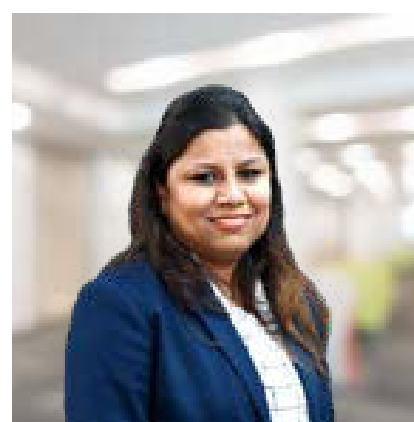
MR. RAVINDRA DHILLON
Head - Collections



MR. ROHIT GAUR
Head - Product & Strategy



MR. ABHINAV ARYA
Chief Information Officer



MS. MUKTI CHAPLOT
Company Secretary &
Chief Compliance Officer

OUR AWARDS & ACCOLADES



JAN Griha Certification on
Green Home Initiatives



Top 50 India's Best Workplaces
in BFSI 2024



Great Place to Work Certified



Affordable Housing Finance
Company



Rising Star - Housing Finance
Company of the Year



Best CSR Project of the Year



Best Risk and Cyber Security
Initiatives



Excellency in Technology
Implementation



Best Brand Building Campaign



Best Technical Application



Best Customer Centric IT
Implementation of the Year



Best House Financier of the Year



Best SDG Impact Award



CORPORATE INFORMATION

CHAIRMAN

Mr. Sudhin Bhagwandas Choksey

MANAGING DIRECTOR & CEO

Mr. Rupinder Singh

BOARD OF DIRECTORS

Mr. Sudhin Bhagwandas Choksey

Mr. Rupinder Singh

Mr. Parveen Kumar Gupta

Ms. Rachna Dikshit

Ms. Savita Mahajan

Mr. Thomson Kadantot Thomas

Mr. Shailesh Jayantilal Mehta

Mr. Sumir Chadha

MANAGEMENT TEAM

Mr. Ashish Gupta
Chief Financial Officer

Mr. Sharad Pareek
Chief Risk Officer

Mr. Nilay
Chief Human Resources Officer

Mr. Aman Saini
National Business Head

Mr. Nitin Goel
Head-Credit & Policy

Mr. Ravinder Dhillon
National Recoveries & Legal Head

Mr. Rohit Gaur
Head Product & Strategy

Mr. Abhinav Arya
Chief Information Officer

COMPANY SECRETARY AND CHIEF COMPLIANCE OFFICER

Ms. Mukti Chaplot

SECRETARIAL AUDITORS

Jitender Singh

Company Secretaries

Plot No. 112, 2nd Floor,

Udhyog Vihar Phase-1,

Gurgaon-122016

STATUTORY AUDITORS

TR Chadha & Co. LLP

76E, Udyog Vihar Phase IV,

Gurgaon- 122016

DEBENTURE TRUSTEE

Catalyst Trusteeship Limited.

CIN: U74999PN1997PLC110262

GDA House, Plot No. 85 Bhusari Colony (Right), Paud Road,
Kothrud Pune MH -411038 IN, Maharashtra

KEY BANKERS AND FINANCIAL INSTITUTION

AU Small Finance Bank Limited

Axis Bank Limited

Bajaj Finance Limited

Bandhan Bank Limited

Bank of Baroda

Bank of Maharashtra

Canara Bank

DBS Bank India Limited

DCB Bank Limited

Equitas Small Finance Bank

HDFC Bank Limited

ICICI Bank Limited

IDBI Bank Ltd

Indian Bank

Indian Overseas Bank

IndusInd Bank Limited

Karnataka Bank Ltd

Karur Vysya Bank Limited

Kotak Mahindra Bank Limited

Nabsamruddhi Finance Limited

National Housing Bank

Poonawalla Fincorp Limited

RBL Bank Limited

South Indian Bank Limited

State Bank of India

Sundaram Finance Limited

Suryoday Small Finance Bank Limited

The Federal Bank Limited

UCO Bank

Ujjivan Small Finance Bank Limited

Union Bank of India

United States International Development Finance Corporation

Yes Bank Ltd

REGISTRAR AND SHARE TRANSFER AGENT

KFin Technologies Limited

Selenium, Tower B, Plot 31-32, Gachibowli,

Financial District, Nanakramguda, Hyderabad, Telangana- 500032

Tel. 040- 79611000

Website: www.kfintech.com

REGISTERED AND CORPORATE OFFICE

Plot No. 15, 6th Floor, Institutional Area

Gurgaon-122002

CIN: L65922HR1998PLC042782

Email: customer.care@indiashelter.in

Website: <https://indiashelter.in/>

DIRECTORS REPORT

To,
The Members of,
India Shelter Finance Corporation Limited
6th Floor, Plot -15,
Institutional Area,
Sector – 44,
Gurgaon-122002

Your Directors have pleasure in presenting the 26th Annual Report on the Business and Operations of the Company and the Audited Standalone and Consolidated Financial Statements for the Financial Year ended 31 March, 2024.

FINANCIAL RESULTS

A brief highlight of the Standalone & Consolidated Financial Performance of your Company is presented as below:

Particulars	Standalone		Consolidated	
	FY24	FY23	FY24	FY23
Total Income	86,037.66	60,562.62	86,137.42	60,623.06
Less: Total Expenses	54,216.63	40,416.12	54,219.15	40,427.84
Profit/(Loss)before tax	31,821.03	20,146.50	31,918.27	20,195.22
Less: Current tax	6,967.56	4,634.07	6,991.83	4,648.41
Deferred Tax	166.16	14.68	166.68	12.60
Profit after tax	24,687.31	15,497.75	24,759.76	15,534.21
Other comprehensive Income	(504.91)	(62.27)	(504.91)	(62.27)
Transfer of Statutory Reserve (u/s Section 29C of NHB Act, 1987)	4,937.46	3,099.55	4,937.46	3,099.55
Balance carried to Balance Sheet	15,029.51	10,092.05	15,029.51	10,092.05
Earnings per Share (Face Value ₹ 2)				
Basic	26.24	17.72	26.32	17.75
Diluted	25.10	17.43	25.18	17.47

INITIAL PUBLIC OFFERING

During the year under review, your Company has successfully completed the Initial public offering of 2,43,40,768 equity shares of face value of ₹ 5 each (“equity shares”) of the Company for cash at a price of ₹ 493.00 per equity share of face value of ₹ 5 each including a securities premium of ₹ 488.00 per equity share (the “offer price”) aggregating to ₹ 1,200 Crores (the “offer”). The offer comprises of a fresh issue of 16,227,180 equity shares of face value of ₹ 5 each by our company aggregating to ₹ 800 Crores (the “fresh issue”) and an offer for sale of 81,13,588 equity shares aggregating to ₹ 400 Crores (“offer for sale”).

The 1,200 crore IPO, which was opened on 13 December, 2023 to 15 December, 2023, was subscribed 38.6 times. The category for qualified institutional buyers was subscribed 94.3 times. The quota reserved for retail individual investors was subscribed 10.5 times.

Pursuant to the aforesaid allotment of equity shares, the issued, subscribed and paid-up capital of the Company stands increased to ₹ 53,52,55,680 (10,70,51,136 Equity Shares of ₹ 5 each).

The Equity Shares of the Company were successfully listed on the National Stock Exchange of India Limited (NSE) and BSE Limited (BSE) on 20 December, 2023.

The Company has fully utilised the net IPO proceeds during the year for the purpose of onward lending and general corporate purposes in accordance with the Objects as stated in the Offer letter. There has been no deviation in the utilisation of IPO proceeds of the Company.

DIVIDEND DISTRIBUTION POLICY

Pursuant to the provisions of regulation 43A of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the ‘SEBI Listing Regulations’), the Company had formulated a dividend distribution policy.

DIVIDEND

Considering your Company's rapid growth and future strategy and plans, the Board considers it prudent to conserve the resources of the Company for its future growth and not recommend any

DIRECTORS REPORT (Contd.)

dividend payment on equity shares for the financial year under review.

CHANGE IN SHARE CAPITAL

Authorised Capital

The Authorised share capital of the Company as on 31 March, 2024, stood at ₹ 81 Crores comprising of 16,20,00,000 Equity shares of ₹ 5 /- each.

Paid up Capital

The Paid-up capital of the Company as on 31 March, 2024, stood at ₹ 53.5 Crores comprising of 10,70,51,136 Equity shares of ₹ 5 /- each.

During the year, the following changes were made in the Share Capital of the Company:

- Approved the sub-division of the equity shares of the Company from 1 (One) equity share of ₹ 10/- each into 2 (Two) equity shares of ₹ 5/- each by way of resolution passed in the Board meeting held on 12 July, 2023 and in the extraordinary general meeting held on 18 July, 2023.
- During the year ended 31 March, 2024, following options were exercised during the year ended 31 March, 2024 and equity shares were allotted as mentioned below:

ESOP Scheme	Number of equity shares
ESOP Scheme 2012	1,50,000*
ESOP Scheme 2017	8,42,000*
ESOP Scheme 2021	13,76,652*

*Number of equity share are post considering of sub-division of share from ₹ 10 per share to ₹ 5 per share.

- During the year, allotted 3,55,000 equity shares of ₹ 10 each to Mr. Anil Mehta on July 20, 2023.
- The Company called and received unpaid money of ₹ 349.60 (Face Value of ₹ 8 and Premium of ₹ 341.6) on 19 July, 2023 on 1,35,000 partly paid-up equity shares allotted at ₹ 437 (Face Value of ₹ 10 and Premium of ₹ 427) to Mr. Anil Mehta on 19 November, 2022.
- Allotted 1,62,27,180 equity shares of ₹ 5 each on 18 December, 2023, pursuant to Initial public offering (IPO).

EMPLOYEE STOCK OPTIONS SCHEMES

ESOP 2017

The Company has adopted the Employee Stock Option Plan, 2017 (ESOP 2017), which was approved by the Board of Directors at their meeting held on 10 November, 2017 and by the Shareholders of the Company by way of a special resolution at their Extra Ordinary General Meeting held on 31 January, 2018 and subsequent modifications thereto.

ESOP 2017 is in compliance with the SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2021. In terms of Regulation 12(1) of the Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021, the shareholders of the Company have amended the

scheme by special resolution passed in annual general meeting held on 14 July, 2024.

The shareholders of the Company, in their general meeting held on 31 January, 2018 and subsequent amendments have authorised the Board to grant up to 10,22,000 (Ten Lacs Twenty-Two Thousand) Employee Stock Options to the Employees, in one or more tranches, from time to time under the Plan, being exercisable into not exceeding 10,22,000 (Ten Lacs Twenty-Two Thousand) Shares of a face value of ₹ 5/- each fully paid-up, with each such Option conferring a right upon the Employee to be issued one Share of the Company, in accordance with the terms and conditions of such Grant.

Nomination and Remuneration Committee is empowered to formulate the detailed terms and conditions of the ESOP 2017, administer and supervise the same. The specific employees of the Company to whom the options are granted, and their eligibility criteria is determined by the NRC.

In terms of Regulation 14 of Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021, the disclosures with respect to ESOP 2017 have been provided on the website of the Company at <https://www.indiashelter.in>.

ESOP 2021

The Company has adopted the Employee Stock Option Plan, 2021 (ESOP 2021), which was approved by the Board of Directors at their meeting held on May 12, 2021 and by the Shareholders of the Company by way of a special resolution at their Extra Ordinary General Meeting held on 26 July, 2021 and subsequent modifications thereto.

ESOP 2021 is in compliance with the SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2021. In terms of Regulation 12(1) of the Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021, the shareholders of the Company have ammended the scheme by way of a special resolution passed in annual general meeting held on 14 July, 2023. Further, the Shareholders have ratified the scheme by way of a special resolution through postal ballot on 19 March, 2024.

The shareholders of the Company, in their general meeting held on 26 July, 2021 and subsequent amendments, have authorised the Board to grant up to 53,01,688 [Fifty Three Lacs One Thousand Six Hundred Eight Eight] Employee Stock Options to the Employees, in one or more tranches, from time to time under the Plan, being exercisable into not exceeding 53,01,688 [Fifty Three Lacs One Thousand Six Hundred Eight Eight] Shares of a face value of ₹ 5/- each fully paid-up, with each such Option conferring a right upon the Employee to be issued one Share of the Company, in accordance with the terms and conditions of such Grant.

Nomination and Remuneration Committee is empowered to formulate the detailed terms and conditions of the ESOP 2021, administer and supervise the same. The specific employees of the Company and its subsidiary to whom the options are granted, and their eligibility criteria is determined by the NRC.



DIRECTORS REPORT (Contd.)

In terms of Regulation 14 of Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021, the disclosures with respect to ESOP 2021 have been provided on the website of the Company at <https://www.indiashelter.in>.

ESOP 2023

The Company has adopted the Employee Stock Option Plan, 2023 (ESOP 2023), which was approved by the Board of Directors at their meeting held on 12 July, 2023 and by the Shareholders of the Company by way of a special resolution at their Extra Ordinary General Meeting held on 18 July, 2023 and subsequent modifications thereto.

ESOP 2023 is in compliance with the SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2021. In terms of Regulation 12(1) of the Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021, the shareholders of the Company have ratified the scheme by way of a special resolution through postal ballot on 19 March, 2024.

The shareholders of the Company, in their general meeting held on 18 July, 2023 and subsequent amendments, have authorised the Board to grant up to 33,53,450 Employee Stock Options to the Employees, in one or more tranches, from time to time under the Plan, being exercisable into not exceeding 33,53,450 [Thirty-Three Lacs Fifty-Three Thousand Four Hundred Fifty] Shares of a face value of ₹ 5/- each fully paid-up, with each such Option conferring a right upon the Employee to be issued one Share of the Company, in accordance with the terms and conditions of such Grant.

Nomination and Remuneration Committee is empowered to formulate the detailed terms and conditions of the ESOP 2023, administer and supervise the same. The specific employees of the Company and its subsidiary to whom the options are granted, and their eligibility criteria is determined by the NRC.

In terms of Regulation 14 of Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021, the disclosures with respect to ESOP 2023 have been provided on the website of the Company at <https://www.indiashelter.in>.

BRIEF DESCRIPTION OF THE COMPANY'S WORKING

Your Company is incorporated to carry on the business of Housing Finance by way of providing facilities in the form of term loans for construction, alteration, repair or for outright purchase of all types of accommodation and loans against property.

MATERIAL CHANGES AND COMMITMENTS, IF ANY, AFFECTING THE FINANCIAL POSITION OF THE COMPANY WHICH HAVE OCCURRED BETWEEN THE END OF THE FINANCIAL YEAR OF THE COMPANY TO WHICH THE FINANCIAL STATEMENTS RELATE AND THE DATE OF THE REPORT.

No Material change and commitment occurred between the end of the financial year 2023-24 of the Company and this report date

except as disclosed below that may affect the financial position of the Company.

CHANGE IN NATURE OF BUSINESS

During the financial year under review, there was no change in nature of business of the Company.

However, during the year, company filed an application to register itself as a Corporate Agent with Insurance Regulatory Development Authority of India ("IRDAI") under the IRDAI (Registration of Corporate Agents) Regulations, 2015. The company has received the Registration Certificate to act as a Corporate Agent (Composite) dated 19 April, 2024.

DETAILS OF COMPANIES WHICH HAVE BECOME ITS HOLDING, SUBSIDIARY, ASSOCIATE OR JOINT VENTURE COMPANIES:

Holding Company

During the start of Financial Year 2023-24, WestBridge Crossover Fund, LLC, together with its wholly owned subsidiary Aravali Investment Holdings was the Holding Company. With successful completion of IPO dated 20 December, 2023, WestBridge Crossover Fund, LLC ceased to be the holding company, as shareholding of WestBridge Crossover Fund, LLC has gone below 50%. The reduction in shareholding is on account of further issuance of shares in Initial Public Offer. WestBridge Crossover Fund, LLC and Aravali Investment Holdings has not participated in Offer of Sale.

Subsidiary Company

During the year 2022-23, the Company "India Shelter Capital Finance Limited" was incorporated dated 24 March, 2022 to carry on the business of short, medium and long term financing subject to regulatory approvals.

Statement containing salient features of the financial statements of the subsidiary, pursuant to first proviso to sub – section (3) of Section 129 read with rule 5 of Companies (Accounts) Rules, 2014 in Form AOC – 1, is attached, which forms part of this Report as Annexure 1.

Associate or joint venture companies

As per the provisions of the Act, the Company did not have any Joint Ventures/ Associates during the financial year under review.

Particulars of Loans, Guarantees or Investments to Wholly Owned Subsidiary

The Company had made investments of ₹ 12 Crores in the equity share capital of the subsidiary company during the financial year 2022-23. No further investment has been made during the year under review.

For details refer to Note no. 40 in relation to related party transactions disclosed as per notes to the Standalone Financial Statements.

Net Worth

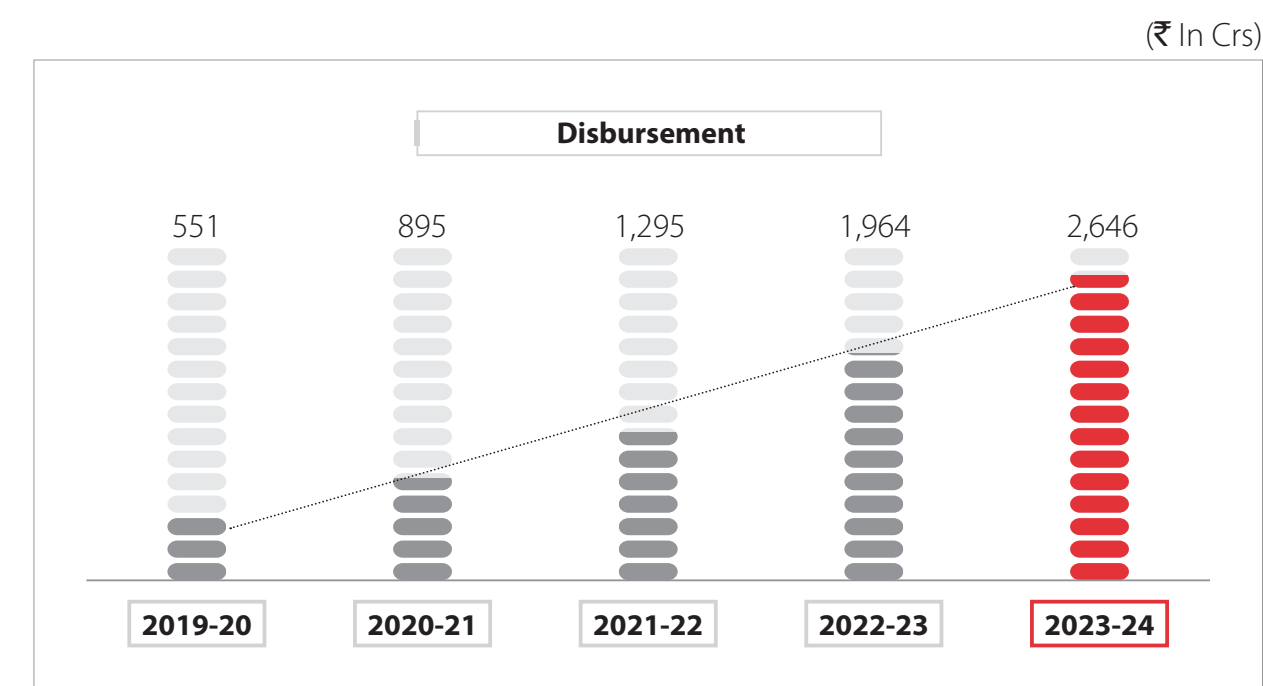
As of 31 March, 2024, the net worth of your Company stood at ₹ 2297.6 Crs compared to ₹ 1240.2 Crs on 31 March, 2023 registering an increase of 85.3%.

DIRECTORS REPORT (Contd.)

PERFORMANCE OF COMPANY

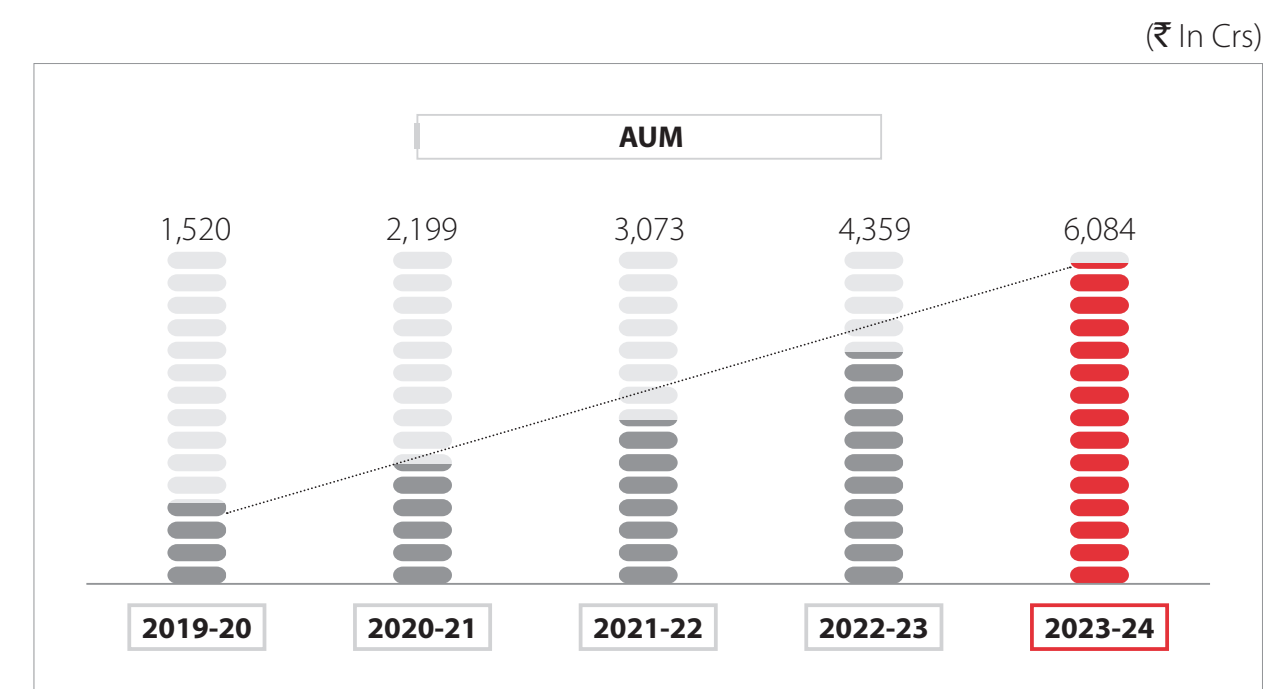
Disbursement

During the year, your Company disbursed ₹ 2,646 Crs compared to ₹ 1,964 Crs in the previous year.



ASSETS UNDER MANAGEMENT (AUM)

Your Company had assets under management of ₹ 6,084 Crs compared to ₹ 4,359 Crs in the previous year and recorded a growth of 40% over previous year.



BORROWINGS

Your Company's overall borrowing is guided by Borrowing and Investment Policy.

Your Company has a Board approved borrowing and investment policy in place to cater its funding requirements. The Company has well diversified base of lenders/investors that includes National Housing Bank, public sector bank, private sector bank and other financial institutions (domestic as well as international). As at March 31, 2024, your Company's sources of funding were primarily in the form of Long Term Loans from Banks and Financial Institutions 56% followed by Securitization/Direct assignment 22% NHB Refinance (15%), External Commercial Borrowings (ECB) (6%) Debt capital market (1%). The Weighted Average Borrowing Cost as at

March 31, 2024 was 8.8% (including Securitization/ Assignment) as against 8.7% as at the end of the previous Financial Year.

Your Company has vide Special Resolution passed on July 18, 2023, under Section 180 (1) (c) of the Companies Act, 2013, authorized the Board of Directors to borrow money upon such terms and conditions as the Board may think fit in excess of the aggregate of paid up share capital and free reserves of the Company up to an amount of 7,500 crore (Rupees Seven Thousand Five Hundred crore only) and the total amount so borrowed shall remain within the limits as prescribed by RBI.

Your Company manages its cash flows through prudent Asset-Liability Management and takes the various measures, which includes the diversification of funding sources, tenure optimisation,



DIRECTORS REPORT (Contd.)

and prudent borrowing timing to maintain its borrowing cost at an optimum level.

Your Company has a comfortable liquidity position as on March 31, 2024 with ₹ 451 crore of liquid assets and ₹ 759 crore of undrawn sanction in hand. Further, During the Financial Year your Company has crossed assets size of ₹ 5000 crore and hence LCR guidelines has made applicable on the Company. The Liquidity Coverage Ratio ('LCR') for the Financial Year ended March 31, 2024 was 140.2% as against the regulatory requirement of 60%.

Your Company secured financing from a variety of sources including term loans, proceeds from the issuance of NCDs and refinance from the NHB. As of 31 March, 2024, the Company's total borrowings stood ₹ 3,395.9 crores. Your Company remains committed towards maintaining a vigorous diversified resource profile.

During the financial year under review, the interest on Non-Convertible Debentures issued were paid by the Company on their respective due dates.

DIRECT ASSIGNMENT (DA) FROM BANKS AND FINANCIAL INSTITUTIONS

Your Company has actively tapped Securitization/Direct Assignment market, which has enabled it to create liquidity, diversify liability profile and minimizing asset liability mismatches. During the Financial Year under review, your Company received purchase consideration of ₹ 451 crore from transfer of LAP loan assets(Direct Assignment) pool to banks. The Direct Assignment Transaction transactions were carried out in line with RBI guidelines on Transfer of Loan exposure of Standard Assets and assigned assets were de-recognized in the books of the Company.

BORROWINGS FROM OTHER SOURCES

During the year, your Company raised ₹ 1,588.7 Crs from Banks and Financial Institutions in the form of term loans including NHB Refinance; and ₹ 450.7 Crs from seven Direct Assignment.

During the year, the NHB reposed faith in your Company by disbursing refinance of ₹ 210 Crs. With this disbursement, your Company had an outstanding of ₹ 639.0 Crs with the NHB as on 31 March, 2024.

EXTERNAL COMMERCIAL BORROWINGS

The Company has External Commercial Borrowing (ECB) line of \$30 mn from US International Development Finance Corporation (DFC). During the current year, the Company has drawn the remaining \$20 mn External Commercial Borrowing (ECB) limits. Total outstanding foreign currency loan exposure in the form of External Commercial Borrowing as on March 31, 2024 is [6%] of Total Borrowings which is fully hedged by way of cross currency swaps.

DEPOSITS

Your Company being a non-deposit taking Housing Finance Company, resolved by the Board of Directors in their meeting held on 09 May, 2023 that it shall not accept public deposit and has not accepted any public deposits within the meaning of Section 73 to 76 of the Companies Act, 2013 read with the Companies [Acceptance of Deposits] Rules, 2014 and amendment made thereunder.

LISTING WITH STOCK EXCHANGE:

Your Company's equity shares got listed on Bombay Stock Exchange (BSE) and National Stock Exchange (NSE) on 20 December, 2023.

Your Company is up to date in the payment of annual listing fees to Bombay Stock Exchange (BSE) and National Stock Exchange of India Ltd. (NSE) on which its equity shares are listed. The Non-Convertible Debentures issued by the Company are listed on Bombay Stock Exchange (BSE).

During the financial year under review, the interest on Non-Convertible Debentures issued (Private Placement) was paid by the Company on their respective due dates and there were no instances of any interest amount which were not claimed by the investors or not paid by the Company after the date on which the same became due for payment.

DISCLOSURES WITH RESPECT TO NON-CONVERTIBLE DEBENTURES AS PER THE MASTER DIRECTION- NON-BANKING FINANCIAL COMPANY – HOUSING FINANCE COMPANY (RESERVE BANK) DIRECTIONS, 2021

- The total number of non-convertible debentures which have not been claimed by the Investors or not paid by the housing finance Company after the date on which the non-convertible debentures became due for redemption: Nil
- The total amount in respect of such debentures remaining unclaimed or unpaid beyond the date referred to in clause (1) as aforesaid: Nil

DEBENTURE TRUSTEE

Debenture Trust Agreement(s) were executed in favour of Catalyst Trusteeship Limited for NCDs issued on private placement basis. Following are details of Catalyst Trusteeship Limited.

Catalyst Trusteeship Limited
CIN: U74999PN1997PLC110262
GDA House, Plot No. 85
Bhusari Colony (Right),
Paud Road,
Kothrud
Pune MH -411038 IN,
Maharashtra

DIRECTORS REPORT (Contd.)

CREDIT RATING

During the financial year under review, the credit rating of your Company was assigned to IND AA- (Stable) by India Ratings & Research (Ind-Ra).

The credit rating details of the Company as of 31 March, 2024 are as follows

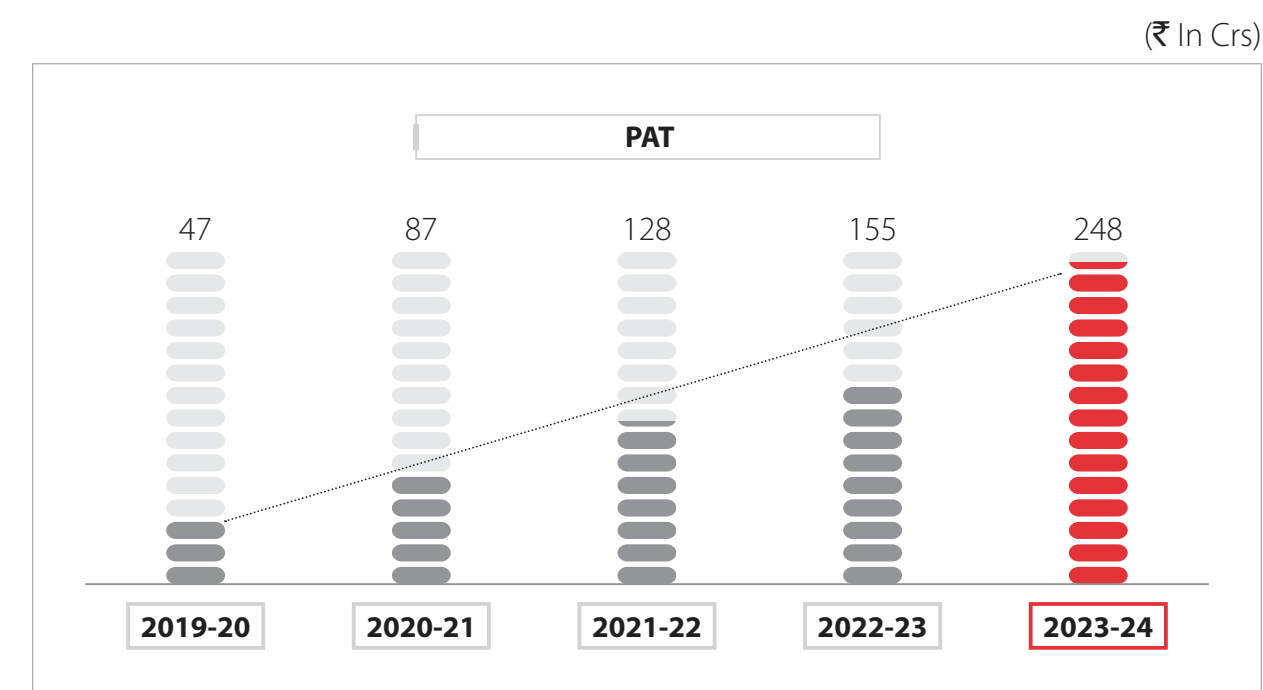
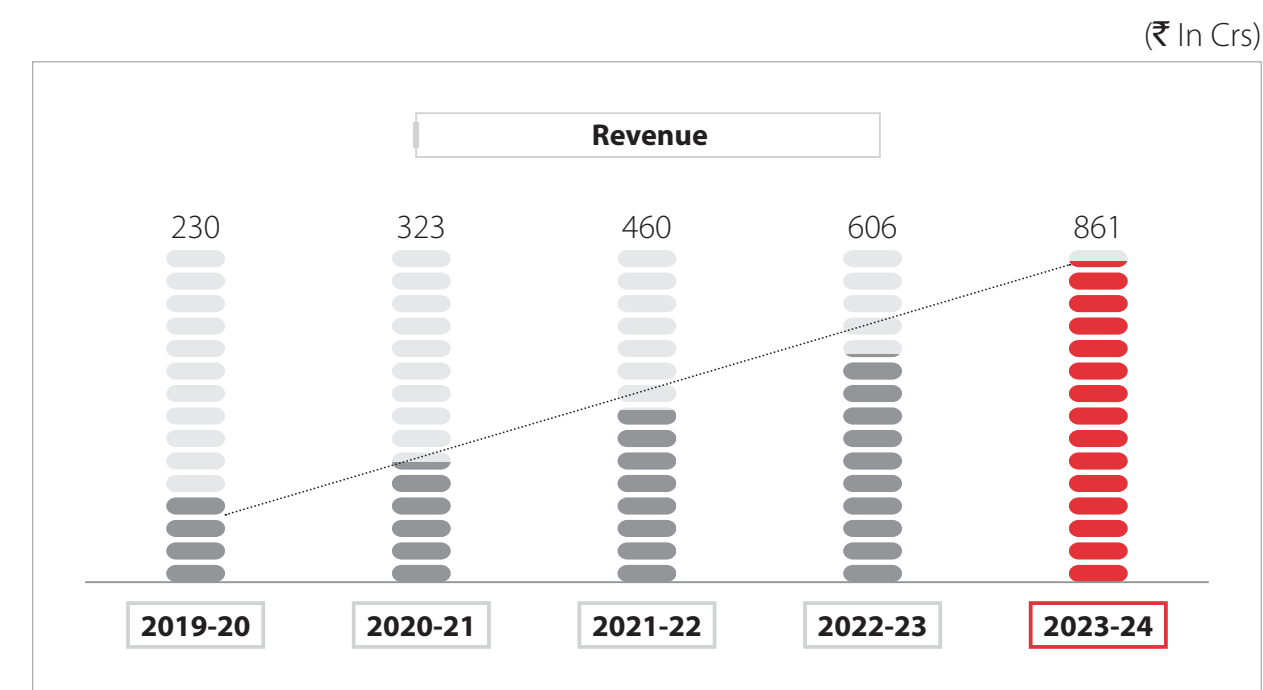
Agency	Instrument	Rating (Outlook)
Ind-Ra	Bank Loan	IND AA-/Stable
ICRA	Non-Convertible Debentures	ICRA A +(Positive)
ICRA	Long Term Borrowings	ICRA A + (Positive)
CARE	Long Term Borrowings	CARE A +(Positive)

RESERVES

In terms of Section 29C of the National Housing Bank Act, 1987, every Housing Finance Company is required to transfer at least 20% of its net profit every year to Statutory Reserve account before any dividend is declared. Accordingly, your Company has transferred an amount of ₹ 49.4 Crs (Previous Year: 31 Crs) to 'Statutory Reserve' and it stands at ₹ 150.3 Crs as on 31 March, 2024.

PROFITABILITY

During the year, your Company earned total revenue of ₹ 861 Crs compared to ₹ 605.6 Crs of revenue earned last year registering an increase of 42.1%. Your Company earned a profit after tax of ₹ 248 Crs compared to ₹ 155 earned last year registering an increase of 59.3%.



DIRECTORS REPORT (Contd.)

ASSET CLASSIFICATION

Your Company has adhered to the Policy for Asset Classification, Provisioning, Settlement and Write Off approved by its Board of Directors and as per the Expected Credit Loss (ECL) Methodology. Provision computed as per the ECL methodology is higher than the provision computed in accordance Income Recognition and Asset Classification (IRAC) Norms specified by RBI.

For details refer to Note no. 6 (ix) in relation to provisioning disclosed as per notes to the Standalone Financial Statements.

RECOVERY MECHANISM

Your Company is a “Financial Institution” under The Securitisation and Reconstruction of Financial Assets and Enforcement of Security Interest (SARFAESI) Act, 2002 and it initiated proceedings under The Securitisation and Reconstruction of Financial Assets and Enforcement of Security Interest (SARFAESI) Act, 2002 against defaulting borrowers for recovery of dues. Your Company has also filed cases under section 138 of Negotiable instrument Act, 1881. Your Company is disbursing 100% loans through electronic mode.

CAPITAL ADEQUACY RATIO

NHB Housing Finance Companies (NHB) Directions requires your Company to maintain a minimum capital adequacy of 15% on a standalone basis. Your Company's capital adequacy ratio (CRAR) stood at 70.9% (comprising Tier I capital of 70.1% and Tier II capital of 0.8%) as on 31 March, 2024, compared to 52.7% (comprising Tier I capital of 51.9% and Tier II capital of 0.8%) as on 31 March, 2023.

BRANCH EXPANSION

During the year, your Company added 40 additional branches with total of 223 offices in 15 states as on 31 March, 2024. This increase in branches has contributed to the better performance by your Company. Your Company now operates in the states of Rajasthan, Maharashtra, Gujarat, Madhya Pradesh, Haryana, Chhattisgarh, Uttar Pradesh, Uttaranchal, Punjab, Tamil Nadu, Karnataka, Telangana, Andhra Pradesh, Delhi and Orissa. Your Company has undertaken several measures to improve its visibility through focus on marketing and advertising.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION

Since your Company is engaged in financial services activities, its operations are not energy intensive nor does it require adoption of specific technology and hence information in terms of Section 134(3)(m) of the Act read with the Companies (Accounts) Rules, 2014 is not provided in this Board's Report. However, the Company has given the details of its initiatives in relation to conservation of energy and technology absorption in Business Responsibility and Sustainability Report (“BRSR”) forming part of this Annual Report.

FOREIGN EXCHANGE EARNINGS AND OUTGO

The Foreign Exchange earned and the Foreign Exchange outgo during the year is as below:

(₹ in Lacs)		
Particulars	For Year ended March, 2024	For Year ended March, 2023
a) Total Foreign exchange earned	-	-
b) Software license expense	16.6	2.8
c) Legal and professional charges (in respect of IPO)	471.04	-
d) Interest Expense of ECB	788.6	172.3

REGULATORY GUIDELINES

During the Year under review, the RBI/NHB has issued various Notifications, Circulars and Guidelines to Housing Finance Companies. The Circulars and the Notifications issued by RBI/NHB are also placed before the Board of Directors at regular intervals to update the Board members on compliance of the same. Your Company has adhered to all the Circulars, Notifications and Guidelines issued by RBI/NHB from time to time.

Your Company has been following guidelines, circulars and directions issued by RBI from time to time. The Company has adopted all the Policies as recommended by RBI/NHB from time to time.

Your Company has been complying with the Master Directions, guidelines and circulars issued by the Reserve Bank of India, National Housing Bank, Companies Act, 2013, SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, to the extent applicable to the Company, Foreign Exchange Management Act, 1999, Labour Laws, Income Tax Act, Goods and Services Tax Act and other applicable Acts from time to time.

Your Company has also complied with the provisions of the Secretarial Standards issued by the Institute of Company Secretaries of India.

DIRECTORS

The composition of the Board is in accordance with Section 149 of the Act and Regulation 17 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 with an optimum combination of Executive, Non-executive and Independent Directors

The Board of Directors of the Company comprises of Eight Directors, consisting of Chairman & Non-Executive Director, Managing Director & CEO, four Independent Directors (including two Woman Director), two Non-Executive Directors, (Nominee), as on 31 March , 2024 who bring in a wide range of skills and experience to the Board.

DIRECTORS REPORT (Contd.)

The Board of Directors of the Company as on 31 March, 2024 are:

Directors	Designation	DIN
Mr. Sudhin Bhagwandas Choksey	Chairman and Non-Executive Director (Nominee)	00036085
Mr. Rupinder Singh	Managing Director and Chief Executive Officer	09153382
Mr. Shailesh J. Mehta	Non-Executive Director (Nominee)	01633893
Mr. Sumir Chadha	Non-Executive Director (Nominee)	00040789
Mr. Parveen Kumar Gupta	Independent Director	02895343
Ms. Rachna Dikshit	Independent Director	08759332
Ms. Savita Mahajan	Independent Director	06492679
Mr. Thomson Thomas	Independent Director	09691435

The following changes took place in the composition of Board of Directors during the year:

- The Board of Directors of the Company through resolution by circulation on 12 June, 2023, appointed Mr. Parveen Kumar Gupta as an Additional (Independent & Non-Executive) Director with effect from 12 June, 2023 and shareholders confirmed his appointment as an Independent Director in their meeting held on 14 July, 2023.
- The Board of Directors of the Company in their meeting held on 12 July, 2023, appointed Mr. Ajay Narayan Jha as an Additional (Independent & Non-Executive) Director with effect from 12 July, 2023 and shareholders confirmed his appointment as an Independent Director in their meeting held on 18 July, 2023.
- The Board of Directors of the Company in their meeting held on 31 July, 2023 accepted resignation of Mr. Anil Mehta as a Chairman and Non-executive director with effect from closure of business hours of 31 July,2023.
- The Board of Directors of the Company in their meeting held on 31 July, 2023, re-designated Mr. Sudhin Bhagwandas Choksey as a Chairman and Non-Executive Director (Nominee) and appointed Ms. Savita Mahajan as an Additional (Independent & Non-Executive) Director with effect from 31 July, 2023 and shareholders confirmed her appointment as an Independent Director in their meeting held on August 01, 2023.
- The Board of Directors of the Company in their meeting held on 08 February, 2024 accepted resignation of Mr. Ajay Narayan Jha as an Independent Director with effect from closure of business hours of 08 February, 2024.
- The Board of Directors of the Company, through resolution by circulation on 07 March, 2024, accepted resignation of Mr. Anup Kumar Gupta as a Non-Executive Director (Nominee) of the Company effective from closure of business hours of 07 March, 2024.

FOLLOWING CHANGES TOOK PLACE IN COMPOSITION OF BOARD OF DIRECTORS FROM FINANCIAL YEAR ENDED 31 MARCH, 2024 TILL DATE OF THIS REPORT

- The shareholders of the Company have passed a special resolution for continuation of Mr. Shailesh J. Mehta (DIN:

01633893) as a Non-Executive Non-Independent Director beyond age of 75 Years, in their extraordinary general meeting held on 19 April, 2024.

BOARD MEETINGS HELD DURING THE YEAR

During the financial year ended 31 March, 2024, the Board met fourteen times on [1] 09 May, 2023 ; [2] 12 July, 2023; [3] 31 July, 2023; [4] 03 August, 2023; [5] 14 August, 2023; [6] 27 October, 2023; [7] 13 November, 2023; [8] 23 November, 2023; [9] 07 December, 2023; [10] 07 December, 2023; [11] 12 December, 2023; [12] 16 December, 2023; [13] 18 December, 2023; [14] 08 February, 2024. The maximum time gap between any two Board meetings did not exceed 120 days during the financial year under review.

COMMITTEES OF THE BOARD

The Company has the following Nine (9) Board level Committees as on March 31, 2024 which have been constituted in compliance with the requirements of the business and relevant provisions of applicable laws and statutes:

1. Audit Committee
2. Nomination and Remuneration Committee
3. Corporate Social Responsibility Committee
4. Risk Management Committee
5. Asset Liability Management Committee
6. IT Strategy Committee
7. Wilful Defaulter Identification & Review Committee and
8. Customer Service & Grievance Redressal Committee
9. Stakeholders Relationship Committee

On 31 July 2023, IPO Committee was established by the Company to monitor the process of IPO and with successful closure of the IPO and fulfilment of purpose of IPO committee, the committee was dissolved on 08 February 2024.

The recommendations made by above Committees were accepted by the Board.

The details with respect to the composition, terms of reference, number of Meetings held, etc. of these Committees are given in the Corporate Governance Report, which forms part of this Report.



DIRECTORS REPORT (Contd.)

KEY MANAGERIAL PERSONNEL (KMP):

During the year under review, there were no changes in the office of Key Managerial Personnel (KMP), the Key Managerial Personnel of the Company are as follows:

- a. Mr. Rupinder Singh –Managing Director & CEO
- b. Mr. Ashish Gupta- Chief Financial Officer
- c. Ms. Mukti Chaplot – Company Secretary and Chief Compliance Officer

CORPORATE GOVERNANCE REPORT

Your Company is committed to achieve the highest standards of Corporate Governance and it aspires to benchmark itself with the best practices in this regard. The Board regularly reviews the Management’s reports on statutory and regulatory compliances. A report on corporate governance as per the Listing Regulations is attached which forms part of this Report as Annexure 2.

A certificate from M/s. Jitender Singh, Practicing Company Secretary, confirming compliance with corporate governance norms, as stipulated under the SEBI (Listing Obligation & Disclosure Requirements) Regulations, 2015, is attached which forms part of this Report as Annexure 3.

COMPANY’S POLICY ON DIRECTORS APPOINTMENT, REMUNERATION & EVALUATION

The Board on the recommendation of the Nomination & Remuneration Committee adopted a “Nomination & Remuneration Policy”, which, inter-alia, lays down the criteria for identifying the persons who are qualified to be appointed as Directors and/or Senior Management Personnel of the Company, along with the criteria for determination of remuneration of Directors, KMPs and other employees and their evaluation and includes other matters, as prescribed under the provisions of Section 178 of Companies Act, 2013.

The “Nomination & Remuneration Policy” of the Company is placed on the website of the Company at <https://www.indiashelter.in/investor-relations>. The Remuneration paid to the Directors is in line with the remuneration policy of the Company.

DIRECTOR & KEY MANAGEMENT PERSONNEL

Retirement by Rotation and Re-appointment

As per Section 152 of the Companies Act, 2013, Mr. Sumir Chadha (DIN: 00040789) of the Company, will retire by rotation at the ensuing Annual General Meeting and being eligible offer himself for reappointment.

Resignation/Retirement of Independent Director

Pursuant to Section 149 (6), Section 152 and Section 161 of the Companies Act, 2013 and other applicable provisions (including any modification or re-enactment thereof), if any, of the Companies Act, 2013, the Board of Directors in Board meeting held on 08 February, 2024, accepted the resignation of Mr. Ajay Narayan

Jha from the position of Independent Director of the Company with effect from the closure of business hours of 08 February, 2024.

Appointment of Independent Director

Pursuant to the provisions of Section 149, 150, 152 read with schedule IV and Section 161(1) read with Companies (Appointment and Qualification of Directors) Rules, 2014, and other applicable provisions, sections, rules of the Companies Act, 2013, following Independent Directors were appointed:

- The Nomination and Remuneration Committee and Board of Directors of the Company through resolution by circulation on 11 June, 2023 and 12 June, 2023, respectively appointed Mr. Parveen Kumar Gupta as an Additional (Independent & Non-Executive) Director with effect from 12 June, 2023 and shareholders confirmed his appointment as an Independent Director in their meeting held on 14 July, 2023.
- The Nomination and Remuneration Committee and Board of Directors of the Company in their meeting held on 12 July, 2023, appointed Mr. Ajay Narayan Jha as an Additional (Independent & Non-Executive) Director with effect from 12 July, 2023 and shareholders confirmed his appointment as an Independent Director in their meeting held on 18 July, 2023.
- The Nomination and Remuneration Committee and Board of Directors of the Company in their meeting held on 31 July, 2023, respectively, appointed Ms. Savita Mahajan Jha as an Additional (Independent & Non-Executive) Director with effect from 31 July, 2023 and shareholders confirmed his appointment as an Independent Director in their meeting held on August 01, 2023.

Declaration by Independent Director

The Independent Directors have submitted the Declaration of Independence, stating that they continue to fulfil the criteria of independence as required pursuant to section 149 of the Companies Act, 2013 and Regulations 16 of the Listing Regulations.

In the opinion of your Board of Directors, the Independent Directors fulfil the conditions specified in the Act and the rules made there under for appointment as Independent Directors including the integrity, expertise and experience and confirm that they are independent of the management.

Disqualifications of Directors, if any:

None of the Directors on the Board of the Company are disqualified pursuant to the provisions of Section 164 or Schedule V Part II of the Companies Act, 2013.

Declaration of Fit & proper Criteria

Your Company is adhering the Fit and Proper Criteria and your Board of Directors have approved Fit and Proper Policy which assesses the Fit and Proper Criteria for the directors at the time of appointment and on a continuing basis, as per the criteria

DIRECTORS REPORT (Contd.)

prescribed by RBI.

All the Directors of the Company have given the declaration to the effect that they are Fit & Proper, to be appointed as Director, as per the criteria prescribed by RBI / NHB.

Remuneration to Directors

During the year, Company has not paid any remuneration to Non-executive Directors except as disclosed in the Financial Statements forming part of this Report. Sitting fees has been paid to the Independent Directors as per the provisions of Companies Act, 2013, details of which has been presented in the Corporate Governance Report.

ANNUAL EVALUATION

The annual evaluation process of the Board, its committees and Individual Directors were conducted as per the provisions of the Companies Act, 2013 and the listing regulations

The Nomination & Remuneration Committee and Board of Directors carried out the evaluation of each Director’s performance without the presence of the Director concerned who is being evaluated, Statutory Board Committees on parameters such as composition of Board and committees, execution of roles and responsibilities, quality, quantity and timeliness of flow of information, deliberations at the meeting etc.

During the year, Independent Directors of the Company also held separate meetings to review the performance of the Non-Independent Directors and Board as a whole and assessed the quality, quantity and timeliness of flow of information between the Company management and the Board which is necessary for the Board to effectively and reasonably perform their duties. Major aspects of board evaluation include who is to be evaluated,

Directors	Designation	DIN
Ms. Savita Mahajan	Independent Director (Chairman of Committee)	06492679
Ms. Rachna Dikshit	Independent Director	08759332
Mr. Sumir Chadha	Nominee Director	00040789

The CSR Committee met two times in the year under consideration on 14 August, 2023 and 08 February, 2024.

The attendance record of members is given in the Corporate Governance Report forming part of this Annual Report.

The disclosures as per Rule 9 of Companies (Corporate Social Responsibility Policy) Rules, 2014 is attached which forms part of this Report as Annexure 4.

Business Responsibility & Sustainability Report (BRSR)

The Business Responsibility Report (BRR) for the financial year ended 31 March, 2024 is attached, which forms part of this Report as Annexure 5. The initiatives taken by the Company from an environmental, social and governance perspective, in the format as specified by SEBI from time to time,

process of evaluation including laying down of objectives and criteria to be adopted for evaluation of different persons, feedback to the persons being evaluated and action plan based on the results.

CORPORATE SOCIAL RESPONSIBILITY

At India Shelter, we firmly believe in the power of making a difference, one step at a time. Our unwavering dedication lies in creating meaningful change by bringing together our employees and communities to have a positive impact on every aspect of society. Whether it is the economic, social, or environmental imperatives, we are committed to fostering growth and development. To achieve this, we empower communities through targeted interventions in crucial areas such as healthcare, education, skill development, and societal welfare. We extend a helping hand to the underprivileged children and their families, providing a ray of hope in their darkest hours with our initiatives like Education, Healthcare, and empowerment. Through collaborative efforts and a people centric approach, we strive to make a lasting difference. We strive towards the progress of society, through our Corporate Social Responsibility (CSR) policy, which lays down the action plan for defining how CSR is to be implemented and is in compliance with the Schedule VII of the Companies Act, 2013. The said policy is available at <https://www.indiashelter.in/investor-relations>.

The Board constituted the Corporate Social Responsibility Committee in terms of the provisions of Section 135 of the Act and is chaired by an Independent (Non-Executive Director).

The Corporate Social Responsibility Committee of your Company as on 31 March, 2024 comprises three members including two independent directors as below:

DISCLOSURES UNDER SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION & REDRESSAL) ACT 2013 READ WITH RULES.

The Company is committed to provide a work environment that ensures that every Employee is treated with equal dignity and respect. The Company has implemented a framework on prevention of sexual harassment, which is in line with the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. The Company educates Employees regarding Sexual Harassment Policy through posters and regular mailers and also conducts online trainings which form a part of the induction process.



DIRECTORS REPORT (Contd.)

The details of the composition of the Internal Complaint Committee's have been disclosed in the Corporate Governance Report forming part of this Annual Report.

Pursuant to the requirements of Section 22 of Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal) Act 2013 read with Rules there under, the Internal Complaint committee of the Company did not receive any complaint of sexual harassment during the year under review.

RISK MANAGEMENT FRAMEWORK

Your Company has in place a Board constituted Risk Management Committee. The details of the Committee and its terms of reference are set out in the Corporate Governance Report forming part of this Report. Your Company has Board approved Risk Management Policy wherein risks faced by the Company are identified and assessed.

Effective risk management and mitigation are critical to sustain and grow any business. At India Shelter, we recognise the importance of identifying risks and implementing mitigation plans to reduce their impact. The Company proactively manages various business risks through mitigation strategies tailored to each risk. It constantly reviews and updates risk management policies to ensure our business is well-positioned to navigate potential risks successfully.

In compliance with the clause 51 of Chapter IX- Corporate Governance of Non-Banking Financial Company –Housing Finance Company (Reserve Bank) Directions, 2021, the Company has designated Mr. Sharad Pareek as Chief Risk Officer (CRO) of the Company.

During the Financial Year under review, the Risk Management Committee reviewed the risks associated with the business of your Company, undertook its root cause analysis and monitored the efficacy of the measures taken to mitigate the same.

HUMAN RESOURCES DEVELOPMENT

Your Company has been following best human resource practices and had 3,323 employees on its rolls as on 31 March, 2024 compared to 2,709 employees as on 31 March, 2023 registering an increase of 19.0 %.

PARTICULARS OF EMPLOYEE RELATED DISCLOSURES

Your Company grants Employee Stock Options, share based benefit to eligible employees with a view to attracting and retaining the best talent, encouraging employees to align individual performance with the Company's objectives and promoting increased participation by them in the success of the Company.

The details of the ESOP plan form part of Note No.43 of the Financial Statements in this Annual Report.

In terms of Regulation 14 of Securities and Exchange Board of India (Share Based Employee Benefits) Regulations 2014, the disclosures with respect to the ESOP Schemes have been provided on the website of the Company.

The disclosure with respect to remuneration as required under section 197 of the Companies Act, 2013 read with rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is available on the Company's website. The statements prescribed under rule 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are available for inspection by the Members at the Registered Office of the Company during the business hours on all working days of the Company up to the date of the forthcoming Annual General Meeting. If any member is interested in obtaining a copy, such member may send an e-mail to the Company secretary in this regard

VIGIL MECHANISM & WHISTLE BLOWER POLICY

The Company have a Vigil Mechanism implemented through Whistle Blower Policy, under which Directors, employees and other stakeholders are free to report violations of applicable laws and regulations. The Chairperson of the Audit Committee has direct access to all complaints raised through the policy. The policy is hosted on the website of the Company at <https://www.indiashelter.in/investor-relations>.

The Company has also provided the facility to all the employees of the Company to report any suspected, alleged or actual fraud without disclosing their identity. A dedicated Email ID – Whistleblowing@indiashelter.in has been made for this purpose which acts as a single point of contact for all the employees.

Further, there were no report under sub section (12) of section 143 of the Companies Act has been filed by the Statutory Auditors as prescribed under Rule 13 of the Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and upto the date of the report.

As regards the fraud on the Company, two frauds has been reported as disclosed in Note No.44.31 of the Financial Statements.

CODE OF CONDUCT FOR PROHIBITION OF INSIDER TRADING AND CODE OF PRACTICES AND PROCEDURES FOR FAIR DISCLOSURE OF UNPUBLISHED PRICE SENSITIVE INFORMATION

The Board has adopted a code to regulate, monitor and report trading by insiders in securities of the Company in accordance with the provisions of SEBI (Prohibition of Insider Trading) Regulations, 2015 as amended from time to time. The code inter alia requires preclearance for dealing in the securities of the Company and prohibits the purchase or sale of securities of the Company while

DIRECTORS REPORT (Contd.)

in possession of unpublished price sensitive information in relation to the Company and during the period when the trading window is closed. The Board of Directors had adopted a 'Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information' which is available on the website of the Company and can be accessed at <https://www.indiashelter.in/investor-relations>.

PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES

All contracts / arrangements / transactions entered into by the Company during the financial year with the related parties were on arm's length basis and were in the ordinary course of business. There were no materially significant related party transactions with promoters, directors, key managerial personnel or other designated persons, which may have a potential conflict with the interest of the Company at large.

The particulars of every contract or arrangements entered into by the Company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 have been disclosed in Form No. AOC -2 as attached, which forms part of this Report as Annexure 6. The Company has framed a Related Party Transaction policy for the Company as per the NHB/RBI Directions which is available on the website at <https://www.indiashelter.in/investor-relations>.

INTERNAL AUDIT & INTERNAL CONTROLS OVER FINANCIAL REPORTING

As per the provisions of section 134(5)c of the Companies Act, 2013, the Directors have an overall responsibility for ensuring that the Company has implemented robust systems/ framework of internal financial controls to provide them with reasonable assurance regarding the adequacy and operating effectiveness of controls with regards to reporting, operational and compliance risks.

Your Company has in place adequate financial controls commensurate with its size, scale and complexity of operations with reference to its financial statements. Internal financial controls of the Company are also similarly commensurate. These have been designed to provide reasonable assurance about recording and providing reliable financials information, ensuring integrity in conducting business, accuracy and completeness in maintaining accounting records and prevention and detection of frauds and errors.

Your Company has an Internal Audit Department assisted by External advisor Deloitte Touche Tohmatsu India Limited Liability Partnership ("DTTILLP") wherever required, which is responsible for independently evaluating the adequacy and effectiveness of all internal controls, risk management, governance systems and processes.

Significant audit observations and follow up actions thereon are reported to the Audit Committee on quarterly basis. The Audit Committee reviews and evaluates adequacy and effectiveness of the Company's internal control environment and monitors the implementation of audit recommendations. The Company has implemented all the recommendations of Audit Committee.

Based on information provided, nothing has come to the attention of Directors to indicate that any material breakdown in the function of these controls, procedures or systems occurred during the year under review. There have been no significant changes in our internal financial controls during the year that have materially affected, or are reasonably likely to materially affect, our internal financial controls.

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS UNDER SECTION 186

Since the Company is an HFC, the disclosure regarding particulars of loans given, guarantees given and security provided in the ordinary course of business is exempted under the provisions of Section 186(11) of the Companies Act, 2013.

However, the details of loans, guarantees, and investments made as required under the provisions of Section 186 of the Act and the rules made thereunder are set out in the Notes to the Standalone Financial Statements of the Company.

DISCLOSURE UNDER SECTION 43(A)(II) OF THE ACT

Your Company has not issued any shares with differential rights and hence no information as per provisions of Section 43(a)(ii) of the Act read with Rule 4(4) of the Companies (Share Capital and Debenture) Rules, 2014 is furnished.

DISCLOSURE UNDER SECTION 54(1)(D) OF THE ACT

The Company has not issued any sweat equity shares during the year under review and hence no information as per provisions of Section 54(1)(d) of the Act read with Rule 8(13) of the Companies (Share Capital and Debenture) Rules, 2014 is furnished.

DISCLOSURE UNDER SECTION 67(3) OF THE ACT:

During the year under review, there were no instances of non-exercise of voting rights directly by the employee, in respect of shares purchased directly by employees under a scheme hence no information pursuant to Section 67(3) of the Act read with Rule 16(4) of Companies (Share Capital and Debentures) Rules, 2014 is furnished.

DISCLOSURE UNDER RULE 8 OF THE COMPANIES (ACCOUNTS) RULES, 2014:

During the year under review the Company neither made had any application against the Company or no proceedings are pending



DIRECTORS REPORT (Contd.)

under the Insolvency and Bankruptcy Code, 2016 (31 of 2016). Further there were no instances of one-time settlement for any loans taken from the Banks or Financial Institutions

MAINTENANCE OF COST RECORDS

The Central Government has not specified the maintenance of cost records under section 148(1) of the Act, for the services of the Company.

INVESTOR EDUCATION AND PROTECTION FUND:

The Company has not transferred any amount to Investor Education and Protection Fund during the year under review, since nothing remain unpaid or unclaimed during the current year or during the period of past 7 years.

WEBSITE DISCLOSURES

Your Company has made its disclosures on its website www.indiashelter.in. All the regulatory disclosures, compliances, public notices and policies have been regularly updated. Our customer can also reach us regarding toll-free helpline number, contact details of Principal Officer, submit complaints or grievances, if any, etc.

ANNUAL RETURN

Pursuant to Section 92(3) read with section 134(3)(a) of the Companies Act, 2013 and Rule 12 of the Companies (Management and Administration) Rules, 2014, copies of the Annual Returns of the Company prepared in accordance with Section 92(1) of the Companies Act, 2013 read with Rule 11 of the Companies (Management and Administration) Rules, 2014 are placed on the website of the Company at <https://www.indiashelter.in/investor-relations>.

MANAGEMENT DISCUSSION AND ANALYSIS

The Management Discussion and Analysis report as required in term of SEBI (Listing Obligation & Disclosure Requirements) Regulations, 2015, is attached which forms part of this Report as Annexure 7.

DIRECTORS' RESPONSIBILITY STATEMENT

In terms of sub-section (5) of Section 134 of the Companies Act, 2013, we, the Directors of your Company, state in respect of 2023-24 that: —

- in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- the Directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at

the end of the financial year and of the profit and loss of the company for that period;

- the Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- the Directors had prepared the annual accounts on a going concern basis; and
- the Directors had laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively.

AUDITORS**Statutory Auditors**

As per provisions of Section 139, 142 and other applicable provisions of the Companies Act, 2013, if any, read with the Companies (Audit & Auditors) Rules, 2014, and RBI guidelines dated 27 April, 2021 and other relevant provisions including any statutory enactment or modification thereof, appointment of M/s. T R Chadha & Co LLP, Chartered Accountants, having Registration number 006711N/N500028 was approved by Audit Committee by Circular resolution bearing No 01/2021-22 dated 01 September, 2021 and Board of Directors by Circular resolution bearing No 15/2021-22 dated 01 September, 2021 subject to the approval of shareholders of the Company and subsequently by the shareholders of the Company in the Annual General Meeting held on 29 September, 2021 as Statutory Auditors of India Shelter to hold the office from the conclusion of 23rd Annual General Meeting till the conclusion of 26th Annual General Meeting.

In view of the above, the tenure of M/s. T R Chadha & Co LLP, Chartered Accountants, as Statutory Auditors of the Company will get completed at the ensuing 26th Annual General Meeting.

AUDITORS' REPORT

The Statutory Auditors Report is unqualified. The Statutory Auditors have not made any adverse comments on the working of the Company. The Standalone and Consolidated Financials, notes to the Financial Statements, read with the Auditors' Report, are self-explanatory and not require further clarification.

DETAILS IN RESPECT OF FRAUDS UNDER SUB-SECTION (12) OF SECTION 143 OF THE ACT

There were no instances of any frauds being reported by the Company's auditors.

Secretarial Auditors and Secretarial Audit Report

In accordance with Section 204 of the Companies Act, 2013 and Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules 2014, Mr. Jitender Singh (Membership

DIRECTORS REPORT (Contd.)

No.: A33610 & CP: 26612) was appointed as Secretarial Auditor to conduct the Secretarial Audit of the Company for the year 2023-24 by the Board of Directors in their meeting held on 08 February, 2024. Company has provided all assistance and facilities to the Secretarial Auditor for conducting their audit. The Report of Secretarial Auditor for 2023-24 is annexed, which forms part of this Report as Annexure 8. The report is self-explanatory and there were no qualifications in the Auditor's Report.

SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS/COURTS/TRIBUNALS IMPACTING THE GOING CONCERN STATUS AND THE COMPANY'S OPERATIONS IN FUTURE

There were no significant orders passed by the Regulators / Courts / Tribunals which would impact the going concern status of the Company and its future operations.

However, the Company was levied a penalty of ₹ 24,000/- with applicable taxes each from both the Stock exchanges, National Stock Exchange of India Limited and BSE Limited for Non-

compliance with the provisions of composition of Nomination and Remuneration Committee under Regulation 19(1)/ 19(2) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

APPRECIATION

Your Directors wish to place on record their appreciation and sincerely acknowledge the contribution and support from shareholders, customers, debenture holders, debenture trustees, Central and State Governments, Bankers, Reserve Bank of India, National Housing Bank, Registrar of Companies, Securities and Exchange Board of India, BSE Limited, National Stock Exchange of India Limited, Registrar & Share Transfer Agents, Credit Rating Agencies and other Statutory and Regulatory Authorities for the kind co-operation and assistance provided to the Company. The Directors also extend their special appreciation to the employees at all levels for their contribution towards the growth of the Company which was made possible by their hard work, dedication and continued support.

For and on behalf of the Board of Directors

Sd/-

Mr. Sudhin Bhagwandas Choksey

DIN: 00036085

Place: Gurugram

Date: 08 May, 2024

Sd/-

Mr. Rupinder Singh

DIN: 09153382

Place: Gurugram

Date: 08 May, 2024

ANNEXURE - 1

Form AOC-1

(Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014)
Statement containing salient features of the financial statement of subsidiaries/associate companies/joint ventures

PART “A”: SUBSIDIARIES

(Information in respect of each subsidiary to be presented with amounts in ₹)

Sl. No.	Particulars	Details (₹ In Lacs)
1.	Name of the subsidiary	India Shelter Capital Finance Limited ¹
2.	The date since when subsidiary was acquired	-
3.	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	01 April, 2023 to 31 March, 2024
4.	Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries	NA
5.	Share capital	1,200.00
6.	Reserves & surplus	108.90
7.	Total assets	1,311.27
8.	Total Liabilities	2.37
9.	Investments	0.00
10.	Turnover	0.00
11.	Profit before taxation	97.24
12.	Provision for taxation	24.79
13.	Profit after taxation	72.45
14.	Proposed Dividend	0.00
15.	Extent of shareholding (in percentage)	100%

¹ Subsidiary Company has not commenced business till 31 March, 2024.

Names of subsidiaries which are yet to commence operations: India Shelter Capital Finance Limited

Names of subsidiaries which have been liquidated or sold during the year: Not Applicable

PART “B”: ASSOCIATES AND JOINT VENTURES

Statement pursuant to Section 129 (3) of the Companies Act, 2013 related to Associate Companies and Joint Ventures

Name of associates/Joint Ventures	-	-	-
1. Latest audited Balance Sheet Date	-	-	-
2. Date on which the Associate or Joint venture was associated or acquired			
3. Shares of Associate/Joint Ventures held by the Company on the year end	-	-	-
No.	-	-	-
Amount of Investment in Associates/Joint Venture	-	-	-
Extent of shareholding (in percentage)	-	-	-
4. Description of how there is significant influence	-	-	-
5. Reason why the associate/joint venture is not consolidated	-	-	-
6. Net worth attributable to shareholding as per latest audited Balance Sheet	-	-	-
7. Profit/Loss for the year	-	-	-
i. Considered in Consolidation	-	-	-
ii. Not Considered in Consolidation	-	-	-

- Names of associates or joint ventures which are yet to commence operations. Not Applicable
- Names of associates or joint ventures which have been liquidated or sold during the year. Not Applicable

ANNEXURE - 2

CORPORATE GOVERNANCE REPORT

COMPANY’S PHILOSOPHY ON CODE OF GOVERNANCE

India Shelter Finance Corporation Limited (referred as “Your Company”) is committed towards achieving the highest standards of Corporate Governance right from its establishment by staying true to its core values of **Honesty, Respect, and Hard work** in all its engagements. Your Company’s Corporate Governance framework ensures that it makes timely and appropriate disclosures and shares factual and accurate information to its stakeholders so as to make an informed decision. The Company is in compliance with Non-Banking Financial Company – Housing Finance Company (Reserve Bank) Directions, 2021 (hereinafter “RBI Master Directions”) and the applicable SEBI LODR Regulations, SEBI (Prohibition of Insider Trading) Regulations, 2015, SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, Companies Act, 2013 and other applicable laws.

GOVERNANCE STRUCTURE AND DEFINED ROLES AND RESPONSIBILITIES

Your Company’s governance structure comprised of Board of Directors, Committees of Board and the Management. Your Company encompasses the structure, practices and processes adopted in every sphere of the Company’s operations to provide long term value to its stakeholders through ethical behaviour in doing business. Your Company transforms these core values into business policies and practices with the aim of sustainable growth for all its stakeholders. Your Company believes that adopting and adhering to the best standards of Corporate Governance encourages the Company to build a trustworthy, moral as well as ethical environment in the Company. The Company duly acknowledges its fiduciary role and responsibility towards all of its stakeholders including shareholders that strives hard to meet their expectations.

BUSINESS RESPONSIBILITY AND SUSTAINABILITY REPORT

The Business Responsibility and Sustainability Report describing the initiatives taken by the Company from an environmental, social and governance perspective forms part of this Annual Report.

The Board of Directors of the Company as on March 31, 2024 are:

Directors	Designation	DIN
Mr. Sudhin Bhagwandas Choksey	Chairman and Non- Executive Director (Nominee)	00036085
Mr. Rupinder Singh	Managing Director and Chief Executive Officer	09153382
Mr. Shailesh J. Mehta	Non- Executive Director (Nominee)	01633893

BOARD OF DIRECTORS (“BOARD”)

The Board represents the interest of the Company’s stakeholders, oversees and directs the Company’s overall business and affairs, reviews corporate performance, monitors strategic decisions and has an oversight on regulatory compliances and corporate governance matters and provides the management with guidance and strategic direction. The Board, along with its various Committees, provides leadership and guidance to the Company’s management and directs, supervises and ensures functioning of the Company in the best interest of all the stakeholders.

The Directors attend and actively participate in Board Meetings and Meetings of the Committees in which they are Members. The responsibilities of the Board include various matters such as providing overall direction, reviewing quarterly/annual results, ensuring ethical behaviour and compliance of laws and regulations, reviewing policies and its alignment with the recent developments and amendments, developing corporate culture and bringing such an enabling environment which creates value through sustainable business growth etc.

Size and Composition of Board

Your Company’s Board is constituted of highly experienced professionals from diverse backgrounds which consists of values of collaborative spirit, expert thinking and a primary role of trusteeship to protect and enhance stakeholders’ value through strategic supervision. The Board provides direction and exercises appropriate controls. The Company’s Board has an appropriate mix of Independent and Non-Independent Directors as well as Non-Executive and Executive Directors. The Board comprises of 8 Directors of whom 4 are Independent Directors (including 2 Women Independent Director), 3 are Non- Executive Directors (out of which 2 are Nominee Directors and Chairman & Nominee Director) and the Managing Director & CEO. The Chairman of the Company is a Non-Executive Nominee Director and not related to the Managing Director & CEO of the Company. The Composition of the Board is in conformity with the applicable provisions of the Companies Act, 2013 (hereinafter referred as “Act”) and SEBI (Listing Obligation and Disclosure Requirements) Regulations 2015 and regulatory requirements and is in accordance with the highest standards of Corporate Governance.



ANNEXURE - 2 (Contd.)

Directors	Designation	DIN
Mr. Sumir Chadha	Non- Executive Director (Nominee)	00040789
Mr. Parveen Kumar Gupta	Independent Director	02895343
Ms. Rachna Dikshit	Independent Director	08759332
Ms. Savita Mahajan	Independent Director	06492679
Mr. Thomson Thomas	Independent Director	09691435

Changes in Board of Directors

The following changes took place in the composition of Board of Directors during the year:

- The Board of Directors of the Company through resolution by circulation on 12 June, 2023, appointed Mr. Parveen Kumar Gupta as an Additional (Independent & Non-Executive) Director with effect from 12 June, 2023 and shareholders confirmed his appointment as an Independent Director in their meeting held on 14 July, 2023.
- The Board of Directors of the Company in their meeting held on 12 July, 2023, appointed Mr. Ajay Narayan Jha as an Additional (Independent & Non-Executive) Director with effect from 12 July, 2023 and shareholders confirmed his appointment as an Independent Director in their meeting held on 18 July, 2023.
- The Board of Directors of the Company in their meeting held on 31 July, 2023 accepted resignation of Mr. Anil Mehta as a Chairman and Non-executive director with effect from closure of business hours of July 31, 2023.
- The Board of Directors of the Company in their meeting held on 31 July, 2023, re-designated Mr. Sudhin Bhagwandas Choksey as a Chairman and Non-Executive Director

(Nominee) and appointed Ms. Savita Mahajan as an Additional (Independent & Non-Executive) Director with effect from 31 July, 2023 and shareholders confirmed her appointment as an Independent Director in their meeting held on 01 August, 2023.

- The Board of Directors of the Company in their meeting held on 08 February, 2024 accepted resignation of Mr. Ajay Narayan Jha as an Independent Director with effect from closure of business hours of 08 February, 2024.
- The Board of Directors of the Company, through resolution by circulation on 07 March, 2024, accepted resignation of Mr. Anup Kumar Gupta as a Non-Executive Director (Nominee) of the Company effective from closure of business hours of 07 March, 2024.

Following changes took place in composition of Board of Directors from financial year ended 31 March, 2024 till date of this report

- The shareholders of the Company have passed a special resolution for continuation of Mr. Shailesh J. Mehta (DIN: 01633893) as a Non-Executive Non-Independent Director beyond age of 75 Years, in their extraordinary general meeting held on 19 April, 2024.

Number of other Board of Directors or Committees in which director is member or chairperson, as on 31 March, 2024-

Name of Director	No. of Other Directorships in listed entities	Membership in Committees as	
		Member	Chairperson
Mr. Sudhin Bhagwandas Choksey	3	6	3
Mr. Rupinder Singh	0	1	0
Mr. Shailesh J. Mehta	2	3	1
Mr. Sumir Chadha	2	0	0
Mr. Parveen Kumar Gupta	1	5	1
Ms. Rachna Dikshit	1	1	1
Ms. Savita Mahajan	1	4	1
Mr. Thomson Thomas	0	1	0

**For the purpose of considering the Committee Memberships and Chairpersonship's for a Director, Audit Committee and the Stakeholders' Relationship Committee of Listed Companies including our Company has been considered.

ANNEXURE - 2 (Contd.)

Other Directorships of Directors in Listed Entity as on 31 March, 2024

Name of Director	Name of listed Entity	Category of Directorship
Mr. Sudhin Bhagwandas Choksey	Gujarat Ambuja Exports Limited	Independent Director
	Fairchem Organics Limited	Independent Director
	CSB Bank Limited	Independent Director
Mr. Rupinder Singh	Not Any	Not Any
Mr. Shailesh J. Mehta	Manappuram Finance Limited	Chairman and Non- Executive Independent Director
	Aptus Value Housing Finance India Limited	Non-Executive Director
Mr. Sumir Chadha	Aptus Value Housing Finance India Limited	Nominee Director
	Star Health and Allied Insurance Co Ltd	Nominee Director
Ms. Savita Mahajan	Aurobindo Pharma Limited	Independent Director
Ms. Rachna Dikshit	Capital Small Finance Bank Ltd.	Independent Director
Mr. Thomson Thomas	Not Any	Not Any
Mr. Parveen Kumar Gupta	Utkarsh Small Finance Bank Limited	Chairman and Independent Director

Independent Directors

Independent Directors are appointed for a specific term based on the recommendations of the Nomination and Remuneration Committee by the Board and the members at their respective meetings. Independent Director acts as a guide, coach, and mentor to the Company. The role of an Independent Director includes improving corporate credibility and governance standards and helping in managing risk.

Meeting of Independent Directors

In compliance with Regulation 25 (3) of the Listing Regulations and Schedule IV of the Act, separate meetings of Independent Directors were held two times, on 07 December, 2023 and on 08 February, 2024 in 2023-24, without the presence of Non-Independent Directors and members of the management.

Declaration by Independent Directors

The Independent Directors have submitted declaration of independence, as required pursuant to sub-section (7) of Section 149 of the Companies Act, 2013 stating that they meet the criteria of independence as provided in sub-section (6) of Section 149 of the Act and in terms of Regulation 25(8) of Listing Regulations, they have confirmed that they are not aware of any circumstance or situation that exists or may be reasonably anticipated that could impair or impact their ability to discharge their duties.

They have also confirmed compliance with the provisions of Rule 6 of Companies (Appointment and Qualification of Directors) Rules, 2014 relating to the inclusion of their name in the databank of Independent Directors maintained by Indian Institute of Corporate Affairs (IICA). The terms and conditions of appointment of Independent Directors are available on the Company's website.

Fit & Proper Criteria

The Company has formulated and adopted a Policy on Fit & Proper Criteria for the Directors as per the provisions of the RBI Master Directions.

Familiarisation Programmes for The Independent Directors

The Familiarisation Programme of your Company endeavours to familiarise Independent Directors with the Housing Industry scenario and to keep the Independent Directors in the loop with matters relating to the industry in which Company operates, its business model, the operational and financial performance of the Company, risk matrix, mitigation and management, governing regulations, overall socio economic regime of the industry, information technology including cyber security, and major developments and updates on the Company so as to enable them to take well-informed decisions in a timely manner. Further, at the time of appointment of an Independent Director, the Company issues a formal letter of appointment outlining his/ her role, function, duties and responsibilities. The details of familiarisation programme imparted to independent directors and policy of the Company are available on the Company's website at <https://www.indiashelter.in>.

Cessation of Independent Director

During the year Mr. Ajay Narayan Jha (DIN: 02270071) resigned as an Independent Director of the Company w.e.f closure of business hours of 08 February, 2024 due to his appointment as a Member of the Sixteenth Finance Commission by the President of India vide Ministry of Finance (Department of Economic Affairs) Notification S.O. 369(E) dated January 30, 2024.



ANNEXURE - 2 (Contd.)

Core Skills/Expertise/Competencies of the Board:

The Board has identified the skills / expertise / competence, fundamental for the effective functioning of the Company.

Following are the list of core skills / expertise / competencies identified by the board:

- Industry Experience
- Financial Expertise
- Strategy & Planning
- Technology Expertise
- Governance, Compliance & Risk Advisory
- Leadership Experience

Name of Director	Core skills / expertise / competencies
Mr. Sudhin Bhagwandas Choksey	Industry Experience, Financial Expertise, Strategy and Planning, Leadership experience, Governance, Compliance & Risk Advisory
Mr. Rupinder Singh	Industry Experience, Financial Expertise, Strategy & Planning, Technology Expertise, Leadership experience, Governance, Compliance & Risk Advisory
Mr. Shailesh J. Mehta	Industry Experience, Financial Expertise, Strategy & Planning, Leadership experience, Governance, Compliance & Risk Advisory
Mr. Sumir Chadha	Industry Experience, Financial Expertise, Strategy & Planning, Technology Expertise, Leadership experience, Governance, Compliance & Risk Advisory
Ms. Savita Mahajan	Strategy & Planning, Leadership experience, Governance, Compliance & Risk Advisory
Ms. Rachna Dikshit	Industry Experience, Strategy & Planning, Leadership experience, Governance, Compliance & Risk Advisory
Mr. Thomson Thomas	Strategy & Planning, Leadership experience, Governance, Compliance & Risk Advisory
Mr. Parveen Kumar Gupta	Industry Experience, Technology Expertise, Financial Expertise, Strategy & Planning, Leadership experience, Governance, Compliance & Risk Advisory

General Body Meetings

During the year Annual General Meeting of the members of the Company was held on July 14, 2023. During the year 3 Extra-Ordinary general meeting of the members of the Company were held on [1] 18 July, 2023; [2] 01 August, 2023 and [3] 27 September, 2023 and 1 postal ballot event was conducted from 19 February, 2024 to 19 March, 2024 and results were announced on 20 March, 2024.

i. Annual General Meeting (AGM):

The details of Annual General Meetings held in last 3 years along with the details of the Special Resolutions, as more particularly set out in the notices of the respective AGMs and passed by the members are as follows:

Financial year/AGM	Venue	Date & Time
2020-21/23 rd AGM	6th Floor, Plot No.15 Institutional Area, Sector 44, Gurgaon, Haryana-122002	29 September, 2021 at 11:00 A.M.
2021-22/24 th AGM	6th Floor, Plot No.15 Institutional Area, Sector 44, Gurgaon, Haryana-122002	26 July, 2022 at 11:00 A.M.
2022-23/25 th AGM	6th Floor, Plot No.15 Institutional Area, Sector 44, Gurgaon, Haryana-122002	14 July, 2023 at 05:00 P.M.

ii. Details of Special Resolutions Passed During the Last Three AGMs are Given Below:

Date of Annual General Meeting	Particulars
29 September, 2021	● Approved appointment of Ms. Rachna Dikshit (DIN:08759332) as an Independent Director of the Company, as Special Resolution
26 July, 2022	● Approved an increase in Managerial Remuneration of MD & CEO of the Company for 2022-23, as Special Resolution

ANNEXURE - 2 (Contd.)

Date of Annual General Meeting	Particulars
14 July, 2023	● Approved an increase in Managerial Remuneration of MD & CEO of the Company for 2023-24, as Special Resolution ● Approved the Transfer of option from Employee Stock option Plan 2017 to Employee Stock Option Plan 2021, as Special Resolution ● Approved appointment of Mr. Parveen Kumar Gupta (DIN: 02895343) as independent Director of the Company, as Special Resolution: ● Approved the amendments in the ESOP Schemes 2017 and 2021, as Special Resolution:

iii. Details of Special Resolution passed through postal ballot last year:

During the year under review, one postal ballot event was conducted by the Company from 19 February, 2024 to 19 March, 2024 and results were announced on 20 March, 2024. Details of Special Resolution passed through Postal Ballot and Details of voting pattern are as below:

- Amended the Memorandum of Association of the Company as a Special Resolution.

Particulars	E-Voting	
	No. of votes polled (Equity shares of ₹ 5/- each)	% of total number of valid votes cast
Total e-votes	9,27,23,699	-
Less: Invalid e-votes (as per register)	0	-
Net valid e-votes (as per register)	9,27,23,699	100
E-votes with assent for the resolution as a percentage of net valid e-votes	9,27,23, 242	99.9995
E-votes with dissent for the resolution as a percentage of net valid e-votes	457	0.0005

- Ratified the ESOP Schemes 2021 and 2023, as a Special Resolution.

Particulars	E-Voting	
	No. of votes polled (Equity shares of ₹ 5/- each)	% of total number of valid votes cast
Total e-votes	9,27,23,699	-
Less: Invalid e-votes (as per register)	0	-
Net valid e-votes (as per register)	9,27,23,699	100
E-votes with assent for the resolution as a percentage of net valid e-votes	8,30,27, 172	89.5426
E-votes with dissent for the resolution as a percentage of net valid e-votes	96,96, 527	10.4574

- Approved payment of commission to Independent Directors as a Special Resolution.

Particulars	E-Voting	
	No. of votes polled (Equity shares of ₹ 5/- each)	% of total number of valid votes cast
Total e-votes	9,27,23,661	-
Less: Invalid e-votes (as per register)	0	-
Net valid e-votes (as per register)	9,27,23,661	100
E-votes with assent for the resolution as a percentage of net valid e-votes	9,02,00, 348	97.2787
E-votes with dissent for the resolution as a percentage of net valid e-votes	25,23, 313	2.7213

ANNEXURE - 2 (Contd.)

Person who conducted the Postal Ballot exercise

Mr. Jitender Singh (Membership No. A33610 and C.P. No. 26612), Practicing Company Secretary, was appointed as the Scrutiniser to scrutinise the postal ballot and remote e-voting process in a fair and transparent manner.

Details of special resolution proposed to be passed through postal ballot

No Special Resolution is proposed to be passed through postal ballot on or before the ensuing Annual General Meeting.

Procedure for Postal Ballot

The postal ballot was conducted in accordance with the provisions specified in Section 110 and other applicable provisions, if any, of the Act read with Rule 22 of the Companies (Management and Administration) Rules, 2014. The shareholders were provided the facility to vote through e-voting. As per the MCA Circulars, this Postal Ballot Notice was sent only through electronic mode to those Members whose email addresses are registered with the Company or depository / depository participant. Shareholders held equity shares as on the cut-off date casted their votes

through e-voting during the voting period fixed for this purpose. After completion of scrutiny of votes, the scrutiniser submitted his report to the Chairman and the results of voting by postal ballot were announced within two working days of conclusion of the voting period. The results were displayed on the website of the Company <https://www.indiashelter.in/> and communicated to the Stock Exchanges, Depositories, and Registrar and Share Transfer Agents. The resolutions, passed by the requisite majority, are deemed to be passed on the last date specified for e-voting.

BOARD OF DIRECTORS MEETING

During the Financial Year under review, the Board of the Company had met fourteen times during the year under consideration on [1] 09 May, 2023 ; [2] 12 July, 2023; [3] 31 July, 2023; [4] 03 August, 2023; [5] 14 August, 2023; [6] 27 October, 2023; [7] 13 November, 2023; [8] 23 November, 2023; [9] 07 December, 2023; [10] 07 December, 2023; [11] 12 December, 2023; [12] 16 December, 2023; [13] 18 December, 2023; [14] 08 February, 2024.

The attendance of the Board of Directors at the Board Meetings during the year and at the last Annual General Meeting [“AGM”] are as under:

Name	Category	Number of Meetings			Last AGM attended
		Held	Entitled	Attended	
Mr. Sudhin Bhagwandas Choksey (DIN: 00036085)	Chairman & Nominee Director	14	14	09	No
Mr. Anil Mehta (DIN: 02132315)*	Chairman & Non Executive Director	14	03	03	Yes
Mr. Rupinder Singh (DIN: 09153382)	Managing Director and Chief Executive Officer	14	14	14	Yes
Ms. Rachna Dikshit (DIN: 08759332)	Independent Director	14	14	14	Yes
Mr. Thomson Thomas (DIN: 09691435)	Independent Director	14	14	12	No
Mr. Parveen Kumar Gupta (DIN: 02895343) *	Independent Director	14	13	13	No
Mr. Ajay Narayan Jha (DIN: 02270071) *	Independent Director	14	12	10	NA
Ms. Savita Mahajan (DIN: 06492679) *	Independent Director	14	11	11	NA
Mr. Anup Gupta (DIN: 02284944)*	Non-Executive Director (Nominee)	14	14	13	No
Dr. Shailesh J Mehta (DIN: 01633893)	Non-Executive Director (Nominee)	14	14	10	No
Mr. Sumir Chadha (DIN: 00040789)	Non-Executive Director (Nominee)	14	14	6	No

- The Board of Directors of the Company through resolution by circulation on 12 June, 2023, appointed Mr. Parveen Kumar Gupta as an Additional (Independent & Non-Executive) Director with effect from 12 June, 2023 and shareholders confirmed his appointment as an Independent Director in their meeting held on 14 July, 2023.
 - The Board of Directors of the Company in their meeting held on 12 July, 2023, appointed Mr. Ajay Narayan Jha as
- an Additional (Independent & Non-Executive) Director with effect from 12 July, 2023 and shareholders confirmed his appointment as an Independent Director in their meeting held on 18 July, 2023.

 - The Board of Directors of the Company in their meeting held on 31 July, 2023 accepted resignation of Mr. Anil Mehta as a Chairman and Non-executive director with effect from closure of business hours of 31 July, 2023.

ANNEXURE - 2 (Contd.)

- The Board of Directors of the Company in their meeting held on 31 July, 2023, re-designated Mr. Sudhin Bhagwandas Choksey as a Chairman and Non-Executive Director (Nominee) and appointed Ms. Savita Mahajan as an Additional (Independent & Non-Executive) Director with effect from 31 July, 2023 and shareholders confirmed her appointment as an Independent Director in their meeting held on 01 August, 2023.
- The Board of Directors of the Company in their meeting held on 08 February, 2024 accepted resignation of Mr. Ajay Narayan Jha as an Independent Director with effect from closure of business hours of 08 February, 2024.
- The Board of Directors of the Company, through resolution by circulation on 07 March, 2024, accepted resignation of Mr. Anup Kumar Gupta as a Non-Executive Director (Nominee) of the Company effective from closure of business hours of 07 March, 2024

Disclosure of relationship between directors inter-se

There has been no relationship between directors other than of professional works.

COMMITTEES OF THE BOARD

The Board has constituted sub-committees to focus on specific areas and make informed decisions within the authority delegated to each of the Committees. Each Committee of the Board is guided by its charter, which defines the scope, powers and composition of the Committee. All decisions and recommendations of the Committees were placed before the Board for information or approval. All decisions and recommendations of the various Committees were accepted by the Board during the 2023-24. The composition and functioning of these Board Committees is in

Directors	Designation	DIN
Ms. Rachna Dikshit	Independent Director (Chairman of Committee)	08759332
Mr. Thomson Thomas	Independent Director	09691435
Mr. Parveen Kumar Gupta	Independent Director	02895343
Mr. Shailesh J Mehta	Non-Executive Director (Nominee)	01633893

Terms of reference as prescribed by the board shall inter alia, include,

- oversight of financial reporting process and the disclosure of financial information relating to our Company to ensure that the financial statements are correct, sufficient and credible;
- recommendation to the Board of Directors for appointment, re-appointment, replacement, remuneration and terms of appointment of auditors of our Company including the internal auditor, cost auditor and statutory auditor, of our Company and the fixation of the audit fee;

compliance with the applicable provisions of the Companies Act 2013, SEBI Listing Regulations and Master Direction – Non-Banking Financial Company – Housing Finance Company (Reserve Bank) Directions, 2021 (“RBI Master Directions”) issued by Reserve Bank of India and amendment thereof.

- Audit Committee
- Nomination and Remuneration Committee
- Corporate Social Responsibility Committee
- Risk Management Committee
- Stakeholders Relationship Committee
- Asset Liability Management Committee
- IT Strategy Committee
- Wilful Defaulter Identification & Review Committee and
- Customer Service & Grievance Redressal Committee

On 31 July, 2023, IPO Committee was established by the Company to monitor the process of IPO and with successful closure of the IPO and fulfilment of purpose of IPO committee, the Committee was dissolved on 08 February, 2024.

The recommendations made by above Committees were accepted by the Board.

AUDIT COMMITTEE

The Board constituted the Audit Committee in terms of provisions of Section 177 of the Act and RBI Master Directions and Regulation 18 of the SEBI Listing Regulations and is chaired by a Non-Executive Independent Director.

The Audit Committee of your Company as on 31 March, 2024 comprises four members including three independent directors as below:

- approval of payment to statutory auditors for any other services rendered by the statutory auditors;
- examining and reviewing, with the management, the annual financial statements and auditor’s report thereon before submission to the Board for approval, with particular reference to
 - matters required to be included in the director’s responsibility statement to be included in the Board’s report in terms of clause (c) of sub-section 3 of Section 134 of the Companies Act, 2013;



ANNEXURE - 2 (Contd.)

- b) changes, if any, in accounting policies and practices and reasons for the same;

c) major accounting entries involving estimates based on the exercise of judgment by management;

d) significant adjustments made in the financial statements arising out of audit findings;

e) compliance with listing and other legal requirements relating to financial statements;

f) disclosure of any related party transactions; and

g) modified opinion(s) in the draft audit report.
5. reviewing, with the management, the quarterly, half-yearly and annual financial statements before submission to the Board for approval;

6. reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilised for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public issue or rights issue or preferential issue or qualified institutions placement, and making appropriate recommendations to the board to take up steps in this matter;

7. reviewing and monitoring the auditor's independence and performance, and effectiveness of audit process;

8. approval of any subsequent modification of transactions of our Company with related parties and omnibus approval for related party transactions proposed to be entered into by our Company, subject to the conditions as may be prescribed;
- Explanation:** *The term "related party transactions" shall have the same meaning as provided in Clause 2(zc) of the SEBI Listing Regulations and/or the applicable Accounting Standards and/or the Companies Act, 2013.*

9. reviewing, at least on a quarterly basis, the details of related party transactions entered into by our Company pursuant to each of the omnibus approvals given;

10. scrutiny of inter-corporate loans and investments;

11. valuation of undertakings or assets of our Company and appointing a registered valuer in terms of Section 247 of the Companies Act, 2013, wherever it is necessary;

12. evaluation of internal financial controls and risk management systems;

13. reviewing, with the management, performance of statutory and internal auditors, and adequacy of the internal control systems;

14. reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
15. discussion with internal auditors of any significant findings and follow-up thereon;

16. reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board;

17. discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;

18. looking into the reasons for substantial defaults in the payment to depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;

19. reviewing the functioning of the whistle blower mechanism;

20. monitoring the end use of funds through public offers and related matters;

21. overseeing the vigil mechanism established by our Company, with the chairman of the Audit Committee directly hearing grievances of victimisation of employees and directors, who used vigil mechanism to report genuine concerns in appropriate and exceptional cases;

22. approval of appointment of chief financial officer (i.e., the whole-time finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience and background, etc. of the candidate;

23. reviewing the utilisation of loans and/or advances from/ investment by the holding company in the subsidiary exceeding ₹ 1,000,000,000 or 10% of the asset size of the subsidiary, whichever is lower including existing loans/ advances/ investments existing as on the date of coming into force of this provision; and

24. considering and commenting on rationale, cost-benefits and impact of schemes involving merger, demerger, amalgamation etc., on the listed entity and its shareholders;

25. approving the key performance indicators ("KPIs") for disclosure in the offer documents, and approval of KPIs once every year, or as may be required under applicable law; and

26. carrying out any other functions required to be carried out by the Audit Committee as may be decided by the Board and/or as provided under the Companies Act, 2013, the SEBI Listing Regulations, uniform listing agreements and/or any other applicable laws, as and when amended from time to time, or by any regulatory authority and performing such other functions as may be necessary or appropriate for the performance of its duties.

Powers of Audit Committee

The Audit Committee shall have powers, including the following:

- (1) to investigate any activity within its terms of reference;

(2) to seek information from any employee;

ANNEXURE - 2 (Contd.)

- (3) to obtain outside legal or other professional advice;

(4) to secure attendance of outsiders with relevant expertise, if it considers necessary; and

(5) such other powers as may be prescribed under the Companies Act, 2013 and the SEBI Listing Regulations.
- IV. appointment, removal and terms of remuneration of the chief internal auditor;

V. statement of deviations in terms of the SEBI Listing Regulations:

a. quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) where the Equity Shares are proposed to be listed in terms of the SEBI Listing Regulations;

b. annual statement of funds utilised for purposes other than those stated in the offer document/ prospectus/ notice in terms of the SEBI Listing Regulations; and

VI. such information as may be prescribed under the Companies Act, 2013 and SEBI Listing Regulations.

The attendance of the members at the Audit Committee Meetings during the year is as below:

Name	Category	Number of Meeting		
		Held	Entitled	Attended
Ms. Rachna Dikshit (DIN: 08759332)	Independent Director	5	5	5
Mr. Parveen Kumar Gupta (DIN: 02895343) *	Independent Director	5	4	4
Mr. Thomson Thomas (DIN: 09691435)	Independent Director	5	5	5
Mr. Shailesh J Mehta (DIN: 01633893) *	Non-Executive Director (Nominee)	5	4	3
Mr. Rupinder Singh (DIN: 09153382) *	MD & CEO	5	1	1

*The Audit Committee was reconstituted on 31 July, 2023 and Mr. Shailesh J Mehta and Mr. Parveen Kumar Gupta became members of the Audit Committee and Mr. Rupinder Singh ceased to be member of Audit Committee w.e.f. 31 July, 2023.

Nomination and Remuneration Committee

The Board constituted the Nomination and Remuneration Committee in terms of the provisions of Section 178 of the Act and Regulation 19 of the SEBI Listing Regulations and RBI Master Directions and is chaired by a Non-Executive Independent Director.

The Nomination and Remuneration Committee of your Company as on 31 March, 2024 comprises three members including two independent directors as below:

Directors	Designation	DIN
Ms. Rachna Dikshit	Independent Director (Chairman of Committee)	08759332
Ms. Savita Mahajan	Independent Director	06492679
Mr. Sumir Chadha	Non-Executive Director (Nominee)	00040789

Terms of reference as prescribed by the board shall inter alia, include, –

1. formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board of Directors a policy relating to the remuneration of the Directors, Key Managerial Personnel, Senior Management and other employees ("Remuneration Policy");

2. for every appointment of an independent director, the Nomination and Remuneration Committee shall evaluate the balance of skills, knowledge and experience on the Board and on the basis of such evaluation, prepare a description of

the role and capabilities required of an independent director. The person recommended to the Board for appointment as an independent director shall have the capabilities identified in such description. For the purpose of identifying suitable candidates, the Nomination and Remuneration Committee may:

- a. use the services of an external agencies, if required;

b. consider candidates from a wide range of backgrounds, having due regard to diversity; and

c. consider the time commitments of the candidates;
3. formulation of criteria for evaluation of Independent Directors and the Board;

ANNEXURE - 2 (Contd.)

4. devising a policy on Board diversity;
 5. identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the Board their appointment and removal and carrying out evaluation of every director's performance (including Independent Director), its committees and individual directors to be carried out either by the Board, by the Nomination and Remuneration Committee or by an independent external agency and review its implementation and compliance. Our Company shall disclose the Remuneration Policy and the evaluation criteria in its annual report;
 6. whether to extend or continue the term of appointment of the Independent Director, on the basis of the report of performance evaluation of Independent Directors;
 7. recommend to the Board, all remuneration, in whatever form, payable to Senior Management;
 8. the Nomination and Remuneration Committee, while formulating the Remuneration Policy, should ensure that:
 - (a) the level and composition of remuneration be reasonable and sufficient to attract, retain and motivate directors of the quality required to run our Company successfully;
 - (b) relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and
 - (c) remuneration to Directors, Key Managerial Personnel and Senior Management involves a balance between fixed and incentive pay reflecting short and long term performance objectives appropriate to the working of our Company and its goals.
 9. perform such functions as are required to be performed by the Nomination and Remuneration Committee under the SEBI SBEB Regulations, including the following:
 - (a) administering the employee stock option plans of our Company, as may be required;
 - (b) determining the eligibility of employees to participate under the employee stock option plans of our Company;
 - (c) granting options to eligible employees and determining the date of grant;
 - (d) determining the number of options to be granted to an employee;
 - (e) determining the exercise price under the employee stock option plans of our Company; and
 - (f) construing and interpreting the employee stock option plans of our Company and any agreements defining the rights and obligations of our Company and eligible employees under the employee stock option plans of our Company, and prescribing, amending and/or rescinding rules and regulations relating to the administration of the employee stock option plans of our Company.
 10. frame suitable policies, procedures and systems to ensure that there is no violation of securities laws, as amended from time to time, including:
 - a) the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015; and
 - b) the Securities and Exchange Board of India (Prohibition of Fraudulent and Unfair Trade Practices Relating to the Securities Market) Regulations, 2003, by the trust, our Company and its employees, as applicable; and
 11. carrying out any other activities as may be delegated by the Board of Directors of our Company functions required to be carried out by the Nomination and Remuneration Committee as provided under the Companies Act, 2013, the SEBI Listing Regulations or any other applicable law, as and when amended from time to time.
- The attendance of the members at the Nomination and Remuneration Committee Meetings during the year is as below:

Name	Category	Number of Meeting		
		Held	Entitled	Attended
Ms. Rachna Dikshit (DIN: 08759332)	Independent Director	4	4	4
Mr. Thomson Thomas (DIN: 09691435)	Independent Director	4	3	3
Ms. Savita Mahajan (DIN: 06492679) *	Independent Director	4	1	1
Mr. Anup Gupta (DIN: 02284944) *	Non-Executive Director (Nominee)	4	3	3
Mr. Sumir Chadha (DIN: 00040789)	Non-Executive Director (Nominee)	4	4	4

*The Nomination & Remuneration Committee was reconstituted on 31 July, 2023 and 08 February, 2024. Ms. Savita Mahajan was appointed as member and Mr. Thomson Thomas ceased to be a member of the committee on 31 July, 2023. Further after reconstitution on February 03, 2024, Mr. Anup Gupta ceased to be member of the Nomination & Remuneration Committee.

ANNEXURE - 2 (Contd.)

Performance Evaluation of Directors

Performance Evaluation of the Board as a whole, as well as that of its Committees, Independent Directors and Non-Independent Directors has carried out in accordance with the relevant provisions of the Act read with relevant rules made thereunder and SEBI LODR Regulations and in compliance with guidance note issued by SEBI under Circular no. SEBI/HO/ CFD/ CMD/ CIR/P/2017/004 dated Jan. 05, 2017. The performance evaluation of Directors was carried out by the entire Board excluding the Directors being evaluated. The performance evaluation criteria for Independent Directors included the criteria formulated by the NRC that inter alia included Qualifications & Experience, Standard of Integrity, attendance in meetings, understanding of Company's business

Directors	Designation	DIN
Ms. Savita Mahajan	Independent Director (Chairman of Committee)	06492679
Ms. Rachna Dikshit	Independent Director	08759332
Mr. Sumir Chadha	Non-Executive Director (Nominee)	00040789

The disclosures as per Rule 9 of Companies (Corporate Social Responsibility Policy) Rules, 2014 is attached as Annexure forming part of this Annual Report.

Your Company has developed and implemented the Corporate Social Responsibility Policy which is placed on the website at <https://www.indiashelter.in/investor-relations> and is attached.

Terms of reference as prescribed by the Board shall inter alia, include, –

- a) formulate and recommend to the Board, a corporate social responsibility policy which shall indicate amongst others, the guiding principles for selection, implementation and monitoring the activities as well as formulation of the annual action plan which shall indicate the activities to be undertaken by our Company as specified in Schedule VII of the Companies Act, 2013 and make any revisions therein as and when decided by the Board;
- b) review and recommend the amount of expenditure to be incurred on the activities referred in clause (a) and amount

and value addition in Board Meetings. The Board has expressed its satisfaction with the evaluation process.

Corporate Social Responsibility Committee

The Board constituted the Corporate Social Responsibility Committee in terms of the provisions of Section 135 of the Act and is chaired by a Non-Executive Independent Director. At present, the Corporate Social Responsibility Committee comprises of 3 Directors as its Members including two of them being Independent Director.

The Corporate Social Responsibility Committee of your Company as on 31 March, 2024 comprises three members including two independent directors as below:

to be incurred for such expenditure shall be as per the applicable law;

- c) monitor the corporate social responsibility policy of our Company and its implementation from time to time and issuing necessary directions as required for proper implementation and timely completion of corporate social responsibility programme; and
- d) any other matter as the Corporate Social Responsibility Committee may deem appropriate after approval of the Board or as may be directed by the Board from time to time and/or as may be required under applicable law, as and when amended from time to time.

The CSR Committee met two times in the year under consideration on August 14, 2023 and 08 February, 2024.

The attendance of the members at the Corporate Social Responsibility Committee Meetings during the year is as below:

Name	Category	Number of Meeting		
		Held	Entitled	Attended
Ms. Rachna Dikshit (DIN: 08759332)	Independent Director	2	2	2
Mr. Rupinder Singh (DIN: 09153382) *	Managing Director and Chief Executive Officer	2	2	2
Mr. Ajay Narayan Jha (DIN: 02270071) *	Independent Director	2	2	2
Ms. Savita Mahajan (DIN: 06492679) *	Independent Director	2	2	2
Mr. Thomson Thomas (DIN: 09691435) *	Independent Director	2	2	2
Mr. Sumir Chadha (DIN: 00040789) *	Non-Executive Director (Nominee)	2	2	2

*The Corporate Social Responsibility Committee was reconstituted on 31 July, 2023 and 08 February, 2024.

On 31 July, 2023, Mr. Ajay Narayan Jha, Mr. Sumir Chadha and Ms. Savita Mahajan were appointed as members of the Committee. Further on reconstitution on 08 February, 2024, Mr. Rupinder Singh, Mr. Ajay Narayan Jha and Mr. Thomson Thomas were ceased to be members of the Committee.

ANNEXURE - 2 (Contd.)

RISK MANAGEMENT COMMITTEE

The Board constituted the Risk Management Committee in terms of the provisions of RBI Master Directions and Regulation 21 of the SEBI Listing Regulations and is chaired by a Non-Executive Independent Director to identify the risks that can create an impact

Directors	Designation	DIN
Mr. Parveen Kumar Gupta	Independent Director (Chairman of the Committee)	02895343
Mr. Thomson Thomas	Independent Director	09691435
Mr. Rupinder Singh	Managing Director and Chief Executive Officer	09153382
Mr. Sudhin Bhagwandas Choksey	Non-Executive Director (Nominee)	00036085
Mr. Shailesh J. Mehta	Non-Executive Director (Nominee)	01633893
Mr. Sharad Pareek	Chief Risk Officer	-
Mr. Ashish Gupta	CFO	-

Your Company had Board-approved Credit and Risk Management Policies wherein all material risks faced by your Company were identified and assessed. Your Company set up a policy framework for ensuring better management of its asset and liability profile.

The Risk Management Policy of the Company has been approved by the Board which is enclosed which is available at the Website of the Company at <https://www.indiashelter.in/investor-relations>.

During the year, the Risk Management committee reviewed the risks associated with the business of the Company, its root causes and the efficacy of the measures taken to mitigate the same. The Board of Directors of your Company with the intent to implement a consistent, efficient, and economical approach to identify, evaluate, respond and mitigate key risks that may impact business objectives of your Company and in order to minimise the frequency and impact of risks, have adopted Risk Management Policy.

Terms of reference as prescribed by the Board shall inter alia, include, –

- a) review, assess and formulate the risk management system and policy of our Company from time to time and recommend for an amendment or modification thereof, which shall include: (a) a framework for identification of internal and external risks specifically faced by our Company, in particular including financial, operational, sectoral, sustainability (particularly, environmental, social and corporate governance related risks), information, cyber security risks or any other risk as may be determined by the Risk Management Committee; (b) measures for risk mitigation including systems and processes

on the Company and to take appropriate measures to mitigate such risks for assisting the Board to establish a risk culture and risk governance framework in the organisation. The Risk Management Committee of your Company as on 31 March, 2024 comprises of Seven members including Two independent directors as below:

for internal control of identified risks; and (c) business continuity plan;

- b) ensure that appropriate methodology, processes and systems are in place to monitor and evaluate risks associated with the business of our Company;
- c) monitor and oversee implementation of the risk management policy, including evaluating the adequacy of risk management systems;
- d) periodically review the risk management policy, at least once in two years, including by considering the changing industry dynamics and evolving complexity, and recommend for any amendment or modification thereof, as necessary;
- e) keep the Board of directors of our Company informed about the nature and content of its discussions, recommendations and actions to be taken;
- f) review the appointment, removal and terms of remuneration of the chief risk officer (if any);
- g) to implement and monitor policies and/or processes for ensuring cyber security; and
- h) any other similar or other functions as may be laid down by Board from time to time and/or as may be required under applicable law, as and when amended from time to time, including the SEBI Listing Regulations.

The Risk Management Committee met four times during the year under consideration on [1] 08 May, 2023; [2] 14 August, 2023; [3] 25 October, 2023; and [4] 09 February, 2024.

ANNEXURE - 2 (Contd.)

The attendance of the members at the Risk Management Committee Meetings during the year is as below:

Name	Category	Number of Meeting		
		Held	Entitled	Attended
Mr. Rupinder Singh (DIN: 09153382)	Managing Director and Chief Executive Officer	4	4	4
Ms. Rachna Dikshit (DIN: 08759332)	Independent Director	4	3	3
Mr. Thomson Thomas (DIN: 09691435) *	Independent Director	4	4	4
Mr. Ajay Narayan Jha (DIN: 02270071) *	Independent Director	4	2	2
Mr. Parveen Kumar Gupta (DIN: 02895343) *	Independent Director	4	3	3
Ms. Savita Mahajan (DIN: 06492679) *	Independent Director	4	2	2
Mr. Shailesh J Mehta (DIN: 01633893)	Non-Executive Director (Nominee)	4	4	3
Mr. Anup Gupta (DIN: 02284944)*	Non-Executive Director (Nominee)	4	3	3
Mr. Sudhin Bhagwandas Choksey (DIN: 00036085)	Non-Executive Director (Nominee)	4	4	4
Mr. Sharad Pareek	Chief Risk Officer	4	4	4
Mr. Ashish Gupta	CFO	4	4	4

*The Risk Management Committee was reconstituted on 31 July, 2023 to include Mr. Parveen Kumar Gupta, Mr. Ajay Narayan Jha and Ms. Savita Mahajan as members of the Risk Management Committee.

Further the Committee was reconstituted on 08 February, 2024 and Ms. Rachna Dikshit, Mr. Anup Kumar Gupta, Mr. Ajay Narayan Jha and Ms. Savita Mahajan were ceased to be member of the Committee.

STAKEHOLDERS RELATIONSHIP COMMITTEE

The Board has constituted Stakeholders Relationship Committee in terms of provisions of Companies Act, 2013 and Regulation 20 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, comprising of three members and is chaired by a Non-Executive Independent Director. The detailed composition of the Committee is as below:

Directors	Designation	DIN
Ms. Savita Mahajan	Independent Director (Chairman of Committee)	06492679
Mr. Sudhin Bhagwandas Choksey	Non-Executive Director (Nominee)	00036085
Mr. Rupinder Singh	MD & CEO	09153382

Terms of reference as prescribed by the board shall inter alia include:

- (1) considering and looking into various aspects of interest of Shareholders, debenture holders and other security holders;
- (2) resolving the grievances of the security holders of the listed entity including complaints related to transfer/transmission of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new/duplicate certificates, general meetings etc.;
- (3) formulation of procedures in line with the statutory guidelines to ensure speedy disposal of various requests received from shareholders from time to time;
- (4) giving effect to allotment of Equity Shares, approval of transfer or transmission of Equity Shares, debentures or any other securities;

- (5) issue of duplicate certificates and new certificates on split/consolidation/renewal, etc.;
- (6) review of measures taken for effective exercise of voting rights by Shareholders;
- (7) review of adherence to the service standards adopted by the listed entity in respect of various services being rendered by the Registrar & Share Transfer Agent;
- (8) to dematerialise or rematerialise the issued shares;
- (9) review of the various measures and initiatives taken by the listed entity for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the Shareholders of the Company; and

ANNEXURE - 2 (Contd.)

(10) carrying out any other functions required to be carried out by the Stakeholders’ Relationship Committee as contained in the SEBI Listing Regulations or any other applicable law, as and when amended from time to time.

The Stakeholders Relationship committee met one time during year under consideration on 29 March, 2024.

The attendance of the members at the Stakeholders Relationship Committee meeting during the year is as below:

Name	Category	Number of Meeting		
		Held	Entitled	Attended
Ms. Savita Mahajan (DIN: 06492679)	Independent Director	1	1	1
Mr. Sudhin Bhagwandas Choksey (DIN: 00036085)	Non-Executive Director (Nominee)	1	1	1
Mr. Rupinder Singh (DIN: 09153382)	MD & CEO	1	1	1

Details of investor complaints received during the period under review are as below:

Investor Complaints	Year ended on 31 March, 2024
Complaints received during the year	17
Complaints resolved during the year	16
Complaints not solved to the satisfaction of shareholders	0
Complaint pending at the end of the year*	1

* Closed as on the date of this report.

INFORMATION TECHNOLOGY STRATEGY COMMITTEE

The Board has constituted Information Technology Strategy Committee in accordance with Master Direction- Information Technology Framework for the NBFC Sector issued by the Reserve Bank of India dated 08 June, 2017, comprising of six members and is chaired by a Non-Executive Independent Director. The detailed composition of the Committee is as below:

Directors	Designation	DIN
Mr. Thomson Thomas	Independent Director (Chairman of Committee)	09691435
Mr. Parveen Kumar Gupta	Independent Director	02895343
Mr. Shailesh J. Mehta	Non-Executive Director (Nominee)	01633893
Mr. Ashish Gupta	CFO	-
Mr. Sharad Pareek	Chief Risk Officer	-
Mr. Abhinav Arya	Chief Information Officer	-

Terms of reference as prescribed by the board shall inter alia, include, –

- Approving IT strategy & policy documents and ensuring that the management has put an effective strategic planning process in place
- Ascertaining that the management has implemented processes and practices that ensure that the IT deliver value to the business
- Ensuring IT investments represent a balance of risks and benefits and that budgets are acceptable
- Monitoring the method that management uses to determine the IT resources needed to achieve strategic goals and provide high level direction for sourcing & use of IT resources
- Ensuring proper balance of IT investments for sustaining HFC’s growth and becoming aware about exposure towards IT risks and controls

The Information Technology Strategy Committee met two times during the year under consideration on [1] 12 July, 2023; and [2] 05 January, 2024;



ANNEXURE - 2 (Contd.)

The attendance of the members at the Information Technology Strategy Committee Meetings during the year is as below:

Name	Category	Number of Meeting		
		Held	Entitled	Attended
Ms. Rachna Dikshit (DIN: 08759332)	Independent Director	2	1	1
Mr. Parveen Kumar Gupta (DIN: 02895343)	Independent Director	2	1	1
Mr. Sudhin Bhagwandas Choksey (DIN: 00036085)	Non-Executive Director (Nominee)	2	1	1
Mr. Thomson Thomas (DIN: 09691435)	Independent Director	2	2	2
Mr. Shailesh J Mehta (DIN: 01633893)	Non-Executive Director (Nominee)	2	2	2
Mr. Rupinder Singh (DIN: 09153382)	Managing Director and Chief Executive Officer	2	2	2
Mr. Abhinav Arya	CIO	2	2	2
Mr. Ashish Gupta	CFO	2	2	2
Mr. Sharad Pareek	Chief Risk Officer	2	2	2

*The IT Strategy Committee was reconstituted on 31 July, 2023 to include Mr. Parveen Kumar Gupta and Mr. Sudhin Bhagwandas Choksey as members of the Information Technology Strategy Committee. Ms. Rachna Dikshit ceased to be member of the IT Strategy Committee effective 31 July, 2023.

Further the Committee was reconstituted on 08 February, 2024 and Mr. Sudhin Bhagwandas Choksey and Mr. Rupinder Singh were ceased to be member of the Committee.

Asset Liability Management Committee (ALCO)

The Board has constituted Asset Liability Management Committee comprising of seven members and is chaired by Managing Director and Chief Executive Officer. The detailed composition of the Committee is as below:

Directors	Designation	DIN
Mr. Rupinder Singh	Managing Director and Chief Executive Officer (Chairman of Committee)	09153382
Mr. Ashish Gupta	CFO	-
Mr. Nitin Goel	Head-Credit & Policy	-
Mr. Sharad Pareek	Chief Risk Officer	-
Mr. Aman Saini	National Business Head	-
Mr. Abhinav Arya	Head-IT (Permanent Invitee)	-
Mr. Vikas Sharma	Head-Treasury	-

Terms of reference as prescribed by the board shall inter alia, include, –

- review borrowings & investments of our Company;
- review fund planning;
- profit planning and growth projection;
- review interest/ market and liquidity risk;
- forecasting and analysing ‘what of scenario’ and preparation of contingency plans;
- review liquidity statements submitted to NHB and required action, if any;
- avail banking and investment services and other matters incidental thereto;
- avail borrowings, NHB refinance, non-convertible debentures, securitisation, direct assignment and all other fund raising activities within the borrowings powers as may be approved under Section 180(1)(c) of the Companies Act, 2013;
- create charge on the assets of our Company as may be approved under Section 180(1)(a) of the Companies Act, 2013;
- approve all investments as per the investment policy, such as but not limited to mutual funds, fixed deposits, etc.;
- approve bank guarantees but not grant of guarantees by our Company to any other organisation/ individual;
- review and approve loan documents, products and related charges;

ANNEXURE - 2 (Contd.)

13. to negotiate, discuss finalise and approve the proposals of co-lending with banks and to discuss, finalise and execute the documents or to do any acts as may be necessary to give effect to the above transaction;

14. to delegate the said authority to any of the authorised officers of our Company as it may deem fit; and

15. All other matters incidental thereto.
- The ALCO Committee met fourteen times during the year under consideration on [1] 05 April, 2023; and [2] 31 May, 2023;[3] 22 June, 2023; [4] 28 July, 2023; [5] 29 August, 2023; [6] 22 September, 2023; [7] 09 November, 2023; [8] 24 November, 2023; [9] 06 December, 2023; [10] 29 December, 2023; [11] 29 January, 2024; [12] 21 February, 2024; [13] 15 March, 2024; [14] 27 March, 2024

The attendance of the members at the ALCO Committee Meetings during the year is as below:

Name	Category	Number of Meeting		
		Held	Entitled	Attended
Mr. Rupinder Singh	Managing Director and Chief Executive Officer	14	14	14
Mr. Ashish Gupta	CFO	14	14	14
Mr. Nitin Goel	Head-Credit & Policy	14	14	14
Mr. Sharad Pareek	Chief Risk Officer	14	14	14
Mr. Aman Saini	National Business Head	14	14	14
Mr. Abhinav Arya	Head-IT (Permanent Invitee)	14	14	14
Mr. Prakash Bhawnani*	Head-Treasury (Permanent Invitee)	14	8	8
Mr. Vikas Sharma*	Head-Treasury (Permanent Invitee)	14	6	6

*The ALCO Committee was reconstituted on 08 February, 2024 to include Mr. Vikas Sharma (Head- Treasury) instead of Mr. Prakash Bhawnani as member of the ALCO Committee.

Prevention of Sexual Harassment Policy, and information required to be disclosed under Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013

The Company is committed to providing a work environment that ensures that every Employee is treated with equal dignity and respect. The Company has implemented a robust framework on prevention of sexual harassment, which is in line with the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. The Company educates Employees regarding Sexual Harassment Policy through posters and regular mailers and also conducts online trainings which form a part of the induction process.

In this regard, India Shelter has instituted an Internal Complaints Committee for redressal of sexual harassment complaint (made by the victim) and for ensuring time bound treatment of such complaints. The Internal Complaints Committee as on 31 March, 2024 comprises of the following four members out of which 3 members are women:

Presiding Officer	Member-1	Member-2	NGO
Madhu Sharma	Mukti Chaplot	Nilay	Samta Ahuja

An Appellate Committee is also constituted as below:

Members	Designation
Ms. Rachna Dikshit (DIN: 08759332)	Board Representative
4 other members	Equal number of male & female members from amongst ICC members

Your Company has imparted training for Sexual Harassment of Women at Workplace as part of the Induction training provided to the employees.

Pursuant to the requirements of Section 22 of Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal) Act 2013 read with Rules there under, the Internal Complaint committee of the Company did not received any complaint of sexual harassment during the year under review.

ANNEXURE - 2 (Contd.)

There were 10 meetings of other Committees as per the business requirements of the Company.

1.	22 June, 2023	Wilful Defaulter Identification Committee
2.	22 September, 2023	Wilful Defaulter Identification Committee
3.	29 December, 2023	Wilful Defaulter Identification Committee
4.	27 March, 2024	Wilful Defaulter Identification Committee
5.	22 June, 2023	Customer Service & Grievance Redressal Committee
6.	22 September, 2023	Customer Service & Grievance Redressal Committee
7.	29 December, 2023	Customer Service & Grievance Redressal Committee
8.	27 March, 2024	Customer Service & Grievance Redressal Committee
9.	03 August, 2023	IPO Committee
10.	07 December, 2023	Independent Director Meeting
11.	08 February, 2024	Independent Director Meeting

Remuneration of Directors

Sitting Fees

All Independent Directors are paid a sitting fee for attending every meeting of the Board and committees, in accordance with sitting fees approved by the Board of Directors:

The details of sitting fees paid and shares held by non-executive directors in the Company as at 31 March, 2024 are as follows:

Name	Sitting fees (in Lacs)		Commission (in Lacs)	No. of equity shares held in the Company
	Board	Committees		
Mr. Ajay Narayan Jha*	10.00	3.10	-	-
Mr. Parveen Kumar Gupta	13.00	6.85	-	-
Ms. Rachna Dikshit	14.00	11.00	-	-
Ms. Savita Mahajan	11.00	4.25	-	-
Mr. Thomson Thomas	12.00	11.40	-	-
Mr. Sudhin Bhagwandas Choksey	-	-	-	-
Mr. Anup Kumar Gupta	-	-	-	-
Mr. Shailesh J. Mehta	-	-	-	-
Mr. Sumir Chadha	-	-	-	-

*The Board of Directors of the Company in their meeting held on 08 February, 2024 accepted resignation of Mr. Ajay Narayan Jha as an Independent Director with effect from closure of business hours of 08 February, 2024

Pecuniary relationship and/or transactions of the Non-Executive Directors with the listed entity:

During the year under review, there were no pecuniary relationships or transactions with the Non-Executive Directors of the Company, apart from remuneration paid to them by way of sitting fees.

Criteria for making payment to Non-executive Directors

No amount was paid to any director as a commission in Financial Year 2023-24.

The Nomination and Remuneration Committee and Board of Directors in their meeting held 08 February, 2024 and

shareholders vide postal ballot dated 19 March, 2024 approved commission upto a sum not exceeding ` 6 Lacs per Independent Director in accordance with the provisions of the Act, be paid to and distributed to the Independent Directors of the Company or some or any of them in such amounts or proportions and in such manner and in all respects as may be directed by the Nomination & Remuneration Committee/Board of Directors from Financial Year 2024-25 onwards.

The criteria for making payments to non-executive Directors is published on the website of the Company (weblink: <https://www.indiashelter.in/investor-relations>)

ANNEXURE - 2 (Contd.)

Remuneration of Managing Director & Chief Executive Officer ('MD & CEO')

The components of the MD & CEO's compensation package include salary, a performance-linked Variable Pay, and other benefits. The Nomination and Remuneration Committee makes the decision, which is then accepted by the Board and stays within the general parameters set by the shareholders at the Annual General Meeting.

The details of remuneration paid to Mr. Rupinder Singh, Managing Director & Chief Executive Officer for the financial year ended 31 March, 2024 are as follows:

Particulars	Amount (₹ In Lacs)
Salary	3,17,40,000
Bonus (Upto 100% of Fixed Pay or as per the bonus plan of the company, whichever is higher as approved by the Board of Directors/Committee)	3,17,40,000
Others	43,00,000
Total	6,77,80,000

For details refer to Note no. 40 in relation to related party transactions disclosed as per notes to the Standalone Financial Statements.

Penalties

During the year under review, the Company was levied a penalty of ` 24,000/- with applicable taxes each from both the Stock exchanges, National Stock Exchange of India Limited and BSE Limited for Non-compliance with the provisions of composition of Nomination and Remuneration Committee under Regulation 19(1)/ 19(2) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Means of Communication

Your Company focuses on prompt, continuous and efficient communication to all its stakeholders. The Company has provided adequate and timely information to its member's inter-alia through the following means:

- i.

Financial Results: The quarterly, half yearly and annual financial results of the Company were published in the national daily leading newspapers viz Business Standard, Financial Express, The Mint (English) and Navodaya Times(Hindi) and are also posted on the Company's Website(www.indiashelter.in) and on the websites of Stock exchanges BSE <https://www.bseindia.com/> and NSE <https://www.nseindia.com/>.
- ii.

Website: In compliance with Regulation 46 and 62 of the SEBI LODR Regulations, the Company has maintained a separate section i.e. 'Disclosures under Regulation 46 and 62 of SEBI (LODR), 2015' on the Company's website providing all the announcements made by the Company, annual reports, result and policies of the Company.

Further, the shareholding pattern and other intimations to stock exchanges from time to time are also displayed on the website of the Company. Details of investor / analysts calls, call transcripts, investor presentation and press news releases are also posted on the Company's Website.

Other Disclosures

i. Related Party Transactions Policy

The Company has formulated a policy on materiality of and dealing with Related Party Transactions pursuant to the provisions of the Companies Act and Regulation 23 of the Listing Regulations, which specify the manner of entering into Related Party Transactions. Details of related party transactions entered by the Company in the ordinary course of its business are included in the notes forming part of the financial statements. The Company did not enter into any material related party transaction during the financial year ended March 31, 2024. During the year under review, all RPTs were placed before the Audit Committee for its approval as required under Section 177 of the Companies Act, 2013 and Regulation 23 of the Listing Regulations. No materially significant related party transactions and no omnibus approval was entered into during the FY24 that may have potential conflict with interests of the listed entity at large.

The Policy on Related Party Transactions has been hosted on the website of the Company in accordance with the provisions of the Listing Regulations and the RBI master directions for housing finance companies and can be accessed at the web-link at <https://www.indiashelter.in/investor-relations>.

ii. Details of non-compliance by the listed entity, penalties, strictures imposed on the listed entity by stock exchange(s) or the board or any statutory authority, on any matter related to capital markets, during the last three years;

- During the year under review, the company was levied a penalty of ₹ 24,000/- with applicable taxes each from both the Stock exchanges, National Stock Exchange of India

ANNEXURE - 2 (Contd.)

Limited and BSE Limited for Non-compliance with the provisions of composition of Nomination and Remuneration Committee under Regulation 19(1)/ 19(2) of SEBI (Listing and the company submitted the waiver request application to the exchanges.

- National Housing Bank (NHB) vide its letter 29 July, 2021, has imposed a monetary penalty of 15,000/- plus GST on the Company for non-compliance with provisions of the Paragraph 22 (2) of the Housing Finance Companies (NHB) Directions, 2010 and the RBI Circular No. DOR.No.BP. BC.63/21.04.048/2019-20.

iv. Weblink of Corporate Policies

Particulars	Weblink
Policy for determining material subsidiaries	https://www.indiashelter.in/investor-relations
Policy on Materiality of Related Party Transactions and on Dealing with Related Party Transactions	https://www.indiashelter.in/investor-relations

v. Compliance with Accounting Standards

The Company has followed the Guidelines of Accounting Standards as laid down by the Institute of Chartered Accountants of India (ICAI) in preparation of its financial statements and notes to accounts of this Annual Report.

vi. MD/CFO Certification

Pursuant to the provisions of Regulation 17(8) of the Listing Regulations, 2015, the Managing Director and Chief Financial Officer have issued a certificate in the prescribed format to the board certifying that the financial statements do not contain any materially untrue statement and these statements represent a true and fair view of the Company's Affairs. The said certificate is enclosed and is forming part of this report as Annexure A.

vii. Compliance certificate on Corporate Governance

As required under the SEBI Listing Regulations, certificate issued by Mr. Jitender Singh (Membership No. A33610 and C.P. No. 26612), Practicing Company Secretary, certifying that the Company has complied with the conditions of Corporate Governance as stipulated by SEBI Listing Regulations. The said certificate forms part of the Annual Report as an Annexure to the Directors Report.

viii. Certificate from Practicing Company Secretary

A certificate issued by Mr. Jitender Singh (Membership No. A33610 and C.P. No. 26612), Practicing Company Secretary, pursuant to Regulation 34(3) read with Clause 10 (i) of Paragraph C of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure

iii. Establishment of Vigil Mechanism and Whistle Blower Policy

The Company have a Vigil Mechanism implemented through Whistle Blower Policy, under which Directors, employees and other stakeholders are free to report violations of applicable laws and regulations. The Chairperson of the Audit Committee has direct access to all complaints raised through the policy. The policy is hosted on the website of the Company at <https://www.indiashelter.in/investor-relations>.

Requirements) Regulations, 2015, certifying that none of the Directors on the Board of the Company as on March'24, has been debarred or disqualified from being appointed or continuing as Directors of the companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs, Reserve Bank of India, or any such Statutory Authority. The said certificate is enclosed and is forming part of this report as Annexure B..

ix. Details of utilisation of funds raised through preferential allotment or qualified institutional placement

During the year under review, your company has raised ₹ 2.95 Crs by way of preferential allotment and utilised the same for General Corporate Purposes.

x. Due dates for transfer of unclaimed dividend to Investor Education and Protection Fund (IEPF)

In terms of Section 125 of the Act, unclaimed dividends are required to be transferred to the Investors Education and Protection Fund. There was no dividend declared in the last Seven (7) years prior to the year under review and hence, there was no requirement of transferring the same to the Investors Education and Protection Fund.

xi. Directors and Officers (D&O) Liability Insurance

As per the provisions of the Act and in compliance with Regulation 25(10) of the SEBI Listing Regulations, the Company has taken a D&O Liability Insurance policy on behalf of all Directors including Independent Directors and Key Managerial Personnel of the Company for indemnifying



ANNEXURE - 2 (Contd.)

any of them against any liability in respect of any negligence, default, misfeasance, breach of duty or breach of trust for which they may be guilty in relation to the Company.

xii. Details of non-acceptance of any recommendation of any committee of the board which is mandatorily required

During the year under review, there were no such recommendations made by any Committee of the Board that were mandatorily required and not accepted by the Board.

xiii. Loans and advances in the nature of loans to firms/companies in which directors are interested by name and amount

There are no loans and advances in the nature of loans to firms/companies in which directors are interested.

xiv. Total fees paid to Statutory Auditors and all entities in the network firm/network entity of which the statutory auditor is a part

The total fees for all services paid by Company, on a consolidated basis, to M/s T .R. Chadha & Co. LLP (Firm Registration No.: 006711N/N500028), Statutory Auditors of the Company and other firms in the network entity of which the Statutory Auditors are a part, as included in the Financial Statements of the Company for the year ended on 31 March, 2024, are as follows:

(In Lacs)	
(a) As Auditors	
- Statutory audit including limited review	41.00
- Certification and other charges	6.54
(b) for re-imbursement of expenses*	4.20

* Excludes remuneration of INR 50 lacs paid for reports on Intial Public Offer documents i.e report on restated financial information and various certificates which is adjusted against security premium.

xv. Compliance with mandatory Requirements and adoption of the non-mandatory Requirements of Corporate Governance

The Company has complied with all the mandatory requirements of Corporate Governance as specified in regulation 17 to 27 and clauses (b) to (i) of sub-regulation (2) of regulation 46 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015. The Company has also adopted certain voluntary compliance requirements as outlined in the Companies Act, 2013, SEBI Listing Regulations, 2015 and

other applicable acts, rules, regulations & guidelines. As per the discretionary requirements specified in Schedule II, Part E of the Listing Regulations, the Company has appointed separate persons to the post of Chairperson and Managing Director & Chief Executive Officer.

xvi. Statutory and Regulatory Compliance

The Company has followed all applicable directions, guidelines and circulars issued by Reserve Bank of India from time to time. The Company also has been following directions / guidelines / circulars issued by Income Tax Act, 1961, Securities and Exchange Board of India and Ministry of Corporate Affairs from time to time, as applicable to the Company. There was no non-compliance of any requirement of corporate governance report of sub-paras (2) to (10) of Schedule V of SEBI Listing Regulations. Except as disclosed in this Annual Report.

xvii. Disclosure regarding demat suspense account/unclaimed suspense account

- a) Aggregate number of shareholders and the outstanding shares in the suspense account lying at the beginning of the year- Not Any
- b) Number of shareholders who approached listed entity for transfer of shares from suspense account during the year- Two shareholders approached the Company for transfer of shares from suspense account.
- c) Number of shareholders to whom shares were transferred from suspense account during the year- Not Any
- d) Aggregate number of shareholders and the outstanding shares in the suspense account lying at the end of the year- Two shareholders , equity shares aggregating to Sixty shares are lying in the suspense account lying at the end of the year
- e) That the voting rights on these shares shall remain frozen till the rightful owner of such shares claims the shares- Yes.

xviii. Code of Conduct for Prohibition of Insider Trading and Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information

In compliance of the SEBI PIT Regulations, as amended from time to time, the Company has formulated a Code of Conduct for Prevention of Insider Trading in the shares of the Company, which inter alia, prohibits trading in shares of the Company by insiders while in possession of unpublished price sensitive information in relation to the Company and in

ANNEXURE - 2 (Contd.)

order to ensure uniform dissemination of unpublished price sensitive information. The Board of Directors had adopted a 'Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information' which is available on the website of the Company and can be accessed at <https://www.indiashelter.in/investor-relations>.

xix. Code of Conduct for the Board of Directors and the Senior Management Personnel

Pursuant to Regulation 17(5) of Listing Regulations, the Company has adopted Code of Conduct applicable to the Board of Directors and the Senior Management Personnel ('Code'). The Code provides guidance to the Directors and Senior Management Personnel to conduct their business

Sd/-

Mr. Sudhin Bhagwandas Choksey

DIN: 00036085

Place: Gurugram

Date: May 08, 2024

Sd/-

Mr. Rupinder Singh

DIN: 09153382

Place: Gurugram

Date: May 08, 2024

xx. General Shareholder Information

A separate section on General Shareholder Information required under the Listing Regulations have been included in the Annual Report.

ANNEXURE - 2 (Contd.)

General Shareholder Information

CORPORATE INFORMATION:

Incorporation date	26 October, 1998
Corporate Identification Number	L65922HR1998PLC042782
Registered Office Address	6th Floor, Plot No. 15, Sector - 44, Institutional Area, Gurgaon, Haryana, India, 122002
ISIN for equity shares of the Company	INE922K01024
Date, Time and Venue of the Annual General Meeting	[.]
Financial year	01 April, 2023 to 31 March,2024
Dividend Payment Date	Not applicable as no dividend is recommended by the Board
Name & Address of the Stock Exchanges	The Equity shares of the Company are listed on Bombay Stock Exchange Limited (BSE) and National Stock Exchange of India Limited (NSE). BSE Limited Phiroze JeeJeebhoy Towers, Dalal street, Mumbai - 400 001. National Stock Exchange of India Limited Exchange Plaza, Floor 5, Plot C/1, Bandra-Kurla Complex, Bandra (East), Mumbai-400051 Non-convertible Debentures issued by the Company are listed on the Wholesale Debt Market segment of BSE.
Payment of Listing Fees	The Company has paid the annual listing fees to both BSE and NSE.
Scrip code/Symbol	BSE: 544044 NSE: INDIASHLTR
Registrar and Share Transfer Agent	KFin Technologies Limited (Formerly known as KFin Technologies Private Limited) Selenium Building, Tower-B, Plot No 31 & 32, Financial District, Nanakramguda, Serilingampally, Hyderabad, Rangareddi, Telangana - 500 032 Phone: 18003094001 E-mail: einward.ris@kfintech.com
Trustees for Debenture Holders	Catalyst Trusteeship Limited GDA House, Plot No. 85 Bhusari Colony (Right), Paud Road, Kothrud Pune MH -411038 IN, Maharashtra
Dematerialisation of shares and liquidity	As of 31 March, 2024 100% of the Company's shares were held in dematerialised form. The Company's shares are regularly traded on NSE and BSE.
Share Transfer System	The Company's shares are traded under compulsory dematerialised mode and are freely tradable. The Board of Directors have delegated the power to attend all the formalities relating to transfer of securities to the Registrar and Share Transfer Agent of the Company. An annual certificate of compliance with the share/debt transfer formalities as required under Regulation 40(9) and 61(4) of the SEBI Listing Regulations is obtained from the Company Secretary in Practice and a copy of the certificate is filed with the Stock Exchanges within the prescribed time.
Address for Correspondence	KFin Technologies Limited (Formerly known as KFin Technologies Private Limited) Selenium Tower-B Plot 31 & 32, Gachibowli, Financial District, Nanakramguda, Serilingampally, Hyderabad-500032 Telangana, India The Company Secretary & Chief Compliance Officer India Shelter Finance Corporation Limited 6th Floor, Plot No. 15, Sector - 44, Institutional Area, Gurgaon, Haryana, India, 122002 Email- compliance@indiashelter.in
Outstanding Global Depository Receipts or American Depository Receipts or warrants or any convertible instruments, conversion date and likely impact on equity;	The Company has not issued any Global Depository Receipts or American Depository Receipts or any convertible instruments.
Commodity price risk or foreign exchange risk and hedging activities	The company has borrowed External Commercial Borrowing (ECB) limit from US International Development Finance Corporation (DFC) during the year. Total outstanding foreign currency loan exposure as on March 31, 2024 is 249.3 crores. The company has fully hedged the foreign currency exposure through cross currency swaps.
Plant Locations	Not Applicable

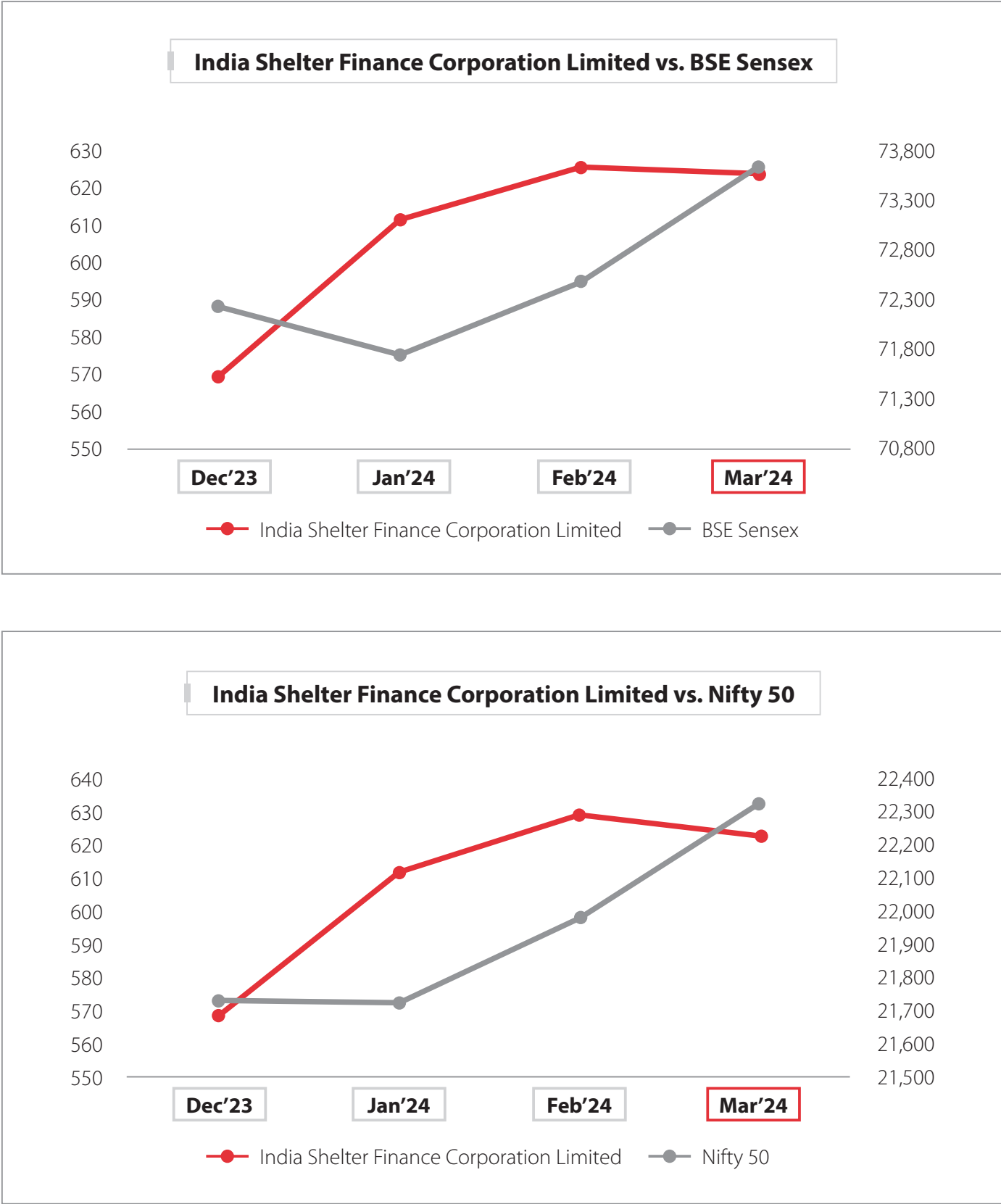
ANNEXURE - 2 (Contd.)

STOCK PRICE DATA:

The reported high and low closing prices of equity shares (in ₹) of the Company traded on NSE and BSE during the period under review are set out in the following table:

Period	BSE		NSE	
	High (₹)	Low (₹)	High (₹)	Low (₹)
Dec-23	625.00	519.00	630.00	519.15
Jan-24	616.75	529.55	617.00	529.00
Feb-24	723.00	580.20	725.10	578.70
Mar- 24	646.00	522.90	650.00	521.00

Share Price performance in comparison to broad based indices - BSE Sensex and NSE Nifty



India Shelter Finance Corporation Limited listed on 20th December 2023



ANNEXURE - 2 (Contd.)

DISTRIBUTION OF SHAREHOLDING

Sl. No.	Category (Shares)	No. of Holders	% of Holders	No. of Shares	% of Shares
1.	1-5000	64,143	99.6	22,92,498	2.1
2.	5001- 10000	67	0.1	1,05,271	0.1
3.	10001-20000	56	0.1	1,65,516	0.2
4.	20001-30000	33	0.1	1,60,426	0.2
5.	30001-40000	18	0.0	1,29,326	0.1
6.	40001-50000	14	0.0	1,31,029	0.1
7.	50001-100000	16	0.0	2,20,963	0.2
8.	100001 & Above	92	0.1	10,38,46,107	97.0
	Total	64,439	100	10,70,51,136	100

Shareholding pattern as on 31 March, 2024

S. No.	Category	Total Shares	% Equity
1.	Promoters	15,70,734	1.47
2.	Foreign Promoters	5,01,31,120	46.83
3.	Mutual Funds	1,41,66,695	13.23
4.	Alternative Investment Fund	17,87,749	1.67
5.	Qualified Institutional Buyer	12,72,792	1.19
6.	Foreign Portfolio Investors Category I	50,28,099	4.70
7.	Foreign Portfolio Investors Category II	6,23,212	0.58
8.	Directors	7,75,000	0.72
9.	Key Management Personnel	5,02,000	0.47
10.	Resident Individuals holding nominal share capital up to ₹ 2 Lacs	30,66,596	2.87
11.	Resident Individuals holding nominal share capital in excess of ₹ 2 Lacs	7,83,698	0.73
12.	Non-Resident Indians	1,15,483	0.11
13.	Foreign Corporate Bodies	2,68,06,973	25.04
14.	Bodies Corporates	2,66,978	0.25
15.	H U F	1,54,007	0.14
	Total	10,70,51,136	100.00

CREDIT RATING

During the financial year under review, the credit rating of your Company was assigned to IND AA- (Stable) by India Ratings & Research (Ind-Ra).

The credit rating details of the Company as of 31 March, 2024 are as follows

Agency	Instrument	Rating (Outlook)
Ind-Ra	Long Term Borrowings	IND AA-/Stable
ICRA	Non-Convertible Debentures	ICRA A +(Positive)
ICRA	Long Term Borrowings	ICRA A + (Positive)
CARE	Long Term Borrowings	CARE A +(Positive)

UNCLAIMED SUSPENSE ACCOUNT

As on 31 March, 2024, there were 60 (sixty) equity shares lying in the unclaimed suspense demat account.

DUE DATES FOR TRANSFER OF UNCLAIMED DIVIDEND TO INVESTOR EDUCATION AND PROTECTION FUND (IEPF)

In terms of Section 125 of the Act, unclaimed dividends are required to be transferred to the Investors Education and Protection Fund. There was no dividend declared in the last Seven (7) years prior to the year under review and hence, there was no requirement of transferring the same to the Investors Education and Protection Fund.

ANNEXURE - 2 (Contd.)

DIRECTORS AND OFFICERS (D&O) LIABILITY INSURANCE

As per the provisions of the Companies Act, 2013 and in compliance with Regulation 25(10) of the SEBI Listing Regulations, the Company has taken a D&O Liability Insurance policy on behalf of all Directors including Independent Directors and Key Managerial Personnel of the Company for indemnifying any of them against any liability in respect of any negligence, default, misfeasance, breach of duty or breach of trust for which they may be guilty in relation to the Company.

ONLINE SERVICES PROVIDED BY THE REGISTRAR AND SHARE TRANSFER AGENT

The shareholders can reach out to the Registrar and Share Transfer Agent, Kfin Technologies Limited, through the modes given below.

Particulars	Information
Email ID	einward.ris@kfintech.com
Toll Free	1800 309 4001
WhatsApp Number	-
Investor Support Centre (Investors can use a host of services like post a query, raise a service request, track the status of their DEMAT and REMAT request, Dividend status, interest and redemption status, upload exemption forms (TDS), download all ISR and other related forms)	https://kprism.kfintech.com/
E-sign facility (Common and simplified norms for processing investor's service requests by RTAs and norms for furnishing PAN, KYC details and Nomination)	https://ris.kfintech.com/clientservices/isc/isrforms.aspx
KYC Status (Shareholders can access the KYC status of their folio)	https://kprism.kfintech.com/
KPRISM: A mobile application as well as a webpage which allows users to access folio details , interest and dividend status, FAQs, ISR Forms and full suite of other investor services.	https://kprism.kfintech.com/signin.aspx
KFIN Corporate Website Link	https://www.kfintech.com/
Corporate Registry (RIS) Website Link	https://ris.kfintech.com/



ANNEXURE

MD & CFO Certificate

We hereby certify that:

1. We have reviewed the Audited Financial Statements and the cash flow statement for the financial year ended 31 March, 2024 and that to the best of our knowledge and belief:

a. these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;

b. these statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
2. There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or violative of the Company's code of conduct.
3. We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and we have disclosed to the auditors and the audit committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
4. We have indicated to the auditors and the Audit Committee that there are no:

a. significant changes in internal control over financial reporting during the year;

b. significant changes in accounting policies during the year requiring disclosure in the notes to the financial statements; and

c. instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

On behalf of the Board of Directors
For India Shelter Finance Corporation Limited

Sd/-
Mr. Rupinder Singh
MD & CEO

Place: Gurgaon
Date: 08 May 2024

Sd/-
Mr. Ashish Gupta
Chief Financial Officer

ANNEXURE - A

Declaration on Code of Conduct
[Pursuant to Regulation 34(3) read with Schedule V (Part D) of
SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015]

This is to confirm that the Board has laid down a Code of Conduct for all board members and senior management of the Company. The Code of Conduct has also been posted on the website of the Company. It is further confirmed that all directors and senior management personnel of the Company have affirmed compliance with the Code of Conduct of the Company for the year ended 31 March, 2024, as envisaged in schedule V under regulation 34 (3) of the Listing Regulations.

Sd/-
Rupinder Singh
Managing Director and CEO
DIN: 09153382

Place: Gurgaon
Date: 08 May, 2024

ANNEXURE - B

Certificate of Non-Disqualification of Directors

[Pursuant to Regulation 34 (3) read with Schedule V Para-C Sub clause (10) (i) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015]

To,
The Board of Directors
India Shelter Finance Corporation Limited
6th Floor, Plot No. 15, Sector - 44, Institutional Area,
Gurgaon-122002, Haryana, India.

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of India Shelter Finance Corporation Limited having CIN: L65922HR1998PLC042782 and having registered office at 6th Floor, Plot No. 15, Sector - 44, Institutional Area, Gurgaon-122002, Haryana, India (hereinafter referred to as ‘the Company’), produced before us by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In our opinion and to the best of our information and according to the verifications (including Director Identification Number (DIN) status at the portal (www.mca.gov.in) as considered necessary and explanations furnished to us by the Company & its officers, we hereby certify that none of the Directors on the Board of the Company as stated below for the Financial year ended on 31 March 2024 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs or any such other Statutory Authority:

S. No.	Name of Director	Designation	DIN	Date of Appointment
1.	Mr. Sudhin Bhagwandas Choksey	Chairman and Non-Executive Nominee Director	00036085	03/11/2021
2.	Mr. Rupinder Singh	Managing Director and Chief Executive Officer	09153382	23/11/2021
3.	Mr. Shailesh Jayantilal Mehta	Non-Executive Nominee Director	01633893	03/11/2021
4.	Mr. Sumir Chadha	Non-Executive Nominee Director	00040789	03/06/2015
5.	Mr. Parveen Kumar Gupta	Independent Director	02895343	12/06/2023
6.	Ms. Rachna Dikshit	Independent Director	08759332	12/02/2021
7.	Ms. Savita Mahajan	Independent Director	06492679	31/07/2023
8.	Mr. Thomson Kadantot Thomas	Independent Director	09691435	02/08/2022

Ensuring the eligibility for the appointment/continuity of every Director on the Board is the responsibility of the management of the Company. Our responsibility is to express an opinion on these based on our verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

Jitender Singh
Practicing Company Secretary
Membership No. A33610
C.P. No. 26612
UDIN: A033610F000330060
Peer Review Certificate No.: I2013UP1081800

Date: May 08, 2024
Place: Gurgaon

ANNEXURE - 3

Independent Company Secretary’s certificate on compliance with the conditions of Corporate Governance as per provisions of Chapter IV of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015

To,
The Board of Directors
India Shelter Finance Corporation Limited
6th Floor, Plot No. 15, Sector - 44, Institutional Area,
Gurgaon-122002, Haryana, India.

We have examined the compliance of the conditions of Corporate Governance by **India Shelter Finance Corporation Limited (“the Company”)** having CIN: L65922HR1998PLC042782 and having registered office at 6th Floor, Plot No. 15, Sector - 44, Institutional Area, Gurgaon-122002, Haryana, India for the year ended 31 March 2024 as stipulated in Regulations 17 to 27, clauses (b) to (i) of Regulation 46(2) and Paragraphs C, D and E of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended (“SEBI Listing Regulations”) read with Regulation 34(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 for the financial year ended March 31, 2024.

MANAGEMENT’S RESPONSIBILITY

The compliance of conditions of Corporate Governance is the responsibility of the Management of the Company. This responsibility includes the designing, implementing and operating effectiveness of internal control to ensure compliance with the conditions of Corporate Governance as stipulated in the SEBI Listing Regulations.

OUR RESPONSIBILITY

Our responsibility is limited to examine the procedures and implementation thereof, adopted by the Company for ensuring compliance with the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

We have examined the relevant records and documents maintained by the Company for the purposes of providing reasonable assurance on the compliance with Corporate Governance requirements by the Company.

OPINION

Based on our examination of the relevant records and according to the information and explanations provided to us and the representations provided by the Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in Regulations 17 to 27 and clauses (b) to (i) of Regulation 46(2) and Para C and D of Schedule V of the SEBI Listing Regulations during the year ended 31 March 2024.

We state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the Management has conducted the affairs of the company.

Jitender Singh
Practicing Company Secretary
Membership No. A33610
C.P. No. 26612
UDIN: A033610F000330027
Peer Review Certificate No.: I2013UP1081800

Date: May 08, 2024
Place: Gurgaon



ANNEXURE - 4

CORPORATE SOCIAL RESPONSIBILITY (CSR)

[Pursuant to clause (o) of sub-section (3) of section 134 of the Act and Rule 9 of the Companies (Corporate Social Responsibility) Rules, 2014]

1. A BRIEF OUTLINE OF THE COMPANY'S CSR POLICY

India Shelter is a growing company and is committed towards social welfare of the common people as it caters the housing needs of self-employed, informal segment of customers, belonging to middle income, primarily from semi urban and rural markets. The Company firmly believes that it has commitment to all its stakeholders - customers, employees and the community.

India Shelter's key CSR initiatives were undertaken with a long-term view. Initiatives that are sustainable, that have long-term benefits to the society at large.

We have a CSR policy which lays down the action plan for defining how CSR is to be implemented and is in compliance with the Schedule VII of the Companies Act, 2013. The CSR programs undertaken by the Company largely fall in the areas of improving awareness of communities towards Education and medical aid.

2. THE COMPOSITION OF THE CSR COMMITTEE AS ON 31 MARCH, 2024

Directors	Designation	DIN
Ms. Savita Mahajan	Independent Director (Chairman of Committee)	06492679
Ms. Rachna Dikshit	Independent Director	08759332
Mr. Sumir Chadha	Nominee Director	00040789

The attendance of the members at the Corporate Social Responsibility Committee Meetings during the year is as below:

Name	Category	Number of Meeting	
		Held	Attended
Ms. Rachna Dikshit (DIN: 08759332)	Independent Director	2	2
Mr. Rupinder Singh (DIN: 09153382) *	Managing Director and Chief Executive Officer	2	2
Mr. Ajay Narayan Jha (DIN: 02270071) *	Independent Director	2	2
Ms. Savita Mahajan (DIN: 06492679) *	Independent Director	2	2
Mr. Thomson Thomas (DIN: 09691435) *	Independent Director	2	2
Mr. Sumir Chadha (DIN: 00040789) *	Nominee Director	2	2

*The Corporate Social Responsibility Committee was reconstituted on 31 July, 2023 and 08 February, 2024.

On 31 July, 2023, Mr. Ajay Narayan Jha, Mr. Sumir Chadha and Ms. Savita Mahajan were appointed as members of the Committee. Further on reconstitution on 08 February, 2024, Mr. Rupinder Singh, Mr. Ajay Narayan Jha and Mr. Thomson Thomas were ceased to be members of the Committee.

3. Provide the web-link where composition of csr committee, csr policy and csr projects approved by the board are disclosed on the website of the company

The web-link of Composition of CSR Committee and CSR Policy are <https://www.indiashelter.in> and for CSR Project is <https://www.indiashelter.in/csr>.

4. Provide the executive summary along with web-link(s) of Impact Assessment of CSR Projects carried out in pursuance of sub-rule (3) of rule 8, if applicable.

The average CSR obligation of the Company does not exceeds the prescribed threshold limit of ten crore rupees or more in pursuance of Section 135(5) of the Companies Act, 2013. Thus, the impact assessment report is not applicable to the Company.

5. (a) Average net profit of the Company as per sub-section (5) of section 135. ₹ 15,810.14 Lacs
- (b) Two percent of average net profit of the Company as per section 135(5): ₹ 316.20 Lacs
- (c) Surplus arising out of the CSR projects or programs or activities of the previous financial year ₹: NIL
- (d) Amount required to be set off for the financial year, if any: NIL
- (e) Total CSR obligation for the financial year ((b)+(c)-(d)) : ₹ 316.20 Lacs

ANNEXURE - 4 (Contd.)

6. a) Total amount on CSR Projects (both Ongoing Project and other than Ongoing Project)

Name of NGO's / Org	Proposals	Amount (In ₹)
Paralympic committee of India (PCI)	Contribution for the female athletes	3,990,000
The Akshaya Patra Foundation	Mid-Day Meals in Hubli and Jaipur and procurement of Food Distribution Vehicle with Vessels in Bhilwara.	8,750,000
Impact Guru Foundation	Treatments in Nagpur, Kota, and Indore with healthcare services delivered through the Care on Wheel (COW), Scootest Project initiatives & Cataract Surgeries camps held in Delhi- NCR & Rajasthan.	8,817,288
Bansi Vidya Memorial Trust (Leukaemia Crusaders)	financially supporting leukemia or blood cancer affected children.	8,500,000
CSR Administrative Overheads	Being the remuneration, travel and other expenses incurred for undertaking, identifying and completing the CSR Activities by the Company	15,81,050

- (b) Amount spent in Administrative Overheads: 15.81 Lacs
- (c) Amount spent on Impact Assessment, if applicable: NIL
- (d) Total amount spent for the Financial Year ((a)+(b)-(d)): 316.38 Lacs
- (e) CSR amount spent or unspent for the Financial Year:

Total Amount Spent for the Financial Year (in ₹)	Amount Unspent (in ₹)				
	Total Amount transferred to Unspent CSR Account as per section 135(6) of Section 135		Amount transferred to any fund specified under Schedule VII as per second proviso of Sub-Section (5) of section 135		
	Amount	Date of Transfer	Name of the Fund	Amount	Date of Transfer
316.38 Lacs	-	-	-	-	-

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

Sl. No.	Particulars	Amount (₹ In Lacs)
(i)	Two percent of average net profit of the company as per Section 135(5)	316.20
(ii)	Total amount spent for the Financial Year	316.38
(iii)	Excess amount spent for the financial year [(ii)-(i)]	0.18
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	-
(v)	Amount available for set off in succeeding financial years [(iii)-(iv)]	-

7. (a) Details of unspent CSR amount for the preceding three financial years: NIL

Sr. No.	Preceding Financial Year	Amount transferred to Unspent CSR Account under Section 135(6) (in ₹)	Balance Amount in Unspent CSR Account under subsection (6) of section 135 (in ₹)	Amount Spent in the reporting Financial Year (in ₹)	Amount transferred to any fund specified under Schedule VII as per section 135(5), if any		Amount remaining to be spent in succeeding financial years (in ₹)	Deficiency, if any
					Amount (in Rs)	Date of transfer		
1.	2020-21	-						
2.	2021-22	-						
3.	2022-23	-						

8. Whether any capital assets have been created or acquired through Corporate Social Responsibility amount spent in the Financial Year:
- Yes ☒ No ☐
- If Yes, enter the number of Capital assets created/ acquired

ANNEXURE - 4 (Contd.)

Furnish the details relating to such asset(s) so created or acquired through Corporate Social Responsibility amount spent in the Financial Year:

Sl. No.	Short particulars of the property or asset(s) [including complete address and location of the property]	Pin code of the property or asset(s)	Date of creation	Amount of CSR amount spent	Details of entity/ Authority/ beneficiary of the registered owner		
					CSR Registration Number, if applicable	Name	Registered address
1	Procurement of food distribution Vehicle with vessels for Bhilwara Location	311001	28 March, 2024	14,49,527	CSR00000286	The Akshaya Patra Foundation	New Bapu Nagar, Near Devnarayana Circle, Bhilwara – 311001 Rajasthan.

(All the fields should be captured as appearing in the revenue record, flat no, house no, Municipal Office/Municipal Corporation/ Gram panchayat are to be specified and also the area of the immovable property as well as boundaries)

9. Specify the reason(s), if the Company has failed to spend two per cent of the average net profit as per subsection (5) of section 135. - Not applicable, as company has spent two per cent of the average net profit as per subsection (5) of section 135.

Sd/-
Ms. Savita Mahajan
Chairman of the CSR Committee
DIN: 06492679

Sd/-
Mr. Rupinder Singh
Managing Director & CEO
DIN: 09153382

Business Responsibility and Sustainability Report

SECTION A GENERAL DISCLOSURES

I. DETAILS OF THE LISTED ENTITY

1.	Corporate identity number (CIN) of the listed entity	L65922HR1998PLC042782
2.	Name of the listed entity	India Shelter Finance Corporation Limited
3.	Year of incorporation	1998
4.	Registered office address	6 th Floor, Plot No. 15, Sector 44, Institutional Area, Gurugram - 122 002, Haryana, India
5.	Corporate address	3 rd Floor, Upper Ground Floor and Lower Ground Floor, Plot No. 15, Institutional Area, Sector 44, Gurugram - 122 002, Haryana, India
6.	E-mail	compliance@indiashelter.in
7.	Telephone	0124-4131800
8.	Website	https://www.indiashelter.in/
9.	Financial year for which reporting is being done	2023-24
10.	Name of the Stock Exchange(s) where shares are listed	BSE Ltd. and NSE Ltd.
11.	Paid-up capital	53,52,55,680
12.	Name and contact details (telephone, email address) of the person who may be contacted in case of any queries on the BRSR report	Name: Ms. Mukti Chaplot Designation: Company Secretary & Chief Compliance Officer E-mail: compliance@indiashelter.in
13.	Reporting boundary - Are the disclosures under this report made on a standalone basis (i.e. only for the entity) or on a consolidated basis (i.e. for the entity and all the entities which form a part of its consolidated financial statements, taken together)	The disclosures under this report are made on a consolidated basis, unless otherwise specified.

**II. PRODUCTS/SERVICES****14. Details of business activities (accounting for 90% of the turnover)**

Description of main activity	Description of business activity	% of turnover of the entity
Financial Services	The Company provides home loans for the purchase or construction of residential properties and for the extension and repair of existing housing units. In addition to home loans, the Company also offers loans against property.	100%

15. Products/services sold by the entity (accounting for 90% of the entity's turnover)**Product/service****Home Loans and Loan against Property**

The Company provides home loans for the purchase or construction of residential properties and for the extension and repair of existing housing units. In addition to home loans, the Company also offers loans against property.

NIC code	% of total turnover contributed
64910	100%

III. OPERATIONS**16. Number of locations where plants and/or operations/offices of the entity are situated**

National	
Number of plants	► Not Applicable
Number of offices	► 223
Total	► 223

International

Number of plants	► -
Number of offices	► -
Total	► -

*The Company is a Non-Banking Financial Company – Housing Finance Company (NBFC-HFC) and hence does not undertake manufacturing activities.

17. Markets served by the entity:**a. Number of locations**

National (No. of states)	15
International (No. of countries)	-

b. What is the contribution of exports as a percentage of the total turnover of the entity?

Not Applicable

c. A brief on types of customers

The Company is focussed on providing affordable home loans and loans against property in Tier 2 and Tier 3 geographies in India to low- and middle-income borrowers who are building their first homes.

Category	% of AUM in 2023-24	Category	% of AUM in 2023-24
Self-employed		EWS	
72%	28%	22%	50%
		MIG	
		26%	2%
		LIG	
		HIG	

IV. EMPLOYEES**18. Details as at the end of financial year****a. Employees and workers (including differently abled)**

Sr. no	Particulars	Total (A)	Male		Female	
			No. (B)	% (B/A)	No. (C)	% (C/A)
Employees						
1.	Permanent (D)	3,323	3,164	95%	159	5%
2.	Other than permanent (E)	-	-	-	-	-
3.	Total employees (D + E)	3,323	3,164	95%	159	5%
Workers						
4.	Permanent (F)	-	-	-	-	-
5.	Other than permanent (G)	-	-	-	-	-
6.	Total workers (F + G)	-	-	-	-	-

b. Differently abled employees and workers

Sr. no	Particulars	Total (A)	Male		Female	
			No. (B)	% (B/A)	No. (C)	% (C/A)
Differently abled employees						
1.	Permanent (D)	-	-	-	-	-
2.	Other than permanent (E)	-	-	-	-	-
3.	Total differently abled workers (D + E)	-	-	-	-	-
Differently abled workers						
4.	Permanent (F)	-	-	-	-	-
5.	Other than permanent (G)	-	-	-	-	-
6.	Total differently abled workers (F + G)	-	-	-	-	-

19. Participation/inclusion/representation of women

	Total (A)	No. and % of females	
		No. (B)	% (B/A)
Board of Directors	8	2	25%
Key Managerial Personnel	3	1	33%



20. Turnover rate for permanent employees and workers

(Disclose trends for the past 3 years)

	2023-24 (Turnover rate in current FY)			2022-23 (Turnover rate in previous FY)			2022-23 (Turnover rate in the year prior to the previous FY)		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
Permanent employees	42%	38%	42%	44%	40%	44%	42%	33%	41%
Permanent workers	-	-	-	-	-	-	-	-	-

V. HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES (INCLUDING JOINT VENTURES)

21. (a) Names of holding/subsidiary/associate companies/joint ventures

Name of the holding/subsidiary/
associate companies/joint ventures (A)India Shelter Capital
Finance LimitedIndicate whether holding/subsidiary/
associate/joint venture

Wholly owned subsidiary

% of shares held by listed entity

100

Does the entity indicated at column A,
participate in the Business Responsibility
initiatives of the listed entity? (Yes/No)

No

CSR DETAILS

CSR details	i. Whether CSR is applicable as per section 135 of Companies Act, 2013	Yes
	ii. Turnover (in ₹)*	₹ 860 Crs
	iii. Net worth (in ₹)	₹ 2,299 Crs

* On standalone basis

VI. TRANSPARENCY AND DISCLOSURES COMPLIANCES

22. Complaints/grievances on any of the principles (Principles 1 to 9) under the National Guidelines on Responsible Business Conduct

Stakeholder group from whom complaint is received	Grievance Redressal Mechanism in Place (Yes/No) (If yes, then provide a weblink to the grievance redress policy)	2023-24 (Current financial year)			2022-23 (Previous financial year)		
		Number of complaints filed during the year	Number of complaints with pending resolution at the close of the year	Remarks	Number of complaints filed during the year	Number of complaints with pending resolution at the close of the year	Remarks
 Communities	Yes	-	-	-	-	-	-
 Investors (other than shareholders)	Yes	-	-	-	-	-	-
 Shareholders	Yes	-	-	-	-	-	-
 Employees and workers	Yes	-	-	-	-	-	-
 Customers	Yes	178	4*	*2 complaints which has been closed by the Company, was pending with NHB as on 31 March, 2024.	119	1	
 Value chain partners	Yes	-	-	-	-	-	-



23. Overview of the entity’s material responsible business conduct issues

Please indicate material responsible business conduct and sustainability issues pertaining to environmental and social matters that present a risk or an opportunity to your business, rationale for identifying the same, and approach to adapt or mitigate the risk along with its financial implications, as per the following format



S. no.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk/opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (indicate positive or negative implications)
1.	Affordable housing	 	Opportunity There is a significant credit gap among the underserved population, and addressing this through financial inclusion presents a substantial opportunity for the Company Risk Company primarily funds customer in LIG, MIG segment which largely comprises un-documented income, incorrect assessment of income, collateral can impact recovery prospects	The Company has an experienced field underwriting team that operates independently of sales and other functions. This field team is structured into three verticals, i.e., credit underwriters, legal verification, and technical valuation. These teams work in parallel and independently to ensure efficient decision-making and are supported by the Company’s mobile-first digital infrastructure, enhancing their capabilities. Additionally, the Company has a dedicated centralised team that provides oversight to the field credit team, ensuring a strong maker-checker process.	Positive Enabling the customers from LIG & MIG segment to construct their dream homes by enabling credit Negative Lack of adequate income/property documents makes credit assessment and underwriting a difficult task
2.	Social capital		Maintaining healthy relationships with local communities has enabled the Company to effectively contribute to social development and thus create a foundation for a sustainable business	-	Positive Social activities help build trust among communities and contribute towards their betterment and upliftment
3.	Human capital		We cultivate a positive work environment, enhancing satisfaction, productivity, and engagement by prioritising employee health and well-being	-	Positive Effective talent management process leads to improved productivity and performance, resulting in achieving desired goals and business targets
4.	Corporate governance		Effective corporate governance enhances transparency, accountability, and investor confidence, leading to improved financial performance and access to capital	-	Positive Corporate governance has a significant financial impact. Adhering to these guidelines improves the Company’s reputation. It helps build trust among stakeholders, such as investors and regulators, by providing long-term support and acting as a key differentiator
5.	Sustainable finance		Integrating sustainability into our operations and investments can lead to increased competitiveness, cost savings, and access to new markets.	-	





SECTION B MANAGEMENT AND PROCESS DISCLOSURES

This section is aimed at helping businesses demonstrate the structures, policies and processes put in place towards adopting the NGRBC Principles and Core Elements.

 Yes

 No

	Disclosure questions	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9
	Policy and management processes									
1.	a. Whether your entity's policy/policies cover each principle and its core elements of the NGRBCs. (Yes/No)									
	b. Has the policy been approved by the Board? (Yes/No)	All the policies adopted by the Company are approved by the Board.								
	c. Weblink of the policies, if available	https://www.indiashelter.in/								
2.	Whether the entity has translated the policy into procedures. (Yes/No)	Yes, the Company has translated the policies into procedures with respect to the activities carried out by the Company.								
3.	Do the enlisted policies extend to your value chain partners? (Yes/No)	Yes, certain policies of the Company also extend to its value chain partners.								
4.	Name of the national and international codes/ certifications/labels/standards (e.g. Forest Stewardship Council, Fairtrade, Rainforest Alliance, Trustea) standards (e.g. SA 8000, OHSAS, ISO, BIS) adopted by your entity and mapped to each principle.	Not Applicable								
5.	Specific commitments, goals and targets set by the entity with defined timelines, if any.	Strategic Priorities: - Grow and Diversify Distribution Network - Diversify Borrowings and Optimise Borrowings Costs - Leverage Technology for Scalability and Productivity - Enhance Brand Equity and Foster Sustainability								
6.	Performance of the entity against the specific commitments, goals and targets alongwith reasons in case the same are not met.	- The Company has increased its branch presence to 223 - Credit rating enhanced to AA - (Stable) - The Company explores co-lending opportunities - The Company leverages technology across the loan life cycle - Concentrated efforts to increase penetration in Tier-2 and Tier-3 cities - Focussed on creating a positive work culture								
	Governance, leadership and oversight									
7.	Statement by the director responsible for the business responsibility report, highlighting ESG-related challenges, targets and achievements (listed entity has flexibility regarding the placement of this disclosure) At India Shelter, our environmental initiatives are centred around enhancing energy efficiency and managing waste, including e-waste. Through digitalizing our Company's lending process, we are committed to minimising paper usage and encouraging sustainable practices throughout our operations. We provide financing options tailored for green housing projects and actively support eco-friendly initiatives within the housing sector.									

	Disclosure questions	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9
8.	Details of the highest authority responsible for implementing and overseeing the Business Responsibility policy(ies).	Mr. Rupinder Singh MD & CEO								
9.	Does the entity have a specified Committee of the Board/Director responsible for decision-making on sustainability related issues? (Yes/No). If yes, provide details.	Yes. The MD & CEO, along with senior management personnel of the Company, monitor various aspects of social, environmental, and governance.								

10. Details of review of NGRBCs by the Company:

Subject for review	Indicate whether the review was undertaken by Director/Committee of the Board/Any other Committee									Frequency (annually/half yearly/quarterly/ any other – please specify)								
	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9
Performance against the above policies and follow-up action	The Company on a periodic basis, reviews the performance against the above policies, and changes are implemented as needed.																	
Compliance with statutory requirements of relevance to the principles, and, rectification of any non-compliances	The Company is in compliance with the regulations to the extent applicable.																	

11	Has the entity carried out an independent assessment/ evaluation of the working of its policies by an external agency? (Yes/No). If yes, provide the name of the agency.	P1	P2	P3	P4	P5	P6	P7	P8	P9
		Regulators, credit rating agencies, internal auditors, and statutory auditors, if appropriate, examine the procedures and compliances. Senior Management and the Board review and revise policies on a regular basis, taking into account both risk and best practices.								

12. If the answer to question (1) above is 'No' i.e. not all Principles are covered by a policy, reasons to be stated

Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
The entity does not consider the Principles material to its business (Yes/No)									
The entity is not at a stage where it is in a position to formulate and implement the policies on specified principles (Yes/No)									
The entity does not have the financial or/human and technical resources available for the task (Yes/No)									
It is planned to be done in the next financial year (Yes/No)									
Any other reason (please specify)									

SECTION C PRINCIPLE-WISE PERFORMANCE DISCLOSURE

This section is aimed at helping entities demonstrate their performance in integrating the Principles and Core Elements with key processes and decisions. The information sought is categorised as 'Essential' and 'Leadership'. While the essential indicators are expected to be disclosed by every entity mandated to file this report, the leadership indicators may be voluntarily disclosed by entities that aspire to progress to a higher level in their quest to be socially, environmentally and ethically responsible.

Principle 1 Businesses should conduct and govern themselves with integrity and in a manner that is Ethical, Transparent and Accountable.

Essential Indicators

1. Percentage coverage by training and awareness programmes on any of the Principles during the financial year

Segment	Number of trainings programs held	Topics/principles covered under the training and its impact	Percentage of persons in respective category covered by the awareness programs
Board of Directors *	1	Code of Conduct, Health and Safety, Prohibition of Sexual Harassment	100%
Key Managerial Personnel	1	Code of Conduct, Health and Safety, Prohibition of Sexual Harassment	100%
Employees other than BoD & KMPs	Regular and Ongoing	Skill up-gradation, Health and Safety, Prohibition of Sexual Harassment	100%
Workers	-	-	-

* Includes only MD & CEO

2. Details of fines/penalties/punishment/award/compounding fees/settlement amount paid in proceedings (by the entity or by directors/KMPs) with regulators/law enforcement agencies/judicial institutions, in the financial year, in the following format (Note: the entity shall make disclosures on the basis of materiality as specified in Regulation 30 of SEBI (Listing Obligations and Disclosure Obligations) Regulations, 2015 and as disclosed on the entity's website):

Monetary					
	NGRBC principle	Name of the regulatory/enforcement agencies/judicial institutions	Amount (in ₹)	Brief of the case	Has an appeal been preferred? (Yes/No)
Penalty/fine			Nil		
Settlement			Nil		
Compounding fee			Nil		

Non-monetary				
	NGRBC principle	Name of the regulatory/enforcement agencies/judicial institutions	Brief of the case	Has an appeal been preferred? (Yes/No)
Imprisonment			Nil	
Punishment			Nil	

3. Of the instances disclosed in Question 2 above, details of the Appeal/Revision preferred in cases where monetary or non-monetary action has been appealed.

Case details	Name of the regulatory/enforcement agencies/judicial institutions
	Nil

4. Does the entity have an anti-corruption or anti-bribery policy? If yes, provide details in brief and if available, provide a web-link to the policy.

Yes. The Anti-Corruption and Anti-Bribery Policy is covered under the Code of Conduct Policy of the Company which is applicable to Board, employees and other stakeholders of the Company. Web-Link: <https://www.indiashelter.in/investor-relations>.



5. Number of Directors/KMPs/employees/workers against whom disciplinary action was taken by any law enforcement agency for the charges of bribery/corruption:

2023-24 (Current financial year)		2022-23 (Previous financial year)	
Nil	Nil	Nil	NA
Directors	KMPs	Employees	Workers
Nil	Nil	Nil	NA

6. Details of complaints with regard to conflict of interest:

	2023-24 (Current financial year)	2022-23 (Previous financial year)
Number of complaints received in relation to issues of Conflict of Interest of the Directors	Nil	Nil
Number of complaints received in relation to issues of Conflict of Interest of the KMPS	Nil	Nil

7. Provide details of any corrective action taken or underway on issues related to fines/penalties/action taken by regulators/law enforcement agencies/judicial institutions, on cases of corruption and conflicts of interest.

Not Applicable

8. Number of days of accounts payables ((Accounts payable *365)/Cost of goods/services procured) in the following format:

	2023-24 (Current financial year)	2022-23 (Previous financial year)
Number of days of accounts payables	Not Applicable	

9. Open-ness of business

Provide details of concentration of purchases and sales with trading houses, dealers, and related parties along-with loans and advances & investments, with related parties, in the following format:

Parameter	Metrics	2023-24 (Current financial year)	2022-23 (Previous financial year)
Concentration of purchases	a. Purchases from trading houses as % of total purchases	Not Applicable	
	b. Number of trading houses where purchases are made from		
	c. Purchases from top 10 trading houses as % of total purchases from trading houses		
Concentration of sales	a. Sales to dealers/distributors as % of total sales	Not Applicable	
	b. Number of dealers/distributors to whom sales are made		
	c. Sales to top 10 dealers/distributors as % of total sales to dealers/distributors		
Shares of RPT in	a. Purchases (Purchases with related parties/Total Purchases)	Not Applicable	
	b. Sales (Sales to related parties/Total Sales)		
	c. Loans & advances (Loans & advances given to related parties/Total loans & advances)		
	d. Investments (Investments in related parties/Total Investments made)		

Leadership Indicators**1. Awareness programmes conducted for value chain partners on any of the Principles during the financial year:**

Total no of awareness campaign held	Topics/principles covered under the training	% age of value chain programme partners covered (by value of business done with such partners) under the awareness programmes
1	Green Home Training for Employees	JAN Griha provided training sessions for 25+ employees from technical teams who in-turn provided training to technical managers on Green Home Initiatives.

2. Does the entity have processes in place to avoid/manage conflict of interests involving members of the Board? (Yes/No) If Yes, provide details of the same.

Yes. The Code of Conduct covers all employees and Directors of the Company which states that they shall always act in the interest of the Company, and ensure that any business or personal association that they may have does not result in any conflict with the interests of the Company.

Weblink: <https://www.indiashelter.in/investor-relations>



Principle 2 Businesses should provide goods and services in a manner that is sustainable and safe.

Essential Indicators

1. Percentage of R&D and capital expenditure (capex) investments in specific technologies to improve the environmental and social impacts of product and processes to total R&D and capex investments made by the entity, respectively.

Total no of awareness campaign held	2023-24	2022-23	Details of improvements in environmental and social impacts
R&D	-	-	JAN Griha provided training sessions for employees from technical teams on Green Home Initiatives.
Capex	-	-	Given the nature of the Company's business, its relevance is largely restricted to information technology (IT) capex. IT and digital initiatives play a critical role in reducing paper use and manual processes, as well as increasing efficiency and productivity.

2. a. Does the entity have procedures in place for sustainable sourcing (Yes/No)

Not Applicable

- b. If yes, what percentage of inputs were sourced sustainably?

Not Applicable

3. Describe the processes in place to safely reclaim your products for reusing, recycling and disposing at the end of life, for (a) Plastics (including packaging) (b) E-waste (c) Hazardous waste and (d) other waste.

Since the Company is in the business of providing housing finance, its scope is limited to using products that are made of recycled materials. The key waste products are primary paper and e-waste. The Company has an e-waste policy in place.

4. Whether Extended Producer Responsibility (EPR) is applicable to the entity's activities (Yes/No). If yes, whether the waste collection plan is in line with the Extended Producer Responsibility (EPR) plan submitted to Pollution Control Boards? If not, provide steps taken to address the same.

Not Applicable

Leadership Indicators

1. Has the entity conducted Life Cycle Perspective/Assessments (LCA) for any of its products (for manufacturing industry) or for its services (for service industry)? If yes, provide details in the following format?

NIC code 64910

Name of product/service Housing Finance Activities

% of total turnover contributed 100%

Boundary for which the Life Cycle Perspective/Assessment was conducted 2023-24

Whether conducted by an independent external agency (Yes/No) No

Results communicated in the public domain (Yes/No) If yes, provide the weblink

The primary business activity of the Company is providing housing finance. The loan cycle is a sequential process starting with onboarding, underwriting, collections, and customer service. The detailed description of each of the processes is presented in the public offer document of the Company.

Weblink: <https://www.indiashelter.in/investor-relations>

2. If there are any significant social or environmental concerns and/or risks arising from production or disposal of your products/services, as identified in the Life Cycle Perspective/Assessments (LCA) or through any other means, briefly describe the same along-with action taken to mitigate the same.

Not Applicable

3. Percentage of recycled or reused input material to total material (by value) used in production (for manufacturing industry) or providing services (for service industry).

Not Applicable

4. Of the products and packaging reclaimed at end of life of products, amount (in metric tonnes) reused, recycled, and safely disposed, as per the following format:

Not Applicable

5. Reclaimed products and their packaging materials (as percentage of products sold) for each product category.

Not Applicable



Principle

3

Businesses should respect and promote the well-being of all employees, including those in their value chains.

Essential Indicators

1. a. Details of measures for the well-being of employees

Category	% of employees covered by										
	Total (A)	Health insurance		Accident insurance		Maternity benefits		Paternity benefits		Day care facilities	
		Number (B)	% (B/A)	Number (C)	% (C/A)	Number (D)	% (D/A)	Number (E)	% (E/A)	Number (F)	% (F/A)
Permanent employees											
Male	3,164	2,317	73%	3,164	100%	-	-	3,164	100%	210	7%
Female	159	110	69%	159	100%	159	100%	-	-	52	33%
Total	3,323	2,427	73%	3,323	100%	159	5%	3,164	95%	262	8%
Other than permanent employees											
Male	-	-	-	-	-	-	-	-	-	-	-
Female	-	-	-	-	-	-	-	-	-	-	-
Total	-	-	-	-	-	-	-	-	-	-	-

b. Details of measures for the well-being of workers

Category	% of workers covered by										
	Total (A)	Health insurance		Accident insurance		Maternity benefits		Paternity benefits		Day care facilities	
		Number (B)	% (B/A)	Number (C)	% (C/A)	Number (D)	% (D/A)	Number (E)	% (E/A)	Number (F)	% (F/A)
Permanent workers											
Male	-	-	-	-	-	-	-	-	-	-	-
Female	-	-	-	-	-	-	-	-	-	-	-
Total	-	-	-	-	-	-	-	-	-	-	-
Other than permanent workers											
Male	-	-	-	-	-	-	-	-	-	-	-
Female	-	-	-	-	-	-	-	-	-	-	-
Total	-	-	-	-	-	-	-	-	-	-	-

c. Spending on measures towards well-being of employees and workers (including permanent and other than permanent) in the following format –

	2023-24 (Current financial year)	2022-23 (Previous financial year)
Cost incurred on well-being measures as a % of total revenue of the Company	0.3%	0.3%

2. Details of retirement benefits, for current financial year and previous financial year:

2023-24 (Current financial year)			Benefits	2022-23 (Previous financial year)		
No. of employees covered as a % of total employees	No. of workers covered as a % of total workers	Deducted and deposited with the authority (Y/N/N.A.)		No. of employees covered as a % of total employees	No. of workers covered as a % of total workers	Deducted and deposited with the authority (Y/N/N.A.)
100%	-	Y	PF	100%	-	Y
100%	-	Y	Gratuity	100%	-	Y
27%	-	Y	ESI	38%	-	Y
-	-	NA	Others – please specify	-	-	NA

3. Accessibility of workplaces

Are the premises/offices of the entity accessible to differently abled employees and workers, as per the requirements of the Rights of Persons with Disabilities Act, 2016? If not, whether any steps are being taken by the entity in this regard.

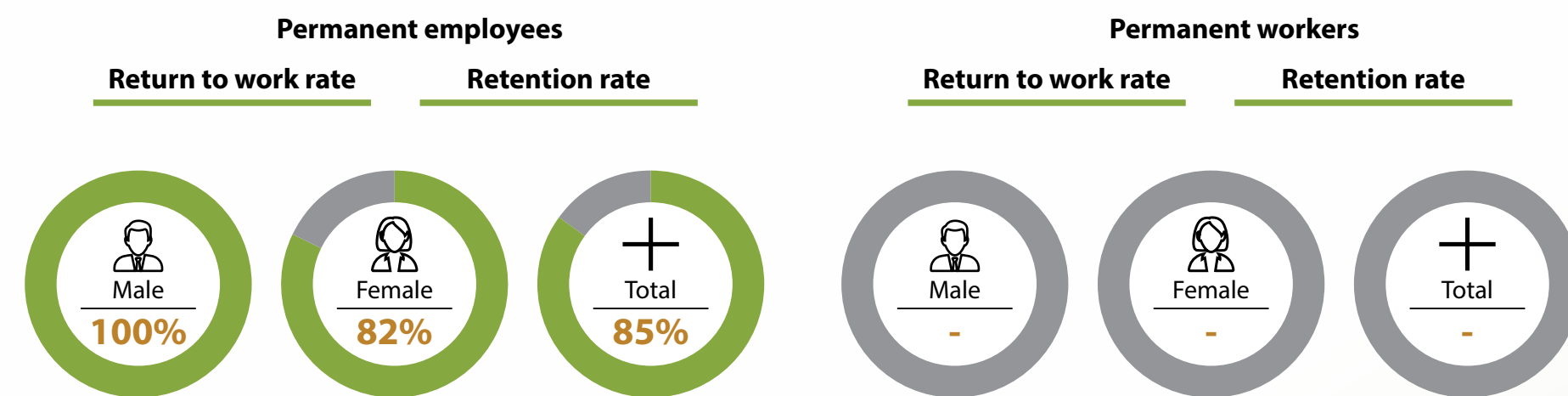
India Shelter did not have any disabled employees as of March 31, 2024, on its payroll. However, the head office of the Company has ramps and elevators for the comfortable movement of people with disabilities.

4. Does the entity have an equal opportunity policy as per the Rights of Persons with Disabilities Act, 2016? If so, provide a web-link to the policy.

The Company has equal opportunity and ensures that there is no discrimination between employees on grounds of age, gender, race, national or ethnic origin, language or religion.



5. Return to work and retention rates of permanent employees and workers that took parental leave.



6. Is there a mechanism available to receive and redress grievances for the following categories of employees and worker? If yes, give details of the mechanism in brief.

Yes/No (If yes, then give details of the mechanism in brief)		
Permanent workers	Employees can access the HR team to raise any complaint. Additionally, employees have access to the management and functional heads to raise their concerns. In addition, employees can raise their grievances at grievance@indiashelter.in.	Permanent employees
Other than permanent workers		Other than permanent employees

7. Membership of employees and workers in association(s) or Unions recognised by the listed entity:

The Company does not have any employee associations. The Company, however, recognises the right to freedom of association and does not discourage collective bargaining.

Category	2023-24 (Current financial year)			2022-23 (Previous financial year)		
	Total employees/ workers in the respective category (A)	No. of employees/ workers in the respective category who are part of association(s) or Union (B)	% (B/A)	Total employees/ workers in the respective category (C)	No. of employees/ workers in the respective category who are part of association(s) or Union (D)	% (D/C)
Total permanent employees	Not Applicable					
Male						
Female						
Total permanent workers						
Male						
Female						

8. Details of training given to employees and workers:

Category	2023-24 (Current financial year)					2022-23 (Previous financial year)				
	Total (A)	On health and safety measures		On skill upgradation		Total (D)	On health and safety measures		On skill upgradation	
		No. (B)	% (B/A)	No. (C)	% (C/A)		No. (E)	% (E/A)	No. (F)	% (F/A)
Employees										
Male	3,164	3,164	100%	3,164	100%	2,547	2,547	100%	2,547	100%
Female	159	159	100%	159	100%	162	162	100%	162	100%
Total	3,323	3,323	100%	3,323	100%	2,709	2,709	100%	2,709	100%
Workers										
Male	-	-	-	-	-	-	-	-	-	-
Female	-	-	-	-	-	-	-	-	-	-
Total	-	-	-	-	-	-	-	-	-	-

9. Details of performance and career development reviews of employees and workers:

Category	2023-24 (Current financial year)			2022-23 (Previous financial year)		
	Total (A)	No. (B)	% (B/A)	Total (C)	No. (D)	% (D/C)
Employees						
Male	3,164	1,964	62%	2,547	1,493	59%
Female	159	116	73%	162	120	74%
Total	3,323	2,080	63%	2,709	1,613	60%
Workers						
Male	-	-	-	-	-	-
Female	-	-	-	-	-	-
Total	-	-	-	-	-	-



10. Health and safety management system:

- a) **Whether an occupational health and safety management system has been implemented by the entity? (Yes/No). If yes, the coverage such system?**

The Company is in the business of providing housing loans and loans against properties. Hence, there are no occupational health and safety risks due to the nature of the work. However, the Company has provided health, accidental and life insurance to its employees.

- b) **What are the processes used to identify work-related hazards and assess risks on a routine and non-routine basis by the entity?**

The Company is in the business of providing housing loans and loans against properties. Hence, there are no occupational health and safety risks due to the nature of the work.

- c) **Whether you have processes for workers to report the work related hazards and to remove themselves from such risks. (Y/N)**

The Company is in the business of providing housing loans and loans against properties. Hence, work-related hazards are not envisaged. In case of an emergency situation, the employee can reach out to HR/Functional heads to report the incident.

- d) **Do the employees/worker of the entity have access to non-occupational medical and healthcare services? (Yes/No)**

Yes, all employees are covered under Group Personal Accident Insurance and Group Health Insurance Policies.

11. Details of safety related incidents, in the following format:

Safety incident/number	Category	2023-24 (Current financial year)	2022-23 (Previous financial year)
Lost Time Injury Frequency Rate (LTIFR) (per one million person-hours worked)	Employees	-	-
	Workers	-	-
Total recordable work-related injuries	Employees	-	-
	Workers	-	-
No. of fatalities	Employees	-	-
	Workers	-	-
High-consequence work-related injury or ill-health (excluding fatalities)	Employees	-	-
	Workers	-	-

12. Describe the measures taken by the entity to ensure a safe and healthy work place.

The Company prioritises the development & well-being of its employees, ensuring a healthy and balanced work environment. The Company has initiated various measures to encourage health consciousness and fitness among its employees, including health checkups, weekly yoga classes and fitness community. These initiatives are centred around psychological, and social well-being of employees.

13. Number of complaints on the following made by employees and workers:

Category	2023-24 (Current financial year)			2022-23 (Previous financial year)		
	Filed during the year	Pending resolution at the end of the year	Remarks	Filed during the year	Pending resolution at the end of the year	Remarks
Working conditions	Nil	Nil	Nil	Nil	Nil	Nil
Health & safety						

14. Assessments for the year:

Health and safety practices

% of your plants and offices that were assessed
(by entity or statutory authorities or third parties)

100%

Working conditions

15. Provide details of any corrective action taken or underway to address safety-related incidents (if any) and on significant risks/concerns arising from assessments of health & safety practices and working conditions.

No corrective action plan has been necessitated for the above-mentioned parameters.

Leadership Indicators**1. Does the entity extend any life insurance or any compensatory package in the event of the death of (A) Employees (Y/N) (B) Workers (Y/N).**

Yes, the Company has term insurance policy, a group personal accident policy and group health insurance policy for the employees. In the event of the death of an employee who was granted stock options under the ESOP scheme, the unvested options shall immediately vest with the nominee of such employee.

2. Provide the measures undertaken by the entity to ensure that statutory dues have been deducted and deposited by the value chain partners.

The Company monitors and tracks to ensure statutory dues have been deducted and deposited. The Company undertakes compliance reconciliation on a monthly basis by HR and Compliance department.

3. Provide the number of employees/workers having suffered high consequence work-related injury/ill-health/fatalities (as reported in Q11 of Essential Indicators above), who have been are rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment:

Category	Total no. of affected employees/workers		No. of employees/workers that are rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment	
	2023-24 (Current financial year)	2022-23 (Previous financial year)	2023-24 (Current financial year)	2022-23 (Previous financial year)
Employees	-	-	-	-
Workers	-	-	-	-

4. Does the entity provide transition assistance programmes to facilitate continued employability and the management of career endings resulting from retirement or termination of employment? (Yes/No)

The Company currently does not have any such transition assistance programmes.

5. Details on assessment of value chain partners:

Health and safety practices	Nil	% of value chain partners (by value of business done with such partners) that were assessed
Working conditions		

6. Provide details of any corrective actions taken or underway to address significant risks/concerns arising from assessments of health and safety practices and working conditions of value chain partners.

No corrective actions were required to be taken to address such concerns.

Principle 4

Businesses should respect the interests of and be responsive to all their stakeholders.

Essential Indicators

1. Describe the processes for identifying key stakeholder groups of the entity.

Our company has identified individuals, groups of individuals, institutions and entities that add value to the business value chain as key stakeholders. The Company's key stakeholders identified include Customers, Employees, Shareholders/Investors, Regulators, Lenders, Rating Agencies and Communities.

2. List stakeholder groups identified as key for your entity and the frequency of engagement with each stakeholder group.

Stakeholder Group	Whether identified as Vulnerable & Marginalised Group (Yes/No)	Channels of communication (Email, SMS, Newspaper, Pamphlets, Advertisement, Community Meetings, Notice Board, Website), Other	Frequency of engagement (annually/half yearly/quarterly/others – please specify)	Purpose and scope of engagement, including key topics and concerns raised during such engagement
Customers	Yes, if they qualify based on specific criteria such as gender, and income, among others	Customer care phone number and Email Branch interactions Digital: Customer App, SMS, social media engagement, Whatsapp House, Business Premise visits Pamphlets, Standees, Banners	Regular and need basis	Stay in touch with customers throughout the loan life cycle, address any issues faced by customers, and provide quality customer service.
Employees	No	Direct interactions and other modes like SMS, Emails, HRMS portal, webinars, reward & recognition programme, appraisal process and employee engagement activities	Regular and need basis	To ensure wellness and safety and to provide learning and development sessions and redress employee grievances and increase employment in tier-II and III geographies
Shareholders/Investors	No	Annual General Meeting, Annual Report, investor presentations, investor/analyst meets, media releases, conference/video calls, investor conferences and roadshows	Regular and as per statutory requirements	To update on the Company's developments, including operational and financial performance, adherence to regulatory compliance, governance and ethical practice
Regulators	No	Emails, meetings and regulatory filings	Regular and as per statutory requirements	Update on regulations and amendments, inspections and approvals
Lenders & Rating Agencies	No	Emails, meetings and conference calls	Regular and need basis	To update on the Company's developments, including operational and financial performance, adherence to regulatory compliance, governance and ethical practice
Communities	Yes, if they qualify based on specific criteria such as gender, and income, among others	Directly and through implementing agencies	Regular and need basis	Implementation of CSR activities

Leadership Indicators

1. Provide the processes for consultation between stakeholders and the Board on economic, environmental, and social topics or if consultation is delegated, how is feedback from such consultations provided to the Board.

Stakeholder engagement is a continuous process and this process is driven by senior management of the Company. The Board and its various statutory committees are kept abreast of various developments and feedback is gathered on a continuous basis.

2. Whether stakeholder consultation is used to support identifying and managing environmental and social topics (Yes/No). If so, provide details of instances as to how the inputs received from stakeholders on these topics were incorporated into policies and activities of the entity.

The Company engages with various stakeholders on a continuous basis to understand the requirements and expectations from the Company. The continuous engagement leads to changes in the policies of the Company as and when required.

3. Provide details of instances of engagement with, and actions taken to, address the concerns of vulnerable/marginalised stakeholder groups.

The Company believes in creating meaningful change by bringing together its employees and communities to create a positive impact on society. The Company seeks to empower communities through targeted interventions in areas such as healthcare, education, women's empowerment, and societal welfare. The Company works towards long-term solutions that have a lasting and positive impact on the communities that it serves.

Principle 5

Businesses should respect and promote human rights.

Essential Indicators

1. Employees and workers who have been provided training on human rights issues and policy(ies) of the entity in the following format

The Company's code of conduct, equal employment opportunity policy, diversity and inclusion policy, and policy against sexual harassment have all been approved by the Board. Employees receive regular training to ensure they are aware of the aforementioned policies. For easier employee access, these policies are also available on the Company website.

In addition, as part of the induction, all new hires receive a copy of the employee guide, which helps them better comprehend the Company's policies.

Category	2023-24 (Current financial year)			2022-23 (Previous financial year)		
	Total (A)	No. of employees/ workers covered (B)	% (B/A)	Total (C)	No. of employees/ workers covered (D)	% (D/C)
Employees						
Permanent	3,323	3,323	100%	2,709	2,709	100%
Other than permanent	-	-	-	-	-	-
Total employees	3,323	3,323	100%	2,709	2,709	100%
Workers						
Permanent	-	-	-	-	-	-
Other than permanent	-	-	-	-	-	-
Total workers	-	-	-	-	-	-

2. Details of minimum wages paid to employees and workers in the following format:

Category	2023-24 (Current financial year)					2022-23 (Previous financial year)				
	Total (A)	Equal to minimum wage		More than minimum wage		Total (D)	Equal to minimum wage		More than minimum wage	
		No. (B)	% (B/A)	No. (C)	% (C/A)		No. (E)	% (E/D)	No. (F)	% (F/D)
Employees										
Permanent	3,323	18	1%	3,305	99%	2,709	30	1%	2,679	99%
Male	3,164	17	1%	3,147	99%	2,547	27	1%	2,520	99%
Female	159	1	1%	158	99%	162	3	2%	159	98%
Other than permanent	-	-	-	-	-	-	-	-	-	-
Male	-	-	-	-	-	-	-	-	-	-
Female	-	-	-	-	-	-	-	-	-	-



Category	2023-24 (Current financial year)					2022-23 (Previous financial year)				
	Total (A)	Equal to minimum wage		More than minimum wage		Total (D)	Equal to minimum wage		More than minimum wage	
		No. (B)	% (B/A)	No. (C)	% (C/A)		No. (E)	% (E/D)	No. (F)	% (F/D)
Workers										
Permanent	-	-	-	-	-	-	-	-	-	-
Male	-	-	-	-	-	-	-	-	-	-
Female	-	-	-	-	-	-	-	-	-	-
Other than permanent	-	-	-	-	-	-	-	-	-	-
Male	-	-	-	-	-	-	-	-	-	-
Female	-	-	-	-	-	-	-	-	-	-

3. Details of remuneration/salary/wages

a. Median remuneration/wages:

	Male		Female	
	Number	Median remuneration/salary/ wages of the respective category	Number	Median remuneration/salary/ wages of the respective category
Board of Directors (BoD)*	1	3,17,40,000	-	-
Key Managerial Personnel	1	1,20,00,000	1	34,36,444
Employees other than BoD and KMP	3,162	3,25,000	158	3,48,000
Workers	-	-	-	-

* MD & CEO, is categorised as a member of the Board of Directors for the purposes of this table.

b. Gross wages paid to females as % of total wages paid by the entity, in the following format:

	2023-24 (Current financial year)	2022-23 (Previous financial year)
Gross wages paid to females as % of total wages	5%	5%

4. Do you have a focal point (Individual/Committee) responsible for addressing human rights impacts or issues caused or contributed to by the business?

Yes, the Company has Board-approved policies led by the CHRO and HR department.

5. Describe the internal mechanisms in place to redress grievances related to human rights issues.

The Company has Board-approved policies in place, namely a grievance redressal policy and a policy on the prevention of sexual harassment, among others, for handling various stakeholder grievances.

6. Number of complaints on the following made by employees and workers:

	2023-24 (Current financial year)			2022-23 (Previous financial year)		
	Filed during the year	Pending resolution at the end of the year	Remarks	Filed during the year	Pending resolution at the end of the year	Remarks
Sexual harassment	Nil			Nil		
Discrimination at workplace	Nil			Nil		
Child labour	Nil			Nil		
Forced labour/involuntary labour	Nil			Nil		
Wages	Nil			Nil		
Other human rights-related issues	Nil			Nil		

7. Complaints filed under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, in the following format:

	2023-24 (Current financial year)	2022-23 (Previous financial year)
Total complaints reported under Sexual Harassment on of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 (POSH)	Nil	Nil
Complaints on POSH as a % of female employees/workers	Nil	Nil
Complaints on POSH upheld	Nil	Nil



8. Mechanisms to prevent adverse consequences to the complainant in discrimination and harassment cases.

The Company has in place a Code of Conduct and a Whistle-Blower policy that provide mechanisms to prevent discrimination and harassment at the workplace.

9. Do human rights requirements form part of your business agreements and contracts? (Yes/No)

Yes, in certain business agreements where relevant.

Assessments for the year:

	% of your plants and offices that were assessed (by the entity or statutory authorities or third parties)
Child labour	The Company is in compliance with the laws as applicable.
Forced/Involuntary labour	
Sexual harassment	
Discrimination at workplace	
Wages	
Others – please specify	

4. Details on assessment of value chain partners:

	% of value chain partners (by value of business done with such partners) that were assessed
Sexual harassment	The Company expects its value chain partners to adhere to the same values, principles and business ethics upheld by the Company in all their dealings. No specific assessment with respect to the value chain partners has been carried out.
Discrimination at workplace	
Child labour	
Forced labour/Involuntary labour	
Wages	
Others – Please specify	

5. Provide details of any corrective actions taken or underway to address significant risks/concerns arising from the assessments at Question 4 above.

No corrective actions were required to be taken by the Company for the year under review.

10. Provide details of any corrective actions taken or underway to address significant risks/concerns arising from the assessments at Question 9 above.

Nil

Leadership Indicators

1. Details of a business process being modified/introduced as a result of addressing human rights grievances/complaints.

There have been no cases of human rights grievances and/or complaints; hence, no changes to the business process are necessitated.

2. Details of the scope and coverage of any Human rights due-diligence conducted.

The Company, with the support of its Whistle-Blower Policy, has created a culture in which employees are at liberty to voice any concerns regarding wrongdoing. A vigil mechanism is offered by the aforementioned policy to facilitate the reporting of cases of wrongdoing. The vigil mechanism is supervised by the Audit Committee.

3. Is the premise/office of the entity accessible to differently abled visitors, as per the requirements of the Rights of Persons with Disabilities Act, 2016?

There is a ramp and elevator at the Company's head office and most of the branches to make travelling for visitors with disabilities easier.





Principle

6

Businesses should respect and make efforts to protect and restore the environment.

Essential Indicators

1. Details of total energy consumption (in joules or multiples) and energy intensity in the following format:

Parameter	2023-24 (Current financial year)	2022-23 (Previous financial year)
From renewable sources		
Total electricity consumption (A)	Not Tracked	
Total fuel consumption (B)		
Energy consumption through other sources (C)		
Total energy consumed from renewable sources (A+B+C)		
From non-renewable sources		
Total electricity consumption (D)	Not Tracked	
Total fuel consumption (E)		
Energy consumption through other sources (F)		
Total energy consumed from non-renewable sources (D+E+F)		
Total energy consumed (A+B+C+D+E+F)		
Energy intensity per rupee of turnover (Total energy consumption/Revenue from operations)		
Energy intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total energy consumed/Revenue from operations adjusted for PPP)		
Energy intensity in terms of physical output		
Energy intensity (optional) – the relevant metric may be selected by the entity		

Note: Indicate if any independent assessment/evaluation/assurance has been carried out by an external agency? (Y/N) If yes, the name of the external agency.:

No

2. Does the entity have any sites/facilities identified as designated consumers (DCs) under the Performance, Achieve and Trade (PAT) Scheme of the Government of India? (Y/N) If yes, disclose whether targets set under the PAT scheme have been achieved. In case targets have not been achieved, provide the remedial action taken, if any.

Not Applicable

3. Provide details of the following disclosures related to water in the following format:

Parameter	2023-24 (Current financial year)	2022-23 (Previous financial year)
Water withdrawal by source (in kilolitres)		
(i) Surface water	-	-
(ii) Groundwater	-	-
(iii) Third-party water	-	-
(iv) Seawater/desalinated water	-	-
(v) Others	-	-
Total volume of water withdrawal (in kilolitres) (i + ii + iii + iv + v)	-	-
Total volume of water consumption (in kilolitres)	-	-
Water intensity per rupee of turnover (Water consumed/turnover)	-	-
Water intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total water consumption/ Revenue from operations adjusted for PPP)	-	-
Water intensity in terms of physical output	-	-
Water intensity (optional) – the entity may select the relevant metric	-	-

Note: Indicate if any independent assessment/evaluation/assurance has been carried out by an external agency? (Y/N) If yes, the name of the external agency.

No

4. Provide the following details related to water discharged:

Parameter	2023-24 (Current financial year)	2022-23 (Previous financial year)
Water discharge by destination and level of treatment (in kilolitres)		
(i) To surface water	-	-
No treatment	-	-
With treatment – please specify level of treatment	-	-
(ii) To groundwater	-	-
No treatment	-	-
With treatment – please specify level of treatment	-	-
(iii) To seawater	-	-
No treatment	-	-
With treatment – please specify level of treatment	-	-
(iv) Sent to third-parties	-	-
No treatment	-	-
With treatment – please specify level of treatment	-	-
(v) Others	-	-
No treatment	-	-
With treatment – please specify level of treatment	-	-
Total water discharged (in kilolitres)	-	-

5. Has the entity implemented a mechanism for Zero Liquid Discharge? If yes, provide details of its coverage and implementation.

Not Applicable

6. Please provide details of air emissions (other than GHG emissions) by the entity in the following format

Parameter	Please specify unit	2023-24 (Current financial year)	2022-23 (Previous financial year)
NOx	-	-	-
SOx	-	-	-
Particulate matter (PM)	-	-	-
Persistent organic pollutants (POP)	-	-	-
Volatile organic compounds (VOC)	-	-	-
Hazardous air pollutants (HAP)	-	-	-
Others – please specify	-	-	-

Note: Indicate if any independent assessment/evaluation/assurance has been carried out by an external agency? (Y/N) If yes, the name of the external agency.

No

7. Provide details of greenhouse gas emissions (Scope 1 and Scope 2 emissions) & their intensity in the following format:

Parameter	Unit	2023-24 (Current financial year)	2022-23 (Previous financial year)
Total Scope 1 emissions (Break-up of the GHG into CO ₂ , CH ₄ , N ₂ O, HFCs, PFCs, SF ₆ , NF ₃ , if available)	Metric tonnes of CO ₂ equivalent	Not Tracked	
Total Scope 2 emissions (Break-up of the GHG into CO ₂ , CH ₄ , N ₂ O, HFCs, PFCs, SF ₆ , NF ₃ , if available)	Metric tonnes of CO ₂ equivalent	Not Tracked	
Total Scope 1 and Scope 2 emissions per rupee of turnover			
Total Scope 1 and Scope 2 emission intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total Scope 1 and Scope 2 GHG emissions/Revenue from operations adjusted for PPP)			
Total Scope 1 and Scope 2 emission intensity in terms of physical output			
Total Scope 1 and Scope 2 emission intensity (optional) – the entity may select the relevant metric			

Note: Indicate if any independent assessment/evaluation/assurance has been carried out by an external agency? (Y/N) If yes, the name of the external agency.

No



8. Does the entity have any project related to reducing Green House Gas emission? If yes, then provide details.
No.

9. Provide details related to waste management by the entity, in the following format:

Parameter	2023-24 (Current financial year)	2022-23 (Previous financial year)
Total waste generated (in metric tonnes)		
Plastic waste (A)	-	-
E-waste (B)	Not Tracked	Not Tracked
Bio-medical waste (C)	-	-
Construction and demolition waste (D)	-	-
Battery waste (E)	-	-
Radioactive waste (F)	-	-
Other hazardous waste. Please specify, if any. (G)	-	-
Other Non-hazardous waste generated (H). Please specify, if any. (Break-up by composition i.e. by materials relevant to the sector)	-	-
Total (A+B + C + D + E + F + G + H)	-	-
Waste intensity per rupee of turnover (Total waste generated/Revenue from operations)	-	-
Waste intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total waste generated/Revenue from operations adjusted for PPP)	-	-
Waste intensity in terms of physical output	-	-
Waste intensity (optional) – the relevant metric may be selected by the entity	-	-
For each category of waste generated, total waste recovered through recycling, re-using or other recovery operations (in metric tonnes)		
Category of waste		
(i) Recycled	-	-
(ii) Re-used	-	-
(iii) Other recovery operations	-	-
Total	-	-

Parameter	2023-24 (Current financial year)	2022-23 (Previous financial year)
For each category of waste generated, total waste disposed by nature of disposal method (in metric tonnes)		
Category of waste		
(i) Incineration	-	-
(ii) Landfilling	-	-
(iii) Other disposal operations	-	-
Total	-	-

Note: Indicate if any independent assessment/evaluation/assurance has been carried out by an external agency? (Y/N) If yes, the name of the external agency.

No

10. Briefly describe the waste management practices adopted in your establishments. Describe the strategy adopted by your Company to reduce usage of hazardous and toxic chemicals in your products and processes and the practices adopted to manage such wastes.

Since the Company is a housing finance company, the key waste products are paper waste and e-waste. The Company does not use any hazardous and/or toxic chemicals. As majority of the process is digitised with high reliance on technology, paper waste is minimal. Employees are trained to be mindful of paper use by restricting paper waste.

11. If the entity has operations/offices in/around ecologically sensitive areas (such as national parks, wildlife sanctuaries, biosphere reserves, wetlands, biodiversity hotspots, forests, coastal regulation zones etc.) where environmental approvals/clearances are required, please specify details in the following format:

S. no.	Location of operations/offices	Type of operations	Whether the conditions of environmental approval/clearance are being complied with? (Y/N) If no, the reasons thereof and corrective action taken, if any.
Not Applicable			

12. Details of environmental impact assessments of projects undertaken by the entity based on applicable laws in the current financial year

Name and brief details of project	EIA notification no.	Date	Whether conducted by an independent external agency (Yes/No)	Results communicated in the public domain (Yes/No)	Relevant weblink
Not Applicable					

13. Is the entity compliant with the applicable environmental law/regulations/guidelines in India; such as the Water (Prevention and Control of Pollution) Act, Air (Prevention and Control of Pollution) Act, Environment protection act and rules thereunder (Y/N). If not, provide details of all such non-compliances, in the following format:

Since the Company is a housing finance company, there are no major emissions of water or air pollution. Hence, the Company is not directly covered under the above-mentioned acts.

S. no.	Specify the law/regulation/ guidelines which were not complied with	Provide details of the non-compliance	Any fines/penalties/action taken by regulatory agencies such as Pollution Control Boards or by courts	Corrective action taken, if any
-	-	-	-	-

Leadership Indicators

1. Water withdrawal, consumption and discharge in areas of water stress (in kilolitres):

For each facility/plant located in areas of water stress, provide the following information:

- (i) Name of the area - Not Applicable
- (ii) Nature of operations - Not Applicable
- (iii) Water withdrawal, consumption and discharge in the following format - Not Applicable

Parameter	2023-24 (Current financial year)	2022-23 (Previous financial year)
Water withdrawal by source (in kilolitres)		
(i) Surface water	-	-
(ii) Groundwater	-	-
(iii) Third-party water	-	-
(iv) Seawater/desalinated water	-	-
(v) Others	-	-
Total volume of water withdrawal (in kilolitres)	-	-
Total volume of water consumption (in kilolitres)	-	-
Water intensity per rupee of turnover (Water consumed/turnover)	-	-
Water intensity (optional) – the entity may select the relevant metric	-	-

Parameter	2023-24 (Current financial year)	2022-23 (Previous financial year)
Water discharge by destination and level of treatment (in kilolitres)		
(i) Into surface water	-	-
No treatment	-	-
With treatment – please specify the level of treatment	-	-
(ii) Into groundwater	-	-
No treatment	-	-
With treatment – please specify the level of treatment	-	-
(iii) Into seawater	-	-
No treatment	-	-
With treatment – please specify the level of treatment	-	-
(iv) Sent to third-parties	-	-
No treatment	-	-
With treatment – please specify the level of treatment	-	-
(v) Others	-	-
No treatment	-	-
With treatment – please specify the level of treatment	-	-
Total water discharged (in kilolitres)	-	-

Note: Indicate if any independent assessment/evaluation/assurance carried out by an external agency? (Y/N) If yes, the name of the external agency.

No

2. Please provide details of total Scope 3 emissions & their intensity in the following format:

Since the Company is a housing finance company, the focus on environmental indicators is passive and Scope 3 emissions have not been tracked.

Parameter	Unit	2023-24 (Current financial Year)	2022-23 (Previous financial Year)
Total Scope 3 emissions (Break-up of the GHG into CO ₂ , CH ₄ , N ₂ O, HFCs, PFCs, SF ₆ , NF ₃ , if available)	Metric tonnes of CO ₂ equivalent		
Total Scope 3 emissions per rupee of turnover			
Total Scope 3 emission intensity (optional) – the entity may select the relevant metric			

Note: Indicate if any independent assessment/evaluation/assurance has been carried out by an external agency? (Y/N) If yes, the name of the external agency.

No

3. With respect to the ecologically sensitive areas reported at Question 10 of Essential Indicators above, provide details of significant direct & indirect impact of the entity on biodiversity in such areas along-with prevention and remediation activities.

Not Applicable

4. If the entity has undertaken any specific initiatives or used innovative technology or solutions to improve resource efficiency, or reduce impact due to emissions/effluent discharge/waste generated, please provide details of the same as well as outcome of such initiatives, as per the following format:

S. no.	Initiative undertaken	Details of the initiative (weblink, if any, may be provided alongwith summary)	Outcome of the initiative
1	Capturing Customer Data in Digital Form and Digital Onboarding of Customers	- Mobile app for new loan applications and onboarding - Online verification and document capture - Facilitates real-time submission of applications	Saving paper and improving turnaround time by having eco-friendly process
2	Digital loan agreements	Customers e-sign loan agreements	98% E-Signing of agreements
3	Digital Collections and Remote Payment Ability	- EMI collection and other dues from delinquent customers - Allows mutual agreement on payment dates - Updates outstanding balances in real-time	- Reduced number of cash collections, digital collections at 92% - Saving time and efforts for the collection officer and providing convenience to the customer, thereby also reducing fuel consumption
4	Customer Application	- App for existing customers to check loan status - Allows payment of EMIs and pending dues - Supports service requests in multiple languages	Customers can avoid branch visits and save time, fuel & energy

5. Does the entity have a business continuity and disaster management plan? Give details in 100 words/weblink.

To guarantee the dependability and smooth continuation of the Company's operations during any unforeseen adverse events, the Company has a Business Continuity Policy in place. To protect sensitive information and uphold client data confidentiality, it place a strong focus on information and cybersecurity practices in addition to taking adequate data privacy measures. The Company's Business Continuity Plan has well-defined roles and responsibilities for IT activities through adequate disaster recovery measures. The Company's IT business continuity plan is carefully designed to ensure minimal disruption of its day-to-day business operations in case of contingencies.

6. Disclose any significant adverse impact to the environment, arising from the value chain of the entity. What mitigation or adaptation measures have been taken by the entity in this regard.

Not Applicable

7. Percentage of Value Chain Partners (by value of business done with such partners) that were assessed for environmental impacts.

Not Applicable

Principle 7

Businesses, when engaging in influencing public and regulatory policy, should do so in a manner that is responsible and transparent.

Essential Indicators

1. a. Number of affiliations with trade and industry chambers/associations - Nil
b. List the top 10 trade and industry chambers/associations (determined based on the total members of such body) the entity is a member of/affiliated to - Nil

Name of the trade and industry chambers/associations	Reach of trade and industry chambers/associations (state/national)
-	-

2. Provide details of corrective action taken or underway on any issues related to anti-competitive conduct by the entity, based on adverse orders from regulatory authorities

Name of authority	Brief of the case	Corrective action taken
-	-	-

Leadership Indicators

1. Details of public policy positions advocated by the entity:

S. no.	Public policy advocated	Method resorted for such advocacy	Whether information available in the public domain? (Yes/No)	Frequency of review by board (annually/half yearly/quarterly/others – please specify)	Weblink, if available
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Not Applicable



Principle 8 Businesses should promote inclusive growth and equitable development.

Essential Indicators

1. Details of Social Impact Assessments (SIA) of projects undertaken by the entity based on applicable laws, in the current financial year.

Name and brief details of the project	SIA notification no.	Date of notification	Whether conducted by an independent external agency (Yes/No)	Results communicated in the public domain (Yes/No)	Relevant weblink
Nil					

2. Provide information on project(s) for which ongoing Rehabilitation and Resettlement (R&R) is being undertaken by your entity, in the following format

S. no.	Name of the project for which R&R is ongoing	State	District	No. of Project Affected Families (PAFs)	% of PAFs covered by R&R	Amounts paid to PAFs in the FY (in ₹)
Nil						

3. Describe the mechanisms to receive and redress grievances of the community

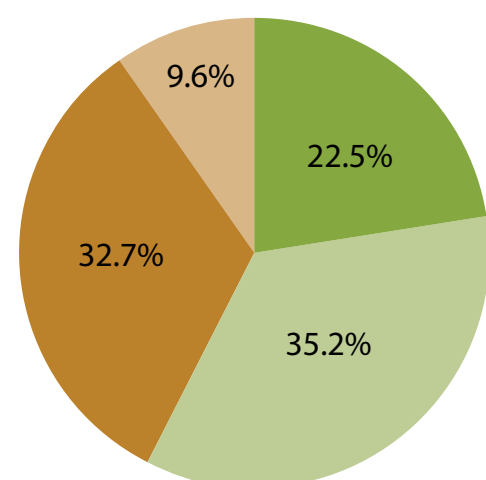
The Company has various mechanisms in place to receive and redress grievances of its various stakeholders. Details of such mechanisms and policies are given elsewhere in this report.

4. Percentage of input material (inputs to total inputs by value) sourced from suppliers:

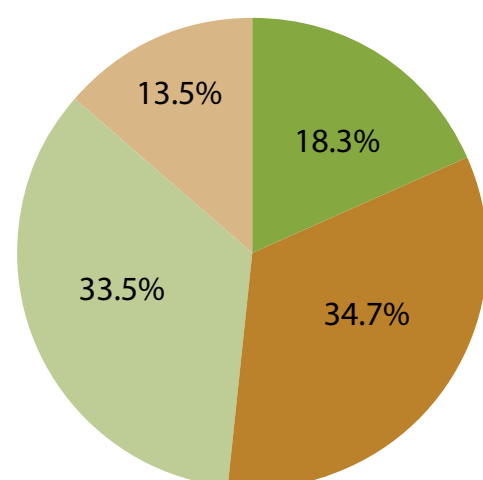
Name and brief details of the project	2023-24 (Current financial year)	2022-23 (Previous financial year)
Directly sourced from MSMEs/Small producers	Not Applicable	
Directly from within India		

5. Job creation in smaller towns – Disclose wages paid to persons employed (including employees or workers employed on a permanent or non-permanent/on contract basis) in the following locations, as % of total wage cost

2023-24 (Current financial year)



2022-23 (Previous financial year)



■ Rural
 ■ Semi-urban
 ■ Urban
 ■ Metropolitan

Places to be categorised as per the RBI Classification System (rural, semi-urban, urban, or metropolitan).

Leadership Indicators

1. Provide details of actions taken to mitigate any negative social impacts identified in the Social Impact Assessments (Reference: Question 1 of Essential Indicators above)

Details of negative social impact identified	Corrective action taken
Nil	

2. Provide the following information on CSR projects undertaken by your entity in designated aspirational districts as identified by government bodies

S. no.	State	Aspirational district	Amount spent (in ₹)
1	Gujarat, Rajasthan, Uttar Pradesh	Baran, Bhilwara, Hubli, Jaipur, Kalol, Lucknow	Akshaya Patra Foundation - 8,750,000
2	Delhi, Haryana, Madhya Pradesh, Maharashtra, Rajasthan, Tamil Nadu, Uttar Pradesh	Chennai, Gurgaon, Indore, Kasna, Kota, Nagpur	Impact Guru Foundation- 8,817,288
3	Assam, Bihar, Delhi, Haryana, J&K, Karnataka, Kerala, Madhya Pradesh, Maharashtra, Punjab, Rajasthan, Tamil Nadu, Telangana, Uttar Pradesh, West Bengal	Aurangabad, Bengaluru, Belgaum, Calicut, Chennai, Gurugram, Guwahati, Hyderabad, Indore, Jaipur, Kolkatta, Ludhiana, Manipal, Mumbai, Noida, Patna, Puducherry, Pune, Srinagar, Trivandrum, Vellore	Bansi Vidya Memorial Trust - 8,500,000
4	Delhi, Gujarat, Karnataka, Odisha, Rajasthan, Tamil Nadu, Telangana	Balangir, Bengaluru, Chattarpur, Chennai, Gandhi Nagar, Hyderabad, Jaipur, Jangpura, Kachipuram, Munirka	Paralympic Committee of India - 3,990,000

3. (a) Do you have a preferential procurement policy where you give preference to purchase from suppliers comprising marginalised/vulnerable groups? (Yes/No)

No, the Company caters to the housing finance needs of lower and middle-income customers. Given the nature of the business, purchases from suppliers in the above-mentioned groups are limited.

- (b) From which marginalised/vulnerable groups do you procure?

Not Applicable

- (c) What percentage of total procurement (by value) does it constitute?

Not Applicable

4. Details of the benefits derived and shared from the intellectual properties owned or acquired by your entity (in the current financial year), based on traditional knowledge

S. no.	Intellectual property based on traditional knowledge	Owned/Acquired (Yes/No)	Benefit shared (Yes/No)	Basis of calculating benefit share
Nil				

5. Details of corrective actions taken or underway based on any adverse order in intellectual property related disputes wherein traditional knowledge is used.

Name of authority	Brief of the case	Corrective action taken
Not Applicable		

6. Details of beneficiaries of CSR Projects

CSR project	No. of persons benefitted from CSR projects	% of beneficiaries from vulnerable and marginalised groups
Education Initiative – 1. The Akshaya Patra Foundation	1. Supported 8,500+ government school children with mid-day meals in Hubli and Jaipur and the procurement of a food distribution vehicle with vessels in Bhilwara Kitchen.	100% The main objective of the Company's CSR programmes is to support and improve the lives of marginalised and vulnerable communities. The Company tries to improve their social and economic situation.
Healthcare Initiative- 1. Bansi Vidya Memorial Trust 2. Impact Guru Foundation	1. Supported 277 children and 247 girl child with treatment against leukaemia, with a survival rate of 91.3%. 2. Supported 30,000+ treatments in Nagpur, Kota, and Indore with healthcare services delivered through the Care on Wheel (COW), Scootest Project initiatives, and cataract surgeries camps held in Delhi-NCR and Rajasthan.	
Empowerment Initiative- 1. Paralympic Committee of India	1. Supported 12 female para-athletes with high-quality sports equipment.	



Principle

9

Businesses should engage with and provide value to their consumers in a responsible manner.

Essential Indicators

1. Describe the mechanisms in place to receive and respond to consumer complaints and feedback.

The Company has put in place a Grievance Redressal Policy for prompt and effective redressal of customer complaints. The grievance redressal mechanism is outlined in the loan agreement provided to customers. Additionally, the Company's grievance redressal mechanism is available on its website (<https://www.indiashelter.in/grievance-redressal-policy>) for easy reference.

2. Turnover of products and/services as a percentage of turnover from all products/services that carry information about:

	As a percentage of total turnover
Environmental and social parameters relevant to the product	100% All the Company's loan products and Most Important Terms & Conditions (MITCs) are completely transparent and disclose all product-related details.
Safe and responsible usage	
Recycling and/or safe disposal	

3. Number of consumer complaints in respect of the following

	2023-24 (Current financial year)			2022-23 (Previous financial year)		
	Received during the year	Pending resolution at the end of the year	Remarks	Received during the year	Pending resolution at the end of the year	Remarks
Data privacy	-	-	-	-	-	-
Advertising	-	-	-	-	-	-
Cybersecurity	-	-	-	-	-	-
Delivery of essential services	-	-	-	-	-	-
Restrictive trade practices	-	-	-	-	-	-
Unfair trade practices	-	-	-	-	-	-
Other	-	-	-	-	-	-

4. Details of instances of product recalls on account of safety issues

	Number	Reasons for recall
Voluntary recalls	Not Applicable	
Forced recalls		



5. Does the entity have a framework/policy on cyber security and risks related to data privacy? (Yes/No) If available, provide a weblink to the policy.

Yes, the Company has a policy on data privacy. Weblink: <https://www.indiashelter.in/privacypolicy>.

6. Provide details of any corrective actions taken or underway on issues relating to advertising, and delivery of essential services; cyber security and data privacy of customers; re-occurrence of instances of product recalls; penalty/action taken by regulatory authorities on the safety of products/services.

No penalty or action was taken by regulatory authorities on the safety of products or services.

7. Provide the following information relating to data breaches:

- a. Number of instances of data breaches - Nil
- b. Percentage of data breaches involving personally identifiable information of customers - Nil
- c. Impact, if any, of the data breaches - Not Applicable

Leadership Indicators

1. Channels/platforms where information on products and services of the entity can be accessed (provide weblink, if available).

Information about the Company's products and services is available on the Company website (<https://www.indiashelter.in/>) and in the dedicated customer app. The Company has developed marketing collateral and maintains active social media handles to facilitate effective communication and promotion of its offerings.

2. Steps taken to inform and educate consumers about safe and responsible usage of products and/or services.

The Company interacts with customers at various stages to provide information about loan details, terms, and conditions. The Company believes that transparency is a key factor in its customer service. To further promote awareness, the Fair Practice Code, Schedule of Charges, Most Important Terms and Conditions (MITC), and Grievance Redressal Policy are made available at branch locations and on the Company website. Additionally, these documents are available on the official website in regional languages to ensure customer understanding.

Weblink: <https://www.indiashelter.in/investor-relations>

3. Mechanisms in place to inform consumers of any risk of disruption/discontinuation of essential services.

The Company's team proactively monitors and maintains services to prevent disruptions or discontinuations of essential operations. However, in the event of such an incident, the team swiftly initiates efforts to resolve the issue. During this time, customers can reach out to the Company through physical branch visits/digital channels for assistance.

4. Does the entity display product information on the product over and above what is mandated as per local laws? (Yes/No/Not Applicable) If yes, provide details in brief. Did your entity carry out any survey with regard to consumer satisfaction relating to the major products/services of the entity, significant locations of operation of the entity or the entity as a whole? (Yes/No)

Yes. The Company initiates a welcome call with its customers and send SMS updates at various stages to keep them informed. The loan agreement provided to customers includes the Most Important Terms and Conditions (MITC), which is bilingual. The MITC is available at the Company's branches and on its website in regional languages. Customers can submit requests or queries through the customer app or reach out to its customer service team via various communication modes. Additionally, the Company has an automated feedback call system in place to gather customer feedback.

ANNEXURE - 6

Form No. AOC-2

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

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

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

(a) Name(s) of the related party and nature of relationship: NIL

(b) Nature of contracts/arrangements/transactions: NIL

(c) Duration of the contracts / arrangements/transactions: NIL

(d) Salient terms of the contracts or arrangements or transactions including the value, if any: NIL

(e) Justification for entering into such contracts or arrangements or transactions: NIL

(f) Date (s) of approval by the Board: NIL

(g) Amount paid as advances, if any: NIL

(h) Date on which the special resolution was passed in general meeting as required under first proviso to section 188: NIL

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

(a)	Name(s) of the related party and nature of relationship	India Shelter Capital Finance Limited (Subsidiary Company)	Anil Mehta (Chairman & Non-Executive Director, till July 31, 2023 and Promoter)
(b)	Nature of contracts/arrangements/ transactions	Rent Agreement	Fee Payments
(c)	Duration of the contracts / arrangements/transactions	3 years w.e.f 24 February, 2023 vide Addendum dated 24 February, 2023.	Fee payment from 01 August, 2022 till July 30, 2024 in accordance with Amended and Re-stated Letter Agreement dated November 04, 2022
(d)	Salient terms of the contracts or arrangements or transactions including the value, if any:	Lease amount 10,000 per month Total amount of 1.20 Lacs has been received during the F.Y. 2023-24.	₹ 23,33,333 per month
(e)	Date(s) of approval by the Board, if any:	24 March, 2023	03 November, 2022
(f)	Amount paid as advances, if any:	Nil	Nil

Sd/-

Mr. Sudhin Bhagwandas Choksey

DIN: 00036085

Place: Gurgaon

Date: 08 May, 2024

Sd/-

Mr. Rupinder Singh

DIN: 09153382

Place: Gurgaon

Date: 08 May, 2024



ANNEXURE - 7

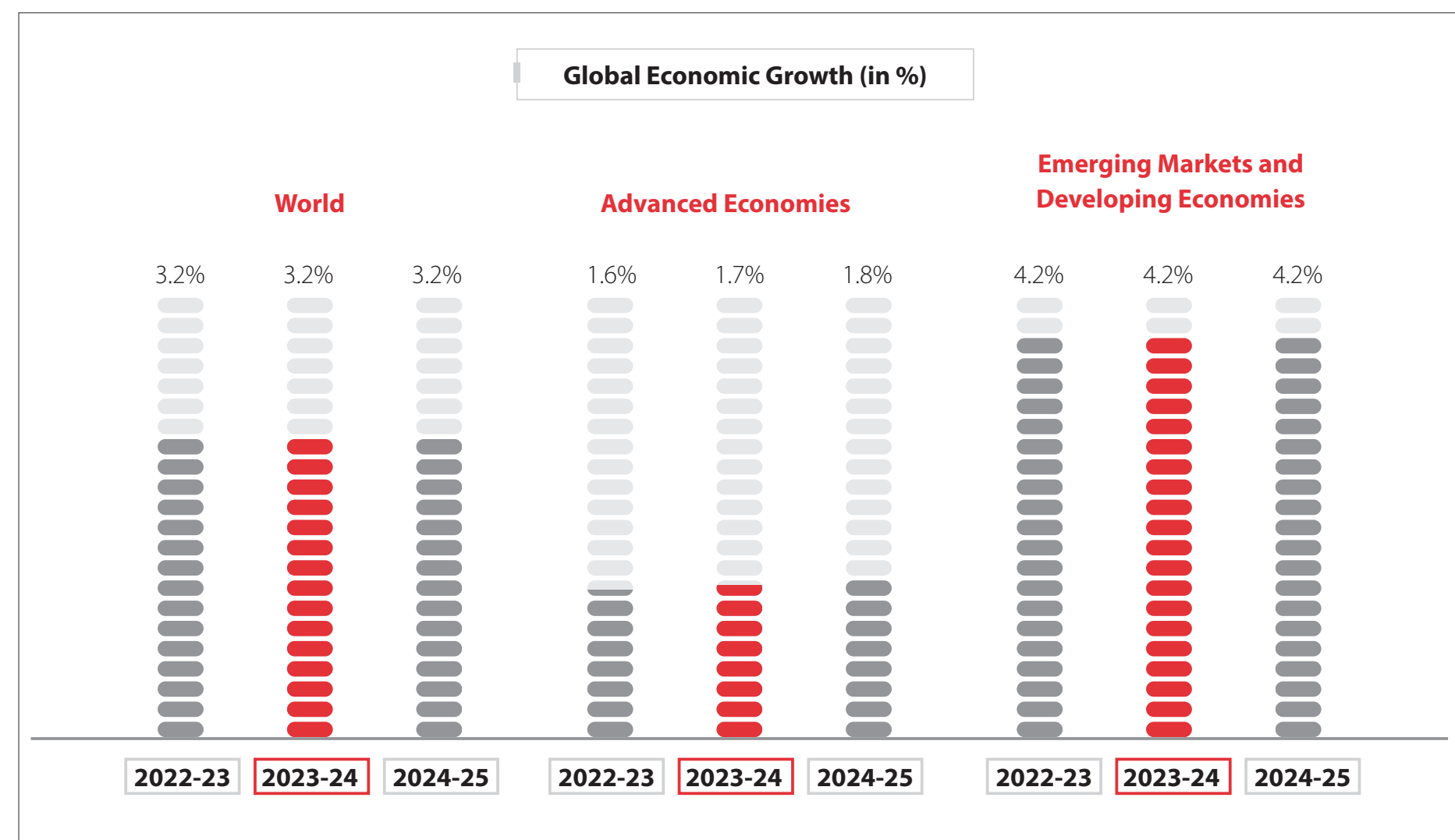
MANAGEMENT DISCUSSION AND ANALYSIS



GLOBAL ECONOMIC OVERVIEW

In CY 2023, the global economy exhibited remarkable resilience, with growth projections of 3.2% in CY 2024, is projected to continue at the same pace in CY 2025. Economic expansion surpassed expectations, driven by strong government and private expenditures, particularly in the US and in some of the key emerging markets. The US Federal Reserve maintained

benchmark interest rates at 5.25% to 5.50% in January after raising them eleven times since March 2022 to curb inflation. High central bank rates and reduced government spending due to high debt levels are hindering economic activity. Despite these challenges, economists are optimistic about the economic recovery, citing improved global trade and resilient consumer spending.



(Source: International Monetary Fund (IMF), World Economic Outlook (WEO) Projections, April 2024)

Outlook

The global economy in CY 2023 experienced a mix of positive developments and concerning trends. Initial worries were overshadowed by unexpectedly robust growth, fuelled by sustained spending and investments. In essence, a cautious and collaborative approach, grounded in a nuanced understanding of the economic landscape, is essential for shaping a positive future.

(Source: Organisation for Economic Cooperation & Development, United Nations Conference on Trade and Development (UNCTAD), MINT)



INDIAN ECONOMIC OVERVIEW

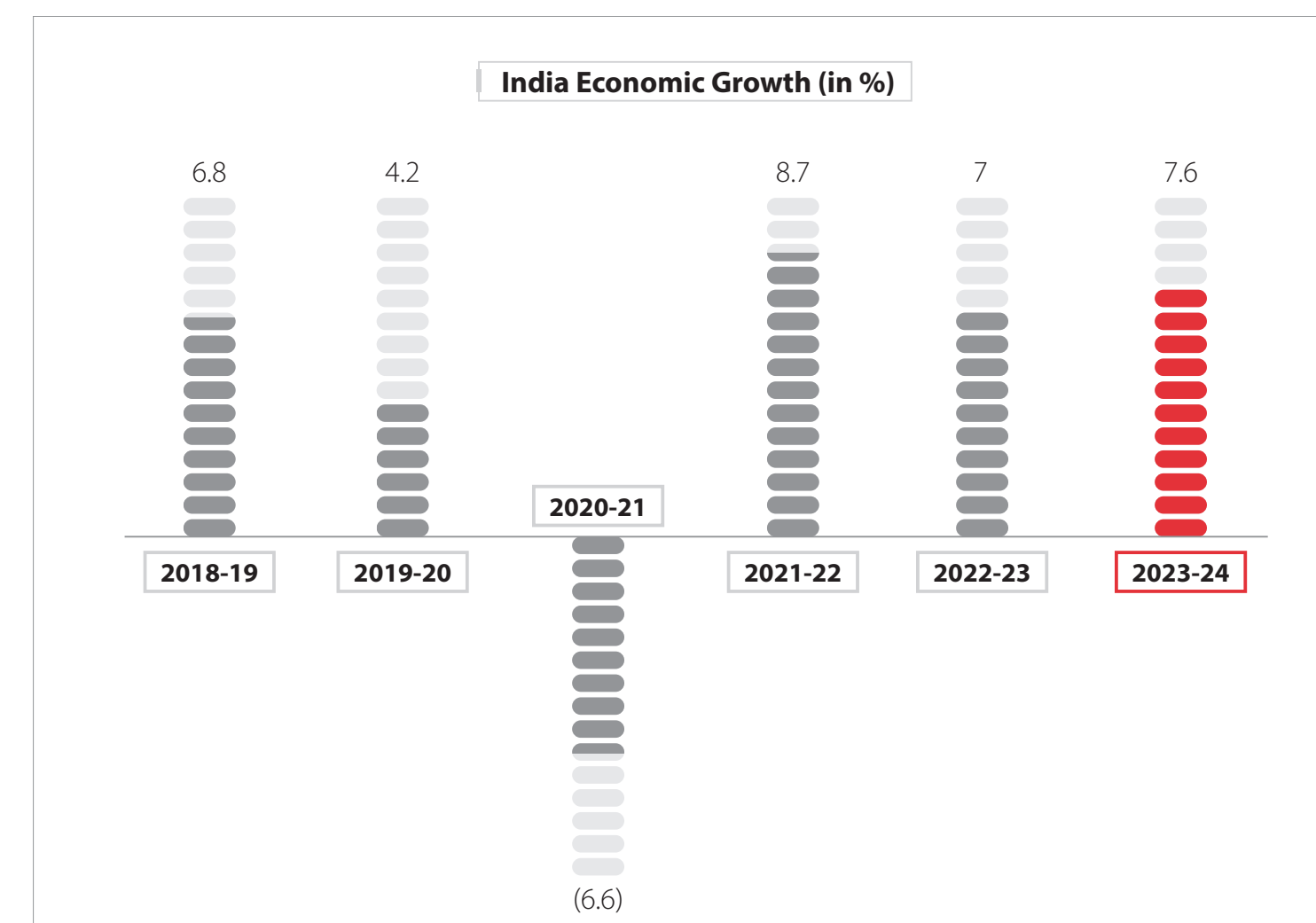
India's growth is expected to remain strong, supported by macroeconomic and financial

stability. Presently, the official estimate for growth in 2023-24 stands at 7.6%, and headline inflation is anticipated to decline gradually to the medium-term target of 4% for 2024-25. Positive outlook is underpinned by entrepreneurship and initiatives to uplift vulnerable communities, which include developing niche manufacturing sectors, improving infrastructure, diversifying exports, and focussing on higher value-added products, all of which contribute to a promising future.

The Indian economy showed resilience with a growth rate of 7.6% in 2023-24, surpassing the 7% growth rate in 2022-23. This robust performance can be largely attributed to the government's economic policy agenda, which prioritised revitalising India's growth potential. The key initiatives include increased public sector investment, the strong resilience shown by the financial sector, and significant expansion in non-food credit.

(Source: RBI, Department of Economic Affairs, January 2024 <https://pib.gov.in/PressReleasePage.aspx?PRID=2010223>)

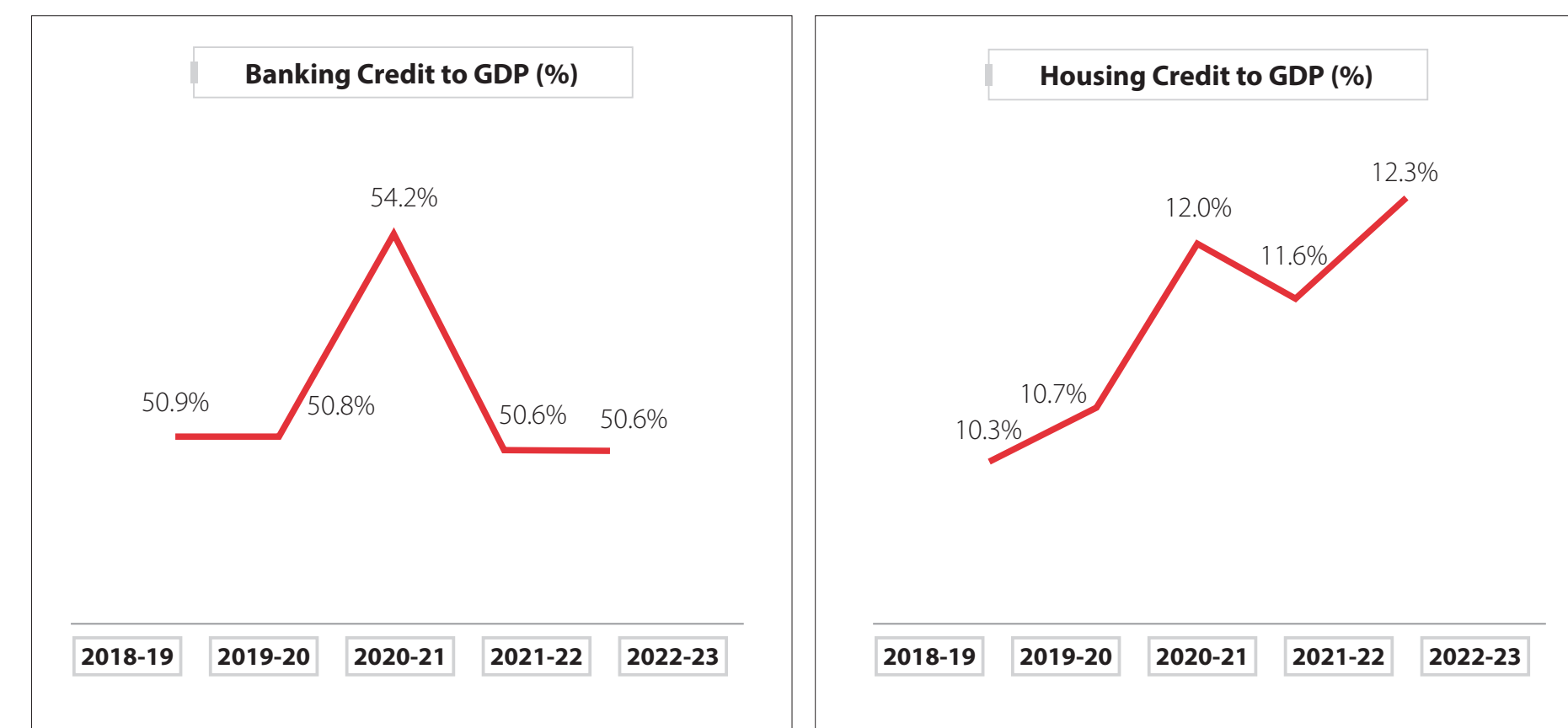
ANNEXURE - 7 (Contd.)



(Source: <https://pib.gov.in/PressReleasePage.aspx?PRID=2010223>)

CREDIT PENETRATION IN INDIA

Trend in Banking Credit to GDP and Housing Credit to GDP During Fiscals 2019 to 2023



(Source: Crisil Report)

ANNEXURE - 7 (Contd.)

The stability of the banking credit to GDP ratio at around 51% over the past five years suggests a continuation of this trend in the near future. Conversely, the housing credit to GDP ratio has seen a slight increase from 10.3% in 2019 to 12.3% in 2023 and is expected to remain stable, potentially experiencing modest growth.

Rural India's Under Penetration and Untapped - An Opportunity of Growth for Financiers

The significant difference between rural areas' contribution to GDP (47%) and their share of banking credit (8%) indicates a substantial opportunity for banks and NBFCs to expand lending in these regions. With the government focussing more on financial inclusion, increasing financial literacy, and providing greater access to smartphones and the internet in rural areas, there is potential for a notable increase in the delivery of credit services. Additionally, utilising alternative data for customer evaluation can help financiers better assess customers and serve these regions' informal segments of society.

Growth and Stability of NBFC Sector

The NBFC sector in India experienced significant growth, with segments like housing finance, microfinance, and consumer finance driving the expansion. They contributed towards the economy's growth, especially in meeting the credit demand of the underserved rural and semi-urban areas.

According to the RBI's annual report for 2022-23, the total assets under management (AUM) of NBFCs reached ₹ 79 Tn, representing approximately 18% of India's gross domestic product (GDP). The RBI's Digital Lending Regulations, effective January 2023, have encouraged digital transformation among NBFCs. They are leveraging digitisation, including super apps, to enhance customer engagement and streamline operations. Innovations in underwriting, propelled by the democratisation of data and analytics, empower swift credit decisions. Acting as vital sources of

finance for Small and Medium Enterprises (SMEs) and underserved communities, NBFCs provide a diverse array of financial products with rapid turnaround times. In doing so, they facilitate economic inclusion and bolster the growth of the MSME sector.

(Source: KPMG Report on NBFC's in India, February 2024)

OUTLOOK

The robust growth experienced by the Indian economy is anticipated to continue, supported by macroeconomic stability. The official estimates for 2023-24 project a 7.6% growth rate, with decreasing headline inflation. The digital revolution, supportive regulatory environment, social and economic upliftment measures, and efforts to diversify exports drive the positive outlook. Reforms implemented over the past decade establish a foundation for resilient governance, setting the stage for sustained economic growth.

(Source: Press Information Bureau – Indian Economy Estimates, February 2024, KPMG Report)

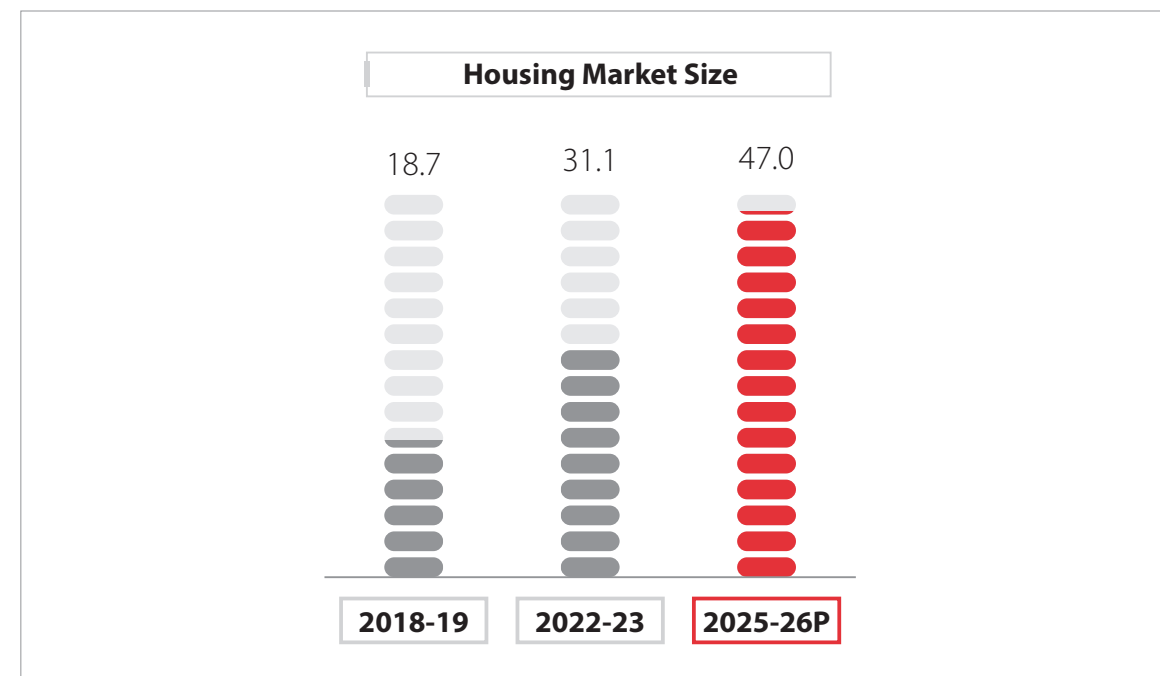


HOUSING FINANCE SECTOR OVERVIEW

Introduction to Housing Finance Market

The housing finance market serves as a vital catalyst for facilitating homeownership by offering loans and mortgages tailored to the needs and aspirations of individuals and families. India's housing market has seen remarkable resilience, defying odds with record-high sales despite soaring prices and interest rates. The housing finance sector has thrived, with a ~13.5% CAGR over the past four years, buoyed by rising incomes and steady demand. Smaller districts are emerging as key players in housing loans, indicating shifting preferences. Housing Finance Companies (HFCs) are poised for future growth, driven by factors such as affordable housing initiatives, increasing per capita income and tax incentives.

(₹ in Tn)



(Source: Crisil Industry Report)

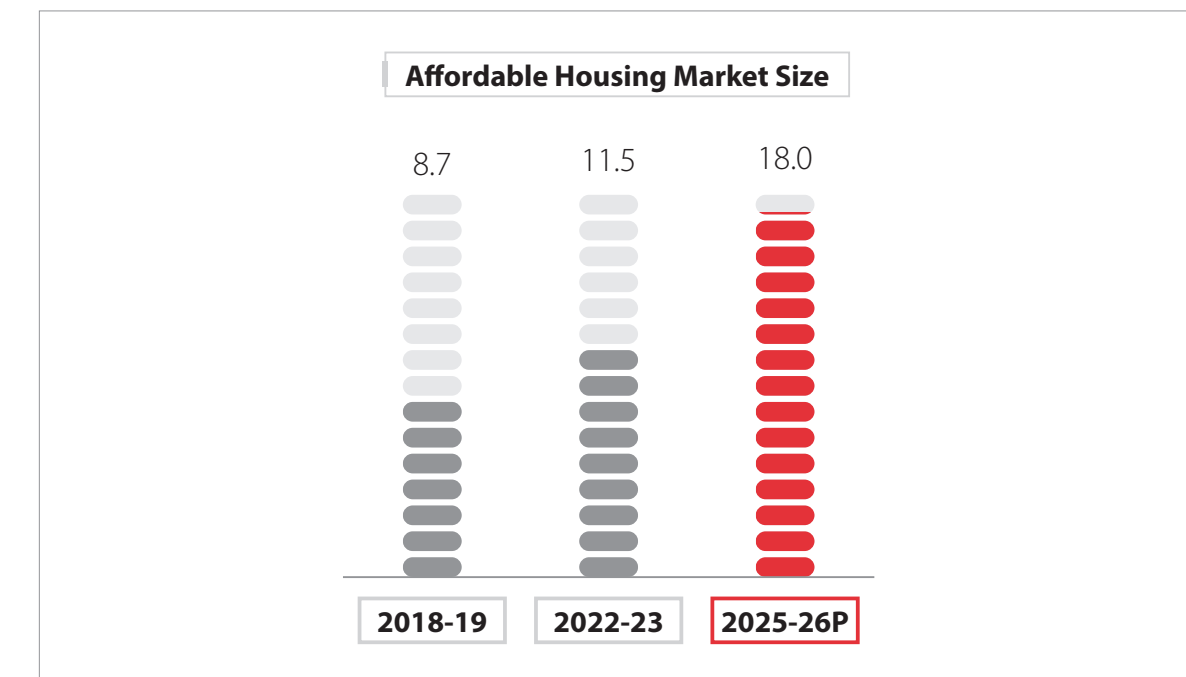
ANNEXURE - 7 (Contd.)

Introduction to the Affordable Housing Finance Market (AHFCs)

India's mortgage market can broadly be divided into two segments by ticket size of the housing loan at the time of disbursement – prime loans and affordable housing loans.

Affordable Housing Loans consider loans to individuals with a ticket size of less than ₹ 2.5 Mn. The former, called prime housing loans, is prominent in the metro/urban areas, and the latter generally includes houses in the outskirts of these areas and semi-urban and rural areas, i.e., defined as housing finance market focussing on low-income housing segment.

(₹ in Tn)

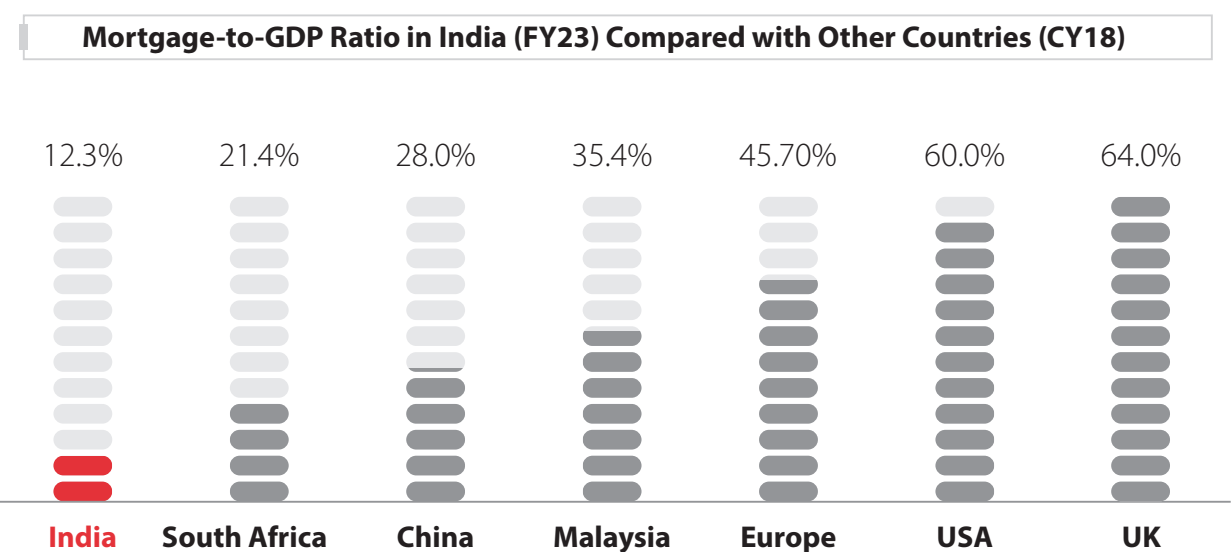


(Source: Crisil Industry Report)

Despite encountering funding challenges in the past, AHFCs have shown consistent growth, with their portfolio expanding by 27% in fiscal year 2023. While housing loans remain dominant, accounting for 74% of AHFCs' total loan book as of 31 March, 2023, these companies are diversifying into non-housing segments. The non-housing portfolio primarily consists of 'loan against property' (LAP), through which micro, small, and medium enterprises (MSMEs) and small businesses raise funds for their business and personal needs, using property as collateral.

Mortgage to GDP

India's mortgage-to-GDP ratio has increased from 6.5% in 2008-09 to 12.3% in 2022-23, though it remains low as compared to other developing countries. This improvement is attributed to rising incomes, improving affordability, growing urbanisation and nuclearisation of families, emergence of Tier 2 and Tier 3 cities, ease of financing, tax incentives, and a wider reach of financiers.



(Source: Crisil Industry Report)

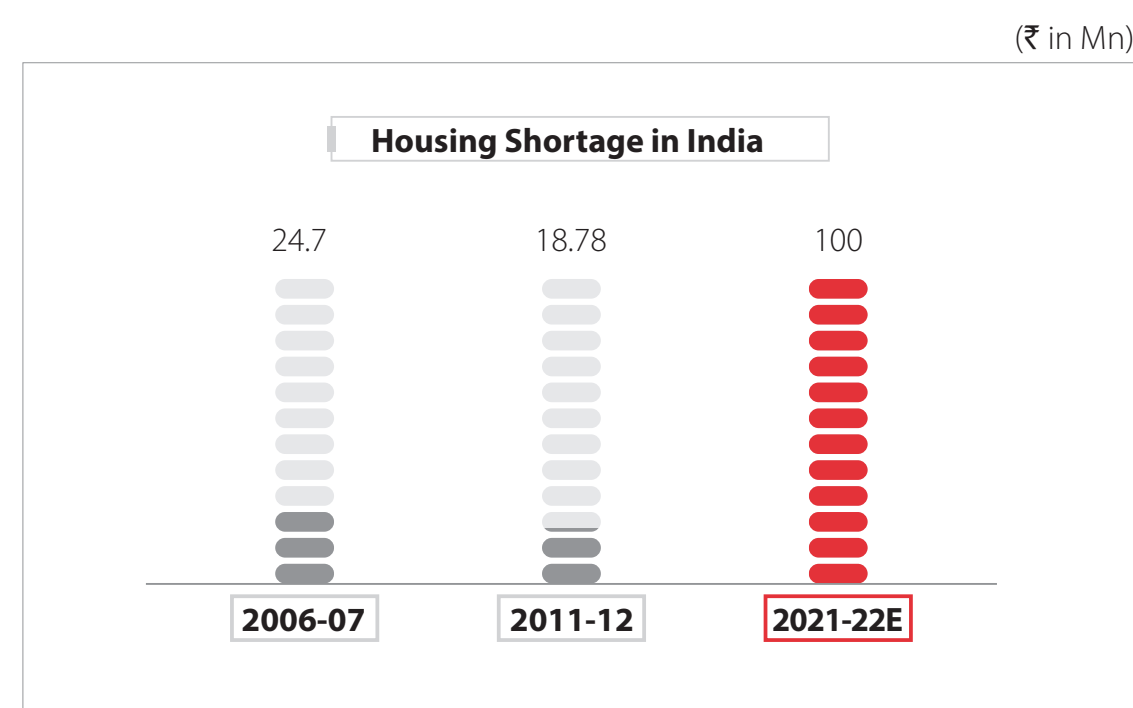
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Housing Shortage in India

India faces a significant housing shortage, with various challenges contributing to this issue. Urban areas in India struggle with a housing backlog, infrastructure deficits, and a large slum population, with approximately 0.9 Mn homeless individuals in urban areas and around 65 Mn people living in slums. The Tier 2 and Tier 3 cities in India are facing a significant housing shortage, mirroring the challenges seen in larger urban centres. The rapid urbanisation and population growth in these cities have intensified the demand for affordable housing. The shortage of

housing units in these cities is a pressing issue, particularly for the Economically Weaker Sections (EWS) and Lower Income Groups (LIG). According to the report of the RBI-appointed Committee on the Development of the Housing Finance Securitisation Market in September 2019, the housing shortage in India was projected to surge to a staggering 100 Mn units by 2022. The total incremental demand for housing loans, required to address this entire shortage, is estimated to range between ₹ 50 Tn to ₹ 60 Tn, as outlined in the Committee report.

(Source: Crisil Industry Report, Niti Aayog)



(Source: RBI Planning Commission)

Ticket Size Split for Housing Finance & Affordable Housing Companies

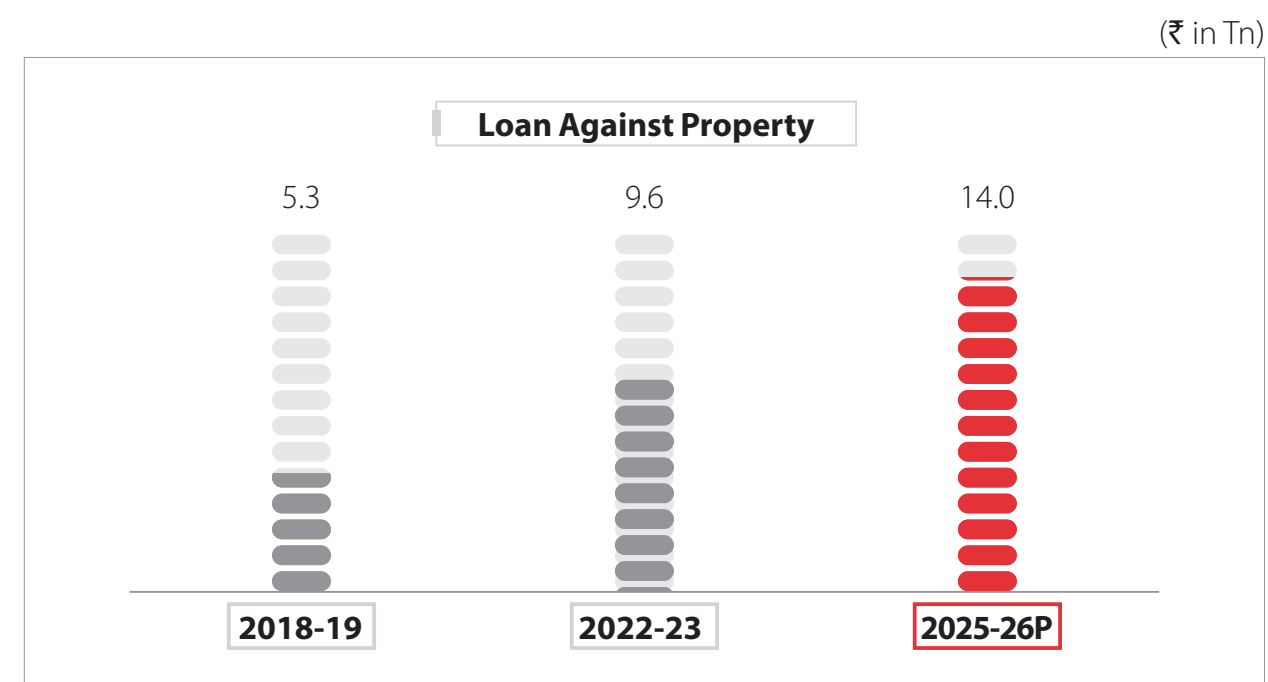
In India, the housing loan market is predominantly characterised by smaller ticket size loans in terms of volume. Loans targeting the low-income housing segments, valued less than 2.5 Mn, constitute

roughly 37% of the overall housing finance market. These loans are particularly crucial for addressing the housing shortage, especially among the EWS and LIG. As of March 2023, the affordable housing finance market boasted outstanding loans of approximately ₹ 11.5 Tn.

(Source: Crisil Industry Report)

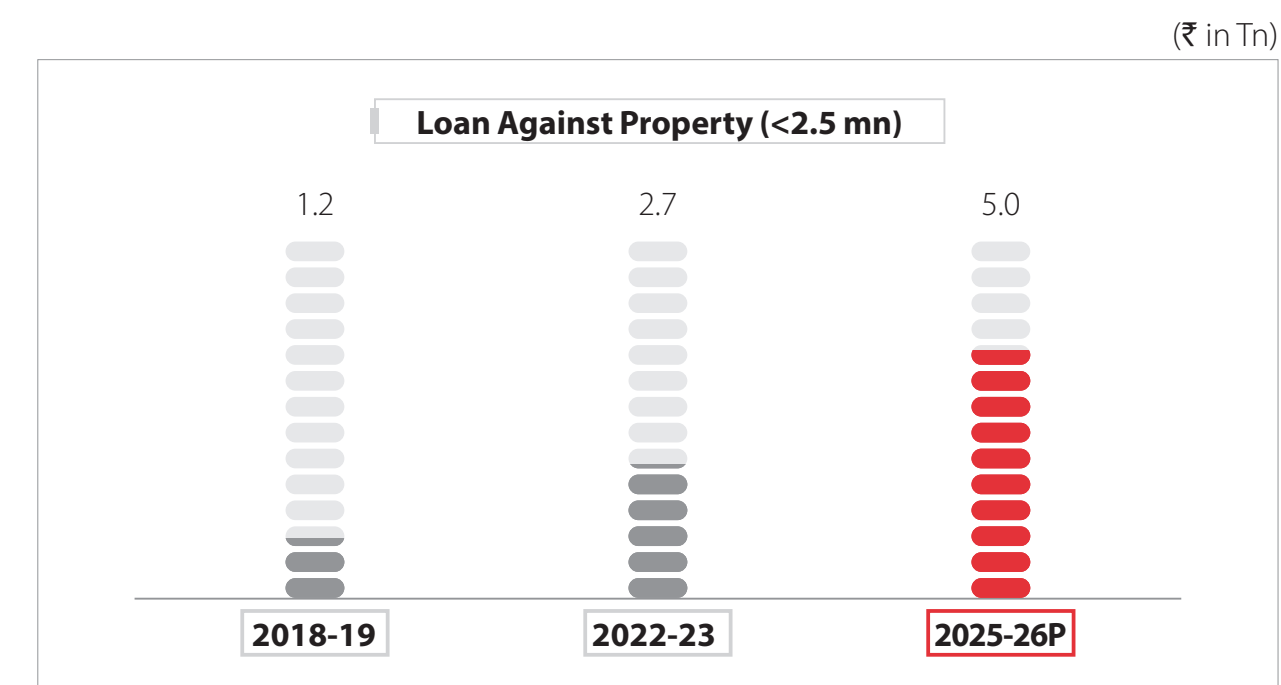
Loan Against Property (LAP):

Loan Against Property (LAP) is availed by mortgaging a property (residential or commercial) with the lender. LAP is a secured loan, as it provides collateral to the financier in the form of the property. The overall Loan against property segment has grown at a CAGR of 16% with the market size expanding from ₹ 5.3 Tn in 2018-19 to ₹ 9.6 Tn in 2022-23.



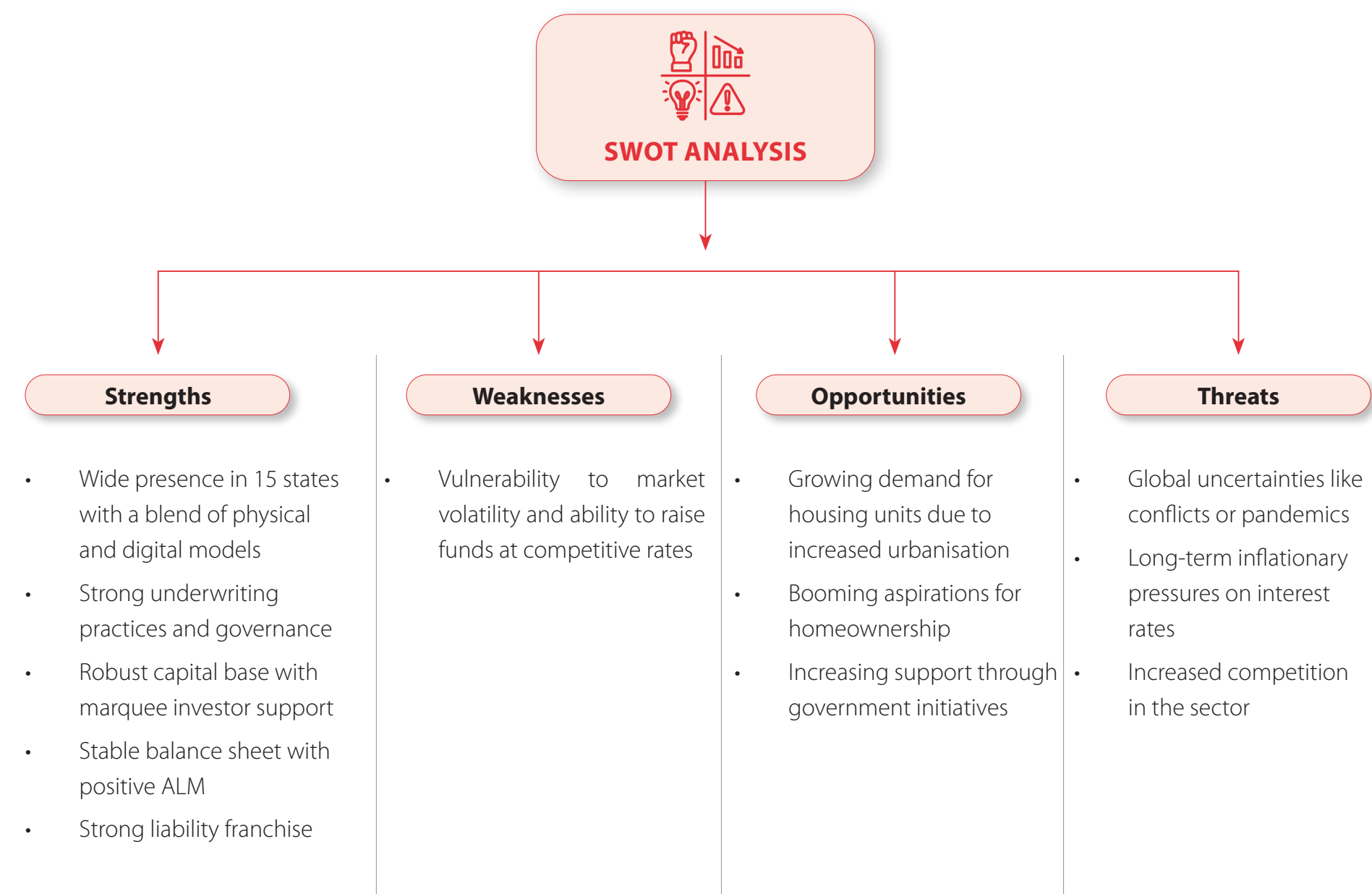
ANNEXURE - 7 (Contd.)

LAP portfolio with ticket size less than ₹ 2.5 Mn has grown at a relatively higher CAGR of 22% between 2018-19 and 2022-23 as compared to overall LAP portfolio which grew by 16% during the same period. This growth was driven by the increasing penetration of formal lending channels and greater lender confidence.

**ABOUT THE COMPANY**

India Shelter Finance Corporation Limited (referred to as 'India Shelter', 'Our Company' or 'We') specialises in providing housing loans and loans against property, with a pan-India network spanning 15 states and 223 branches. Established in 2010, we focus on serving self-employed individuals, especially first-time home loan takers in low and middle-income segments across Tier 2 and Tier 3 cities in India.

Through digital innovations, we offer comprehensive financial solutions with a paperless approach to customer acquisition and onboarding. Our credit and risk management policies are backed by technology and data analytics, ensuring healthy asset quality. Committed to governance, we aim to serve the affordable housing finance industry by focussing on underserved customers through a blend of customer experience and technology.



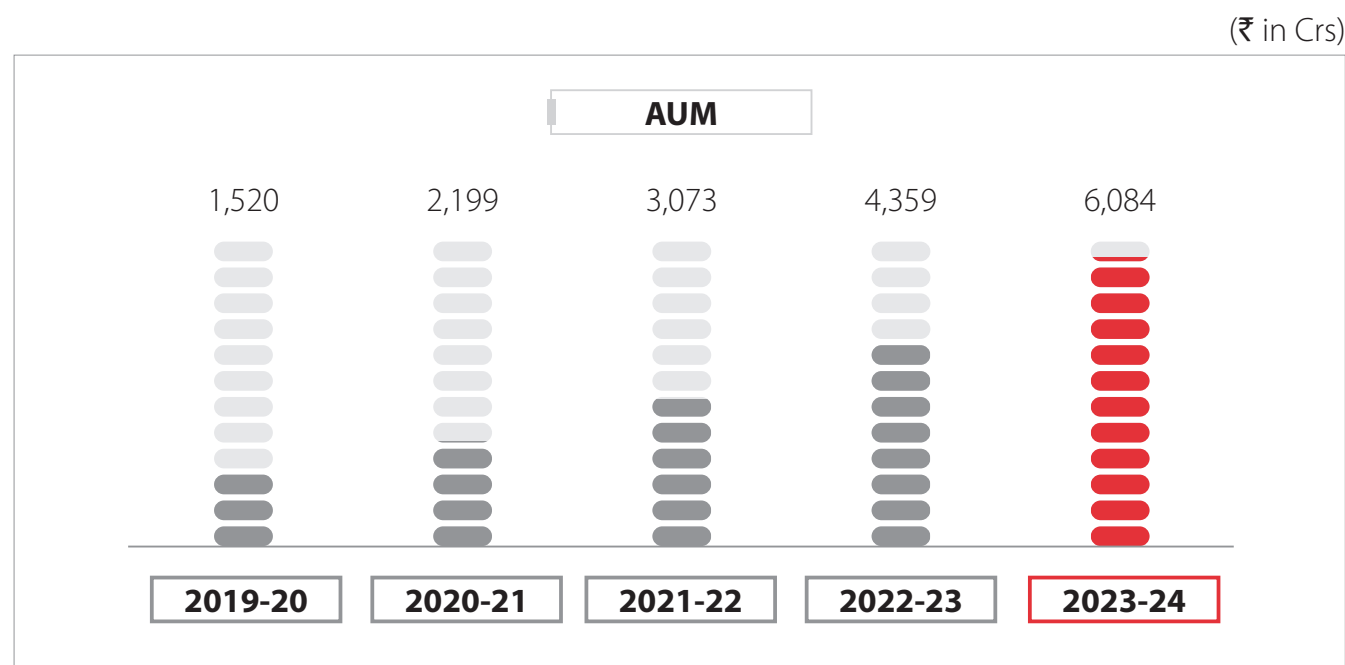
ANNEXURE - 7 (Contd.)

INDIA SHELTER FINANCE CORPORATION LIMITED'S PERFORMANCE DURING 2023-24

Operational Performance

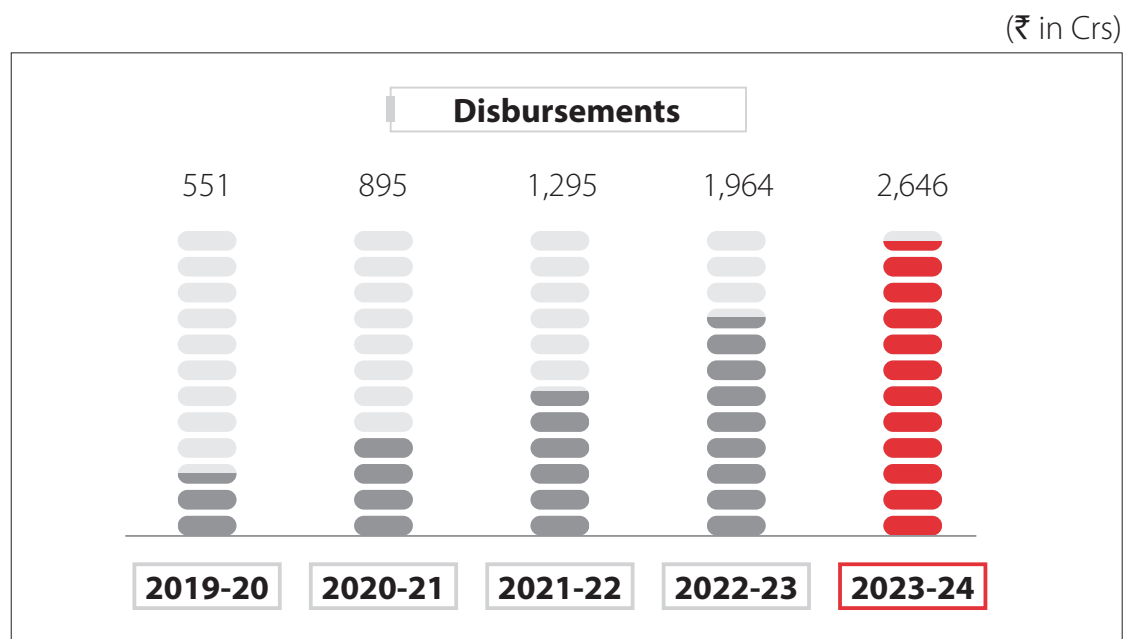
Assets Under Management (AUM)

As of 31 March, 2024, our AUM increased to ₹ 6,084 Crs, compared to ₹ 4,359 Crs in the previous financial year, registering a growth of 40%.



Disbursements

As of 31 March, 2024, our disbursement increased to ₹ 2,646 Crs, compared to ₹ 1,964 Crs in the previous financial year, registering a growth of 35%.



FINANCIAL PERFORMANCE

We have achieved a robust performance in 2023-24. Total income increased 42% Y-o-Y to ₹ 861.4 Crs from ₹ 606.2 Crs. Finance cost grew 38% Y-o-Y to ₹ 287.0 Crs from ₹ 208.7 Crs. Net total income grew 44% Y-o-Y to ₹ 574.4 Crs from ₹ 397.6 Crs.

Operating expenses rose to ₹ 236.0 Crs from ₹ 181.5 Crs, as we focussed on increasing the employee base, investing in technology,

and improving brand visibility on the back of improving business momentum. Pre-provisioning operating profit grew 57% Y-o-Y to ₹ 338.4 Crs from ₹ 216.0 Crs. Asset quality improved and credit costs came in at ₹ 19.2 Crs as compared to ₹ 14.1 Crs in 2022-23.

Profit before tax came in at ₹ 319.2 Crs. After providing for income tax of ₹ 71.6 Crs, Profit after Tax came in at ₹ 247.6 Crs, up 59% Y-o-Y from ₹ 155.3 Crs in 2022-23.

ANNEXURE - 7 (Contd.)

Balance Sheet

(in ₹ Crs)		
Particulars	2023-24	2022-23
Sources of Funds		
Share Capital	53.5	43.8
Reserves & Surplus	2,245.1	1,196.8
Borrowings	3,415.1	2,988.9
Other liabilities & provisions	80.4	66.2
Total	5,794.2	4,295.6
Application of Funds		
Loan Assets	5,062.4	3,609.1
Investments	157.8	46.9
Fixed Assets	29.8	24.3
Cash & Bank Balance	377.7	507.3
Other Assets	166.5	107.9
Total	5,794.2	4,295.6

P&L Summary table

(in ₹ Crs)		
Particulars	2023-24	2022-23
Total Income	861.4	606.2
Finance Cost	287.0	208.7
Operating Expense	236.0	181.5
Pre-Provisioning Operating Profit	338.4	216.0
Credit Cost	19.2	14.1
Profit before Tax	319.2	202.0
Tax Expense	71.6	46.6
Profit after Tax	247.6	155.3
Basic EPS	26.3	17.7
Diluted EPS	25.2	17.4

Key Ratios

Particulars	2023-24	2022-23
Total Revenue to Average Total Assets	17.1%	16.1%
Finance Cost to Average Total Assets	5.7%	5.6%
Spread to Average Total Assets	11.4%	10.6%
Operating Expenses to Average Total Assets	4.7%	4.8%
Credit Cost to Average Total Assets	0.4%	0.4%
PBT to Average Total Assets	6.3%	5.4%
ROA (PAT to Average Total Assets)	4.9%	4.1%
Leverage (Average Total Assets to Average Net Worth)	2.9	3.2
ROE (PAT to Average Net Worth)	14.0%	13.4%
Cost to Income	41.1%	45.7%
Operating Expenses/AUM	4.5%	4.9%
CRAR	70.9%	52.7%
Book Value Per Share	215.3	142.7

ANNEXURE - 7 (Contd.)

Stage-3 Assets

Through our collection mechanism, we have maintained a collection efficiency of 99.5%, resulting in an improvement in dues in various buckets and NPAs. As of 31 March, 2024, the Gross stage-3 assets and Net stage-3 assets improved by 16 bps and 10 bps to 1.0% and 0.7%, respectively, compared to 1.1% and 0.8% in the previous financial year.

Capital Adequacy Ratio (CAR)

As of 31 March, 2024, our Company's CRAR was 70.9%. This is well above the minimum required level.

Branch Network/Geographic Presence

Our expansive network of 223 branches spans 15 states across India. This strategic focus on Tier 2 and Tier 3 markets allow us to capture a significant 95% of the affordable housing market. This geographically diverse portfolio minimises AUM concentration risk, underscoring our widespread presence and commitment to building resilience through diversification.

For geographic presence and state-wise AUM please refer to page number 21.

RESOURCE MOBILISATION

Net Worth

The net worth as of 31 March, 2024 was ₹ 2,298.6 Crs.

IPO

During the year under review, your Company has successfully completed the Initial public offering of 2,43,40,768 equity shares of face value of ₹ 5 each ("equity shares") of the Company for cash at a price of ₹ 493.00 per equity share of face value of ₹ 5 each including a securities premium of ₹ 488.00 per equity share (the "offer price") aggregating to ₹ 1,200 Crs (the "offer"). The offer comprises of a fresh issue of 16,227,180 equity shares of face value of ₹ 5 each by our company aggregating to ₹ 800 Crs (the "fresh issue") and an offer for sale of 81,13,588 equity shares aggregating to ₹ 400 Crs ("offer for sale"). For further information refer to Directors Report.

ESOP Allotment

Our Company issued and allotted 23,68,652 equity shares during the year pursuant to the exercise of stock options by the eligible employees of our Company under ESOP plans.

Term Loans from Banks and Financial Institutions

In FY24 we raised ₹ 1,589 Crs funds from banks and financial institutions with weighted average tenure more than 5 years. The undrawn sanctioned amount as of 31 March, 2024 is at ₹ 549 Crs and the outstanding proportion of term loans from banks and financial institutions is 56% of total borrowings.

Refinance from National Housing Bank (NHB)

Under the National Housing Bank (NHB) refinance scheme, we received a sanction of fresh refinance assistance of ₹ 350 Crs during 2023-24. We availed funds of ₹ 140 Crs during the financial year, which includes disbursements from last year's sanction as

well. The outstanding proportion NHB refinance as of 31 March, 2024 is 15% as against 16% in the previous year. The undrawn sanctioned amount as of 31 March, 2024 is at ₹ 210 Crs.

Non-Convertible Debentures (NCDs)

As of 31 March, 2024, the outstanding proportion from NCDs is 1% of total borrowings.

External Commercial Borrowings (ECB)

The Company has External Commercial Borrowing (ECB) line of \$30 mn from US International Development Finance Corporation (DFC). During the current year, the Company has drawn the remaining \$20 mn External Commercial Borrowing (ECB) limits. Total outstanding foreign currency loan exposure in the form of External Commercial Borrowing as on March 31, 2024 is 6% of total borrowings which is fully hedged by way of cross currency swaps.

Co-Lending

As part of our effort to make a difference and on tapping new initiative, we have actively implemented co-lending initiatives to establish ourselves as the preferred lender for those who are unbanked or underbanked. With a strategy to leverage distribution network and diversify, on tap sources of funds, the Company has co-lending partnership with two banks. The Co-Lending partnerships is gradually gaining traction and during the year company has disbursed ₹ 146 Crs of funds under co-lending partnership wherein partner bank has taken the share of 80% of the disbursed amount in its books.

Direct Assignment (DA) from Banks and Financial Institutions

During the Financial Year under review, your Company received purchase consideration of ₹ 451 Crs from transfer of LAP loan assets (Direct Assignment) pool to Banks. The Direct Assignment transactions were carried out in line with RBI guidelines on Transfer of Loan exposure of Standard Assets and assigned assets were de-recognized in the books of the Company.

Human Resources

We foster a work culture that inspires and motivates our employees to deliver their best each day. We firmly believe in recognising and celebrating excellence, creating an environment that promotes healthy competition and rewarding outstanding achievements. We have established a robust Reward & Recognition Programme to achieve the same.

- Employee Development & Well-Being: We prioritise the development and well-being of the employees, ensuring a healthy and balanced work environment
- Employee Training & Development: 19,142 person hours of training provided in 2023-24
- Employee Ownership: 294 employees are covered under ESOP programme, comprising 9% of the total employee base or 23% of the employee base excluding frontline staff



ANNEXURE - 7 (Contd.)

- Employment generated in Tier 2, 3 & 4 cities
- Gender Diversity: 25% women representation on the Board and 20% women at the Head Office.

Our Company has been certified for the second consecutive year with the Great Place to Work award & recognised as a Top 50 company in the BFSI sector. This achievement reflects our collaborative and supportive work environment, where everyone feels valued.

Employee Health and Safety

At India Shelter, we have set very high priorities for employee development and well-being. We foster a healthy work environment through initiatives like the India Shelter Child Scholarship Programme, health check-ups, weekly yoga classes, and a fitness community.

Training and Development Programmes

Through a range of training programmes, including our initiative 'Parambh - a Leadership Journey,' we focus on nurturing our employees for leadership roles. We make them future-ready for covering specialised functions like lending operations, KYC and AML, underwriting, POSH, and information technology. Additionally, we have implemented multiple policies to ensure a safe and conducive work environment, emphasising employment and labour practices.

INFORMATION TECHNOLOGY

The financial ecosystem is evolving rapidly with the advent of tech-enabled and branchless lending models. Our technology ecosystem revolves around enhancing operational efficiency and customer experience. Operating on a Software-as-a-Service (SaaS) model, our major IT services are backed by a multi-layer security suite, ensuring the safety of our information. We are one of the early adopters of the Salesforce, a customer relationship management system. It is integrated with our downstream and upstream applications, including mobile apps, loan management systems, and customer service applications, streamlining processes and enhancing convenience for customers. We have adopted a paperless approach to entire loan lifecycle complemented by tailored mobile solutions such as iSales, iCredit, iTech, iCollect and iServe, catering to different stages of the lending process. These applications optimise customer acquisition, support underwriting, facilitate collateral evaluation, assist in collections and ensure prompt customer service.

Risk	Mitigation
Credit risk Credit risk refers to the possibility of a company's assets losing value because of uncertainty about whether borrowers will be able to repay loans.	We have implemented a comprehensive credit risk framework to mitigate this risk. It helps us evaluate factors such as the borrower's credit history, demographics, and income. Additionally, a rigorous credit sanction process is in place, and we continuously monitor post-disbursement to ensure a timely repayment.

Our data-driven approach utilises extensive databases for underwriting and risk scoring. Cloud-based solutions for customer relationship management and loan management provide us with a holistic view of our customers, while digital loan management through Finnone Neo ensures regulatory compliance. Additionally, we use Microsoft D365 - Finance for accounting and vendor management, with Azure Active Directory ensuring centralised administration and authentication. Our commitment to security is further strengthened by the deployment of an Extended Detection and Response (XDR) solution for threat detection using artificial intelligence. The incorporation of information technology in our service delivery mechanisms and operating model not only promotes uniformity in our operations but also enhances efficiency and improves customer experiences.

INTERNAL CONTROL FRAMEWORK

We have a comprehensive internal control framework in place that aligns with our Company's size, scale, and complexity. The Internal Audit Department conducts thorough audits of various functional areas and operations to assess compliance with policies, procedures, and regulatory requirements. The audit observations and follow-up actions are reported to the Audit Committee quarterly. The Audit Committee reviews the internal control environment's adequacy and effectiveness and oversees the implementation of audit recommendations.

The Directors are responsible for ensuring robust internal financial control systems and frameworks to provide reasonable assurance regarding reporting, operational, and compliance risks. There were no material breakdowns in controls, procedures, or systems during the reviewed year, and no significant changes in internal financial controls occurred that could materially affect them.

RISK MANAGEMENT

At India Shelter Finance Corporation, we understand that effective risk management and mitigation are essential for sustaining and growing businesses. We believe in proactively identifying risks and implementing tailored mitigation plans to reduce their impact. Our continuous review and update of risk management policies ensures that our business is well prepared to navigate potential risks successfully. Here are some key business risks that we address through our risk management processes:





ANNEXURE - 7 (Contd.)

Risk	Mitigation
Operational risk Operational risk is the potential loss that can arise from inadequate or failed internal processes, people, systems, or external events. Financial institutions are particularly susceptible to this risk, as it can negatively impact their reputation, financial performance, and customer relationships.	We have established robust internal control systems with clear demarcations for duties, access, authorisation, and reconciliation procedures. Regular monitoring of procedures is conducted to uphold high standards across business processes. Staff education and assessment processes are also in place, including internal audit and risk containment units. These measures facilitate clear communication, monitor changes, and control business transaction risk. Additionally, the digitisation of internal processes reduces our reliance on manual work, minimising human errors through automation and precision in operations.
Market risk Market risk stems from fluctuations in the market environment, which have the potential to either escalate the worth of liabilities or devalue the assets.	Our exposure to market risk is confined to fluctuations in interest rates. To manage this risk, we regularly assess the maturity profile and conduct stress tests to ensure sufficient mitigation.
Interest rate risk Interest rate risk is the possibility of financial loss arising from changes in interest rates, which can affect an organisation's financial performance and overall value.	We evaluate the interest rate sensitivity gap and conduct regular portfolio tests. Additionally, we employ a combination of fixed and floating rate instruments to mitigate interest rate risk. We also diversify our funding sources to reduce reliance on any single one, thus lessening the impact of interest rate fluctuations. Furthermore, we closely monitor and analyse interest rate trends to anticipate changes and take timely action to mitigate interest rate risk.
Forex Risk Foreign exchange risk is the possibility of loss arising for the foreign currency exposure of the Company from currency fluctuations and adverse movement in the interest rates of internation market.	The Company has External Commercial Borrowing (ECB) line of \$30 mn which is fully hedged by way of cross currency swaps.
Liquidity risk Liquidity risk is the potential risk of a shortfall in cash assets or their equivalents to fulfil urgent cash requirements.	We have sufficient cash reserves to address unexpected cash needs. Additionally, Asset-Liability Policy ensures that adequate cash flow and unused credit facilities are always available.
Reputation risk Reputation risk emerges from unforeseen and indirect losses due to unfavourable experiences or public perception.	We have implemented corporate governance and compliance framework to mitigate reputation risk. This framework is integrated into all aspects of our business operations.
Technology risk Technology risk is the possibility of loss arising from a system breakdown.	Our governance framework includes information technology practices to manage technology risks.
Regulatory risk Regulatory risk is the possibility of economic or reputational loss from non-compliance with legal requirements.	We diligently adhere to rules and regulations, ensuring no violations occur.

CORPORATE SOCIAL RESPONSIBILITY

We aim to make a positive difference in society and improve the quality of life through our positive intervention in the community. We undertake key CSR initiatives with a sustainable, long-term view to benefit society at large. The scope of activities that we undertake towards the fulfilment of our CSR is in line with Schedule VII of the Companies Act, 2013, as amended from time to time, and any other applicable laws, regulations. Our key CSR objectives are identifying affordable housing, enhancing financial inclusion, supporting local communities, and addressing societal needs such as hunger, poverty, health, and rural development.

CAUTIONARY STATEMENT

This document contains forward-looking statements and information. Such statements are based on our current expectations and certain assumptions. Therefore, they are subject to certain risks and uncertainties. Should one or more of these risks or uncertainties materialise, or if underlying assumptions prove incorrect, actual results may vary. The Company does not intend to assume any obligation to update or revise these forward-looking statements in light of developments that differ from those anticipated.

ANNEXURE - 8

FORM NO. MR-3
SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED 31 MARCH, 2024

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

To,
The Members,

India Shelter Finance Corporation Limited

CIN: L65922HR1998PLC042782

Registered Office Address: 6th Floor, Plot No. 15,
Sector - 44, Institutional Area, Gurgaon- 122002,
Haryana, India

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **India Shelter Finance Corporation Limited** (hereinafter called '**the Company**'). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the Company, during the audit period covering the financial year ended on March 31, 2024 has complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter along with Annexure 1 attached to this report.

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on March 31, 2024 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-

- a. The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;
- b. The Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018;
- c. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
- d. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;
- e. Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021.
- f. Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
- g. Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021;
- (vi) The other laws which are specifically applicable to the Company based on its sector/industry are:
 - a. Regulations and Directions issued by National Housing Bank ("**NHB**");
 - b. Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013;

I have also examined compliance with the applicable clauses of the following:

- a. Secretarial Standards issued by the Institute of Company Secretaries of India;
- b. The Listing Agreement entered into by the Company with Bombay Stock Exchange ("**BSE**") and National Stock Exchange ("**NSE**").

During the period under review, the Company has complied with the provisions of the Acts, Rules, Regulations, Guidelines, etc. mentioned above.

I further report that –

The Board of the Company is duly constituted with a proper mix of Executive Directors, Non-Executive Directors and Independent Directors; the Board of Directors are fit and proper as stated in the RBI HFC Master Directions and in accordance with the applicable provisions of the Act.



ANNEXURE - 8 (Contd.)

Adequate notice is given to all Directors to schedule the Board meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and in case of shorter notice, compliance as required under the Act has been made by the Company and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

All decisions at Board Meetings and Committee Meetings were carried out with requisite majority. Further as informed, there were no dissenting views by any member of the Board or Committee(s) during the period under review.

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

During the year under review, Mr. Ajay Narayan Jha, Mr. Parveen Kumar Gupta and Ms. Savita Mahajan were appointed as an Independent Director. Thereafter, Mr. Anil Mehta resigned from the office of Chairman and Non-Executive Director with effect from July 31, 2023. Mr. Ajay Narayan Jha resigned from the office of Independent Director with effect from February 08, 2024 and Mr. Anup Kumar Gupta resigned from the office of Nominee Director with effect from March 07, 2024.

During the year under review, the remuneration of Mr. Rupinder Singh has been increased w.e.f. April 01, 2023 with the approval of Board in the meeting held on May 09, 2023 and shareholders'

approval in the Annual General Meeting held on July 14, 2023. The Board of Directors of the Company has, vide resolution passed on February 08, 2024, further approved distribution of amount equivalent to ₹ 6,00,000/- (Indian Rupees Six Lakh only), in one or more tranches, to some or any of the Independent Directors from financial year 2024-25 onwards.

As per the information provided by the Company, BSE and NSE, vide their communication dated February 22, 2024, have levied fine on the Company with respect to non-compliance under Regulation 19(1)/ 19(2) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 for the Quarter ended December 31, 2023 with respect to the composition of Nomination and Remuneration Committee. The Company has reconstituted the said Committee based on the clarification received from NSE. The Company has requested for waiver of the said fines.

It is also reported that during the audit period, the Company has:

- Approved Employee Stock Option Plan, 2023 in the Extra-Ordinary General Meeting held on July 18, 2023, to create, offer and grant up to 16,76,725 options.
- The Company, vide special resolution passed on July 18, 2023, approved the sub-division of equity shares having face value of ₹ 10/- each into equity shares having a face value of ₹ 5/- each.
- Approved allotment of equity shares pursuant to the following:

S. No.	Allotment pursuant to	Date of Allotment	No. of equity shares
1.	Employee Stock Option Plan 2012 & 2021	*May 09, 2023	60,885
2.	Employee Stock Option Plan 2021	*July 12, 2023	2,725
3.	Employee Stock Option Plan 2012 & 2017	*July 31, 2023	14,62,550
4.	^Allotment on preferential basis	*July 20, 2023	3,55,000
5.	Employee Stock Option Plan 2021	October 25, 2023	42,518
6.	Employee Stock Option Plan 2021	November 17, 2023	1,47,364
7.	Employee Stock Option Plan 2017 & 2021	November 30, 2023	5,89,000
8.	Initial Public Offer	Listed w.e.f. December 20, 2023	1,62,27,180

*The shares have been allotted of Face Value of ₹ 10 each.

^The Company has offered 3,55,000 equity shares to Mr. Anil Mehta by passing a Special Resolution as on June 08, 2016, at price of ₹ 83.20/- per share on the basis of valuation report dated February 18, 2016 carried out by Category-I Merchant Banker. Further, the concerned shares have been issued and allotted on July 20, 2023, by passing the fresh Special

Resolution as on July 18, 2023 by ratifying the aforesaid offer as approved through Special Resolution passed on June 08, 2016, on the same price as per the erstwhile valuation report dated February 18, 2016.

- The Company called and received unpaid money on July 19, 2023 on 1,35,000 partly paid-up equity shares allotted to Mr. Anil Mehta on November 19, 2022.

ANNEXURE - 8 (Contd.)

- The Company, vide special resolution passed on July 14, 2023, approved transfer of 6,000 options from Employee Stock Option Plan 2017 to Employee Stock Option Plan 2021.
- The Company, vide special resolution passed on July 18, 2023, approved borrowing limit up to an aggregate amount of ₹ 75,00,00,00,000/- under Section 180(1)(c) of the Act.

Jitender Singh

Practicing Company Secretary

Mem. No.: A33610

C.P. No.: 26612

UDIN: A033610F000329444

Peer Review Certificate No. :2013UP1081800

Date: May 08, 2024

Place: Gurgaon

Note: This report is to be read with our letter of even date which is annexed as **Annexure-1** and forms an integral part of this report.



ANNEXURE - 8 (Contd.)

Annexure – 1

To,
The Members,
India Shelter Finance Corporation Limited
CIN: L65922HR1998PLC042782
Registered Office Address: 6th Floor,
Plot No. 15, Sector - 44, Institutional Area,
Gurgaon- 122002, Haryana, India

My secretarial audit report of even date is to be read along with this letter.

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

Jitender Singh

Practicing Company Secretary

Mem. No.: A33610

C.P. No.: 26612

UDIN: A033610F000329444

Peer Review Certificate No.: I2013UP1081800

Date: May 08, 2024

Place: Gurgaon

FINANCIAL STATEMENTS

STANDALONE 167-247

CONSOLIDATED 248-313



INDEPENDENT AUDITORS' REPORT

To the Member of

India Shelter Finance Corporation Limited

Report on the Audit of the standalone financial statements

1. OPINION

We have audited the accompanying standalone financial statements of India Shelter Finance Corporation Limited ("the Company"), which comprise the Balance Sheet as at 31 March 2024, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and Statement of Cash Flows for the year ended on that date, and notes to the standalone financial statements, including a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the Standalone financial statements").

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

2. BASIS FOR OPINION

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

3. KEY AUDIT MATTERS

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

Sr. No.	Key Audit Matter	Auditor's Response
a.	Impairment on Financial Instruments As at 31 March 2024, the Company has reported gross loans assets amounting to Rs.5,10,648.98 lakhs and other financial assets amounting to Rs.12,732.69 lakhs against which impairment of Rs. 4,409.40 lakhs and Rs. 93.17 lakhs respectively have been recorded. Ind AS 109 Financial instruments (Ind AS 109) requires the Company to provide for impairment of its financial instruments (designated as amortized cost or fair value through other comprehensive income) using the expected credit loss (ECL) approach. ECL involves an estimation and a significant degree of judgement by the management for development of ECL model and its corresponding application in the ECL model. These judgement and estimates include: 1. Estimating the behavioral life of the product. 2. Data inputs in relation to ECL model. 3. Application of the macroeconomic factors on a forward-looking basis. 4. Modification of assets in terms of restructuring. 5. Determination of loan book segmentation based on homogeneity, probability of defaults, loss given defaults and exposure at default.	Read and assessed the Company's accounting policies for impairment of financial instruments (Refer note 2.9) and their compliance with Ind AS 109 and the governance framework approved by the Board of Directors. Read and assessed the Company's policy with respect to one-time restructuring offered to customers pursuant to the "Resolution Framework 2.0- Resolution of COVID-19-related Stress of Micro, Small and Medium Enterprises" issued by RBI on May 5, 2021 and tested the implementation of such policy on a sample basis. We have evaluated the management response upon implementation of various RBI circulars and tested the implementation of requirements as per these circulars on sample basis. We also performed end to end process walkthroughs to identify the key systems, applications and controls used in the ECL processes. We tested the relevant manual controls, general IT and application controls over key systems used in the ECL process. Evaluated the reasonableness of the management estimates by understanding the process of ECL estimation and related assumptions and tested the controls around data extraction and validation.

INDEPENDENT AUDITOR'S REPORT (contd.)

Sr. No.	Key Audit Matter	Auditor's Response
.	6. Management Overlay based on risk assessment and qualitative adjustments 7. Compliance with RBI circulars and assess the level of credit impairment of financial instrument. 8. Disclosures as required by IND AS 109 and RBI Circular Refer Note no. 6 & 8 of the standalone financial statements.	We tested the operating effectiveness of the controls for staging of loans and advances based on their past-due status. Tested a sample of performing (stage 1) loans to assess whether any Significant Increase in Credit Risk indicators were present requiring them to be classified under higher stages. Assessing the appropriateness of changes made in macro-economic factors and management overlays to calibrate the risks that are not yet fully captured by the existing model. We tested the arithmetical accuracy of computation of ECL provision performed by the Company. We assessed the disclosures included in the Ind-AS standalone financial statements with respect to such allowance / estimate are in accordance with the requirements of Ind AS 109 and Ind AS 107 Financial Instruments: Disclosures and also as per RBI Guidelines.
b.	Evaluation of Company's IT systems and Controls The Company's key financial accounting and reporting processes are highly dependent on information systems including automated controls in information systems, such that there exists a risk that, gaps in the IT control environment could result in the financial accounting and reporting records being misstated. We identified 'IT systems and controls' as key audit matter because of the high level of automation being used by management and the scale and complexity of the IT architecture.	Our audit procedures include assessment and identification of key IT applications, and further verifying, testing, and reviewing the design and operating effectiveness of the IT system on the basis of reports /returns and other financial and non-financial information generated from the system on a test check basis. Our audit procedures included: a) Obtained an understanding of the IT control environment, IT policies during the audit period. b) Testing IT general controls related to User and Application controls, Change Management Controls and Data backup. Where we identified the need to perform additional procedures, we placed reliance on manual reconciliations between systems and other information sources.

4. OTHER INFORMATION

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

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

In connection with our audit of the Standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the Standalone financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. 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.

5. MANAGEMENT'S RESPONSIBILITY FOR THE STANDALONE FINANCIAL STATEMENTS

The Company's Management and Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these Standalone financial statements that give a true and fair view of the financial position, financial performance, including other comprehensive income, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards ("Ind AS") specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Standalone financial statements that give

INDEPENDENT AUDITOR'S REPORT (contd.)

a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

6. AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE STANDALONE FINANCIAL STATEMENTS

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

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

- Identify and assess the risks of material misstatement of the Standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to standalone financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures in the Standalone financial

statements made by the Management and Board of Directors.

- Conclude on the appropriateness of the Management and Board of Directors use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the Standalone financial statements, including the disclosures, and whether the Standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Materiality is the magnitude of misstatements in the Standalone financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the Standalone financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the Standalone 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 Standalone financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditors' 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

INDEPENDENT AUDITOR'S REPORT (contd.)

in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

7. REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

- I. As required by the Companies (Auditors' Report) Order, 2020 ("the Order") issued by the Central Government in terms of section 143 (11) of the Act, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
- II. As required by section 143(3) of the Act, based on our audit we report that:
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - 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 statement of cash flows dealt with by this Report are in agreement with the books of account.
 - d) In our opinion, the aforesaid Standalone financial statements comply with the Ind AS specified under section 133 of the Act.
 - e) On the basis of the written representations received from the directors as on 31 March 2024 taken on record by the Board of Directors, none of the directors are disqualified as on 31 March 2024 from being appointed as a director in terms of section 164(2) of the Act.
 - f) With respect to the adequacy of the internal financial controls with reference to Standalone financial statements of the Company and the operating effectiveness of such controls, refer to our separate report in "Annexure B". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls with reference to Financial Statement.
 - g) With respect to the matter to be included in the Auditors' Report under section 197(16) of the Act, as amended:

In our opinion and according to the information and explanations given to us, the remuneration

paid by the Company to its directors during the current 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 Auditors' 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 31 March 2024 on its financial position in its Standalone financial statements - Refer Note 34 of Standalone financial statements;
 - ii) The Company is not required to make any provision, as required under any law and accounting standards, for material foreseeable losses on any long-term contracts including derivative contracts- Refer note 5 of the financial statements.
 - iii) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company;
 - iv) (a) The Management has represented that, to the best of its (knowledge and belief, no funds (which are material either individually or in aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
 - (b) The Management has represented, that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the company from any person(s) or entity(ies), 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

INDEPENDENT AUDITOR’S REPORT (contd.)

- identified in any manner whatsoever by or on behalf of the Funding Party (“Ultimate Beneficiaries”) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and
- (c) Based on audit procedures that we have considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.
- v) During the year, the company has not paid or declared any dividend.
- vi) Based on our examination which included test checks, the company has used accounting softwares (Finnone Loan Management System and Microsoft Dynamics 365 financial accounting package) which is operated by a third party

software service provider for maintaining its books of account. Based on SOC1TYPE2 and SOC2TYPE2 report for both softwares provided by the third party software service provider and other information provided to us by the company, we report that the audit trail (edit log) facility in the above softwares was enabled and operated throughout the year for all relevant transactions recorded in the software. Further, based on the confirmation of the third-party software service provider provided to us by the company we report that there was no instance wherein audit trail (edit log) feature was tampered with.

As proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 is applicable from April 01, 2023, reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 on preservation of audit trail as per the statutory requirements for record retention is not applicable for the financial year ended March 31, 2024

For T R Chadha & Co LLP
Chartered Accountants
Firm’s Reg. No-: 006711N/N50028

Aashish Gupta
(Partner)
Membership No. 097343
UDIN: 24097343BKEHVI8663

Place: Gurugram
Date: 08th May 2024

ANNEXURE A TO THE INDEPENDENT AUDITOR’S REPORT OF
EVEN DATE

To the best of our information and according to the explanations provided to us by the Company and the books of account and records examined by us in the normal course of audit, we state that;

- i. In respect of the Company’s Property, Plant and Equipment and Intangible Assets:
- (a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of property, plant and equipment, Asset held for sale and relevant details of right-of use assets;
- (B) The Company has maintained proper records showing full particulars of intangible assets;
- (b) The Company has a program of physical verification of these Property, Plant and Equipment whereby all these assets are verified once in once in year. In our opinion, the periodicity of the physical verification is reasonable having regard to the size of the Company and the nature of its assets. For the assets where physical verification exercise was completed, no material discrepancies were noticed on such verification;
- (c) The title deeds of the immovable properties (other than properties where the company is the lessee and the lease agreements are duly executed in favour of the lessee) disclosed in the financial statements included under property, plant and equipment are held in the name of the Company;
- (d) The Company has not revalued its Property, Plant and Equipment (including right-of-use assets) and intangible assets during the year;
- (e) No proceedings have been initiated during the year or are pending against the Company as at March 31, 2024 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) (as amended in 2016) and rules made thereunder;
- ii (a) The Company is primarily engaged in lending business. Accordingly, it does not hold any inventories. Thus, the provision of clause 3(ii)(a) of the Order is not applicable to the Company;
- (b) The Company has been sanctioned loans in excess of Rs.5 crores in aggregate during the year from banks and financial institutions on the basis of security of current assets and the quarterly returns/statements filed by the company with such banks and financial institutions. As disclosed by the management in Note 16(v) of the financial statements and as verified by us, the same are in agreement with the books of accounts of the company;

- iii. The Company has not made investments in and provided any guarantee or security to companies, firms, Limited Liability Partnerships or any other parties. However, the Company has granted secured and unsecured loans to companies, firms, Limited Liability Partnerships and to others parties during the year in respect of which;
- (a) Since the Company is principally engaged in providing loans reporting under clause 3(iii)(a) of the Order is not applicable;
- (b) In our opinion, the terms and conditions of the loans granted during the year are prima facie not prejudicial to the Company’s interest;
- (c) The Company is principally engaged in the business of providing loans. In respect of loans granted by the Company, the schedule of repayment of principal and payment of interest has been duly stipulated and the repayments of principal amounts and receipts of interest have been regular as per stipulation except for certain cases, the summary of which are as disclosed by the management in Note 6 of notes of the Financial Statements.
- (d) In respect of loans granted by the Company, the overdue amount remaining outstanding as at the balance sheet date is as reported in Note 6(viii) of notes of the Financial Statements. The total amount overdue for more than 90 days amounts to Rs. 5,012.87 Lakhs with respect to 676 borrowers (771 loan accounts). The Company has generally taken reasonable steps in its normal course of business for recovery of overdue principal and interest in respect of such loans;
- (e) As Company is principally engaged in providing loans, hence the reporting under clause 3(iii)(e) of the Order is not applicable;
- (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.
- iv The Company has not granted any loans, made investments, or provided guarantees and securities which attract the provisions of section 185 and section 186 of the Act. Accordingly, paragraph 3(iv) of the Order is not applicable to the Company;
- v The Company has not accepted any deposits or amounts which are deemed to be deposits from the public to which the directives issued by the Reserve Bank of India and the provisions of section 73 to 76 or any other relevant provisions of the Act and the Rules framed there under apply. Accordingly, the provision of clause 3(v) of the Order is not applicable to the Company;

ANNEXURE A (contd.)

- vi

The Central Government has not prescribed the maintenance of cost records under sub-section (1) of section 148 of the Act for any of the services rendered by the Company. Accordingly, the provision of clause 3(vi) of the Order is not applicable to the Company;
- vii

(a)

The amounts deducted / accrued in the books of account in respect of undisputed statutory dues including Goods and Services tax, provident fund, employees' state insurance, income tax, cess and other applicable statutory dues have been regularly

(b)

Details of statutory dues referred to in sub-clause (a) above which have not been deposited as on March 31, 2024 on account of disputes are given below:

deposited by the Company with the appropriate authorities. As explained to us, the Company did not have any dues on account of sales tax, service tax, value added tax, duty of customs and duty of excise;

There were no undisputed amounts payable in respect of Goods and Services tax, provident fund, employees' state insurance, income tax, cess and other applicable statutory dues which were in arrears as at 31 March 2024 for a period of more than six months from the date they become payable;

(Rs. In lakhs)

Nature of Act	Forum	Period (Assessment year)	Demand Amount excluding interest	Amount Deposited	Amount not deposited
Income Tax Act	Commissioner Income Tax Appeals	2017-18	445.23	89.05	356.18
Goods and Service Tax	Commissioner Goods and Service Tax	2019-20	12.50	1.25	11.25

- viii

There were no transactions relating to previously unrecorded income that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961);
- ix

(a)

The Company has not defaulted in the repayment of loans or other borrowings to or in the payment of interest thereon to any lender, during the year;

(b)

The Company has not been declared as willful defaulter by any bank or financial institution or other lender;

(c)

Term loans availed by the Company during the year have been generally applied for the purpose for which they were obtained other than temporary deployment in liquid assets which are recoverable on demand;

(d)

On an overall examination of financial statements of the company, we report that no funds have been raised on short term basis. Accordingly, the provision of clause 3(ix)(d) of the Order is not applicable to the Company;

(e)

On an overall examination of the financial statements of the Company, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its Subsidiary company or its associates' companies;

(f)

The company has not raised loans during the year on the pledge of securities held in its subsidiaries, joint ventures or associate companies, and accordingly, the provisions of clause 3(ix) (f) of the Order is not applicable;
- x

(a)

The Company has raised moneys by way of initial public offer of equity share capital during the year and as disclosed by the management in Note 20(f). Funds were applied for the purpose for which they were raised;

(b)

The Company has not made any preferential allotment or private placement of shares or convertible debentures (fully, partially or optionally convertible) except for the 3,55,000 equity shares having face value of Rs.10 per share at a premium of Rs.73.20 per share issued during the year. The company has complied with the requirements of section 42 and section 62 of the companies act, 2013 and the funds raised have been used for the purposes for which the funds were raised.
- xi

(a)

We report that no fraud by the company has been noticed or reported during the year nor have we been informed of any such case by the management. As regards to fraud on the company, there have been 2 instance aggregating to Rs. 18.37 Lakh wherein frauds have been perpetrated by the borrower of the Company and third party as disclosed in note 44.31 of the financial statements.

(b)

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

ANNEXURE A (contd.)

- (c)

We have taken into consideration the whistle blower complaints received by the Company during the year (and upto the date of this report), while determining the nature, timing and extent of our audit procedures;
- xii

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

In our opinion, the Company is in compliance with section 177 and 188 of the Companies Act, 2013 with respect to all applicable transactions with the related parties and the details of related party transactions have been disclosed in the financial statements 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 issued to the Company for the period under audit;
- xv

The company has not entered into any non-cash transactions with directors or persons connected with him and hence provisions of section 192 of Companies Act are not applicable to the company.
- xvi

(a)

As the Company is a Non-Banking Financial institution and registered under National Housing Bank (NHB) Act, 1987, it has been exempted from the requirement of registration under section 45-IA of the Reserve Bank of India Act; 1934.

(b)

The Company has a valid certificate of registration from National Housing Bank;

(c)

The Company is not a core investment company and hence reporting under clause (xvi)(c) of the Order is not applicable;
- (d)

There are no core investment company as a part of the group;
- xvii

The Company has not incurred cash losses during the financial year covered by our audit and the immediately preceding financial year;
- xviii

There has been no resignation of the statutory auditors during the year and hence reporting under clause 3 (xviii) of the Order is not applicable.
- xix

According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that company is not capable of meeting its liabilities existing at the date of 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

As disclosed by management in note 30.2 of the financial statements and as verified by us, the gross amount required to be spent by company towards Corporate Social Responsibility (CSR) during the year has been duly spent during the year. Hence reporting under clause (xx)(a) and clause (xx)(b) of the Order is not applicable;

For T R Chadha & Co LLP
Chartered Accountants
Firm's Reg. No-: 006711N/N50028

Aashish Gupta
(Partner)
Membership No. 097343
UDIN: 24097343BKEHVI8663

Place: Gurugram
Date: 08th May 2024



ANNEXURE – B TO THE INDEPENDENT AUDITOR’S REPORT OF EVEN DATE ON THE FINANCIAL STATEMENTS OF INDIA SHELTER FINANCE CORPORATION LIMITED

Report on the Internal Financial Controls with reference to financial statements 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 **INDIA SHELTER FINANCE CORPORATION LIMITED** (“the Company”) as of March 31, 2024 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management’s Responsibility for Internal Financial Controls

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

Auditors’ Responsibility

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 with reference to financial statements, both applicable to an audit of Internal Financial controls with reference to financial statements. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system 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 judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained 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 authorizations 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.

ANNEXURE B (contd.)

Opinion

In our opinion, to the best of our information and according to the explanations given to us, 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, 2024, based on the internal control with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India.

For T R Chadha & Co LLP
Chartered Accountants
Firm’s Reg. No:- 006711N/N50028

Aashish Gupta
(Partner)
Membership No. 097343
UDIN: 24097343BKEHVI8663

Place: Gurugram
Date: 08th May 2024

STANDALONE BALANCE SHEET

AS AT 31 MARCH, 2024

(All amounts in ₹ Lacs, unless otherwise stated)

	Notes	As at 31 March, 2024	As at 31 March, 2023
ASSETS			
(1) Financial assets			
(a) Cash and cash equivalents	3	11,185.41	35,853.84
(b) Bank balance other than cash and cash equivalents	4	25,276.24	13,628.79
(c) Derivative financial instruments	5	-	5.85
(d) Loans	6	506,239.58	360,914.42
(e) Investments	7	16,979.70	5,892.83
(f) Other financial assets	8	12,639.52	9,022.66
(2) Non-financial assets			
(a) Current tax assets (net)	9	1,484.07	-
(a) Deferred tax assets (net)	10	304.98	301.31
(b) Property, plant and equipment	11	2,953.20	2,383.47
(c) Other intangible assets	12	28.09	48.45
(d) Other non-financial assets	13	1,580.79	816.37
(e) Assets held for sale		636.57	645.08
Total assets		579,308.15	429,513.07
LIABILITIES AND EQUITY			
Liabilities			
(1) Financial liabilities			
(a) Derivative financial instruments	5	255.54	-
(b) Trade payables			
(i) total outstanding dues of micro enterprises and small enterprises	14	18.55	-
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises	14	480.61	613.98
(c) Debt securities	15	3,000.90	17,653.41
(d) Borrowings (other than debt securities)	16	338,508.97	281,233.49
(e) Other financial liabilities	17	6,846.05	5,343.53
(2) Non-financial liabilities			
(a) Provisions	18	280.64	468.98
(b) Current tax liabilities (Net)	9	-	60.01
(c) Other non-financial liabilities	19	159.23	123.46
Total liabilities		349,550.49	305,496.86
(3) Equity			
(a) Equity share capital	20	5,352.56	4,376.47
(b) Other equity	21	224,405.10	119,639.74
Total equity		229,757.66	124,016.21
Total liabilities and equity		579,308.15	429,513.07

The accompanying notes form an integral part of these standalone financial statements.

This is the balance sheet referred to in our report of even date.

For **T R Chadha & Co LLP**

Chartered Accountants

Firm's Registration No.: 006711N/N500028

Aashish Gupta

Partner

Membership No.: 097343

For and on behalf of the Board of Directors of

India Shelter Finance Corporation Limited

Sudhin Bhagwandas Choksey

Chairman and
Non-Executive Director
DIN: 00036085

Rachna Dikshit

Independent Director
DIN: 08759332

Mukti Chaplot

Company Secretary
Membership No. 38326

Rupinder Singh

Managing Director and
Chief Executive Officer
DIN: 09153382

Ashish Gupta

Chief Financial Officer

Place: Gurugram

Date: 08 May, 2024



STANDALONE STATEMENT OF PROFIT AND LOSS

FOR THE YEAR ENDED 31 MARCH, 2024

(All amounts in ₹ Lacs, unless otherwise stated)

	Notes	For the year ended 31 March, 2024	For the year ended 31 March, 2023
REVENUE FROM OPERATIONS			
(i) Interest income	22	70,158.05	50,232.96
(ii) Fees and commission income	23	3,778.94	3,158.41
(iii) Net gain on fair value changes	24	1,009.70	609.19
(iv) Net gain on derecognition of financial instruments under amortised cost category		7,914.76	4,390.76
(I) Total revenue from operations		82,861.45	58,391.32
(II) Other income	25	3,176.21	2,171.30
(III) Total income (I+II)		86,037.66	60,562.62
EXPENSES			
(i) Finance costs	26	28,851.71	20,986.96
(ii) Impairment on financial instruments	27	1,917.59	1,406.77
(iii) Employee benefits expenses	28	17,942.88	13,455.94
(iv) Depreciation and amortisation	29	991.36	820.25
(v) Other expenses	30	4,513.09	3,746.20
(IV) Total expenses		54,216.63	40,416.12
(V) Profit before tax (III-IV)		31,821.03	20,146.50
(VI) Tax expense:	31		
(1) Current tax		6,967.56	4,634.07
(2) Deferred tax charge/(credit)		166.16	14.68
Total tax expense		7,133.72	4,648.75
(VII) Profit for the year (V-VI)		24,687.31	15,497.75
(VIII) Other comprehensive income			
(i) Items that will not be reclassified to profit or loss			
-Remesurment of defined benefit obligations		16.29	152.01
-Income tax effect relating to re-measurement loss on defined benefit plans		(4.10)	(38.26)
(ii) Items that will be reclassified to profit or loss			
-Re-measurement gains/ (losses) on hedge instruments		(691.02)	(235.22)
-Income tax effect relating to re-measurement gains/ (losses) on hedge instruments		173.92	59.20
Total other comprehensive income		(504.91)	(62.27)
(IX) Total comprehensive income for the year(VII+VIII)		24,182.40	15,435.48
(X) Earnings per equity share	41		
Basic (₹)		26.24	17.72
Diluted (₹)		25.10	17.43

The accompanying notes form an integral part of these standalone financial statements.

This is the statement of profit and loss referred to in our report of even date.

For **T R Chadha & Co LLP**

Chartered Accountants

Firm's Registration No.: 006711N/N500028

Aashish Gupta

Partner

Membership No.: 097343

For and on behalf of the Board of Directors of

India Shelter Finance Corporation Limited

Sudhin Bhagwandas Choksey

Chairman and
Non-Executive Director
DIN: 00036085

Rachna Dikshit

Independent Director
DIN: 08759332

Mukti Chaplot

Company Secretary
Membership No. 38326

Rupinder Singh

Managing Director and
Chief Executive Officer
DIN: 09153382

Ashish Gupta

Chief Financial Officer

Place: Gurugram

Date: 08 May, 2024

STANDALONE STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 31 MARCH, 2024

(All amounts in ₹ Lacs, unless otherwise stated)

A. EQUITY SHARE CAPITAL

Particulars	Balance as at 01 April, 2022	Changes during the year	Balance as at 31 March, 2023	Changes during the year	Balance as at 31 March, 2024
Equity share capital	4,370.67	5.80	4,376.47	976.09	5,352.56

B. OTHER EQUITY

Particulars	Share application money pending allotment	Reserves and Surplus				Items of other comprehensive income		Total
		Statutory reserve	Securities premium	Employee share based payment reserve	Retained earnings	Re-measurements of defined benefit plans	Effective portion of cash flow hedge reserve	
Balance as at 31 March, 2022	-	6,992.50	68,577.83	833.95	26,897.38	(59.69)	-	103,241.97
Transfer to statutory reserve	-	3,099.55	-	-	(3,099.55)	-	-	-
Issue of share capital	-	-	131.94	-	-	-	-	131.94
Share options exercised during the year	-	-	3.28	(3.28)	-	-	-	-
Share based payment to employees	-	-	-	830.35	-	-	-	830.35
Profit for the year	-	-	-	-	15,497.75	-	-	15,497.75
Other comprehensive income (net of taxes)	-	-	-	-	-	113.75	(176.02)	(62.27)
Balance as at 31 March, 2023	-	10,092.05	68,713.05	1,661.02	39,295.58	54.06	(176.02)	119,639.74
Transfer to statutory reserve	-	4,937.46	-	-	(4,937.46)	-	-	-
Issue of share capital	-	-	79,352.85	-	-	-	-	79,352.85
Share options exercised during the year	-	-	1,248.49	(1,248.49)	-	-	-	-
Share based payment to employees	-	-	-	1,230.11	-	-	-	1,230.11
Profit for the year	-	-	-	-	24,687.31	-	-	24,687.31
Other comprehensive income(net of taxes)	-	-	-	-	-	12.19	(517.10)	(504.91)
Balance as at 31 March, 2024	-	15,029.51	149,314.39	1,642.64	59,045.43	66.25	(693.12)	224,405.10

The accompanying notes form an integral part of these standalone financial statements.

This is the statement of changes in equity referred to in our report of even date.

For **T R Chadha & Co LLP**

Chartered Accountants

Firm's Registration No.: 006711N/N500028

Aashish Gupta

Partner

Membership No.: 097343

Place: Gurugram

Date: 08 May, 2024

For and on behalf of the Board of Directors of

India Shelter Finance Corporation Limited

Sudhin Bhagwandas Choksey

Chairman and

Non-Executive Director

DIN: 00036085

Rachna Dikshit

Independent Director

DIN: 08759332

Mukti Chaplot

Company Secretary

Membership No. 38326

Rupinder Singh

Managing Director and

Chief Executive Officer

DIN: 09153382

Ashish Gupta

Chief Financial Officer

STANDALONE STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 MARCH, 2024

(All amounts in ₹ Lacs, unless otherwise stated)

Particulars	For the year ended 31 March, 2024	For the year ended 31 March, 2023
(A) CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before tax	31,821.03	20,146.50
Adjustments for:		
Depreciation and amortisation	991.36	820.25
Effective interest rate adjustment on financial assets	2,051.16	2,001.93
Effective interest rate adjustment on debt securities and borrowings	(12.28)	(369.05)
Share based payments to employees	1,230.11	830.35
Impairment on financial instruments	1,974.24	1,121.90
Impairment on assets held for sale	(56.66)	284.87
Net loss on derecognition of property, plant and equipment	11.86	13.12
Net unrealised gain on fair value change of investments	-	(0.03)
Net gain on derecognition of financial instruments under amortised cost category	(2,979.51)	(2,226.85)
Gain on termination of leases	(8.50)	(8.07)
Interest expense on lease liabilities	153.51	119.24
Operating profit before working capital changes	35,176.32	22,734.16
Movements in working capital		
Increase in loans	(149,265.52)	(101,789.03)
Increase in other financial assets	(675.38)	(612.63)
Increase in other non-financial assets	(699.25)	(634.42)
Increase in derivative financial instruments	(429.63)	(241.07)
(Decrease)/Increase in trade payables	(114.81)	154.57
Increase/(Decrease) in other financial liabilities	1,502.52	(608.22)
Increase/(Decrease) in other non-financial liabilities	35.77	(28.33)
(Decrease)/Increase in provisions	(219.08)	125.26
(Decrease)/Increase in interest accrued on debt securities and borrowings	(1,132.29)	642.76
Cash flows used in operating activities post working capital changes	(115,821.35)	(80,256.95)
Income tax paid (net)	(7,475.63)	(5,006.33)
Net cash flows used in operating activities (A)	(123,296.98)	(85,263.28)
(B) CASH FLOWS FROM INVESTING ACTIVITIES		
Payments made for purchase of property, plant and equipment and intangible assets	(624.09)	(639.67)
Proceeds from sale of property, plant and equipment	28.53	34.27
(Purchase)/Proceeds of investments (net)	(11,086.87)	11,639.20
(Investment)/Redemption of fixed deposits (net)	(11,647.45)	5,020.42
Net cash used in investing activities (B)	(23,329.88)	16,054.22
(C) CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from issue of equity share capital (including security premium)	79,292.89	137.75
Proceeds from borrowings(other than debt securities)	158,870.00	163,859.00
Repayment of borrowings	(101,979.29)	(71,229.42)
Repayment of debt securities	(13,500.00)	(1,500.00)
Payment towards lease liabilities	(725.17)	(584.59)
Net cash flows from financing activities (C)	121,958.43	90,682.74
Net increase/(decrease) in cash and cash equivalents (A+B+C)	(24,668.43)	21,473.68



STANDALONE STATEMENT OF CASH FLOWS (contd.)

Particulars	For the year ended 31 March, 2024	For the year ended 31 March, 2023
Cash and cash equivalents at the beginning of the year	35,853.84	14,380.16
Cash and cash equivalents at the end of the year	11,185.41	35,853.84
Components of cash and cash equivalents:-		
Cash on hand	308.43	175.98
Balances with banks (of the nature of cash and cash equivalents)		
(a) Balance with banks in current accounts	10,876.98	6,277.86
(b) Deposits with original maturity of less than 3 months	-	29,400.00
Total cash and cash equivalents	11,185.41	35,853.84

Note:

- The above statement of cash flows has been prepared under the "Indirect Method" as set out in Indian Accounting Standard (Ind AS) - 7 'Statement of Cash flows' as specified under Section 133 of the Companies Act, 2013, ('Act') read with the Companies (Indian Accounting Standards) Rules, 2015, as amended.
- Refer note 16 for reconciliation of liabilities arising from financing activities.
- Previous year figures have been regrouped/reclassified wherever applicable.

The accompanying notes form an integral part of these standalone financial statements.

This is the statement of cash flows referred to in our report of even date.

For **T R Chadha & Co LLP**
Chartered Accountants
Firm's Registration No.: 006711N/N500028

Aashish Gupta
Partner
Membership No.: 097343

Place: Gurugram
Date: 08 May, 2024

For and on behalf of the Board of Directors of
India Shelter Finance Corporation Limited

Sudhin Bhagwandas Choksey
Chairman and
Non-Executive Director
DIN: 00036085

Rachna Dikshit
Independent Director
DIN: 08759332

Mukti Chaplot
Company Secretary
Membership No. 38326

Rupinder Singh
Managing Director and
Chief Executive Officer
DIN: 09153382

Ashish Gupta
Chief Financial Officer

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION

FOR THE YEAR ENDED 31 MARCH, 2024

(All amounts in ₹ Lacs, unless otherwise stated)

1. COMPANY OVERVIEW/CORPORATE INFORMATION

India Shelter Finance Corporation Limited ("the Company") is a Housing Finance Company registered under section 29A of The National Housing Bank Act, 1987 vide Registration Certificate No. 09.0087.10 dated 14 September, 2010. The Company is engaged in providing secured retail home loans, home equity loans and loans against property to borrowers for a period up to twenty years. These loans are primarily to be used by the borrowers for home purchase, home improvements, home extension and for construction of dwelling units on plots owned by borrowers. Under the scale based regulation the Company is categorised as middle layer (HFC-ML).

The Company does not accept public deposits and utilises internal and external funds to provide loans to borrowers.

The Company's registered office and principal place of business is situated at 6th Floor, Plot No-15, Sector 44, Gurugram- 122001.

1.1 Basis of preparation

(i) Statement of compliance with Indian Accounting Standards (Ind AS)

These standalone financial statements ("the Financial Statements") have been prepared in conformity with the accounting principles generally accepted in India including Indian Accounting Standards ('Ind AS') specified under section 133 of the Companies Act, 2013 ('Act') and other relevant provisions of the Act and guidelines issued by Reserve Bank of India (RBI) and National Housing Bank (NHB) to the extent applicable. The Company has uniformly applied the accounting policies for the periods presented in these financial statements.

The financial statements for the year ended 31 March 2024 were authorised and approved for issue by the Board of Directors on 08 May, 2024.

(ii) Historical cost convention

The financial statements have been prepared on historical cost basis except for certain financial assets and financial liabilities which are measured at fair values at the end of each reporting period as explained in relevant accounting policies. The financial statements have been prepared on going concern basis in accordance with accounting principles generally accepted in India.

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 if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and/or disclosure purposes in these financial statements is determined on such a basis, except for leasing transactions that are within the scope of Ind AS 116 'Leases' and measurements that have some similarities to fair value but are not fair value, such as value in use in Ind AS 36 'Impairment of Assets'.

In addition, for financial reporting purposes, fair value measurements 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 the 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 asset or liability.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

These financial statements have been prepared using the significant accounting policies and measurement bases summarised as below. These policies are applied consistently for all the periods presented in the financial statements, except where the Company has applied certain exemptions upon transition.

2.1. Revenue recognition

Interest and processing fee income on loans

Interest and processing fee income on financial assets is recognised on a time proportion basis considering the amount outstanding and the effective interest rate applicable.

Effective Interest Rate ("EIR")

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. The future cash

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION
FOR THE YEAR ENDED 31 MARCH, 2024 (Contd.)

(All amounts in ₹ Lacs, unless otherwise stated)

flows are estimated taking into account all the contractual terms of the instrument.

The calculation of the EIR includes all fees 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 measured at Fair Value Through Profit and Loss ("FVTPL"), transaction costs are recognised in the statement of profit and loss at initial recognition.

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 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).

Interest/Dividend income on investment

Interest income on investments and fixed deposits is recognised on time proportionate basis with reference to EIR method. Dividend income is accounted for when the right to receive it is established.

Income from assignment

Gains arising out of direct assignment transactions comprise the difference between the interest on the loan portfolio and the applicable rate at which the direct assignment is entered into with the assignee, also known as the right of excess interest spread (EIS). The future EIS basis the scheduled cash flows on execution of the transaction, discounted at the EIR of underlying pool of loans rate entered into with the assignee is recorded upfront in the statement of profit and loss. EIS is evaluated and adjusted for ECL and expected prepayment.

Fee and Commission Income

Fee and commission income includes fees other than those that are an integral part of EIR method. The Company recognises the fee and commission income at fair value of the consideration received or receivable when the Company satisfies the performance obligation.

Other operating revenue

Interest on overdue of loans and other ancillary charges are recognised upon realisation. All other income is recognised on an accrual basis upon satisfaction of performance obligation, when there is no uncertainty in the ultimate realisation/collection and income can be measured reliably.

2.2. Cash and cash equivalents

Cash and cash equivalents comprise cash on hand (including imprest), demand deposits and short-term highly liquid investments that are readily convertible into known amount

of cash and which are subject to an insignificant risk of changes in value.

2.3. Cash flow statement

Cash flows are reported using indirect method as set out in Ind AS -7 "Statement of Cash Flows", whereby profit/loss before extraordinary items and tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the Company are segregated based on the available information.

2.4. Property, plant and equipment

Recognition and initial measurement

Property, plant and equipment are measured at cost less accumulated depreciation and any accumulated impairment losses.

The initial cost of property, plant and equipment comprises its purchase price, including import duties and non-refundable purchase taxes, and any directly attributable costs of bringing an asset to working condition and location for its intended use. It also includes the initial estimate of the costs of dismantling and removing the item and restoring the site on which it is located, wherever applicable.

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

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only 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. All other repair and maintenance costs are recognised in statement of profit or loss as incurred.

Depreciation methods, estimated useful lives and residual value

Depreciation on property, plant and equipment is provided on the straight line method over the useful life of the assets as prescribed under Part 'C' of Schedule II of the Companies Act, 2013, or in case of assets where the estimated useful life was determined basis technical evaluation carried out by the Company, over the useful life so determined.

Depreciation on additions to fixed assets is provided for full month in which acquisition of the assets is made. No depreciation is provided for the month of sale/disposal of asset. Leasehold improvements are amortised over a period of lease. Asset costing less than ₹ 10,000 each are fully depreciated in the year of capitalisation.

The residual values, useful lives and method of depreciation are reviewed at the end of each financial year.



SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION
FOR THE YEAR ENDED 31 MARCH, 2024 (Contd.)

(All amounts in ₹ Lacs, unless otherwise stated)

Estimated useful lives of the assets are as follows:

Asset category	Estimated useful life (in Years)	Life as per Schedule II
Plant & Equipment- Computer and other related equipment	3 years	3 years
Office equipment	5 years	5 years
Furniture and fixtures	10 years	10 years
Vehicles	8 years	8 years
Handheld communication devices (included in office equipment)	2 years	5 years
Leasehold improvements	Over the period of the lease or the estimated useful life whichever is lesser.	Over the period of the lease or the estimated useful life whichever is lesser.

De-recognition

An item of property, plant and equipment and any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on de-recognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is recognised in the statement of profit and loss, when the asset is derecognised.

2.5. Intangible assets

Recognition and initial measurement

Intangible assets are stated at their cost of acquisition. The cost comprises purchase price including any import duties and other taxes (other than those subsequently recoverable from taxation authorities), borrowing cost if capitalisation criteria are met and directly attributable cost of bringing the asset to its working condition for the intended use.

Amortisation method, estimated useful lives and residual value

Intangible assets are amortised over a period of 4 years from the date when the assets are available for use. The estimated useful life (amortisation period) of the intangible assets is arrived basis the expected pattern of consumption of economic benefits and is reviewed at the end of each financial year and the amortisation period is revised to reflect the changed pattern, if any.

De-recognition of intangible assets

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

2.6. Impairment of non-financial assets

The carrying amounts of non-financial assets are reviewed at each reporting date. If there is any indication of impairment

based on internal / external factors, an impairment loss is recognised in the statement of profit and loss wherever the carrying amount of an asset exceeds its recoverable amount. For the purpose of assessing impairment, the smallest identifiable group of assets that generate cash inflows from continuing use that are largely independent of the cash inflows from other assets or groups of assets, is considered as a cash generating unit.

Recoverable amount is higher of an asset's or cash generating unit's fair value less cost of disposal and its value in use. Value in use is the present value of estimated future cash flows expected to arise from the continuing use of an asset and from its disposal at the end of its useful life.

After impairment, depreciation is provided on the revised carrying amount of the asset over its remaining useful life.

If at the reporting date there is an indication that previously assessed impairment loss no longer exists, the recoverable amount is reassessed, and the asset is reflected at the recoverable amount subject to maximum of depreciable historical cost.

2.7. Taxation

Tax expense recognised in Statement of Profit and Loss comprises the sum of deferred tax and current tax except to the extent it recognised in other comprehensive income or directly in equity.

Current tax comprises the tax payable or receivable on taxable income or loss for the year and any adjustment to the tax payable or receivable in respect of previous years. Current tax is computed in accordance with relevant tax regulations. The amount of current tax payable or receivable is the best estimate of the tax amount expected to be paid or received after considering uncertainty related to income taxes, if any. Current income tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity).

Current tax 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.

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION FOR THE YEAR ENDED 31 MARCH, 2024 (Contd.)

(All amounts in ₹ Lacs, unless otherwise stated)

With effect from 1 April 2019, with introduction of Taxation Laws (Amendment) Ordinance, 2019, where section 115BAA was introduced in the Income-tax Act, 1961 proposing option to compute income tax liability at revised taxation rates. Further, under section 115JB (MAT provisions) a sub-section was introduced stating non-applicability of Minimum Alternative Tax ('MAT') provisions on the companies exercising option to pay income tax under section 115BAA.

MAT policy applicable before 1 April 2019, MAT under the provisions of the Income-tax Act, 1961 was recognised as current tax in the Statement of Profit and Loss. The credit available under the Income-tax Act, 1961 in respect of MAT paid is recognised as an asset only when and to the extent there is convincing evidence that the Company will pay normal income tax during the period for which the MAT credit can be carried forward for set-off against the normal tax liability. MAT credit recognised as an asset is reviewed at each balance sheet date and written down to the extent the aforesaid convincing evidence no longer exists

Deferred tax is recognised in respect of temporary differences between carrying amount of assets and liabilities for financial reporting purposes and corresponding amount used for taxation purposes. Deferred tax assets are recognised on unused tax loss, unused tax credits and deductible temporary differences to the extent it is probable that the future taxable profits will be available against which they can be used. This is assessed based on the Company's forecast of future operating results, adjusted for significant non-taxable income and expenses and specific limits on the use of any unused tax loss. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date. The measurement of deferred tax reflects the tax consequences that would follow from the manner in which the Company expects, at the reporting date to recover or settle the carrying amount of its assets and liabilities. Deferred tax assets and liabilities are offset only if 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. Deferred tax relating to items recognised outside statement of profit and loss is recognised outside statement of profit or loss (either in other comprehensive income or in equity).

2.8. Employee benefits

Short-term employee benefits

Short-term employee benefits including salaries, short term compensated absences (such as a paid annual leave) where the absences are expected to occur within twelve months after the end of the period in which the employees render the related service, profit sharing and bonuses payable within twelve months after the end of the period in which the employees render the related services and non-monetary benefits for current employees are estimated and measured on an undiscounted basis.

Post-employment benefit plans are classified into defined benefits plans and defined contribution plans as under:

Defined contribution plans

The Company has a defined contribution plans namely provident fund, pension fund and employees state insurance scheme. The contribution made by the Company in respect of these plans are charged to the Statement of Profit and Loss.

Defined benefit plans

The Company has an obligation towards gratuity, a defined benefit retirement plan covering eligible employees. Where in the employee will receive on retirement is defined by reference to employee's length of service and last drawn salary. Under the defined benefit plans, the amount that an employee will receive on retirement is defined by reference to the employee's length of service and final salary. The legal obligation for any benefits remains with the Company, even if plan assets for funding the defined benefit plan have been set aside. The liability recognised in the statement of financial position for defined benefit plans is the present value of the Defined Benefit Obligation (DBO) at the reporting date less the fair value of plan assets. Management estimates the DBO annually with the assistance of independent actuaries. Actuarial gains/losses resulting from re-measurements of the liability/asset are included in other comprehensive income.

Other long-term employee benefits

The Company also provides the benefit of compensated absences to its employees which are in the nature of long-term employee benefit plan. Liability in respect of compensated absences becoming due and expected to be availed after one year from the Balance Sheet date is estimated in the basis of an actuarial valuation performed by an independent actuary using the projected unit credit method as on the reporting date. Actuarial gains and losses arising from past experience and changes in actuarial assumptions are charged to Statement of Profit and Loss in the year in which such gains or losses are determined.

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION FOR THE YEAR ENDED 31 MARCH, 2024 (Contd.)

(All amounts in ₹ Lacs, unless otherwise stated)

Share based payment

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

The fair value of the option determined at the grant date of the equity settled share-based payments is expensed on a straight line basis over the vesting period, based on the Company's estimate of equity instruments that will eventually vest, with a corresponding increase in equity. At the end of each reporting period, the Company revises its estimate of the number of equity instruments expected to vest. The impact of the revision of the original estimates, if any, is recognised in the statement of profit and loss such that the cumulative expense reflects the revised estimate, with a corresponding adjustment to the equity-settled employee benefits reserve.

In respect of re-pricing of existing stock option, the incremental fair value of the option on the date of re-pricing is accounted for as employee cost over the remaining vesting period.

2.9. Expected credit losses and write-off of financial assets

Loan assets

Loans are classified into performing and non-performing assets in terms of policy adopted by the Company, subject to minimum classification and provisioning norms required under 'Housing Finance Company (Reserve Bank) Directions, 2021' issued by RBI from time to time.

All loan exposures to borrowers with instalment structure are stated at disbursed value after netting off:

- unearned income
- instalments appropriated up to the year end

Under Ind AS, the Company's assets have been classified as follows based on Exposure at Default:

- Stage 1: Performing Assets
- Stage 2: Under Performing Assets
- Stage 3: Non-Performing Assets

Under Ind AS, asset classification and provisioning moves from the 'rule based', incurred losses model to the Expected Credit Loss (ECL) model of providing for expected future credit losses. Thus, loan loss provisions are made on the basis of the Company's historical loss experience, future expected credit loss and after factoring in various macro-economic parameters

The Expected Credit Loss (ECL) is measured at 12-month ECL for Stage 1 loan assets and at lifetime ECL for Stage 2 and Stage 3 loan assets. ECL is the product of the Probability of Default, Exposure at Default and Loss Given Default, defined as follows:

Probability of Default (PD) - The PD represents the likelihood of a borrower defaulting on its financial obligation (as per "Definition of default and credit-impaired" above), either over the next 12 months (12 months PD), or over the remaining lifetime (Lifetime PD) of the obligation.

Loss Given Default (LGD) - LGD represents the Company's expectation of the extent of loss on a defaulted exposure. LGD varies by type of counterparty, type and preference of claim and availability of collateral or other credit support.

Exposure at Default (EAD) - EAD is based on the amounts the Company expects to be owed at the time of default. For a revolving commitment, the Company includes the current drawn balance plus any further amount that is expected to be drawn up to the current contractual limit by the time of default, should it occur.

Forward-looking economic information (including management overlay) is included in determining the 12-month and lifetime PD, EAD and LGD. The assumptions underlying the expected credit loss are monitored and reviewed on an ongoing basis.

Trade receivables

In respect of trade receivables, the Company applies the simplified approach of Ind AS 109, which requires measurement of loss allowance at an amount equal to lifetime expected credit losses. Lifetime expected credit losses are the expected credit losses that result from all possible default events over the expected life of trade receivables.

Other financial assets

In respect of its other financial assets, the Company assesses if the credit risk on those financial assets has increased significantly since initial recognition. If the credit risk has not increased significantly since initial recognition, the Company measures the loss allowance at an amount equal to 12-month expected credit losses, else at an amount equal to the lifetime expected credit losses.

When making this assessment, the Company uses the change in the risk of a default occurring over the expected life of the financial asset. To make that assessment, the Company compares the risk of a default occurring on the financial asset as at the balance sheet date with the risk of a default occurring on the financial asset as at the date of initial recognition and considers reasonable and supportable information, that is available without undue cost or effort, that is indicative of significant increases in credit risk since initial recognition. The Company assumes that the credit risk on a financial asset has not increased significantly since initial recognition if the financial asset is determined to have low credit risk at the balance sheet date.



SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION FOR THE YEAR ENDED 31 MARCH, 2024 (Contd.)

(All amounts in ₹ Lacs, unless otherwise stated)

Write-offs

Financial assets are written off either partially or in their entirety to the extent that there is no realistic prospect of recovery. Any subsequent recoveries are credited to impairment on financial instrument on statement of profit and loss.

2.10.Provisions, contingent assets and contingent liabilities

Provisions are recognised only when there is a present obligation, as a result of past events, and when a reliable estimate of the amount of obligation can be made at the reporting date. These estimates are reviewed at each reporting date and adjusted to reflect the current best estimates. Provisions are discounted to their present values, where the time value of money is material.

Contingent liability is disclosed for:

- Possible obligations which will be confirmed only by future events not wholly within the control of the Company or
- Present obligations arising from past events where it is not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount of the obligation cannot be made.

Contingent assets are neither recognised nor disclosed except when realisation of income is virtually certain, related asset is disclosed.

2.11.Leases

Company as a Lessee:

At inception of a contract, Company assesses whether the contract is, or contains, a lease. A contract is, or contains, a lease, a lease if the contract conveys the right to control the use of an identified asset for a period in exchange for consideration.

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

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. The estimated useful lives of right-of-use assets are determined on the same basis as those of property and equipment. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and

adjusted for certain re measurements of the lease liability.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Company's incremental borrowing rate. Generally, the Company uses its incremental borrowing rate as the discount rate.

The lease liability is measured at amortised cost using the effective interest method. It is re measured when there is a change in future lease payments arising from a change in an index or rate, if there is a change in the Company's estimate of the amount expected to be payable under a residual value guarantee, or if the Company changes its assessment of whether it will exercise a purchase, extension or termination option.

When the lease liability is re measured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

The Company presents right-of-use assets that do not meet the definition of investment property in 'property and equipment' and lease liabilities in 'borrowings (other than debt securities)' in the balance sheet.

2.12.Financial instruments

A Financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Initial recognition and measurement

Financial assets and financial liabilities are recognised when the Company becomes a party to the contractual provisions of the financial instrument and are measured initially at fair value adjusted for transaction costs.

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

Financial assets

Financial assets, with the exception of loans and advances to customers, are initially recognised on the trade date, i.e., the date that the Company becomes a party to the contractual provisions of the instrument. Loans and advances to customers are recognised when funds are disbursed to the customers

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION FOR THE YEAR ENDED 31 MARCH, 2024 (Contd.)

(All amounts in ₹ Lacs, unless otherwise stated)

Classification and Subsequent measurement of financial assets

Financial assets are classified in to three categories for subsequent measurement:

- Financial asset at amortised cost
- Financial asset at fair value through other comprehensive income (FVTOCI)
- Financial asset at fair value through profit and loss(FVTPL)

Financial asset at amortised cost

Financial instruments that meet the following conditions are subsequently measured at amortised cost less impairment loss:

- The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
- Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in interest income in the Statement of Profit and Loss.

Financial assets (debt instruments) at FVOCI

Financial asset (debt instruments) is classified as at the FVTOCI if both of the following criteria are met:

- The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets, and
- The asset's contractual cash flows represent SPPI. Financial assets included within the above category are measured initially as well as at each reporting date at fair value. Fair value movements are recognised in the other comprehensive income (OCI). However, the Company recognises interest income, impairment losses & reversals and foreign exchange gain or loss in the profit and loss. On derecognition of the asset, cumulative gain or loss previously recognised in OCI is reclassified from the equity to profit and loss. Interest earned whilst holding FVTOCI debt instrument is reported as interest income using the EIR method.

Financial Asset at FVTPL

Financial asset which does not meet the criteria for categorisation as at amortised cost or as FVTOCI, is classified as at FVTPL. Financial assets classified under FVTPL category are measured at fair value with all changes recognised in the statement of profit and loss.

De-recognition of financial assets

Financial assets (or where applicable, a part of financial asset or part of a group of similar financial assets) are derecognised (i.e. removed from the Company's balance sheet) when the contractual rights to receive the cash flows from the financial asset have expired, or when the financial asset and substantially all the risks and rewards are transferred. Further, if the Company has not retained control, it shall also derecognise the financial asset and recognise separately as assets or liabilities any rights and obligations created or retained in the transfer.

Financial liabilities

Debt and equity instruments issued by a Company 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.

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

Financial liabilities are classified as at FVTPL when the financial liability is either held for trading or it is designated as at FVTPL.

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.

Subsequent measurement

Subsequent to initial recognition, all non-derivative financial liabilities are measured at amortised cost using the effective interest method.

De-recognition of financial liabilities

A financial liability is de-recognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the de-recognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the Statement of Profit and Loss.



SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION FOR THE YEAR ENDED 31 MARCH, 2024 (Contd.)

(All amounts in ₹ Lacs, unless otherwise stated)

Derivative Financial Instruments

The Company holds derivative financial instruments to hedge its foreign currency and interest rate exposures. Embedded derivatives are separated from the host contract and accounted for separately if certain criteria are met.

Derivatives are initially recognised at fair value at the date a derivative contract is entered into and are subsequently remeasured to their fair value at each balance sheet date. The resulting gain/loss is recognised in the statement of profit and loss immediately unless the derivative is designated and is effective as a hedging instrument, in which event the timing of the recognition in the statement of profit and loss depends on the nature of the hedge relationship.

The Company designates certain derivatives as hedging instruments to hedge the variability in cash flows associated with its external commercial borrowings arising from changes in exchange rates.

At inception of designated hedging relationships, the Company documents the risk management objective and strategy for undertaking the hedge. The Company also documents the economic relationship between the hedged item and the hedging instrument, including whether the changes in cash flows of the hedged item and hedging instrument are expected to offset each other.

Cash flow hedges

When a derivative is designated as a cash flow hedging instrument, the effective portion of changes in the fair value of the derivative is recognised in OCI and accumulated in the other equity under 'effective portion of cash flows hedges'. The effective portion of changes in the fair value of the derivative that is recognised in OCI is limited to the cumulative change in fair value of the hedged item, determined on a present value basis, from inception of the hedge. Any ineffective portion of changes in fair value of the derivative is recognised immediately in profit or loss.

The Company designates only the change in fair value of the spot element of forward exchange contracts as the hedging instrument in cash flow hedge relationships. The change in fair value of the forward element of the forward exchange contracts ('forward points') is separately accounted for as cost of hedging and recognised separately within equity. If a hedge no longer meets the criteria for hedge accounting or the hedging instrument is sold, expires, is terminated or is exercised, then hedge accounting is discontinued prospectively.

Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently

enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

2.13.Earnings per share

Basic earnings per share is computed by dividing the profit / (loss) after tax by the weighted average number of equity shares outstanding during the year. Diluted earnings per share is computed by dividing the profit / (loss) after tax as adjusted for dividend, interest and other charges to expense or income (net of any attributable taxes) relating to the dilutive potential equity shares, by the weighted average number of equity shares considered for deriving basic earnings per share and the weighted average number of equity shares which could have been issued on the conversion of all dilutive potential equity shares. Potential equity shares are deemed to be dilutive only if their conversion to equity shares would decrease the net profit per share from continuing ordinary operations. Potential dilutive equity shares are deemed to be converted as at the beginning of the period, unless they have been issued at a later date. Dilutive potential equity shares are determined independently for each period presented. The number of equity shares and potentially dilutive equity shares are adjusted for share splits / reverse share splits and bonus shares, as appropriate.

2.14.Foreign currency

Functional and presentation currency

Items included in the financial statement of the Company are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The financial statements have been prepared and presented in Indian Rupees (₹), which is the Company's functional and presentation currency.

Transactions and balances

Foreign currency transactions are translated into the functional currency, by applying the exchange rates on the foreign currency amounts at the date of the transaction. Foreign currency monetary items outstanding at the balance sheet date are converted to functional currency using the closing rate. Non-monetary items denominated in a foreign currency which are carried at historical cost are reported using the exchange rate at the date of the transaction.

Exchange differences arising on monetary items on settlement, or restatement as at reporting date, at rates different from those at which they were initially recorded, are recognised in the Statement of Profit and Loss in the year in which they arise.



SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION FOR THE YEAR ENDED 31 MARCH, 2024 (Contd.)

(All amounts in ₹ Lacs, unless otherwise stated)

2.15.Insurance Claims

Insurance claims are accounted for on the basis of claims admitted / expected to be admitted and to the extent that there is no uncertainty in receiving the claims.

2.16.Operating Cycle

Based on the nature of products / activities of the Company and the normal time between acquisition of assets and their realisation in cash or cash equivalents, the Company has determined its operating cycle as 12 months.

2.17.Share/Securities issue expense

Share/security issue expenses are adjusted against the Securities Premium Account as permissible under Section 52 of the Companies Act, 2013, to the extent any balance is available for utilisation in the Securities Premium Account. Share/security issue expenses in excess of the balance in the Securities Premium Account are expensed off in the Statement of Profit and Loss.

2.18.Borrowing Costs

Borrowing costs are interest and other costs incurred in connection with the borrowings of funds. Borrowing costs primarily include interest on amounts borrowed for the revenue operations of the Company. These are expensed to the statement of profit and loss using the EIR. All other Borrowing costs are recognised in the statement of profit and loss in the period in which they are incurred.

2.19.Assets held for sale

Assets acquired by the Company under Securitisation and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002. has been classified as assets held for sale, as their carrying amounts will be recovered principally through a sale of asset. In accordance with Ind AS 105, the Company is committed to sell these assets and they are measured at the lower of their carrying amount and the fair value less costs to sell.

2.20.Segment Reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker (CODM). CODM is responsible for allocating the resources, assess the financial performance and position of the Company and make strategic decision.

2.21.Investment in Subsidiaries, Joint Ventures and Associates

Investment in subsidiaries are measured at cost less impairment loss (if any) as per Ind AS 27- Separate Financial Statements.

2.22.Significant management judgement in applying accounting policies and estimation uncertainty

The preparation of the Company's financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the related disclosures. Actual results may differ from these estimates.

Significant management judgements:

Expected credit loss ('ECL') – The measurement of expected credit loss allowance for financial assets measured at amortised cost requires use of complex models and significant assumptions about future economic conditions and credit behaviour (e.g. likelihood of customers defaulting and resulting losses). The Company makes significant judgements with regard to the following while assessing expected credit loss:

- Determining criteria for significant increase in credit risk;
- Establishing the number and relative weightings of forward-looking scenarios for each type of product/ market and the associated ECL; and
- Establishing groups of similar financial assets for the purposes of measuring ECL.

Significant estimates:

Provision for employee benefits - Provision for employee benefits, requires that certain assumptions such as expected future salary increases, average life expectancy and discount rates etc. are made in order to determine the amount to be recorded for retirement benefit obligations. Substantial changes in the assumed development of any of these variables may significantly change the Company's retirement benefit obligations.

Useful lives of depreciable/amortisable assets – Management reviews its estimate of the useful lives of depreciable/amortisable assets at each reporting date, based on the expected utility of the assets. Uncertainties in these estimates relate to technical and economic obsolescence that may change the utility of assets.

Standard issued but not yet effective

No new standards as notified by Ministry of Corporate Affairs ("MCA"), through Companies (Indian Accounting Standards) Amendment Rules, 2019 and Companies (Indian Accounting Standards) Second Amendment Rules are effective for the current year.

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION
FOR THE YEAR ENDED 31 MARCH, 2024 (Contd.)

(All amounts in ₹ Lacs, unless otherwise stated)

3. CASH AND CASH EQUIVALENTS

Particulars	As at 31 March, 2024	As at 31 March, 2023
i. Cash on hand	308.43	175.98
ii. Balances with banks (of the nature of cash and cash equivalents)		
(a) Balance with banks in current accounts	10,876.98	6,277.86
(b) Deposits with original maturity of less than 3 months	-	29,400.00
Sub-total (a and b)	10,876.98	35,677.86
Total (I and II)	11,185.41	35,853.84

4. BANK BALANCE OTHER THAN CASH AND CASH EQUIVALENTS

Particulars	As at 31 March, 2024	As at 31 March, 2023
Deposits with original maturity of more than 3 months	18,398.08	7,043.42
Deposit held as margin money under securitisation and borrowing agreements*	6,878.16	6,585.37
Total	25,276.24	13,628.79

*Includes ₹ 900 Lacs and ₹ 25 Lacs(31 March, 2023: ₹ 25 Lacs) towards guarantee to National Stock Exchange and Unique Identification Authority of India(UIDAI).

5. DERIVATIVE FINANCIAL INSTRUMENTS

Particulars	As at 31 March, 2024	As at 31 March, 2023
Financial Asset		
Cross currency derivatives	-	5.85
Financial Liability		
Cross currency derivatives	255.54	-
Total	255.54	5.85

(a) Cross Currency Swaps (CCS)

Particulars	As at 31 March, 2024	As at 31 March, 2023
i) Total notional principal amount of CCS agreement undertaken during the year	16,370.00	7,981.00
ii) Total notional principal amount of CCS agreement outstanding as on end of the year*	24,351.00	7,981.00
iii) Maturity date of CCS	15-Jun-27	15-Jun-27
iv) Hedge ratio	1:1	1:1
v) Currency pair	USD/₹	USD/₹

* Notional amount outstanding is the original amount. Restated amount as at the balance sheet date basis exchange rate is 31 March, 2024: ₹ 25,021.70 Lacs (31 March, 2023: ₹ 8,222.07 Lacs). Refer note 39.5(d).

(b) Hedged item**As at 31 March, 2024**

Particulars	Change in the value of the hedged item used as the basis for recognising hedge ineffectiveness	Cash flow hedge reserve	Foreign currency monetary items translation reserve
ECB term loan	(429.63)	(926.24)	-

As at 31 March, 2023

Particulars	Change in the value of the hedged item used as the basis for recognising hedge ineffectiveness	Cash flow hedge reserve	Foreign currency monetary items translation reserve
ECB term loan	(241.07)	(235.22)	-

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION
FOR THE YEAR ENDED 31 MARCH, 2024 (Contd.)

(All amounts in ₹ Lacs, unless otherwise stated)

(c) The fair value mark to market (MTM) gains or (losses) in respect of CCS Agreement outstanding as at the Balance Sheet date is stated below:

Hedging Instrument	As at 31 March, 2024	As at 31 March, 2023
Cross currency swaps (CCS)	(255.54)	5.85
Total	(255.54)	5.85

(d) Movement in Hedge Reserve (excluding deferred tax)

Cash Flow Hedge Reserve Account	As at 31 March, 2024		
	Realised	Unrealised	Total
i) Balance at the beginning of the year	-	(235.22)	(235.22)
ii) Add: Changes in the fair value during the Year	-		
Included in derivative financial instrument	-	(261.39)	(261.39)
Included in ECB term loan	-	(429.63)	(429.63)
iii) Less: Amounts reclassified to statement of profit & loss	-	-	-
iv) Balance at the end of the year	-	(926.24)	(926.24)

Cash Flow Hedge Reserve Account	As at 31 March, 2023		
	Realised	Unrealised	Total
i) Balance at the beginning of the year	-	-	-
ii) Add: Changes in the fair value during the Year	-		
Included in derivative financial instrument		5.85	5.85
Included in ECB term loan		(241.07)	(241.07)
iii) Less: Amounts reclassified to statement of profit & loss	-	-	-
iv) Balance at the end of the year	-	(235.22)	(235.22)

All hedges are 100% effective.

Note: ECB carries coupon of 3.5% p.a in USD which has been hedged/swapped via Cross currency swap @ 7.15% p.a in ₹

6. LOANS

Particulars	As at 31 March, 2024	As at 31 March, 2023
At amortised cost		
Term loans	5,09,783.82	3,64,245.87
Staff loans	865.16	217.01
Total gross	5,10,648.98	3,64,462.88
Less: Impairment loss allowance	4,409.40	3,548.46
Total net	5,06,239.58	3,60,914.42
Secured by tangible assets	5,10,648.98	3,64,462.88
Total	5,10,648.98	3,64,462.88
Less: Impairment loss allowance	4,409.40	3,548.46
Total net	5,06,239.58	3,60,914.42
Loans in India		
Public sectors	-	-
Others (individuals and other corporates)	5,10,648.98	3,64,462.88
Total gross	5,10,648.98	3,64,462.88
Less: Impairment loss allowance	4,409.40	3,548.46
Total net	5,06,239.58	3,60,914.42

6.1 Loans granted by the Company are secured by equitable mortgage/registered mortgage of the property and/or undertaking to create a security by way of equitable mortgage of property.

6.2 LOAN DETAILS

Particulars	Gross Carrying amount*	Effective interest rate adjustment	Total
As at 31 March, 2024	5,18,673.70	(8,024.72)	5,10,648.98
As at 31 March, 2023	3,70,362.69	(5,899.81)	3,64,462.88

* Loans represents aggregate of loan - principal outstanding, interest overdue and interest accrued but not due from borrowers pertaining to loans held in our books as on the last day of the relevant period.

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION
FOR THE YEAR ENDED 31 MARCH, 2024 (Contd.)

6.3 There were no loans given against the collateral of gold jewellery and hence the percentage of such loans to the total outstanding asset is Nil (31 March, 2023: Nil).

6.4 Loans sanctioned but undisbursed amount to ₹ 42,834.11 Lacs as on 31 March, 2024 (31 March, 2023: ₹ 26,789.44 Lacs).

6.5 The Company has balance of securitised assets amounting to ₹ 7,877.25 Lacs (31 March, 2023: 10,652.34 Lacs). These loan assets have not been de-recognised from the loan portfolio of the Company as these does not meet the de-recognition criteria. The Company is responsible for collection and servicing of this loan portfolio on behalf of buyers/investors. In terms of the said securitisation agreements, the Company pays to buyer/investor on monthly basis the prorated collection amount as per the respective agreement terms.

6.6 During the financial year 2023-24, the Company has assigned pools of certain loans amounting to ₹ 45,066.42 Lacs (31 March, 2023: 44,091.16 Lacs) by way of a direct assignment transactions. These loans have been de-recognised from the loan portfolio of the Company as the sale of loan assets is an absolute assignment and transfer on a 'no-recourse' basis. The Company continues to act as a servicer to the assignment transaction on behalf of assignee. In terms of the assignment agreements, the Company pays to assignees, on a monthly basis, the pro-rata collection amounts.

6.7 During the financial year 2023-24, The Company also undertaken co-lending arrangement with Bank, whereby loans are co-originated by both the entities in 20:80 ratio (Company:Bank). As at March, 31, 2024, outstanding amount of bank's share is ₹ 14,552.05 Lacs (31 March, 2023: 59.76 Lacs). The said arrangement is carried post disbursement of loans by the Company and the folios under the same are picked by the Bank. These loans have been de-recognised from the loan portfolio of the Company.

6.8 EXPECTED CREDIT LOSS

Expected credit loss is a calculation of the present value of the amount expected not to be recovered on a financial asset, for financial reporting purposes. Credit risk is the potential that the obligor and counterparty will fail to meet its financial obligations to the lender. This requires an effective assessment and management of the credit risk at both individual and portfolio level.

The references below show where the Company's impairment assessment and measurement approach is set out in these notes. It should be read in conjunction with the Summary of significant accounting policies.

(i) Definition of default

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

payments or classified as NPA as per RBI directions. 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 year, if the facility has not been previously derecognised and is still in the portfolio.

ii) Exposure at default

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

iii) Loss given default

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

iv) Significant increase in credit risk

The Company continuously monitors all assets subject to ECL. In order to determine whether an instrument or a portfolio of instruments is subject to 12 month ECL or lifetime ECL, the Company assesses whether there has been a significant increase in credit risk since initial recognition. The Company considers an exposure to have significantly increased in credit risk when contractual payments are more than 30 days past due.

When estimating ECL on a collective basis for a group of similar assets, the Company applies the same principles for assessing whether there has been a significant increase in credit risk since initial recognition..

v) Delinquency buckets have been considered as the basis for the staging of all loans with:

- Stage 3 are those accounts which are classified as NPA

- Stage 2 are those accounts wherein there is significant increase in credit risk

- Stage 1 are those accounts wherein DPD is 0-30 days and not considered in Stage 2 and Stage 3

vi) Macro economic factors

Macro-economic variables relevant to the underlying loan portfolio such as Gross Domestic Product, Inflation, Housing Price Index and 10 year bond yield were analysed for their correlation. Based on the analysis of trend, the Company has considered the 10 year bond yield as relevant macro-economic factor as

it shows relatively better correlation with the portfolio performance.

vii) Credit quality of asset

The Company has classified all individual loans as amortised cost and has assessed it at the collective pool level. The individual loan book has been divided into the housing and non-housing (Loan against property) sub portfolios.

The vintage analysis methodology has been used to create the PD term structure which incorporates both 12 month (Stage 1 Loans) and lifetime PD (Stage 2 Loans). The vintage analysis captures a vintage default experience across a particular portfolio by tracking

the yearly slippages from advances originating in a particular year. The vintage slippage experience/ default rate is then used to build the PD term structure.

The workout methodology has been used to determine LGD wherein the recoveries of loans defaulted in past are tracked and discounted to the date of default using the effective interest rate. The worked out LGD for loans has been bucketed into various levels of collateral cover. LGD based on collateral cover has been applied to each loan in the portfolio based on specific collateral cover adjusted for the expected fall in valuation. The Company has used the forward looking LGD basis the management expectation on property prices basis the market environment.

viii) An analysis of changes in the gross carrying amount and the corresponding ECL allowances in relation to loans is, as follows:**Reconciliation of gross carrying amount balance is as follows:**

	Stage 1	Stage 2	Stage 3	Total
Loans to customers at amortised cost				
Balance as at 01 April, 2022	2,55,015.67	8,695.19	5,703.93	2,69,414.79
Transfer to Stage 1	5,219.33	(3,585.50)	(1,633.83)	-
Transfer to Stage 2	(4,643.85)	5,091.36	(447.51)	-
Transfer to Stage 3	(1,330.29)	(1,122.71)	2,453.00	-
New financial assets originated	1,80,841.30	363.56	135.14	1,81,340.00
Financial assets that have been de-recognised/repaid	(76,853.70)	(1,517.33)	(2,021.07)	(80,392.10)
Balance as at 31 March, 2023	3,58,248.46	7,924.57	4,189.66	3,70,362.69
Loans to customers at amortised cost				
Balance as at 01 April, 2023	3,58,248.46	7,924.57	4,189.66	3,70,362.69
Transfer to Stage 1	3,181.44	(2,257.86)	(923.58)	-
Transfer to Stage 2	(7,612.71)	7,937.67	(324.96)	-
Transfer to Stage 3	(3,089.08)	(800.42)	3,889.50	-
New financial assets originated	2,37,852.77	605.32	292.91	2,38,751.00
Financial assets that have been de-recognised/repaid	(86,315.41)	(2,013.92)	(2,110.66)	(90,439.99)
Balance as at 31 March, 2024	5,02,265.47	11,395.36	5,012.87	5,18,673.70

Reconciliation of ECL balance is as follows:

	Stage 1	Stage 2	Stage 3	Total
Balance as at 01 April, 2022	1,537.36	444.76	1,452.70	3,434.82
Transfer to Stage 1	410.93	(97.51)	(313.42)	-
Transfer to Stage 2	(35.49)	152.77	(117.28)	-
Transfer to Stage 3	(9.53)	(59.73)	69.26	-
Impact of change in EAD and stages during the year	(426.29)	197.79	580.56	352.07
New financial assets originated	616.00	8.68	41.78	666.46
Financial assets that have been de-recognised/repaid	(232.49)	(47.63)	(624.76)	(904.89)
Balance as at 31 March, 2023	1,860.49	599.13	1,088.84	3,548.46

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION
FOR THE YEAR ENDED 31 MARCH, 2024 (Contd.)

	Stage 1	Stage 2	Stage 3	Total
Balance as at 01 April, 2023	1,860.49	599.13	1,088.84	3,548.46
Transfer to Stage 1	242.99	(57.24)	(185.75)	-
Transfer to Stage 2	(49.25)	141.15	(91.90)	-
Transfer to Stage 3	(17.68)	(42.21)	59.89	-
Impact of change in EAD and stages during the year	154.95	(129.14)	884.88	910.69
New financial assets originated	751.43	17.77	77.72	846.92
Financial assets that have been de-recognised/ repaid	(234.73)	(74.70)	(587.24)	(896.67)
Balance as at 31 March, 2024	2,708.20	454.76	1,246.44	4,409.40

ix) **A comparison between provisions required under Income recognition, asset classification and provision norms (IRACP) and impairment allowances made under IND AS 109**

As at 31 March, 2024

Asset classification as per RBI Directions	Asset classification as per Ind AS 109	Gross carrying amount as per Ind AS	Loss allowance as per Ind AS	Net Carrying Amount	Provision required as per IRACP norms	Difference between Ind AS 109 provisions and IRACP norms
Performing assets						
Standard assets	Stage 1	5,02,265.47	2,708.20	4,99,557.27	1,520.72	1,187.48
	Stage 2	11,395.36	454.76	10,940.60	249.84	204.92
Sub-total		5,13,660.83	3,162.96	5,10,497.87	1,770.56	1,392.40
Non- performing assets (NPA)						
Substandard	Stage 3	4,178.94	1,052.09	3,126.85	822.29	229.80
Doubtful - up to 1 year	Stage 3	832.40	194.03	638.37	279.57	(85.54)
Doubtful - 1 to 3 years	Stage 3	1.53	0.32	1.21	0.77	(0.45)
Doubtful - More than 3 years	Stage 3	-	-	-	-	-
Sub-total for doubtful		833.93	194.35	639.58	280.34	(85.99)
Loss	Stage 3	-	-	-	-	-
Sub-total for NPA		5,012.87	1,246.44	3,766.43	1,102.63	143.81
Other items such as guarantees, loan commitments, etc. which are in the scope of Ind AS 109 but not covered under current (IRACP) norms	Stage 1	53,925.21	195.70	53,729.51	-	195.70
	Stage 2	-	-	-	-	-
	Stage 3	-	-	-	-	-
Subtotal		53,925.21	195.70	53,729.51	-	195.70
	Stage 1	5,56,190.68	2,903.90	5,53,286.78	1,520.72	1,383.18
	Stage 2	11,395.36	454.76	10,940.60	249.84	204.92
	Stage 3	5,012.87	1,246.44	3,766.43	1,102.63	143.81
Total	Total	5,72,598.91	4,605.10	5,67,993.81	2,873.19	1,731.91

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION
FOR THE YEAR ENDED 31 MARCH, 2024 (Contd.)

As at 31 March, 2023

Asset classification as per RBI Directions	Asset classification as per Ind AS 109	Gross carrying amount as per Ind AS	Loss allowance as per Ind AS	Net Carrying Amount	Provision required as per IRACP norms	Difference between Ind AS 109 provisions and IRACP norms
Performing assets						
Standard assets	Stage 1	3,58,248.46	1,860.49	3,56,387.97	1,142.43	718.06
	Stage 2	7,924.57	599.13	7,325.44	243.07	356.06
Sub-total		3,66,173.03	2,459.62	3,63,713.41	1,385.50	1,074.12
Non- performing assets (NPA)						
Substandard	Stage 3	2,706.61	698.14	2,008.47	523.20	174.96
Doubtful - up to 1 year	Stage 3	1,483.05	390.69	1,092.36	473.14	(82.45)
Doubtful - 1 to 3 years	Stage 3	-	-	-	-	-
Doubtful - More than 3 years	Stage 3	-	-	-	-	-
Sub-total for doubtful		1,483.05	390.69	1,092.36	473.14	(82.45)
Loss	Stage 3	-	-	-	-	-
Sub-total for NPA		4,189.66	1,088.83	3,100.83	996.34	92.51
Other items such as guarantees, loan commitments, etc. which are in the scope of Ind AS 109 but not covered under current (IRACP) norms	Stage 1	28,861.67	110.66	28,751.01	-	110.66
	Stage 2	-	-	-	-	-
	Stage 3	-	-	-	-	-
Subtotal		28,861.67	110.66	28,751.01	-	110.66
	Stage 1	3,87,110.13	1,971.15	3,85,138.98	1,142.43	828.72
	Stage 2	7,924.57	599.13	7,325.44	243.07	356.06
	Stage 3	4,189.66	1,088.83	3,100.83	996.34	92.48
Total	Total	3,99,224.36	3,659.11	3,95,565.25	2,381.84	1,277.26

7. INVESTMENTS

Particulars	As at 31 March, 2024	As at 31 March, 2023
Investments in India		
At fair value through profit and loss		
- Mutual funds	-	499.98
At amortised cost		
-Investment in debt Instrument	3,131.98	1,695.34
- Investment in Treasury Bill	4,768.47	-
- Investment in Certificate of deposits	-	2,497.51
-Investment in Government Securities	7,879.25	-
-Investment in Subsidiary- India Shelter Capital Finance Limited (1,20,00,000 equity shares of ₹ 10 each fully paid-up)	1,200.00	1,200.00
Total	16,979.70	5,892.83

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION
FOR THE YEAR ENDED 31 MARCH, 2024 (Contd.)

8. OTHER FINANCIAL ASSETS

Particulars	As at 31 March, 2024	As at 31 March, 2023
Security deposits	321.04	259.79
Receivables on securitised loans (refer note a)	37.06	53.37
EIS receivable on direct assignment (refer note b)	11,798.28	8,111.51
Receivables on assignment transactions	322.62	279.78
Other receivables	253.69	373.35
Total gross	12,732.69	9,077.80
Less: Impairment loss allowance (on EIS Receivable assets)	(93.17)	(55.14)
Total	12,639.52	9,022.66

Note:

- a) Receivables on securitised loans is company's share of receivable towards collections made and recoverable by the Company as at the end of the year.
- b) Under Ind AS, with respect to Assignment deals, Company has created an Excess Interest Spread (EIS) receivable, with corresponding credit to Statement of Profit and loss account. The same has been computed by discounting EIS to present value with necessary estimates and assumptions.

9. CURRENT TAX ASSETS/LIABILITIES (NET)

Particulars	As at 31 March, 2024	As at 31 March, 2023
Income tax advance/ (liabilities)(net)	1,484.07	(60.01)
Total	1,484.07	(60.01)

10. DEFERRED TAX ASSETS (NET)

Particulars	As at 31 March, 2024	As at 31 March, 2023
Deferred tax assets		
Provision for employee benefits	44.83	104.07
Difference in written down value as per Companies Act and Income Tax Act	78.68	64.80
Impairment loss allowance on loans	1,027.77	920.89
Unamortised processing fees	2,019.66	1,503.42
Lease liabilities	483.46	388.61
Provision for impairment on assets held for sale	72.85	87.11
Cash Flow Hedge Reserve	233.12	59.20
Deferred tax liabilities		
Unamortised borrowing cost	(427.53)	(424.45)
Right-of-use assets	(436.44)	(353.09)
EIS receivable on direct assignment	(2,791.41)	(2,049.25)
Net deferred tax assets	304.98	301.31

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION
FOR THE YEAR ENDED 31 MARCH, 2024 (Contd.)

Movement in deferred tax assets (net)

Particulars	As at 01 April, 2023	(Charged)/ credited to statement of profit and loss	Credited/(charged) to other comprehensive income	As at 31 March, 2024
Deferred tax assets				
Provision for employee benefits	104.07	(55.14)	(4.10)	44.83
Difference in written down value as per Companies Act and Income Tax Act	64.80	13.88	-	78.68
Impairment loss allowance on loans	920.89	106.88	-	1,027.77
Unamortised processing fees	1,503.42	516.24	-	2,019.66
Derivative instruments in cash flow hedge reserve	59.20	-	173.92	233.12
Lease liability	388.61	94.85	-	483.46
Provision for impairment on assets held for sale	87.11	(14.26)	-	72.85
Deferred tax liabilities				
Unamortised borrowing cost	(424.45)	(3.08)	-	(427.53)
Right-of-use assets	(353.09)	(83.35)	-	(436.44)
EIS receivable on direct assignment	(2,049.25)	(742.16)	-	(2,791.41)
Net deferred tax assets	301.31	(166.16)	169.82	304.98

Movement in deferred tax assets (net)

Particulars	As at 01 April, 2022	(Charged)/ credited to statement of profit and loss	Credited/(charged) to other comprehensive income	As at 31 March, 2023
Deferred tax assets				
Provision for employee benefits	110.80	31.53	(38.26)	104.07
Difference in written down value as per Companies Act and Income Tax Act	57.44	7.36	-	64.80
Impairment loss allowance on loans	893.13	27.76	-	920.89
Unamortised processing fees	999.57	503.85	-	1,503.42
Derivative instruments in cash flow hedge reserve	-	-	59.20	59.20
Lease liability	267.14	121.47	-	388.61
Provision for impairment on assets held for sale	15.41	71.70	-	87.11
Deferred tax liabilities				
Unamortised borrowing cost	(331.57)	(92.88)	-	(424.45)
Right-of-use assets	(235.82)	(117.27)	-	(353.09)
EIS receivable on direct assignment	(1,481.04)	(568.21)	-	(2,049.25)
Net deferred tax assets	295.06	(14.68)	20.94	301.31

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION
FOR THE YEAR ENDED 31 MARCH, 2024 (Contd.)**11. PROPERTY, PLANT AND EQUIPMENT**

Gross block	Freehold land	Plant and equipment - computer and other related equipment	Office equipment	Furniture and fixtures	Vehicles	Leasehold improvements	Right-of-use assets	Total
Balance as at 01 April, 2022	9.17	644.95	186.38	146.36	253.08	365.36	1,596.42	3,201.72
Additions during the year	-	158.78	72.68	5.16	324.29	37.51	1,044.33	1,642.75
Disposals/adjustments	-	(1.33)	(0.55)	-	(53.97)	(2.62)	(422.95)	(481.42)
Balance as at 31 March, 2023	9.17	802.40	258.51	151.52	523.40	400.25	2,217.80	4,363.05
Additions during the year	-	223.87	65.30	4.91	313.34	16.67	1,009.52	1,633.61
Disposals/adjustments	-	(68.23)	-	-	(48.59)	(2.33)	(464.94)	(584.09)
Balance as at 31 March, 2024	9.17	958.04	323.81	156.43	788.15	414.59	2,762.38	5,412.57
Accumulated depreciation								
Balance as at 01 April, 2022	-	396.97	112.05	82.47	21.87	271.69	659.39	1,544.44
Depreciation charge for the year	-	138.10	36.23	12.54	52.48	51.45	490.11	780.91
Disposals/adjustments	-	(0.76)	(0.59)	-	(9.37)	(0.37)	(334.68)	(345.77)
Balance as at 31 March, 2023	-	534.31	147.69	95.01	64.98	322.77	814.82	1,979.58
Depreciation charge for the year	-	179.13	41.89	12.91	79.51	31.72	625.87	971.03
Disposals/adjustments	-	(67.85)	-	-	(10.82)	(0.13)	(412.45)	(491.24)
Balance as at 31 March, 2024	-	645.61	189.58	107.92	133.67	354.36	1,028.24	2,459.37
Net block								
Balance as at 31 March, 2023	9.17	268.09	110.82	56.51	458.42	77.48	1,402.98	2,383.47
Balance as at 31 March, 2024	9.17	312.43	134.23	48.51	654.48	60.23	1,734.14	2,953.20

12. OTHER INTANGIBLE ASSETS

Particulars	Computer software
Gross block	
Balance as at 01 April, 2022	280.18
Additions during the year	41.24
Balance as at 31 March, 2023	321.42
Additions during the year	-
Balance as at 31 March, 2024	321.42
Accumulated amortisation	
Balance as at 01 April, 2022	233.64
Amortisation charge during the year	39.33
Disposal during the year	-
As at 31 March, 2023	272.97
Amortisation charge during the year	20.36
Balance as at 31 March, 2024	293.33
Net block	
Balance as at 31 March, 2023	48.45
Balance as at 31 March, 2024	28.09

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION
FOR THE YEAR ENDED 31 MARCH, 2024 (Contd.)**13. OTHER NON-FINANCIAL ASSETS**

Particulars	As at 31 March, 2024	As at 31 March, 2023
Prepaid expenses	465.46	514.48
Capital advances	41.25	-
Advance to employees	144.64	80.32
Advance to suppliers	95.89	62.66
Balance with government authorities	833.55	158.91
Total	1,580.79	816.37

14. TRADE PAYABLES

Particulars	As at 31 March, 2024	As at 31 March, 2023
(i) total outstanding dues of micro enterprises and small enterprises (refer note 35)	18.55	-
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises	480.61	613.98
Total	499.16	613.98

Trade Payables ageing schedule as at 31 March, 2024

Particulars	MSME	Others	Disputed dues – MSME	Disputed dues - Others
Less than 1 year	18.55	480.61	-	-
1-2 years	-	-	-	-
2-3 years	-	-	-	-
More than 3 years	-	-	-	-
Total	18.55	480.61	-	-

Trade Payables ageing schedule as at 31 March, 2023

Particulars	MSME	Others	Disputed dues – MSME	Disputed dues - Others
Less than 1 year	-	613.98	-	-
1-2 years	-	-	-	-
2-3 years	-	-	-	-
More than 3 years	-	-	-	-
Total	-	613.98	-	-

15. DEBT SECURITIES (AT AMORTISED COST)

Particulars	As at 31 March, 2024	As at 31 March, 2023
Secured		
Non-convertible debentures (including interest accrued)	3,000.90	17,653.41
Total	3,000.90	17,653.41
Unsecured		
Debt securities in India	3,000.90	17,653.41
Debt securities outside India	-	-
Total	3,000.90	17,653.41

i) 300 (31 March, 2023: 300), @ 11% (31 March, 2023: 10.15%) Secured listed non-convertible debentures of face (NCD) value ₹ 10,00,000 each aggregating to ₹ 3,000 Lacs repayable on 31 August, 2026. The date of allotment of NCD was 31 August, 2021. The amount outstanding as at 31 March, 2024 ₹ 3,000 Lacs (31 March, 2023: ₹ 3,000 Lacs).

(These NCD are secured by way of a first ranking exclusive and continuing charge created pursuant to the deed of hypothecation over certain identified receivables of the Issuer. A security cover of 1.10 times of the value of the aggregate principal amount outstanding on the NCD and interest accrued thereon (if any) shall be maintained at all times until the redemption of these NCD).

ii) Nil (31 March, 2023: 5000), @ 8.68% Secured listed non-convertible debentures (NCD) of face value ₹ 1,00,000 each aggregating to ₹ 5,000 Lacs repaid on 27 December, 2023. The date of allotment is 22 June, 2021. The amount outstanding as 31 March, 2024 Nil (31 March, 2023: ₹ 5,000 Lacs).



SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION FOR THE YEAR ENDED 31 MARCH, 2024 (Contd.)

(These NCD having exclusive first charge floating via a deed of hypothecation over specific standard asset portfolio of receivables to the extent equal to an amount aggregating to the total outstanding such that the value of security shall be equal of 1.28 times).

- iii) Nil (31 March, 2023: 500), @ 9.29% Secured listed non-convertible debentures of face (NCD) value ₹ 10,00,000 each aggregating to ₹ 5,000 Lacs repaid on 18 March, 2024. The date of allotment of NCD was 23 November, 2021. The amount outstanding as 31 March, 2024 Nil (31 March, 2023: ₹ 5,000 Lacs).

(These NCD are secured by way of a first ranking exclusive and continuing charge created pursuant to the deed of hypothecation over certain identified receivables of the Issuer. A security cover of 1.10 times of the value of the aggregate principal amount outstanding on the NCD and interest accrued thereon (if any) shall be maintained at all times until the redemption of these NCD).

- iv) Nil (31 March, 2023: 150), @ 10.25% Secured listed non-convertible debentures (NCD) of face value ₹ 10,00,000 each aggregating to ₹ 1,500 Lacs repaid on 12 June, 2023 . The date of allotment was 12 June, 2020. The amount outstanding as on 31 March, 2024 Nil (31 March, 2023: ₹ 1,500 Lacs).

(These NCD having exclusive first charge floating via a deed of hypothecation over specific standard asset portfolio of receivables to the extent equal to an amount aggregating to the total outstanding such that the value of security shall be equal of 1.10 times).

- v) Nil (31 March, 2023: 350), @ 9.25% Secured listed non-convertible debentures of face (NCD) value ₹ 10,00,000 each aggregating to ₹ 3,500 Lacs repaid on 24 August, 2023. The date of allotment of NCD was 15 September, 2021. The amount outstanding as 31 March, 2024 Nil (31 March, 2023: ₹ 3,500 Lacs).

(These NCD are secured by way of a first ranking exclusive and continuing charge created pursuant to the deed of hypothecation over certain identified receivables of the Issuer. A security cover of 1.28 times of the value of the aggregate principal amount outstanding on the NCD and interest accrued thereon (if any) shall be maintained at all times until the redemption of these NCD).

vi) Amounts repayable from the date of balance sheet*

Particulars	As at 31 March, 2024	As at 31 March, 2023
less than 1 year	-	8,000.00
one to three years	3,000.00	2,000.00
three to five years	-	6,500.00
more than five years	-	-

*All the above mentioned repayments disclosed as per the contractual maturities of principal amount of debt securities.

16. BORROWINGS (OTHER THAN DEBT SECURITIES)

Particulars	As at 31 March, 2024	As at 31 March, 2023
At amortised cost		
(a) Term loans - Secured (including interest accrued)		
(i) from banks	2,43,809.68	1,79,128.67
(ii) from other parties		
- National housing bank	63,898.10	57,843.78
- Financial institutions	21,802.22	33,933.52
(b) Lease liabilities	1,920.92	1,544.07
(c) Liability against securitised assets (net of over collateralisation amount)	7,078.05	8,783.45
Total	3,38,508.97	2,81,233.49
Borrowings in India	3,13,580.96	2,73,056.29
Borrowings outside India	24,928.01	8,177.20
Total	3,38,508.97	2,81,233.49

- i) Secured term loans from National Housing Bank carry rate of interest in the range of 2.80% to 8.40% p.a (31 March, 2023: 2.80% to 7.90%). The loans are having tenure of 5 to 15 years (31 March, 2023: 5 to 15 years) from the date of disbursement and are repayable in quarterly or yearly installments. These loans are secured by hypothecation (exclusive charge) of certain loans given by the Company.
- ii) Secured term loans from banks and financial institutions include loans from various banks and financial institutions and carry rate of interest (including hedge cost in case of external commercial borrowing) in the range of 8.40% to 10.75% p.a (31 March, 2023: 7.55% to 12.35%). The loans are having tenure of 24 to 108 months (31 March, 2023: 34 to 180 months) from the date of disbursement and are repayable in monthly or quarterly installments. These loans are secured by hypothecation (exclusive charge) of certain loans given by the Company.

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION FOR THE YEAR ENDED 31 MARCH, 2024 (Contd.)

- iii) During the year the Company has borrowed ₹ 16,370.00 Lacs equivalent to 200 Lacs USD (31 March, 2023: ₹ 7,981.00 Lacs equivalent to 100 Lacs USD) under the External Commercial Borrowing (ECB). The ECB loan is secured by hypothecation (exclusive charge) of certain loans given by the Company. The same is hedged by derivative instrument through cross currency swaps. The derivative instrument is for hedging the underlying ECB transaction as per applicable RBI guidelines and not for any speculative purpose.

- iv) The Company is not a declared willful defaulter by any bank or financial Institution or other lender, in accordance with the guidelines on willful defaulters issued by the Reserve Bank of India, during the year ended 31 March, 2024 and 31 March, 2023.

- v) The Company has borrowings from banks and financial institutions on the basis of security of loans and the quarterly details filed by the Company with the banks and financial institutions are in accordance with the books of accounts of the Company for the respective quarters.

- vi) The Company has not defaulted in the repayment of debt securities, borrowings(other than debt securities) and interest thereon for the year ended 31 March, 2024 and 31 March, 2023.

Terms of principal repayment of borrowings as at 31 March, 2024*

Particulars	Number of installments	Monthly repayment	Number of installments	Quarterly repayment
less than one year	830	58,084.54	147	18,030.42
one to three years	1448	94,591.95	305	36,383.27
three to five years	852	54,173.35	256	41,685.11
more than five years	309	13,804.42	207	21,971.95

Terms of principal repayment of borrowings as at 31 March, 2023*

Particulars	Number of installments	Monthly repayment	Number of installments	Quarterly repayment
less than one year	766	43,026.29	139	18,689.39
one to three years	1310	73,806.57	287	36,498.03
three to five years	808	43,252.30	245	28,585.81
more than five years	351	15,851.25	227	22,346.78

*All the above mentioned repayments disclosed as per the contractual maturities of principal amount of borrowings (other than debt securities).

Reconciliation of liabilities arising from financing activities

The changes in the Company's liabilities arising from financing activities can be classified as follows:

	Debt securities	Borrowings (other than debt securities)	Total
01 April, 2022	18,659.85	1,88,341.12	2,07,000.97
Cash flows:			
-Repayments	(1,500.00)	(71,229.42)	(72,729.42)
-Proceeds	-	1,63,859.00	1,63,859.00
-Payment of lease liability	-	(584.59)	(584.59)
Non-cash:			
-Amortisation of upfront fees and others(net)	73.06	(442.11)	(369.05)
-Accrued interest(net)	420.50	222.26	642.76
-Recognition of lease liabilities	-	1,067.23	1,067.23
31 March, 2023	17,653.41	2,81,233.49	2,98,886.90
Cash flows:			
-Repayments	(13,500.00)	(1,01,979.29)	(1,15,479.29)
-Proceeds	-	1,58,870.00	1,58,870.00
-Payment of lease liability	-	(725.17)	(725.17)
Non-cash:			
-Amortisation of upfront fees and others(net)	77.28	(89.56)	(12.28)
-Accrued interest(net)	(1,229.79)	97.49	(1,132.29)
-Recognition of lease liabilities	-	1,102.01	1,102.01
31 March, 2024	3,000.90	3,38,508.97	3,41,509.87

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION
FOR THE YEAR ENDED 31 MARCH, 2024 (Contd.)

17. OTHER FINANCIAL LIABILITIES

Particulars	As at 31 March, 2024	As at 31 March, 2023
Employee related payable	2,566.21	1,716.78
Payable towards securitisation transactions	147.63	374.07
Payable towards assignment transactions	2,802.96	2,312.95
Insurance payables	164.90	221.77
Advance received from customers	1,164.35	717.96
Total	6,846.05	5,343.53

18. PROVISIONS

Particulars	As at 31 March, 2024	As at 31 March, 2023
Provisions for employee benefits		
- Provision for compensated absences	118.60	88.11
- Provision for gratuity (Refer note 37)	59.50	325.35
Impairment loss allowance on Undrawn commitments	102.54	55.52
Total	280.64	468.98

19. OTHER NON-FINANCIAL LIABILITIES

Particulars	As at 31 March, 2024	As at 31 March, 2023
Statutory dues payables	159.23	123.46
Total	159.23	123.46

20. EQUITY SHARE CAPITAL

Particulars	As at 31 March, 2024	As at 31 March, 2023
(a) Authorised capital		
162,000,000 equity shares of ₹ 5 each	8,100.00	8,100.00
(31 March, 2023: 81,000,000) equity shares of ₹ 10 each		
(b) Issued capital and Subscribed		
10,70,51,136 equity shares of ₹ 5 each	5,352.56	4,387.27
(31 March, 2023: 4,38,72,652) equity shares of ₹ 10 each		
(c) Paid up capital		
10,70,51,136 equity shares of ₹ 5 each.	5,352.56	4,373.77
(31 March, 2023: 4,37,37,652) equity shares of ₹ 10 each fully paid up		
Nil (31 March, 2023: 1,35,000) equity shares of ₹ 10 each partly paid up at ₹ 2 each	-	2.70

(d) Reconciliation of the number of shares outstanding at the beginning and at the end of the period

Particulars	As at 31 March, 2024	As at 31 March, 2023
Equity shares outstanding at the beginning of the year	4,38,72,652	4,37,06,655
Additional shares pursuant to share split issued during the year	4,38,72,652	-
Issued during the year (Refer note (e),(f) & (g) below)	1,93,05,832	1,65,997
Equity shares outstanding at the end of the year	10,70,51,136	4,38,72,652

The Board of Directors of the Company in its meeting held on 12 July, 2023 and shareholders in the Extraordinary General Meeting held on 18 July, 2023 approved the sub-division of shares from ₹ 10 per share to ₹ 5 per share (Also refer Note 57).

(e) Issue of shares

During the year ended 31 March, 2024, the Company has allotted 3,55,000 equity shares of face value of ₹ 10/- to Mr. Anil Mehta on account of exercise of Rights to Subscribe at a premium of ₹ 73.20 per Share. The said allotment has been approved by the Board of Directors vide circular resolution dated 20 July, 2023



SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION
FOR THE YEAR ENDED 31 MARCH, 2024 (Contd.)

The Board of Directors of the Company in its meeting held on 12 July, 2023 has made the first and final call of ₹ 349.60 per share on the 1,35,000 equity shares allotted to Mr. Anil Mehta.

- (f) The Company has made an Initial Public Offer (IPO), during the year ended 31 March 2024 for 24,340,768 equity shares of ₹ 5 each, comprising a fresh issue of 16,227,180 equity shares of the Company and 8,113,588 equity shares offered for sale by selling shareholders. The equity shares were issued at a price of ₹ 493 per equity share (including a Share Premium of ₹ 488 per equity share). Pursuant to the aforesaid allotment of equity shares, the issued, subscribed and paid-up capital of the Company stands increased to ₹ 5,352.56 Lakhs (107,051,136 Equity shares of ₹ 5 each). The Company's equity shares were listed on National Stock Exchange of India Limited (NSE) and on Bombay Stock Exchange (BSE) on 20th December, 2023.

The details of utilisation of the net IPO proceeds of ₹ 75,091.62 Lacs (net of estimated share issue expenses of ₹ 4,908.38 Lacs), is as follows:

Objects of the issue	IPO Proceeds (net)	Utilisation up to 31 March, 2024	Unutilised amount as at 31 March, 2024*
To meet future capital requirements towards onward lending	64,000.00	64,521.00	-
General corporate purposes	11,091.62	11,091.62	-

*The Company initially invested the IPO proceeds in fixed deposits and earned the interest income on the same. Here, utilised amount of ₹ 64,521 Lacs includes the IPO proceeds amounted to ₹ 64000 Lacs and the interest earned net of TDS amounted to ₹ 521 Lacs.

- (g) During the year ended 31 March, 2024, the Company have allotted of equity shares under ESOP 2012, ESOP 2017 and ESOP 2021 scheme as below:

Esop 2012- 75,000 options of face value of ₹ 10 each at ₹ 20.32 per share

Esop 2017

- a. 60,000 options of face value of 10 each at ₹ 159.01 per share
- b. 30,000 options of face value of 10 each at ₹ 179.92 per share
- c. 1,00,000 options of face value of 10 each at ₹ 184.55 per share
- d. 6,000 options of face value of 10 each at ₹ 189.56 per share
- e. 2,25,000 options of face value of 10 each at ₹ 197.80 per share

Esop 2021

- a. 2,99,461 options of face value of 10 each at ₹ 309.59 per share
- b. 2,18,700 options of face value of 10 each at ₹ 315.57 per share
- c. 1,05,365 options of face value of 10 each at ₹ 340.71 per share
- d. 64,800 options of face value of 10 each at ₹ 394.00 per share
- (g) Terms and conditions of the main features of each class of shares

The Company has only one class of equity shares having a face value of ₹ 5 per share. Each shareholder is entitled to one vote per share. The Company will pay dividend as and when declared. The dividend as and when proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts in proportion to shareholding.

(h) Detail of shareholders holding 5 percent or more

Name of shareholders	As at 31 March, 2024		As at 31 March, 2023	
	No. of shares with Face value INR 5 per share	% of holding	No. of shares with Face Value INR 10 per share	% of holding
Aravali Investment Holdings (Wholly owned subsidiary of Westbridge Crossover Fund,LLC)	2,84,22,818	26.55%	1,42,11,409	32.47%
WestBridge Crossover Fund, LLC	2,17,08,302	20.28%	1,08,54,151	24.80%
Nexus Ventures III Limited	1,70,33,130	15.91%	99,61,798	22.76%
Nexus Opportunity Fund II, Ltd.	58,20,074	5.44%	29,10,037	6.65%
Catalyst Trusteeship Limited (Erstwhile Milestone Trusteeship Services Private Limited) acting as trustee for Madison India Opportunities Trust Fund	-	0.00%	23,79,954	5.44%
MIO Starrock (Formerly known as Starrock)	-	0.00%	22,17,554	5.07%



SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION FOR THE YEAR ENDED 31 MARCH, 2024 (Contd.)

(i) Shares held by promoter

Name of Promoter	As at 31 March, 2024		As at 31 March, 2023		% change during the year
	No. of shares with Face Vale INR 5 per share	% of total shares	No. of share with Face Value INR 10 per share	% of total shares	
Anil Mehta	15,70,734	1.47%	4,30,367	0.73%	82.49%
WestBridge Crossover Fund, LLC	2,17,08,302	20.28%	1,08,54,151	24.80%	-
Aravali Investment Holdings (Wholly owned subsidiary of Westbridge Crossover Fund,LLC)	2,84,22,818	26.55%	1,42,11,409	32.47%	-

(j) Shares reserved for issue under options and contracts/commitments for the sale of shares

The Company has reserved 74,09,492 of face value INR 5 per share (31 March, 2023: 35,67,347 of Face value of INR 10 per share) number of shares for grant of employee stock options to equity shares representing 6.47% (31 March, 2023: 7.52%) of fully diluted share capital for the benefit of employees on such terms and conditions as determined by the Investors and Board of Directors.

(k) The Company (except disclosed above) has not allotted any shares for consideration other than cash, bonus shares and shares bought back for the five years immediately preceding the reporting date.

(l) The Board of Directors have not proposed any dividend for the year ended 31 March, 2024 and 31 March, 2023.

21. OTHER EQUITY

Particulars	As at 31 March, 2024	As at 31 March, 2023
Securities premium	1,49,314.39	68,713.05
Statutory reserve	15,029.51	10,092.05
Employee share based payment reserve	1,642.64	1,661.02
Re-measurements of defined benefit plans	66.25	54.06
Effective portion of cash flow hedge reserve	(693.12)	(176.02)
Retained earnings	59,045.43	39,295.58
Total	2,24,405.10	1,19,639.74

Nature and purpose of other reserve

Securities premium

Securities premium represents premium received on issue of shares. The amount is utilised in accordance with the provisions of the Companies Act, 2013.

Statutory reserve

This reserve is created as per the provision of Section 29C of the National Housing Bank Act, 1987 (read with Section 36(1)(viii) of the Income-tax Act, 1961).

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

Employee share based payment reserve

This reserve is used to recognise the fair value of the options issued to employees of the Company under Company's employee stock option plan.

Retained earnings

Retained earnings represents the amount of accumulated earnings of the Company.

Re-measurements of defined benefit plans

Represents the cumulative actuarial gains/(losses) arising on defined benefit plans classified under Other Comprehensive income.

Effective portion of cash flow hedge reserve

Represents the cumulative gains/(losses) arising on revaluation of the derivative instruments and underlying financial instrument designated as cash flow hedges through OCI.

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION FOR THE YEAR ENDED 31 MARCH, 2024 (Contd.)

22. INTEREST INCOME (ON FINANCIAL ASSETS MEASURED AT AMORTISED COST)

Particulars	For the year ended 31 March, 2024	For the year ended 31 March, 2023
Interest on loans	64,416.58	46,504.45
Interest on investments	1,591.34	1,406.92
Interest on deposits with banks	2,509.20	1,160.00
Other interest income	1,640.93	1,161.59
Total	70,158.05	50,232.96

23. FEES AND COMMISSION INCOME

Particulars	For the year ended 31 March, 2024	For the year ended 31 March, 2023
Fee based income	3,778.94	3,158.41
Total	3,778.94	3,158.41

Revenue from contract with customers

Particulars	For the year ended 31 March, 2024	For the year ended 31 March, 2023
i. Type of services		
- Fee and commission income (as per note no- 23)	3,778.94	3,158.41
- Marketing support income (as per note no- 25)	3,163.35	2,142.99
Total	6,942.29	5,301.40
ii. Primary Geographical market		
- Outside India	-	-
- India	6,942.29	5,301.40
Total	6,942.29	5,301.40
iii. Timing of revenue recognition		
- At a point in time upon rendering services	3,778.94	3,158.41
- Over period of time upon rendering services	3,163.35	2,142.99
Total	6,942.29	5,301.40
iv. Receivable towards contract with customers(included in other receivables)		
- Opening Balance	258.22	-
- Closing Balance	80.06	258.22
v. Impairment on receivable towards contract with customers	-	-

24. NET GAIN ON FAIR VALUE CHANGES

Particulars	For the year ended 31 March, 2024	For the year ended 31 March, 2023
Net gain on financial instruments at fair value through profit or loss		
On trading portfolio		
- Investments	1,009.70	609.19
Total net gain on fair value changes	1,009.70	609.19
Fair value changes		
- Realised	1,009.70	609.16
- Unrealised	-	0.03
Total net gain on fair value changes	1,009.70	609.19

25. OTHER INCOME

Particulars	For the year ended 31 March, 2024	For the year ended 31 March, 2023
Marketing support income	3,163.35	2,142.99
Gain on termination of leases	8.50	8.07
Liabilities no longer required, written back	3.16	19.04
Miscellaneous Income	1.20	1.20
Total	3,176.21	2,171.30

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION
FOR THE YEAR ENDED 31 MARCH, 2024 (Contd.)

26. FINANCE COSTS (ON FINANCIAL LIABILITIES MEASURED AT AMORTISED COST)

Particulars	For the year ended 31 March, 2024	For the year ended 31 March, 2023
(a) Interest expenses on		
- Borrowings	26,846.29	18,531.77
- Debt securities	1,075.37	1,697.18
- Securitised loans	697.42	579.05
(b) Other borrowing costs		
- Securitisation expense	17.13	25.12
- Interest expense on lease liabilities	153.51	119.24
- Other interest expense	61.99	34.60
Total	28,851.71	20,986.96

27. IMPAIRMENT ON FINANCIAL INSTRUMENTS (MEASURED AT AMORTISED COST)

Particulars	For the year ended 31 March, 2024	For the year ended 31 March, 2023
Impairment loss on loans [^]	907.96	96.06
Loans written off(net)*	1,028.27	1,011.50
Impairment loss on EIS receivable on direct assignment	38.02	14.34
Impairment loss on stock of acquired properties	(56.66)	284.87
Total	1,917.59	1,406.77

[^]Includes provision on undrawn commitments of INR 47.02 Lakhs(31 March 2023: INR (17.58) Lakhs)

*Net of bad debt recovery of ₹ 410.58 Lacs(31 March, 2023: ₹ 494.04 Lacs)

28. EMPLOYEE BENEFITS EXPENSES

Particulars	For the year ended 31 March, 2024	For the year ended 31 March, 2023
Salaries, wages and bonus	15,569.11	11,747.10
Contribution to provident and other funds	890.24	698.50
Share based payments to employees	1,230.11	830.35
Staff welfare expenses	253.42	179.99
Total	17,942.88	13,455.94

29. DEPRECIATION AND AMORTISATION

Particulars	For the year ended 31 March, 2024	For the year ended 31 March, 2023
Depreciation of property, plant and equipment (Refer note 11)	971.00	780.92
Amortisation of intangible assets (Refer note 12)	20.36	39.33
Total	991.36	820.25

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION
FOR THE YEAR ENDED 31 MARCH, 2024 (Contd.)

30. OTHER EXPENSES

Particulars	For the year ended 31 March, 2024	For the year ended 31 March, 2023
Legal and professional charges	797.83	661.48
Loan processing charges	354.02	266.70
Advertisement and marketing expenses	276.78	182.13
Rent and hire charges	195.37	152.95
Travelling and conveyance	673.85	763.68
Information technology expense	987.05	771.12
Communication expenses	141.68	101.34
Rates and taxes expenses	9.02	3.63
Repairs and maintenance - others	101.12	100.18
Office expenses	101.55	91.77
Electricity and water expenses	176.17	138.48
Printing, stationery and office supplies	73.56	35.95
Insurance expenses	54.96	62.48
Directors' sitting fees	47.91	32.10
Auditor's remuneration (Refer note 30.1 below)	56.39	44.62
Bank charges	99.26	77.40
Loss on derecognition of property, plant and equipment	11.86	13.12
Corporate social responsibility expenses (Refer note 30.2 below)	316.38	230.00
Miscellaneous expenses	38.33	17.06
Total	4,513.09	3,746.20

30.1 AUDITOR'S REMUNERATION

Particulars	For the year ended 31 March, 2024	For the year ended 31 March, 2023
a) As auditors (excluding GST)		
- Statutory audit including limited review	41.00	39.00
- Certification and other charges*	6.54	3.45
b) for re-imbursement of expenses	4.20	2.17

*Excludes remuneration of INR 50 lacs paid for Report on offer documents including report on restated financial information, various certificates and comfort letter which is adjusted against security premium.

30.2 EXPENDITURE INCURRED ON CORPORATE SOCIAL RESPONSIBILITY (CSR)

As per section 135 of the Companies Act, 2013 along with Companies (Corporate Social Responsibility Policy) Rules 2014, the Company is required to spend for CSR activities in accordance with its CSR policy. The details of the CSR expenses for the year are as under:

Particulars	For the year ended 31 March, 2024	For the year ended 31 March, 2023
a) Gross amount required to be spent by the Company during the year	316.38	230.00
b) Amount spent during the year on:		
i) Construction/acquisition of any asset	14.50	40.70
ii) On purpose other than (i) above		
Contribution towards Trust/NGOs	301.88	189.30
c) Amount unpaid	-	-

The nature of CSR activities undertaken by the Company: To improve the lives of the community, especially the socially and economically underprivileged communities, by making a long term, measurable and positive impact through projects in the areas of Education, Health and Skill Development

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION
FOR THE YEAR ENDED 31 MARCH, 2024 (Contd.)

31. TAX EXPENSE

Particulars	For the year ended 31 March, 2024	For the year ended 31 March, 2023
In respect of the current year	7,103.67	4,634.07
In respect of the prior period	(136.11)	-
	6,967.56	4,634.07
Deferred tax charge/(credit)	166.16	14.68
	166.16	14.68
Total income tax expense recognised (excluding tax recognised in other comprehensive income)	7,133.72	4,648.75

The major components of tax expense and the reconciliation of the expected tax expense based on the domestic effective tax rate and the reported tax expense in statement of profit and loss, is as follows:

Particulars	For the year ended 31 March, 2024	For the year ended 31 March, 2023
Profit before tax	31,821.03	20,146.50
Applicable tax rate	25.17%	25.17%
Expected tax expense [A]	8,008.72	5,070.47
Effect of expenses that are not deductible in determining taxable profit	79.63	240.92
Deductions under section 80JJAA of the Income-tax Act, 1961	(132.80)	(136.31)
Deductions under Section 36(1)(viii) and 36(1)(viiia) of the Income-tax Act, 1961	(991.65)	(547.27)
Tax on other comprehensive income	169.82	20.94
Total	7,133.72	4,648.75

Income tax expense recognised in other comprehensive income

Particulars	For the year ended 31 March, 2024	For the year ended 31 March, 2023
Income tax relating to re-measurement loss on defined benefit plans	4.10	38.26
Income tax relating to re-measurement gains/ (losses) on hedge instruments	(173.92)	(59.20)
Total	(169.82)	(20.94)

32. EXPENDITURE IN FOREIGN CURRENCY

Particulars	For the year ended 31 March, 2024	For the year ended 31 March, 2023
Software license expense	16.57	2.84
Legal and professional charges (in respect of IPO)	471.04	-
Interest expense on ECB	788.62	172.25
Total	1,276.23	175.09

The Company's unhedged foreign currency exposure as on 31 March, 2024 is Nil (31 March, 2023: Nil).

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION
FOR THE YEAR ENDED 31 MARCH, 2024 (Contd.)

For the year ended 31 March, 2024

Particulars	Unhedged			Hedged through forward or derivative			Natural hedge
	</=1 year	> 1 year	Total	</=1year	> 1 year	Total	</=1 year
Foreign currency (FCY) receivables							
Exports	-	-	-	-	-	-	-
Loans to Joint Venture/Wholly Owned Subsidiary (JV/WOS)	-	-	-	-	-	-	-
Others	-	-	-	-	-	-	-
FCY payables							
Imports	-	-	-	-	-	-	-
Trade credits	-	-	-	-	-	-	-
External Commercial Borrowings (ECBs)	-	-	-	-	24,928.01	24,928.01	-
Other FCY loans	-	-	-	-	-	-	-
₹ to USD swaps	-	-	-	-	-	-	-
Total	-	-	-	-	24,928.01	24,928.01	-

For the year ended 31 March, 2023

Particulars	Unhedged			Hedged through forward or derivative			Natural hedge
	</=1 year	> 1 year	Total	</=1year	> 1 year	Total	</=1 year
Foreign currency (FCY) receivables							
Exports	-	-	-	-	-	-	-
Loans to Joint Venture/Wholly Owned Subsidiary (JV/WOS)	-	-	-	-	-	-	-
Others	-	-	-	-	-	-	-
FCY payables							
Imports	-	-	-	-	-	-	-
Trade credits	-	-	-	-	-	-	-
External Commercial Borrowings (ECBs)	-	-	-	-	8,177.20	8,177.20	-
Other FCY loans	-	-	-	-	-	-	-
₹ to USD swaps	-	-	-	-	-	-	-
Total	-	-	-	-	8,177.20	8,177.20	-

33. SEGMENT REPORTING

The Company is a housing finance company registered with the National Housing Bank predominantly engaged in a single business segment i.e. providing housing loans and loan against properties in India only, which has similar nature of products and services, type/ class of customers and the nature of the regulatory environment, risks and returns and accordingly there are no separately reportable business or geographical segments as per the Indian Accounting Standard ('Ind AS') 108 on Operating Segments.

34. CONTINGENT LIABILITIES AND COMMITMENTS

Particulars	For the year ended 31 March, 2024	For the year ended 31 March, 2023
a) Contingent liabilities		
- Income tax matters	660.03	660.03
- Goods and Service tax	12.50	-
b) Commitments		
- Loan financing	42,834.11	26,789.44
c) Bank guarantees	925.00	25.00

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION
FOR THE YEAR ENDED 31 MARCH, 2024 (Contd.)

Note:

- (i) The Company received income tax notice under section 143(3) of the Income Tax Act, 1961 (the Act) dated 25 December, 2019 for tax demand amounting to ₹ 445.23 Lacs on account of unexplained credit under Section 68 of the Act for assessment year 2017-18. In response to such notice, the Company has filed an appeal before Commissioner of Income Tax (Appeals). The Company has deposited ₹ 89.05 Lacs under protest. The legal proceeding when ultimately concluded will not, in the opinion of the management, have a material effect on the financial position of the Group.
- (ii) The Company received an income tax notice under section 143(1)(a) of the Income Tax Act, 1961 on 4 March, 2020, for the assessment year 2019-20, for tax demand of ₹ 214.80 Lacs, on account of disallowance of Interest payable on NCD issued to mutual fund under section 43B of the Income Tax Act, 1961. The said amount has been adjusted against the refund due for the assessment year 2019-20. The Company has filed an appeal before the National Faceless Appeal Centre, New Delhi.
- (iii) The Company has received a demand order of ₹ 12.50 Lacs for contravention of Section 34(2) of CGST Act 2017 for 2019-20 dated 27 September, 2023. The Company has filled the appeal with the relevant authorities. Above amount does not include the contingencies, the likelihood of which is remote.
- (iv) Bank guarantees amounting to INR 900 lacs given to National Stock Exchange as security deposit for Initial Public Offer.

35. DISCLOSURES AS PER THE MICRO, SMALL AND MEDIUM ENTERPRISES DEVELOPMENT ACT, 2006

Particulars	As at 31 March, 2024	As at 31 March, 2023
(i) the principal amount and the interest due thereon remaining unpaid to any supplier at the end of each accounting year;		
- Principal due	18.55	Nil
- Interest due	Nil	Nil
(ii) the amount of interest paid by the buyer in terms of section 16 of the Micro, Small and Medium Enterprises Development Act, 2006, along with the amount of the payment made to the supplier beyond the appointed day during each accounting year;	Nil	Nil
(iii) the amount of interest due and payable for the period of delay in making payment (which has been paid but beyond the appointed day during the year) but without adding the interest specified under the Micro, Small and Medium Enterprises Development Act, 2006;	Nil	Nil
(iv) the amount of interest accrued and remaining unpaid at the end of each accounting year; and	Nil	Nil
(v) the amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the Micro, Small and Medium Enterprises Development Act, 2006.	Nil	Nil

36. ASSETS HELD FOR SALE

The Company has obtained possession of certain properties mortgaged by customers, under Securitisation and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002 (The SARFAESI Act, 2002), which shall be sold to realise the loan and other amounts receivable by the Company. The Company is in the process of selling these properties and has classified these as assets held for sale.

Particulars	As at 31 March, 2024	As at 31 March, 2023
Gross Carrying Amount	926.05	991.22
Less:- Impairment loss on stock of acquired properties	(289.48)	(346.14)
Net Carrying amount	636.57	645.08



SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION
FOR THE YEAR ENDED 31 MARCH, 2024 (Contd.)

37. EMPLOYEE BENEFIT PLANS

A) Defined contribution plans

Provident and other funds

The Company makes contributions, determined as a specified percentage of employee salaries, in respect of qualifying employees towards provident fund and other funds which are defined contribution plans. The Company has no obligations other than this to make the specified contributions. The contributions are charged to the Statement of Profit and Loss as they accrue.

Particulars	For the year ended 31 March, 2024	For the year ended 31 March, 2023
Employer's contribution to provident and other funds	890.24	698.50

B) Defined benefit plans

Gratuity

These plans typically expose the Company to actuarial risks such as: investment risk, interest rate risk, longevity risk and salary risk.

Investment risk

The present value of the defined benefit plan liability (denominated in Indian Rupee) is calculated using a discount rate which is determined by reference to market yields at the end of the reporting period on government bonds.

Interest risk

The plan exposes the Company to the risk of fall in interest rates. A fall in interest rates will result in an increase in the ultimate cost of providing the above benefit and will thus result in an increase in the value of the liability.

Longevity risk

The present value of the defined benefit plan liability is calculated by reference to the best estimate of the mortality of plan participants both during and after their employment. An increase in the life expectancy of the plan participants will increase the plan's liability.

Salary risk

The present value of the defined benefit plan liability is calculated with the assumption of salary increase rate of plan participants in future. Deviation in the rate of increase of salary in future for plan participants from the rate of increase in salary used to determine the present value of obligation will have a bearing on the plan's liability.

The most recent actuarial valuation of the plan assets and the present value of the defined benefit obligation were carried out as at 31 March, 2024 by Mr. Ashok Kumar Garg (FIAI M.No. 00057), Fellow of the Institute of Actuaries of India. The present value of the defined benefit obligation, and the related current service cost, were measured using the projected unit credit method.

Principal assumptions	31 March, 2024	31 March, 2023
Discount rate(s)	7.25%	7.50%
Expected rate(s) of salary increase	11.00%	11.00%
Retirement age	58	58
Withdrawal rate	20.00%	20.00%
In service mortality	IALM (2012-14)	IALM (2012-14)

Amounts recognised in the statement of profit and loss in respect of these defined benefit plans are as follows:

Particulars	For the year ended 31 March, 2024	For the year ended 31 March, 2023
Service cost:		
Current service cost	159.19	113.36
Interest cost	24.40	25.55
Components of defined benefit costs recognised in profit or loss	183.59	138.91

Remeasurement (gains)/ loss recognised in other comprehensive income:

Actuarial losses/(gains) arising from changes in financial assumptions	36.95	(62.32)
Actuarial (gains)/losses arising from experience adjustments for plan liabilities	(51.10)	(89.69)
Actuarial (gains)/losses arising from experience adjustments for plan assets	(2.15)	-
Components of defined benefit costs recognised in other comprehensive income	(16.29)	(152.01)

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION
FOR THE YEAR ENDED 31 MARCH, 2024 (Contd.)

The amount included in the balance sheet arising from the Company’s obligation in respect of its defined benefit plans is as follows:

Particulars	As at 31 March, 2024	As at 31 March, 2023
Present value of funded defined benefit obligation	461.65	325.35
Fair value of plan assets	402.15	-
Net liability arising from defined benefit obligation	59.50	325.35

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

Particulars	Year ended 31 March, 2024	Year ended 31 March, 2023
Opening defined benefit obligation	325.35	365.01
Current service cost	159.19	113.36
Interest cost	24.40	25.55

Remeasurement (gains)/losses:

Actuarial losses/(gains) arising from changes in financial assumptions	36.95	(62.32)
Actuarial (gains)/losses arising from experience adjustments	(51.10)	(89.69)
Past service cost, including losses/(gains) on curtailments	-	-
Benefits paid	(33.14)	(26.56)

Closing defined benefit obligation	461.65	325.35
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Movements in the fair value of planned assets are as follows:

Particulars	Year ended 31 March, 2024	Year ended 31 March, 2023
Fair value of plan assets at the beginning of the period	-	-
Expected return on plan assets	-	-
Contributions	400.00	-
Benefits paid	-	-
Actuarial gain/(loss) on plan assets	2.15	-
Fair Value of Plan Asset at the end of the Period	402.15	-

Sensitivity analysis

Significant actuarial assumptions for the determination of the defined obligation are discount rate, expected salary increase, mortality, etc. The sensitivity analysis below have been determined based on reasonable possible changes of the respective assumptions occurring at the end of the reporting period, while holding all other assumptions constant.

- If the discount rate is 100 basis points higher (lower), the defined benefit obligation would decrease by ₹ 22.42 Lacs (increase by ₹ 24.76 Lacs) [31 March, 2023: 15.59 Lacs (increase by ₹ 16.85 Lacs)].

- If the expected salary growth increases (decreases) by 100 basis points, the defined benefit obligation would increase by ₹ 23.20 Lacs (decrease by ₹ 21.38 Lacs) [31 March, 2023: increase by ₹ 16.14 Lacs (decrease by ₹ 15.25 Lacs)].

Sensitivities due to change in mortality rate and change in withdrawal rate are not expected to be material and hence impact of such change is not calculated.

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.

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 reporting period.

There was no change in the methods and assumptions used in preparing the sensitivity analysis from prior years.



SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION
FOR THE YEAR ENDED 31 MARCH, 2024 (Contd.)

Other disclosures

Maturity profile of defined benefit obligations

Particulars	As at 31 March, 2024	As at 31 March, 2023
Average duration of the defined benefit obligation (in years)		
Less than 1 year	35.76	21.98
Between 1-2 years	6.57	4.58
Between 2-5 years	26.16	18.08
Over 5 years	393.16	280.71

-The expected contributions to the plan for the next year is ₹ 297.35 Lacs.

38. MATURITY ANALYSIS OF ASSETS AND LIABILITIES

	31 March, 2024			31 March, 2023		
	Within 12 months	After 12 months	Total	Within 12 months	After 12 months	Total
Assets						
Financial assets						
Cash and cash equivalents	11,185.41	-	11,185.41	35,853.84	-	35,853.84
Bank balance other than cash and cash equivalents	21,984.09	3,292.15	25,276.24	10,864.52	2,764.27	13,628.79
Derivative financial instruments	-	-	-	5.85	-	5.85
Loans	63,630.94	4,42,608.64	5,06,239.58	55,066.43	3,05,847.99	3,60,914.42
Investments	15,779.70	1,200.00	16,979.70	4,692.83	1,200.00	5,892.83
Other financial assets	4,737.77	7,901.75	12,639.52	3,765.51	5,257.15	9,022.66
Non-financial assets						
Current tax assets (Net)	1,484.07	-	1,484.07	-	-	-
Deferred tax assets (net)	-	304.98	304.98	-	301.31	301.31
Property, plant and equipment	-	2,953.20	2,953.20	-	2,383.47	2,383.47
Other intangible assets	-	28.09	28.09	-	48.45	48.45
Other non-financial assets	1,437.42	143.37	1,580.79	576.65	239.72	816.37
Assets held for sale	636.57	-	636.57	645.08	-	645.08
Total assets	1,20,875.97	4,58,432.18	5,79,308.15	1,11,470.71	3,18,042.36	4,29,513.07
Liabilities						
Financial liabilities						
Derivative financial instruments	255.54	-	255.54	-	-	-
Trade payables						
(i) total outstanding dues of micro enterprises and small enterprises	18.55	-	18.55	-	-	-
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises	480.61	-	480.61	613.98	-	613.98
Debt securities	0.90	3,000.00	3,000.90	10,413.32	7,240.09	17,653.41
Borrowings (Other than debt securities)	77,192.33	2,61,316.64	3,38,508.97	62,260.88	2,18,972.61	2,81,233.49

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION
FOR THE YEAR ENDED 31 MARCH, 2024 (Contd.)

	31 March, 2024			31 March, 2023		
	Within 12 months	After 12 months	Total	Within 12 months	After 12 months	Total
Assets						
Other financial liabilities	6,846.05	-	6,846.05	5,343.53	-	5,343.53
Non-financial liabilities						-
Provisions	158.36	122.28	280.64	92.60	376.38	468.98
Current tax liabilities (Net)	-	-	-	60.01	-	60.01
Other non-financial liabilities	159.23	-	159.23	123.46	-	123.46
Total liabilities	85,111.57	2,64,438.92	3,49,550.49	78,907.78	2,26,589.08	3,05,496.86
Net	35,764.40	1,93,993.26	2,29,757.66	32,562.93	91,453.28	1,24,016.21

Classification of assets & liabilities under maturity buckets is based on estimates and assumptions of the Company.

39. FINANCIAL INSTRUMENTS

39.1 CAPITAL MANAGEMENT

Capital

The Company maintains an actively managed capital base to cover risks inherent in the business and is meeting the capital adequacy requirements of the National Housing Bank (NHB) and Reserve Bank of India (RBI). The adequacy of the Company's capital is monitored using, among other measures, the regulations issued by NHB and RBI.

Capital management

The capital management objectives of the Company are:

- to ensure that the Company complies with externally imposed capital requirements, if any and maintains strong credit ratings and healthy capital ratios
- to ensure the ability to continue as a going concern
- to provide an adequate return to shareholders

Gearing ratio

The gearing ratio at the end of reporting period was as follows:

Particulars	As at 31 March, 2024	As at 31 March, 2023
Debt		
Borrowings(other than debt securities)	3,38,508.97	2,81,233.49
Debt securities	3,000.90	17,653.41
Cash and cash equivalents	(11,185.41)	(35,853.84)
Net debt	3,30,324.46	2,63,033.06
Total equity	2,29,757.66	1,24,016.21
Net debt to equity ratio	1.44	2.12

Management assesses the capital requirements of the Company in order to maintain an efficient overall financing structure. The Company manages the capital structure and makes adjustments to it in the light of changes in economic conditions and the risk characteristics of the underlying assets. In order to maintain or adjust the capital structure, the Company may adjust the amount of dividends, return on capital to shareholders, issue new shares, or sell assets to reduce debt.



SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION
FOR THE YEAR ENDED 31 MARCH, 2024 (Contd.)

39.2 CATEGORIES OF FINANCIAL INSTRUMENTS

The carrying value of financial assets and financial liabilities are as follows:

As at 31 March, 2024

Particulars	Fair value through profit or loss	Fair value through other comprehensive income	Amortised cost	Total carrying value
Financial assets				
Cash and cash equivalents	-	-	11,185.41	11,185.41
Bank balance other than cash and cash equivalents	-	-	25,276.24	25,276.24
Derivative financial instuments	-	-	-	-
Loans	-	-	5,06,239.58	5,06,239.58
Investments	-	-	16,979.70	16,979.70
Other financial assets	-	-	12,639.52	12,639.52
Total financial assets	-	-	5,72,320.45	5,72,320.45
Financial liabilities				
Derivative financial instuments	-	255.54	-	255.54
Trade payables	-	-	499.16	499.16
Debt securities	-	-	3,000.90	3,000.90
Borrowings (Other than debt securities)	-	-	3,38,508.97	3,38,508.97
Other financial liabilities	-	-	6,846.05	6,846.05
Total financial liabilities	-	255.54	3,48,855.08	3,49,110.62

As at 31 March, 2023

Particulars	Fair value through profit or loss	Fair value through other comprehensive income	Amortised cost	Total carrying value
Financial assets				
Cash and cash equivalents	-	-	35,853.84	35,853.84
Bank balance other than cash and cash equivalents	-	-	13,628.79	13,628.79
Derivative financial instuments	-	5.85	-	5.85
Loans	-	-	3,60,914.42	3,60,914.42
Investments	499.98	-	5,392.85	5,892.83
Other financial assets	-	-	9,022.66	9,022.66
Total financial assets	499.98	5.85	4,24,812.56	4,25,318.39
Financial liabilities				
Trade payables	-	-	613.98	613.98
Debt securities	-	-	17,653.41	17,653.41
Borrowings (Other than debt securities)	-	-	2,81,233.49	2,81,233.49
Other financial liabilities	-	-	5,343.53	5,343.53
Total financial liabilities	-	-	3,04,844.41	3,04,844.41

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION
FOR THE YEAR ENDED 31 MARCH, 2024 (Contd.)

39.3 FAIR VALUE MEASUREMENT OF ASSETS AND LIABILITIES

Fair value hierarchy

Assets and liabilities are measured at fair value in the financial statements and are grouped into three levels of a fair value hierarchy. The three Levels are defined based on the observability of significant inputs to the measurement, as follows:

- Level 1: Quoted prices (unadjusted) for identical instruments in an active markets;
- Level 2: Directly (i.e. as prices) or indirectly (i.e. derived from prices) observable market inputs, other than Level 1 inputs; and
- Level 3: Inputs which are not based on observable market data (unobservable inputs).

The following table shows the levels within the hierarchy of assets measured at fair value on a recurring basis:

As at 31 March, 2024

Particulars	Level 1	Level 2	Level 3	Total
Asset measured at fair value on a recurring basis				
Financial Assets carried at fair value through profit and loss				
Investments in mutual fund	-	-	-	-
Assets measured at fair value on a non recurring basis				
Assets held for sale	-	636.57	-	636.57

As at 31 March, 2023

Particulars	Level 1	Level 2	Level 3	Total
Asset measured at fair value on a recurring basis				
Investments in mutual fund	499.98	-	-	499.98
Assets measured at fair value on a non recurring basis				
Assets held for sale	-	645.08	-	645.08

Valuation methodologies of financial instruments measured at fair value

Below are the methodologies and assumptions used to determine fair values for the above financial instruments which are recorded and measured at fair value in the Company's financial statements:

- a) **Mutual funds** - Units held in Mutual funds are valued based on their published Net asset value (NAV) and such instruments are classified under Level 1.
- b) **Asset held for sale** - Assets held for sale valuation are basis independent valuations by a specialist in valuing these type of assets. The best estimate of fair value is current prices in an active market for similar assets.

39.4 Fair value of instruments measured at amortised cost

Fair value of instruments measured at amortised cost for which fair value is disclosed is as follows, these fair values are calculated using Level 3 inputs:

As at 31 March, 2024

Particulars	Carrying value	Fair value			
		Level 1	Level 2	Level 3	Total
Financial assets					
Cash and cash equivalents	11,185.41	-	-	11,185.41	11,185.41
Bank balance other than cash and cash equivalents	25,276.24	-	-	25,276.24	25,276.24
Loans	5,06,239.58	-	-	5,06,239.58	5,06,239.58
Investments	16,979.70	-	-	16,979.70	16,979.70
Other financial assets	12,639.52	-	-	12,639.52	12,639.52
	5,72,320.45	-	-	5,72,320.45	5,72,320.45
Financial liabilities					
Trade payables	499.16	-	-	499.16	499.16
Debt securities	3,000.90	-	-	3,000.90	3,000.90
Borrowings (Other than debt securities)	3,38,508.97	-	-	3,38,508.97	3,38,508.97
Other financial liabilities	6,846.05	-	-	6,846.05	6,846.05
	3,48,855.08	-	-	3,48,855.08	3,48,855.08



SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION
FOR THE YEAR ENDED 31 MARCH, 2024 (Contd.)

As at 31 March, 2023

Particulars	Carrying value	Fair value			
		Level 1	Level 2	Level 3	Total
Financial assets					
Cash and cash equivalents	35,853.84	-	-	35,853.84	35,853.84
Bank balance other than cash and cash equivalents	13,628.79	-	-	13,628.79	13,628.79
Loans	3,60,914.42	-	-	3,60,914.42	3,60,914.42
Investments	5,392.85	-	-	5,392.85	5,392.85
Other financial assets	9,022.66	-	-	9,022.66	9,022.66
	4,24,812.56	-	-	4,24,812.56	4,24,812.56
Financial liabilities					
Trade payables	613.98	-	-	613.98	613.98
Debt securities	17,653.41	-	-	17,653.41	17,653.41
Borrowings (Other than debt securities)	2,81,233.49	-	-	2,81,233.49	2,81,233.49
Other financial liabilities	5,343.53	-	-	5,343.53	5,343.53
	3,04,844.41	-	-	3,04,844.41	3,04,844.41

The management is of view that the fair value of bank balances and cash and cash equivalents, other bank balances, loans, other financial assets, trade payables, borrowings including debt securities and other financial liabilities that are being carried at amortised cost, approximates to their respective net carrying value.

39.5. FINANCIAL RISK MANAGEMENT

Risk Management

The Company's activities expose it to market risk, liquidity risk and credit risk. This note explains the sources of risk which the entity is exposed to and how the entity manages the risk and the related impact in the financial statements.

Risk	Exposure arising from	Measurement	Management
Credit risk	Loan receivables, cash and bank balances, investments, financial assets measured at amortised cost	Expected loss analysis	Credit risk analysis, diversification of customers/ asset base, high rated bank deposits, credit limits and collateral.
Liquidity risk	Business commitments and other liabilities	Rolling cash flow forecasts	Maintaining adequate cash reserves and undrawn credit facilities, by continuously monitoring forecast and actual cash flows, and by matching the maturity profiles of financial assets and liabilities.
Market risk - interest rate	Borrowings at variable rates	Sensitivity analysis	Funding strategies to ensure diversified resource-raising options to minimise cost and maximise stability of funds. and Asset Liability Management Committee supervise an interest rate sensitivity report periodically for assessment of interest rate risks.
Market risk - currency risk	External Commercial Borrowings	Sensitivity analysis	Hedging strategies to ensure 100 % hedge by way of booking derivatives in the form of forward cover or cross currency swap. Effectiveness of the hedge is reviewed by Risk management Committee periodically.

The Board has the overall responsibility of risk management - there are two committees of the Board which takes care of managing overall risk in the organisation. In accordance with the RBI and NHB guidelines to enable Housing Finance Companies to adopt best practices and greater transparency in their operations, the Board of Directors of the Company has constituted a Risk Management Committee to review risk management in relation to various risks, namely, market risk, credit risk, and operational risk, and an Asset Liability Management Committee (ALCO).



SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION FOR THE YEAR ENDED 31 MARCH, 2024 (Contd.)

a) 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 the Company. In its lending operations, the Company is principally exposed to credit risk. The credit risk is governed by various product policies. The product policies outline the type of products that can be offered, customer categories, the targeted customer profile and the credit approval process and limits. The Company measures, monitors and manages credit risk at an individual borrower level. The credit risk for individual borrowers is being managed at portfolio level for both Housing Loans and Non-housing Loans. The Company has a structured and standardised credit approval process, which includes a well-established procedure of comprehensive credit appraisal.

Credit risk arises from loan financing, cash and cash equivalents, investments and deposits with banks and financial institutions, as shown below:

Particulars	As at 31 March, 2024	As at 31 March, 2023
Loans	5,06,239.58	3,60,914.42
Cash and cash equivalents	11,185.41	35,853.84
Bank balance other than cash and cash equivalents	25,276.24	13,628.79
Investments	16,979.70	5,892.83
Other financial assets	12,639.52	9,022.66

Credit risk management

The Company assesses and manages credit risk based on internal credit rating system and external ratings.

Cash and cash equivalents and bank deposits

Credit risk related to cash and cash equivalents and bank deposits is managed by only accepting highly rated banks and diversifying bank deposits and accounts in different banks across the country.

Loans

The customers are primarily low and middle-income, salaried and self-employed individuals. The credit officers evaluate credit proposals on the basis of active credit policies as on the date of approval. The criteria typically include factors such as the borrower's income and obligations, the loan-to-value ratio and demographic parameters subject to regulatory guidelines. Any deviations need to be approved at the designated levels. The various process controls such as PAN Number Check, CERSAI database scrubbing, Credit Bureau Report analysis are undertaken prior to approval of a loan. Individual loans are secured by the mortgage of the borrowers property.

Investments

Investments are generally made in mutual funds and high rated debt securities. Credit risk related to these investments is managed by monitoring the recoverability of such amounts continuously.

Other financial assets measured at amortised cost

Other financial assets measured at amortised cost includes security deposits and others. Credit risk related to these other financial assets is managed by monitoring the recoverability of such amounts continuously.

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION FOR THE YEAR ENDED 31 MARCH, 2024 (Contd.)

b) Liquidity risk

Prudent liquidity risk management implies maintaining sufficient cash and marketable securities and the availability of funding through an adequate amount of committed credit facilities to meet obligations when due. Management of the Company monitors forecast of liquidity position and cash and cash equivalents on the basis of expected cash flows. The Asset Liability Management Policy aims to align market risk management with overall strategic objectives, articulate current interest rate view and determine pricing, mix and maturity profile of assets and liabilities. The asset liability management policy involves preparation and analysis of liquidity gap reports and ensuring preventive and corrective measures. It also addresses the interest rate risk by providing for duration gap analysis and control by providing limits to the gaps.

The tables below analyse the financial assets and liabilities of the Company into relevant maturity groupings based on their contractual maturities for all non-derivative financial liabilities.

The amounts disclosed in the table are the contractual undiscounted cash flows except EIS receivables on direct assignment included in other financial assets. Balances due within 12 months equal their carrying balances as the impact of discounting is not significant.

Maturities of financial assets

31 March, 2024

Particulars	Less than 1 year	1-3 year	3-5 year	More than 5 years	Total
Cash and cash equivalents	11,185.41	-	-	-	11,185.41
Bank balance other than cash and cash equivalents	21,984.09	3,267.15	25.00	-	25,276.24
Loans	65,030.02	1,15,485.42	1,01,237.41	2,36,920.85	5,18,673.70
Investments [#]	15,779.70	-	-	1,200.00	16,979.70
Other financial assets	4,737.77	4,449.67	2,329.33	1,122.75	12,639.52
Total	1,18,716.99	1,23,202.24	1,03,591.74	2,39,243.60	5,84,754.57

[#]High Quality Liquid Assets (HQLA) are considered for maturity under the bucket of "Less than 1 year" considering the nature of investments.

31 March, 2023

Particulars	Less than 1 year	1-3 year	3-5 year	More than 5 years	Total
Cash and cash equivalents	35,853.84	-	-	-	35,853.84
Bank balance other than cash and cash equivalents	10,864.52	2,739.27	25.00	-	13,628.79
Derivative financial instrument	5.85	-	-	-	5.85
Loans	56,955.37	1,10,154.93	82,564.34	1,20,688.05	3,70,362.69
Investments	4,692.83	-	-	1,200.00	5,892.83
Other financial assets	3,765.51	4,369.91	859.94	27.30	9,022.66
Total	1,12,137.92	1,17,264.11	83,449.28	1,21,915.35	4,34,766.66

Maturities of financial liabilities

The tables below analyse the financial liabilities of the Company into relevant maturity groupings based on their contractual maturities for all non-derivative financial liabilities.

The amounts disclosed in the table are the contractual undiscounted cash flows. Balances due within 12 months equal their carrying balances as the impact of discounting is not significant.

31 March, 2024

Particulars	Less than 1 year	1-3 year	3-5 year	More than 5 years	Total
Borrowings (Other than debt securities)	76,936.52	1,30,975.22	95,858.46	35,776.36	3,39,546.56
Debt securities	0.90	3,000.00	-	-	3,000.90
Derivative financial instrument	255.54	-	-	-	255.54
Trade payables	499.16	-	-	-	499.16
Other financial liabilities	6,846.05	-	-	-	6,846.05
Total	84,538.17	1,33,975.22	95,858.46	35,776.36	3,50,148.21



SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION
FOR THE YEAR ENDED 31 MARCH, 2024 (Contd.)

31 March, 2023

Particulars	Less than 1 year	1-3 year	3-5 year	More than 5 years	Total
Borrowings (Other than debt securities)	62,260.88	1,10,304.62	71,838.12	38,198.03	2,82,601.65
Debt securities	9,230.69	2,000.00	6,500.00	-	17,730.69
Trade payables	613.98	-	-	-	613.98
Other financial liabilities	5,343.53	-	-	-	5,343.53
Total	77,449.08	1,12,304.62	78,338.12	38,198.03	3,06,289.85

Public disclosure on Liquidity Risk of India Shelter Finance Corporation Limited in accordance with RBI circular No.RBI/2019-20/88DOR.NBFC(PD)CC.No.102/03.10.001/2019-20dated04November,2019onLiquidityRiskManagement Framework for Non-Banking Financial Companies (NBFCs) including Core Investment Companies and RBI circular No. RBI/2020-21/60 DOR.NBFC(HFC).CC.No.118/ 03.10.136/2020-21 dated 22 October, 2020 for regulatory framework for Housing Finance Companies (HFCs).

Funding concentration based on significant counterparty*# (borrowings)

Particulars	As at 31 March, 2024	
Number of significant counterparties*	Amount	% of total liabilities
22	3,23,893.77	92.66%

Particulars	As at 31 March, 2023	
Number of significant counterparties*	Amount	% of total liabilities
29	2,78,861.74	91.28%

*A significant counterparty is a single counterparty that has an amount outstanding for more than 1% of the total liabilities as on the reporting date.

Funding concentration based on significant instrument/product*#

Name of the instrument	As at 31 March, 2024		As at 31 March, 2023	
Number of significant counterparties*	Amount	% of total liabilities	Amount	% of total liabilities
Term loans from banks and financial institutions	2,65,773.77	76.03%	2,13,817.53	69.99%
Term loans from National Housing Bank	63,934.24	18.29%	57,889.28	18.95%
Non-convertible debentures	3,000.00	0.86%	16,500.00	5.40%
Securitisation	7,096.07	2.03%	8,805.55	2.88%
	3,39,804.07		2,97,012.36	

*A significant instrument/product is defined as a single instrument/product of group of similar instruments/products which in aggregate amount to more than 1% of the total liabilities.

Top 10 borrowings#

Particulars	As at 31 March, 2024		As at 31 March, 2023	
	Amount	% of total liabilities	Amount	% of total liabilities
Term Loan/NCD/Securitisation	2,49,560.24	73.44%	1,79,679.90	60.50%

#All the above mentioned outstanding borrowings are disclosed at principal outstanding without considering EIR impact and interest accrued on borrowings.

Stock Ratios:

Particulars	As at 31 March, 2024	As at 31 March, 2023
Commercial papers issued to public funds	Nil	Nil
Commercial papers issued to total liabilities	Nil	Nil
Commercial papers issued to total assets	Nil	Nil
NCD (original maturity < one year) to public funds	Nil	Nil

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION
FOR THE YEAR ENDED 31 MARCH, 2024 (Contd.)

Particulars	As at 31 March, 2024	As at 31 March, 2023
NCD (original maturity < one year) to total liabilities	Nil	Nil
NCD (original maturity < one year) to total assets	Nil	Nil
Other short-term liabilities to public funds	2.21%	2.05%
Other short-term liabilities to total liabilities	2.15%	1.99%
Other short-term liabilities to total assets	1.30%	1.42%

Disclosure on Liquidity Coverage Ratio (LCR) as on 31 March, 2024 in accordance with RBI circular No. RBI/2020-21/73 DOR.FIN. HFC.CC.No.102 /03.10.136/2020-21 dated 17 February, 2021 and RBI circular No. RBI/DNBR/2016-17/45 Master Direction DNBR.PD.008/03.10.119/ 2016-17 dated 01 September, 2016

The RBI vide Circular No. RBI/2020-21/73 DOR.FIN.HFC.CC.No.120/03.10.136/2020-21 dated 17 February, 2021 issued guidelines on maintenance of Liquidity Coverage Ratio (LCR) for HFCs. The guidelines required all non-deposit taking HFC with an asset size of ₹ 5,000 crore and above, but less than ₹ 10,000 crore, to maintain LCR of 30% as at 31 December 2021, to be gradually increased to 100% by December 2025.

The objective of the LCR is to promote resilience in the liquidity risk profile of HFCs. This is done by ensuring that the Company has an adequate stock of unencumbered high-quality liquid assets (HQLA) that can be converted easily and immediately into cash to meet its liquidity needs for a 30 calendar day liquidity stress scenario.

The total assets of the Company has crossed ₹ 5,000 crores as at 31 December, 2023, the Company has presented the LCR related disclosures for position as on 31 December 2023 and for the quarter ended 31 March 2024 only i.e. the period for which the guideline became applicable to the Company.

The Company regularly reviews the maturity position of assets and liabilities and liquidity buffers, and ensures maintainance of sufficient quantum of High Quality Liquid Assets, most of which is in the form of government securities as at 31 March, 2024.

Quantative information on LCR for the year ended 31 March, 2024 is as follows:

Particulars	As at 31-Dec-2023		Qtr ended 31-03-2024	
	Total Unweighted Value(average)	Total weighted Value(average)	Total Unweighted Value(average)	Total weighted Value(average)
High Quality Liquid Assets	10,413.95	10,413.95	15,576.90	15,000.72
1. Total high Quality Liquid Assets (HQLA)	-	-	-	-
Cash Outflows	-	-	-	-
2. Deposits (for deposit taking companies)	-	-	-	-
3. Unsecured wholesale funding	-	-	-	-
4. Secured wholesale funding	36,128.77	41,548.09	9,635.98	11,081.37
5. Additional requirements, of which	-	-	-	-
(i) Outflows related to derivative exposures and other collateral requirements	-	-	-	-
(ii) Outflows related to loss of funding on debt products	-	-	-	-
(iii) Credit and liquidity facilities	-	-	-	-
6. Other contractual funding obligations	642.69	739.10	2,708.00	3,114.20
7. Other contingent funding obligations	6,162.94	7,087.38	24,864.84	28,594.57
8. TOTAL CASH OUTFLOWS	42,934.41	49,374.57	37,208.82	42,790.14
Cash Inflows				
9. Secured lending	8,798.27	6,598.70	9,384.49	7,038.37
10. Inflows from fully performing exposures	-	-	-	-
11. Other cash inflows	1,01,629.31	76,221.98	97,028.42	72,771.31
12. TOTAL CASH INFLOWS	1,10,427.58	82,820.68	1,06,412.91	79,809.68
Total HQLA		10,413.95		15,000.72
Total Net Cash Inflows		5,010.75		10,697.54
Liquidity Coverage Ratio (%)		207.83%		140.23%
Minimum Liquidity Coverage Ratio(%)		60%		60%

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION
FOR THE YEAR ENDED 31 MARCH, 2024 (Contd.)

c) **Market risk**

Interest rate risk

Liabilities

The policy of the Company is to minimise interest rate cash flow risk exposures on long-term loans and borrowings. As at 31 March, 2024, the Company is exposed to changes in market interest rates through loans and bank borrowings at variable interest rates.

Interest rate risk exposure

Below is the overall exposure of the Company to interest rate risk:

Particulars	As at 31 March, 2024	As at 31 March, 2023
Variable rate borrowing	2,72,924.05	2,37,326.50
Fixed rate borrowing	66,880.03	59,685.86
Total borrowings	3,39,804.07	2,97,012.36

Sensitivity

Below is the sensitivity of profit or loss and equity changes in interest rates:

Particulars	Impact on profit before tax	
	Year ended 31 March, 2024	Year ended 31 March, 2023
Interest rate - Increase by 100 basis points*	2,508.21	1,925.33
Interest rate - Decrease by 100 basis points*	(2,508.21)	(1,925.33)

* Holding all other variables constant

d) **Currency risk**

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign currency rates. The Company's exposure to the risk of changes in foreign exchange rates relates primarily to External Commercial Borrowings (ECB).

- (i) The Company has hedged its foreign currency exposure through Cross Currency Swaps in such a manner that it has fixed determinate outflows in its functional currency and as such there would be no significant impact of movement in foreign currency rates on the Company's profit before tax (PBT).

Foreign Currency Exposure

Particulars	Year ended 31 March, 2024	Year ended 31 March, 2023
External Commercial Borrowing (USD in Lacs)	300.00	100.00

Sensitivity

Below is the sensitivity of profit or loss and equity changes in currency rates:

Name of the instrument	Impact on profit before tax		Impact on OCI before tax	
Number of significant counterparties*	Year ended 31 March, 2024	Year ended 31 March, 2023	Year ended 31 March, 2024	Year ended 31 March, 2023
USD rate - Increase by 5%*	-	-	(1,250.69)	(411.08)
USD rate - Decrease by 5%*	-	-	1,250.69	411.08

* Holding all other variables constant



SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION
FOR THE YEAR ENDED 31 MARCH, 2024 (Contd.)

40. RELATED PARTY TRANSACTIONS

List of related parties:	
i. Holding Company	WestBridge Crossover Fund, LLC Aravali Investment Holdings (wholly-owned subsidiary of Westbridge Crossover Fund, LLC) (Post initial public offer refer note. 20(f), Collective shareholding has gone below 50%. Hence, cease to be holding Company during the current year)
ii. Wholly owned subsidiary of the Company	India Shelter Capital Finance Limited
iii. Post Employment Benefit Plan	India Shelter Employees Gratuity Fund Trust
iv. Key management personnel	a. Sudhin Bhagwandas Choksey- Chairman and Non-Executive Director w.e.f 31 July, 2023 b. Anil Mehta - Chairman and Non-Executive Director till 31 July, 2023 c. Rupinder Singh- Managing Director and Chief Executive Officer d. Ashish Gupta - Chief Financial Officer e. Mukti Chaplot - Company Secretary g. Anup Gupta - Nominee Director till 07 March, 2024 h. Sumir Chadha - Nominee Director i. Shailesh J Mehta - Nominee Director j. Rachna Dikshit - Independent Director k. Sunil Bhumralkar- Independent Director (till 30 November, 2022) l. Thomson Kadantot Thomas- Independent Director (w.e.f 02 August, 2022) m. Parveen Kumar Gupta- independent Director w.e.f 12 June, 2023 n. Savita Mahajan- Independent Director w.e.f 31 July, 2023 o. Ajay Narayan Jha- Independent Director- w.e.f 12 July, 2023 till 08 February, 2024
v. Entities having significance influence	a. WestBridge Crossover Fund, LLC (Holder of Equity Shares) b. Nexus Ventures III Ltd, Mauritius (Holder of Equity Shares) till 20 December, 2023 c. Aravali Investment Holdings (Holder of Equity Shares)
vi. Relative of key management personnel(KMP) - (where there are transactions)	Ankit Aggarwal - Husband of Mukti Chaplot Adit Mehta- Son of Anil Mehta

Transactions with related parties

Particulars	For the year ended 31 March, 2024	For the year ended 31 March, 2023
Rent paid to relative of KMP	-	2.74
Rent Received from subsidiary	1.20	1.20
Investment in Equity Share Capital of subsidiary	-	1,200.00
Gratuity Contribution in India Shelter Employees Gratuity Fund Trust	400.00	-

Transaction with key management personnel

Particulars	For the year ended 31 March, 2024	For the year ended 31 March, 2023
Short- term benefits	957.55	763.28
Contribution to pension funds and gratuity payment	30.99	59.94
Fees paid to non-executive director/promoter	280.00	186.67
Sitting fees paid to independent directors	96.60	29.45
Proceeds from issue of equity shares	108.05	2.70
Proceeds for security premium	2,223.48	115.29

Amount payable to key management personnel

Particulars	As at 31 March, 2024	As at 31 March, 2023
Short-term benefits	528.16	413.39

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION
FOR THE YEAR ENDED 31 MARCH, 2024 (Contd.)

Amount receivable from related party

Particulars	As at 31 March, 2024	As at 31 March, 2023
Receivable from subsidiary	-	1.42

Note 1: The KMPs are covered under the Company's gratuity policy, compensated absences policy and ESOP scheme along with other eligible employees of the Company. Proportionate amount of gratuity expenses, provision for compensated absences and ESOP expenses are not included in the aforementioned disclosures as it cannot be separately ascertained.

Note 2: During the current year, the Company has allotted 3,55,000 equity shares of face value of ₹ 10/- to Mr. Anil Mehta on account of exercise of Rights to Subscribe at a premium of ₹ 73.20 per share. The said allotment has been approved by the Board of Directors vide circular resolution dated 20 July, 2023.

The Board of Directors of the Company allotted 3,87,500 equity shares to Mr. Rupinder Singh, 1,90,000 equity shares to Mr. Ashish Gupta and 40,000 equity shares to Ms. Mukti Chaplot of face value of ₹ 10/- per share.

Note 3: During the year ended 31 March, 2023, the Company has allotted 1,35,000 partly paid-up equity shares of face value of ₹ 10/- per share at a premium of ₹ 427 per share on preferential basis to Mr. Anil Mehta (Promotor). Shares are paid-up to the extent of ₹ 2 towards face value and ₹ 85.4 towards premium. The said allotment has been approved by the Board of Directors vide circular resolution dated 19 November, 2022. Balance amount on partly paid shares were called by the Board on 12th July, 2023.

Balances outstanding as at the year end

Particulars	For the year ended 31 March, 2024	For the year ended 31 March, 2023
Share capital		
WestBridge Crossover Fund, LLC	1,085.42	1,085.42
Aravali Investment Holdings	1,421.14	1,421.14
Nexus Ventures III Ltd	-	996.18
Relative of KMP	0.75	0.75
Key Managerial Personnel	142.39	35.19

41. EARNINGS PER SHARE

Particulars	For the year ended 31 March, 2024	For the year ended 31 March, 2023
Profits for the year	24,687.31	15,497.75
Weighted average number of equity shares for calculating basic earnings per share	9,40,88,926	8,74,82,720
Effect of potential ordinary shares on Employee Stock Options and right to subscribe outstanding	42,55,659	14,11,462
Total weighted average number of equity shares for calculating diluted earnings per share	9,83,44,585	8,88,94,182
Earnings per share on profit for the year (Face value of ₹ 5 per share)(Refer note no. 57)		
a) Basic earnings per share (₹)	26.24	17.72
b) Diluted earnings per share (₹)	25.10	17.43



SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION
FOR THE YEAR ENDED 31 MARCH, 2024 (Contd.)

42. LEASE RELATED DISCLOSURES

The Company has leases for office building, branches and related facilities and cars. With the exception of short-term leases and leases of low-value underlying assets, each lease is reflected on the balance sheet as a right-of-use asset and a lease liability. Variable lease payments which do not depend on an index or a rate are excluded from the initial measurement of the lease liability and right-of-use assets. The Company classifies its right-of-use assets in a consistent manner to its property, plant and equipment.

Each lease generally imposes a restriction that, unless there is a contractual right for the Company to sublease the asset to another party, the right-of-use asset can only be used by the Company. Some leases contain an option to extend the lease for a further term.

A Lease payments not included in measurement of lease liability

The expense relating to payments not included in the measurement of the lease liability is as follows:

Particulars	For the year ended 31 March, 2024	For the year ended 31 March, 2023
Short-term leases	195.37	152.95
Leases of low value assets	-	-
Variable lease payments	-	-

B Total cash outflow for leases for the year ended 31 March, 2024 was ₹ 725.17 Lacs (31 March, 2023: 584.59 Lacs).

C The Company has total commitment for short-term leases as at 31 March, 2024 ₹Nil (31 March, 2023: Nil).

D Maturity of lease liabilities

The lease liabilities are secured by the related underlying assets. Future minimum lease payments were as follows:

31 March, 2024

Particulars	Minimum lease payments due						
	Within 1 year	1-2 years	2-3 years	3-4 years	4-5 years	More than 5 years	Total
Lease payments	736.34	654.38	395.65	236.92	90.25	114.26	2,227.81
Interest expense	132.34	84.05	46.82	23.47	11.17	9.03	306.89
Net present values	604.00	570.33	348.83	213.45	79.08	105.23	1,920.92

31 March, 2023

Particulars	Minimum lease payments due						
	Within 1 year	1-2 years	2-3 years	3-4 years	4-5 years	More than 5 years	Total
Lease payments	530.22	420.50	369.09	240.66	119.28	171.39	1,851.14
Interest expense	110.96	77.59	51.18	30.80	16.26	20.28	307.07
Net present values	419.26	342.91	317.91	209.86	103.02	151.11	1,544.07

E There are no variable lease agreements.

F Information about extension and termination options

As at 31 March, 2024

Right of use assets	Number of leases	Range of remaining term	Average remaining lease term	Number of leases with extension option	Number of leases with purchase option	Number of leases with termination option
Office premises	177	1 to 7 years	2.40 years	177	-	177
Car lease	8	2-5 years	4 years	-	8	8

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION
FOR THE YEAR ENDED 31 MARCH, 2024 (Contd.)

As at 31 March, 2023

Right of use assets	Number of leases	Range of remaining term	Average remaining lease term	Number of leases with extension option	Number of leases with purchase option	Number of leases with termination option
Office premises	145	1 to 7 years	2.60 years	145	-	145
Car lease	6	2-5 years	1.5 years	-	6	6

The total future cash outflows as at 31 March, 2024 for leases that had not yet commenced is of ₹ Nil (31 March, 2023: Nil).

43. EMPLOYEE STOCK OPTION SCHEME

The Company provides Employee Stock option schemes to its employees. For the year ended 31st March, 2024 following Employee Stock Option Plans (ESOPs) were in existence. The relevant details of the schemes and the grants are as below:

Particulars	ESOP 2012				
Date of grant	01 October, 2012	01 October, 2013	15 March, 2014	22 January, 2015	08 June 2016
Exercise price	₹ 13.27 per option	₹ 14.18 per option	₹ 16.84 per option	₹ 20.32 per option	₹ 83.20 per option
Vesting dates:					
Tranche I*	01 October, 2013	01 October, 2014	15 March, 2015	22 January, 2016	08 June, 2017
Tranche II*	01 October, 2014	01 October, 2015	15 March, 2016	22 January, 2017	08 June, 2018
Tranche III*	01 October, 2015	01 October, 2016	15 March, 2017	22 January, 2018	08 June, 2019
Tranche IV*	01 October, 2016	01 October, 2017	15 March, 2018	22 January, 2019	08 June, 2020

* Grant on 01 October, 2012, 01 October, 2013, 15 March, 2014 and 22 January, 2015 to be vested equally in each tranche. However, option granted on 08 June, 2016 to be vested in the ratio of (3:5:5:7)

Particulars	ESOP 2017						
Date of grant	31 January, 2018	15 February, 2019	17 May, 2019	13 August, 2019	04 November, 2019	01 July, 2020	17 September, 2020
Exercise price	₹ 118.48 per option	₹ 159.01 per option	₹ 179.92 per option	₹ 184.55 per option	₹ 189.56 per option	₹ 197.80 per option	₹ 197.80 per option
Vesting dates:							
Tranche I (10% of the options granted)	31 January, 2019	15 February, 2020	17 May, 2020	13 August, 2020	04 November, 2020	01 July, 2021	17 September, 2021
Tranche II (20% of the options granted)	31 January, 2020	15 February, 2021	17 May, 2021	13 August, 2021	04 November, 2021	01 July, 2022	17 September, 2022
Tranche III (30% of the options granted)	31 January, 2021	15 February, 2022	17 May, 2022	13 August, 2022	04 November, 2022	01 July, 2023	17 September, 2023
Tranche IV (40% of the options granted)	31 January, 2022	15 February, 2023	17 May, 2023	13 August, 2023	04 November, 2023	01 July, 2024	17 September, 2024

Particulars	ESOP 2021						
Date of grant	31 August, 2021	02 November, 2021	01 February, 2022	31 March, 2022	12 May, 2022	31 May, 2022	01 July, 2022
Exercise price	₹ 309.59 per option	₹ 315.57 per option	₹ 315.57 per option	₹ 340.71 per option	₹ 340.71 per option	₹ 340.71 per option	₹ 340.71 per option
Vesting dates:							
Tranche I (20% of the options granted)	31 August 2022	02 November, 2022	01 February, 2023	31 March, 2023	12 May, 2023	31 May, 2023	01 July, 2023
Tranche II (20% of the options granted)	31 August, 2023	02 November, 2023	01 February, 2024	31 March, 2024	12 May, 2024	31 May, 2024	01 July, 2024
Tranche III (20% of the options granted)	31 August 2024	02 November, 2024	01 February, 2025	31 March, 2025	12 May, 2025	31 May, 2025	01 July, 2025
Tranche IV (20% of the options granted)	31 August, 2025	02 November, 2025	01 February, 2026	31 March, 2026	12 May, 2026	31 May, 2026	01 July, 2026

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION
FOR THE YEAR ENDED 31 MARCH, 2024 (Contd.)

Particulars	ESOP 2021						
Tranche V (20% of the options granted)	31 August, 2026	02 November, 2026	01 February, 2027	31 March, 2027	12 May, 2027	31 May, 2027	01 July, 2027

Particulars	ESOP 2021						
Date of grant	30 July, 2022	01 August, 2022	03 November, 2022	10 February, 2023	09 May, 2023	29 Septemebr 2023	13 November, 2023
Exercise price	₹ 340.71 per option	₹ 340.71 per option	₹ 394.00 per option	₹ 394.00 per option	₹ 394.00 per option	₹ 207.70 per option	₹ 207.70 per option
Vesting dates:							
Tranche I (20% of the options granted)	30 July, 2023	01 August, 2023	03 November, 2023	10 February, 2024	09 May, 2024	29 September, 2024	13 November, 2024
Tranche II (20% of the options granted)	30 July, 2024	01 August, 2024	03 November, 2024	10 February, 2025	09 May, 2025	29 September, 2025	13 November, 2025
Tranche III (20% of the options granted)	30 July, 2025	01 August, 2025	03 November, 2025	10 February, 2026	09 May, 2026	29 September, 2026	13 November, 2026
Tranche IV (20% of the options granted)	30 July, 2026	01 August, 2026	03 November, 2026	10 February, 2027	09 May, 2027	29 September, 2027	13 November, 2027
Tranche V (20% of the options granted)	30 July, 2027	01 August, 2027	03 November, 2027	10 February, 2028	09 May, 2028	29 September, 2028	13 November, 2028

Particulars	ESOP 2023						
Date of grant							27 July, 2023
Exercise price							₹ 204.00 per option
Vesting dates:							
Tranche I (20% of the options granted)							27 July, 2024
Tranche II (20% of the options granted)							27 July, 2025
Tranche III (20% of the options granted)							27 July, 2026
Tranche IV (20% of the options granted)							27 July, 2027
Tranche V (20% of the options granted)							27 July, 2028

The Nomination and Remuneration Committee vide Circular resolution dated July 20, 2023 has approved acceleration of vesting(s) ("Right of Acceleration") falling due between July 19, 2023 to September 30, 2024 during the period July 20, 2023 to July 25, 2023 ("Acceleration Window"), under ESOP Scheme 2017 and ESOP Scheme 2021, in accordance with the respective ESOP Schemes and subject to the applicable terms and conditions

Reconciliation of options under each plan

	ESOP 2012		ESOP 2017		ESOP 2021		ESOP 2023	
Particulars	Number of options	Amount	Number of options	Amount	Number of options	Amount	Number of options	Amount
Outstanding as at 31 March, 2023	75,000	15.24	4,93,500	896.45	23,57,560	7,836.40	-	-
Addition in number of options on account of share split*	75,000		4,93,500		23,57,560			
Granted during the year	-	-	-	-	5,75,500	1,177.02	25,81,500	5,266.26
Forfeited during the year	-	-	8,000	7.59	3,42,470	589.88	2,70,000	550.80
Exercised during the year	1,50,000	15.24	8,42,000	790.35	13,76,652	2,231.55	-	-
Expired during the year	-	-	-	-	-	-	-	-
Outstanding as at 31 March, 2024	-	-	1,37,000	98.51	35,71,498	6,191.99	23,11,500	4,715.46
Exercisable at the end of the year	-	-	1,37,000	98.51	2,96,758	482.46	-	-

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION FOR THE YEAR ENDED 31 MARCH, 2024 (Contd.)

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

Particulars	
Risk free interest rate	7.05% to 7.28%
Expected life of option	3.6 yrs to 5.6 yrs
Expected Volatility	12.01% to 15.95%
Dividend yield	0%

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

The Board of Directors of the Company in its meeting held on 12 July, 2023 and shareholders in the Extraordinary General Meeting held on 18 July, 2023 approved the sub-division of shares from ₹ 10 per share to ₹ 5 per share (Also refer Note 57).

44. DISCLOSURES REQUIRED BY RESERVE BANK OF INDIA ('RBI')

Additional disclosures 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 dated 17 February, 2021 and Notification No. RBI/2022-23/26 DOR.ACC.REC.No.20/21.04.018/2022-23 dated April, 19, 2022 issued by RBI.

44.01 Capital to risk assets ratio (CRAR)

Particulars	As at 31 March, 2024	As at 31 March, 2023
CRAR %	70.88%	52.66%
CRAR-Tier I capital %	70.05%	51.93%
CRAR-Tier II capital %	0.83%	0.73%
Amount of subordinated debt raised as Tier- II Capital	-	-
Amount raised by issue of perpetual debt instruments	-	-

44.02 Reserve fund u/s 29C of National Housing Bank Act, 1987 ("NHB Act, 1987")

As per Section 29C of the National Housing Bank Act, 1987, the Company is required to transfer at least 20% of net profits every year to Reserve Fund. The Company has transferred an amount of ₹ 4,937.46 Lacs (March, 31, 2023 ₹ 3,099.55 Lacs)

Particulars	As at 31 March, 2024	As at 31 March, 2023
Balance at the beginning of the year	2,682.31	2,082.76
a. Statutory reserve u/s 29 C of the National Housing Bank Act, 1987	7,409.74	4,909.74
b. Amount of special reserve u/s 36(1)(viii) of Income Tax Act 1961 taken into account for the purposes of Statutory reserve under Section 29C of the NHB Act, 1987		
Total	10,092.05	6,992.50
Addition / Appropriation / Withdrawal during the year		
a. Add:- Amount transferred u/s 29 C of the NHB Act, 1987	1,637.46	599.55
b. Add:- Amount of special reserve u/s 36(1)(viii) of Income Tax Act 1961 taken into account for the purposes of Statutory reserve under Section 29C of the NHB Act, 1987	3,300.00	2,500.00
c. Less:- Amount appropriated from the Statutory reserve u/s 29 C of the NHB Act, 1987	-	-
d. Less:- Amount withdrawn from the Special Reserve u/s 36(1)(viii) of Income Tax Act 1961 which has been taken into account for the purposes of provision under Section 29C of the NHB Act, 1987	-	-
Balance at the end of the year		-
a. Statutory Reserve u/s 29 C of the National Housing Bank Act, 1987	4,319.77	2,682.31
b. Amount of special reserve u/s 36(1)(viii) of Income Tax Act 1961 taken into account for the purposes of Statutory Reserve under Section 29C of the NHB Act, 1987	10,709.74	7,409.74
Balance at the end of the year	15,029.51	10,092.05



SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION FOR THE YEAR ENDED 31 MARCH, 2024 (Contd.)

44.03 A) Investments

Particulars	As at 31 March, 2024	As at 31 March, 2023
(i) Value of investments		
Gross value of investments		
(a) In India	16,979.70	5,892.83
(b) Outside India	-	-
(ii) Provisions for depreciation		
(a) In India	-	-
(b) Outside India	-	-
(iii) Net value of investments		
(a) In India	16,979.70	5,892.83
(b) Outside India		

B) Movement of provisions held towards depreciation on investments

Particulars	As at 31 March, 2024	As at 31 March, 2023
(i) Opening balance	-	-
(ii) Add: Provisions made during the year	-	-
(iii) Less: Write-off/written back of excess provision during the year	-	-
(iv) Closing balance	-	-

44.04 Derivatives

1 The Company does not have any Forward Rate Agreement/Interest rate Swaps as at 31 March, 2024 and 31 March, 2023

2 Exchange traded Interest Rate (IR) Derivative

The Company has not entered into any Exchange traded interest rate (IR) derivative during the current as well as previous financial year, hence the disclosure under this clause is not applicable.

Disclosures on Risk Exposure in Derivatives

i) Qualitative Disclosure

Structure and organisation for management of risk in derivatives trading:

The Board of Directors, the Asset Liability Management Committee (ALCO) and the Risk Management Committee (RMC) are entrusted with the management of market risks and derivatives booked to hedge the same, if any. The philosophy and framework for the hedging through derivative is laid out in the Risk Management policy approved by Board. The Risk Management Committee reviews all risks periodically. The monitoring and measurement of risk is carried out by the Risk Department headed by Chief Risk Officer which is independent of the Treasury Front office and back office.

Scope and nature of risk measurement, risk reporting and risk monitoring systems:

As per the risk framework, derivatives are being used only for hedging purpose and not speculating purposes. Company has undertaken Cross Currency swap to hedge the foreign exchange exposure on its ECB liability. Hedge effectiveness of this transaction is assessed on periodic basis.

Policies for hedging and / or mitigating risk and strategies and processes for monitoring the continuing effectiveness of hedges/mitigants:

The Risk management Policy and Accounting Policy details the hedging strategies, hedging processes, accounting treatment, documentation requirements and effectiveness testing for hedges. Hedges are monitored for effectiveness periodically, in accordance with the Policy.



SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION
FOR THE YEAR ENDED 31 MARCH, 2024 (Contd.)

Accounting policy for recording hedge and non-hedge transactions; recognition of income, premiums and discounts; valuation of outstanding contracts; provisioning, collateral and credit risk mitigation:

The Company holds derivative financial instruments to hedge its foreign currency and interest rate risk exposures. Derivatives are initially recognised at fair value at the date a derivative contract is entered into and are subsequently remeasured to their fair value at each balance sheet date. The resulting gain/loss is recognised in the statement of profit and loss immediately unless the derivative is designated and is effective as a hedging instrument, in which event the timing of the recognition in the statement of profit and loss depends on the nature of the hedge relationship.

The Company designates certain derivatives as hedging instruments to hedge the variability in cash flows associated with its external commercial borrowings arising from changes in exchange rates.

At inception of designated hedging relationships, the Company documents the risk management objective and strategy for undertaking the hedge. The Company also documents the economic relationship between the hedged item and the hedging instrument, including whether the changes in cash flows of the hedged item and hedging instrument are expected to offset each other.

Cash flow hedges: When a derivative is designated as a cash flow hedging instrument, the effective portion of changes in the fair value of the derivative is recognised in OCI and accumulated in the other equity under 'effective portion of cash flows hedges'. The effective portion of changes in the fair value of the derivative that is recognised in OCI is limited to the cumulative change in fair value of the hedged item, determined on a present value basis, from inception of the hedge. Any ineffective portion of changes in fair value of the derivative is recognised immediately in profit or loss. The Company designates only the change in fair value of the spot element of forward exchange contracts as the hedging instrument in cash flow hedge relationships. The change in fair value of the forward element of the forward exchange contracts ('forward points') is separately accounted for as cost of hedging and recognised separately within equity. If a hedge no longer meets the criteria for hedge accounting or the hedging instrument is sold, expires, is terminated or is exercised, then hedge accounting is discontinued prospectively.

The Company periodically review the counterparty exposure and limits. Additional margins paid, if any, are shown under Other financial assets.

ii) Quantitative Disclosure

Particulars	Cross Currency Swaps		Interest Rate Derivatives	
	31 March, 2024	31 March, 2023	31 March, 2024	31 March, 2023
(i) Derivatives (Notional Principal Amount)	24,351.00	7,981.00	-	-
(ii) Marked to Market Positions			-	-
(a) Assets (+)	-	5.85	-	-
(b) Liability (-)	255.54	-	-	-
(iii) Credit Exposure		-	-	-
(iv) Unhedged Exposures	-	-	-	-

The Company has opted for hedge accounting under IND AS 109 as stated under the significant accounting policies.

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION
FOR THE YEAR ENDED 31 MARCH, 2024 (Contd.)

44.05 Asset Liability Management (Maturity pattern of certain items of asset and liabilities)

As at 31 March, 2024

Particulars	Liabilities		Assets	
	Borrowings*	Debt securities*	Loans*	Investments*
1 to 7 days	515.00	-	956.36	56.36
8 to 14 days	249.00	-	159.39	366.35
15 days to 30/31 days	6,530.16	-	4,464.55	15,356.99
Over 1 Month upto 2 Months	5,558.14	-	5,544.00	-
Over 2 Months upto 3 Months	5,380.57	-	5,508.00	-
Over 3 Months upto 6 Months	19,071.45	-	16,425.20	-
Over 6 Months upto 1 Year	38,810.63	-	31,972.52	-
Over 1 Year upto 3 Years	1,30,975.22	3,000.00	1,15,485.42	-
Over 3 Years upto 5 Years	95,858.46	-	1,01,237.41	-
Over 5 years	35,776.36	-	2,36,920.85	1,200.00
Total	3,38,725.00	3,000.00	5,18,673.70	16,979.70

As at 31 March, 2023

Particulars	Liabilities		Assets	
	Borrowings*	Debt securities*	Loans*	Investments*
1 to 7 days	1,005.66	-	897.42	4,217.85
8 to 14 days	132.44	-	149.57	249.99
15 days to 30/31 days	2,890.01	-	3,781.78	224.99
Over 1 Month upto 2 Months	4,112.07	750.00	4,847.91	-
Over 2 Months upto 3 Months	4,765.92	1,500.00	4,806.82	-
Over 3 Months upto 6 Months	16,727.05	-	14,348.25	-
Over 6 Months upto 1 Year	32,082.54	5,750.00	28,123.62	-
Over 1 Year upto 3 Years	1,10,304.62	2,000.00	1,10,154.93	-
Over 3 Years upto 5 Years	71,838.12	6,500.00	82,564.34	-
Over 5 Years	38,198.03	-	1,20,688.05	1,200.00
Total	2,82,056.46	16,500.00	3,70,362.69	5,892.84

* Considering behaviourised prepayment adjustment

44.06 Exposure:

1 Exposure to Real Estate Sector

Particulars	As at 31 March, 2024*	As at 31 March, 2023*
(i) Direct Exposure		
A. Residential Mortgage :		
Lending fully secured by mortgages on residential property that is or will be occupied by the borrower or that is rented. Exposure would also include non-fund based (NFB) limits.	5,18,382.13	3,70,062.95
B. Commercial Real Estate :		
Lending fully secured by mortgages on commercial real estates. (office buildings, retail space, multi-purpose commercial premises, multi-family residential buildings, multi-tenanted commercial premises, industrial or warehouse space, hotels, land acquisition, development and construction, etc.). Exposure shall also include non-fund based (NFB) limits	291.57	299.74
C. Investments in Mortgage Backed Securities and other securitised exposures:		
a. Resident	-	-
b. Commercial Real estate	-	-
(ii) Indirect Exposure		
Fund based and non-fund based exposures on National Housing Bank (NHB) and Housing Finance Companies (HFCs)	-	-
Total Exposure to Real Estate Sector	5,18,673.70	3,70,362.69

*The disclosures made are based on the contractual obligations.

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION
FOR THE YEAR ENDED 31 MARCH, 2024 (Contd.)

2 As on 31 March, 2024, the Company did not have any exposure to Capital Market (31 March, 2023: Nil).

3 Sectoral exposure

Sectors	Current Year			Previous Year		
	Total Exposure (includes on balance sheet and off- balance sheet exposure)	Gross NPAs	Percentage of Gross NPAs to total exposure in that sector	Total Exposure (includes on balance sheet and off- balance sheet exposure)	Gross NPA	Percentage of Gross NPAs to total exposure in that sector
1. Agriculture and Allied Activities	-	-	-	-	-	-
2. Industry	-	-	-	-	-	-
3. Services	-	-	-	-	-	-
4. Personal Loans						
i Housing (Including Priority Sector Housing)	3,56,907.77	3,014.72	0.84%	2,48,345.63	2,384.69	0.96%
ii Non-Housing	1,61,765.93	1,998.15	1.24%	1,22,017.06	1,804.97	1.48%
Others	-	-	-	-	-	-
Total of Personal Loans (i+ii+Others)	5,18,673.70	5,012.87	0.97%	3,70,362.69	4,189.66	1.13%
5. Others, if any (please specify)	-	-	0.00%	-	-	0.00%
Total (1+2+3+4+5)	5,18,673.70	5,012.87	0.97%	3,70,362.69	4,189.66	1.13%

Particulars	31 March, 2024	31 March, 2023
(i) Total amount of intra-group exposure	-	-
(ii) Total amount of top 20 intra-group exposures	-	-
(iii) Percentage of intra-group exposures to total exposures to total exposures of the Company on borrowers/customers	-	-

4 There were no unhedged foreign currency transaction during current year. Refer Note no 39.05 for policies to manage currency induced risk.

5 As on 31 March, 2024, the Company has not financed any product of the parent Company (31 March, 2023: Nil).

6 The Company did not have any outstanding unsecured loans and advances as on 31 March, 2024 and 31 March, 2023. Further, the Company did not have any loans and advances against intangible securities such as charge over the rights, licenses, authority, etc. as on 31 March, 2024 and 31 March, 2023.

7 As on 31 March, 2024, the Company has not exceeded the prudential exposure limit prescribed by the RBI for single borrower or group of borrowers (31 March, 2023: Nil).

8 As on 31 March, 2024, no group Company is engaged in the business of real estate.(31 March, 2023: Nil)

44.07 Regulator registrations

1	National Housing Bank	09.0087.10
2	Ministry of Corporate Affairs (CIN)	L65922HR1998PLC042782
3	IRDAI License	CA0933

In addition to above, the Company's equity and non-convertible debentures (NCDs) are listed on stock exchange in India, thereby, regulations of Securities and Exchange Board of India are also applicable.

44.08 Disclosure of penalties imposed by National Housing Bank (NHB) and other regulators

During the year, the Company was levied a penalty of INR 0.24 lacs with applicable taxes each from both the Stock exchanges, National Stock Exchange of India Limited and BSE Limited for Non-compliance with the provisions of composition of Nomination and Remuneration Committee under Regulation 19(1)/ 19(2) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. Previous Year- Nil.



SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION
FOR THE YEAR ENDED 31 MARCH, 2024 (Contd.)

44.09 Related party transactions

31 March, 2024

Nature of transaction	Parent (as per ownership or control)	Subsidiaries	Associates/ Joint ventures	Key Management Personnel	Relatives of Key Management Personnel	Others	Total	Maximum outstanding during the year
Borrowings	-	-	-	-	-	-	-	-
Deposits	-	-	-	-	-	-	-	-
Placement of deposits	-	-	-	-	-	-	-	-
Advances	-	-	-	-	-	-	-	-
Investments#	-	1,200.00	-	-	-	-	1,200.00	1,200.00
Purchase of fixed/other assets	-	-	-	-	-	-	-	-
Sale of fixed/other assets	-	-	-	-	-	-	-	-
Interest paid	-	-	-	-	-	-	-	-
Interest received	-	-	-	-	-	-	-	-
Short- term benefits	-	-	-	957.55	-	-	957.55	-
Contribution to pension funds and gratuity payment	-	-	-	30.99	-	400.00	430.99	-
Fees	-	-	-	280.00	-	-	280.00	-
Sitting fees	-	-	-	96.60	-	-	96.60	-
Issue of shares including securities premium	-	-	-	2,331.53	-	-	2,331.53	-
Others	-	1.20	-	-	-	-	1.20	-

31 March, 2023

Nature of transaction	Parent (as per ownership or control)	Subsidiaries	Associates/ Joint ventures	Key Management Personnel	Relatives of Key Management Personnel	Others	Total	Maximum outstanding during the year
Borrowings	-	-	-	-	-	-	-	-
Deposits	-	-	-	-	-	-	-	-
Placement of deposits	-	-	-	-	-	-	-	-
Advances	-	-	-	-	-	-	-	-
Investments#	-	1,200.00	-	-	-	-	1,200.00	1,200.00
Purchase of fixed/other assets	-	-	-	-	-	-	-	-
Sale of fixed/other assets	-	-	-	-	-	-	-	-
Interest paid	-	-	-	-	-	-	-	-
Interest received	-	-	-	-	-	-	-	-
Short- term benefits	-	-	-	763.28	-	-	763.28	-
Contribution to pension funds and gratuity payment	-	-	-	59.94	-	-	59.94	-
Fees	-	-	-	186.67	-	-	186.67	-
Sitting fees	-	-	-	29.45	-	-	29.45	-
Issue of shares including securities premium	-	-	-	117.99	-	-	117.99	-
Others	-	1.20	-	-	2.74	-	3.94	1.20

The outstanding at the year end and the maximum during the year are to be disclosed

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION
FOR THE YEAR ENDED 31 MARCH, 2024 (Contd.)

44.10 Ratings assigned by Credit Rating Agencies and migration during the year

Nature of instrument	Rating agency	31 March, 2024	31 March, 2023
Bank term loans	India Ratings and Research	AA-stable (outlook)	-
Bank term loans	ICRA	A+ Positive(outlook)	A+ stable(Outlook)
Bank term loans	CARE	A+ Positive(outlook)	A+ stable(Outlook)
Non-convertible debentures	ICRA	A+ Positive(outlook)	A+ stable(Outlook)

During the year, CARE and ICRA has upgraded the outlook of credit rating from stable to positive.

44.11 Remuneration of Directors

Remuneration of Directors has been disclosed in annual report

44.12 Breach of covenant:-

There was no instance of breach of covenant by the Company of loan availed or debt securities issued by it.

44.13 Divergence in Asset Classification and Provisioning

There is no Divergence in Asset Classification and Provisioning during current and previous financial year.

44.14 Loans to Directors, Senior Officers, and relatives of Directors

Particulars	31 March, 2024	31 March, 2023
Directors and their relatives	-	-
Entities associated with directors and their relatives	-	-
Senior Officers and their relatives	-	-

44.15 Management

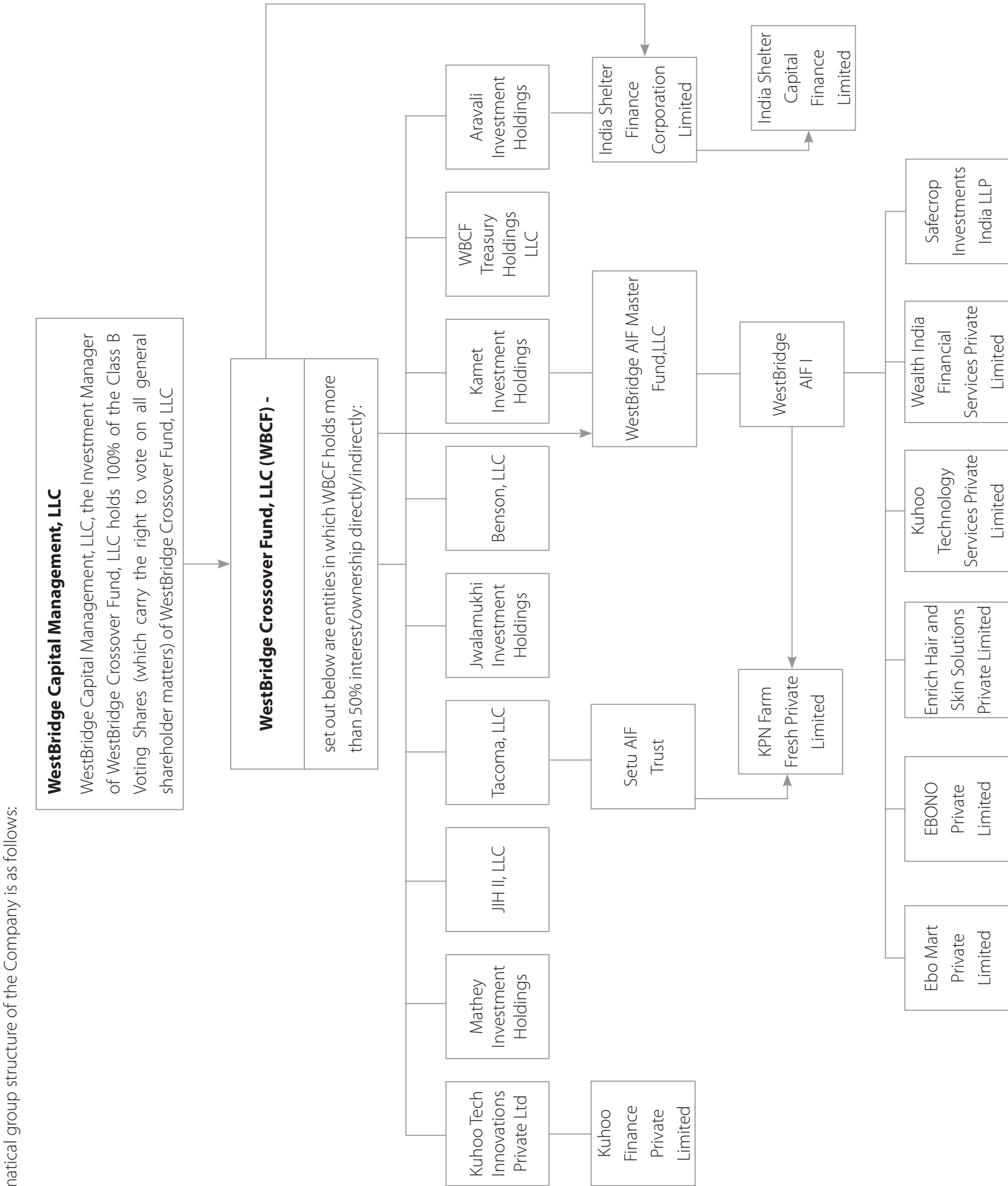
Management discussion and Analysis report shall form part of Board of Directors’ report.

44.16 During the year, no expense was accounted which was related to prior period (31 March, 2023: ₹Nil).

44.17 During the year, no item of revenue recognition has been postponed except as disclosed in accounting policy for revenue recognition.

44.18 The Company has a wholly owned Subsidiary and the Consolidated financial statements is prepared in accordance with Ind AS 110.

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION
FOR THE YEAR ENDED 31 MARCH, 2024 (Contd.)



44.19 The diagrammatical group structure of the Company is as follows:

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION
FOR THE YEAR ENDED 31 MARCH, 2024 (Contd.)

44.20 PROVISIONS AND CONTINGENCIES

A) Break-up of Provisions and Contingencies shown under the head expenditure in Profit and Loss account

S. No	Particulars	For the year ended 31 March, 2024	For the year ended 31 March, 2023
1	Provisions for depreciation on investment	-	-
2	Provision made towards Income tax	6,967.56	4,634.07
3	Provision towards NPA	157.62	(361.72)
4	Provision for Standard assets - Residential Mortgage - CRE- others	703.35 (0.01)	478.76 (0.09)
5	Other provision and contingencies (Provision for Gratuity, compensated absences, undrawn commitments , EIS receivables and Assets held for sale)	228.31	(30.00)

B) Break up of Loan & Advances and provisions thereon

S. No	Particulars	Housing		Non-housing	
		For the year ended 31 March, 2024	For the year ended 31 March, 2023	For the year ended 31 March, 2024	For the year ended 31 March, 2023
1	Standard assets				
	a) Total outstanding amount	3,53,893.05	2,45,960.97	1,59,767.77	1,20,212.09
	b) Provisions made	2,282.95	1,757.21	880.00	702.42
2	Sub-standard assets				
	a) Total outstanding amount	2,586.39	1,486.96	1,592.55	1,219.65
	b) Provisions made	668.22	425.94	383.87	272.20
3	Doubtful assets – Category-I				
	a) Total outstanding amount	428.33	897.73	404.07	585.32
	b) Provisions made	102.78	258.90	91.25	131.79
4	Doubtful assets – Category-II				
	a) Total outstanding amount	-	-	1.53	-
	b) Provisions made	-	-	0.32	-
5	Doubtful assets – Category-III				
	a) Total outstanding amount				
	b) Provisions made				
6	Loss assets				
	a) Total outstanding amount	-	-	-	-
	b) Provisions made	-	-	-	-
	TOTAL				
	a) Total outstanding amount	3,56,907.77	2,48,345.63	1,61,765.93	1,22,017.06
	b) Provisions made	3,053.96	2,442.05	1,355.45	1,106.41

44.21 There has been no draw down from reserves during the year ended 31 March, 2024 (31 March, 2023: Nil).

44.22 CONCENTRATION OF PUBLIC DEPOSITS (FOR PUBLIC DEPOSIT TAKING/HOLDING HFCS)

During the year ended 31 March, 2024 and 31 March, 2023, in accordance with the conditions of its Certificate of Registration and the resolution passed by its Board of Directors in the meeting held on 09 May, 2023 and 12 May, 2022, the Company has neither accepted any public deposits nor has any public deposits outstanding.

44.23 CONCENTRATION OF LOANS AND ADVANCES

Particulars	As at 31 March, 2024	As at 31 March, 2023
1 Total loans and advances to twenty largest borrowers	1,584.70	1,720.63
2 Percentage of loans and advances of twenty largest borrowers to total advances of the Company	0.31%	0.46%

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION
FOR THE YEAR ENDED 31 MARCH, 2024 (Contd.)

44.24 CONCENTRATION OF ALL EXPOSURE (INCLUDING OFF-BALANCE SHEET EXPOSURE)

S. No	Particulars	As at 31 March, 2024	As at 31 March, 2023
1	Total exposure to twenty largest borrowers/customers	1,584.70	1,720.63
2	Percentage of exposures to twenty largest borrowers/customers to total exposure of the Company on borrowers / customers	0.26%	0.39%

44.25 CONCENTRATION OF NPAS

S. No	Particulars	As at 31 March, 2024	As at 31 March, 2023
1	Total exposure to top ten NPA accounts	360.31	402.49

44.26 SECTOR-WISE NPAs

S. No	Sector	Percentage of NPAs to total advances in that sector	
		As at 31 March, 2024	As at 31 March, 2023
1	Housing Loans:		
	a. Individuals	0.84%	0.96%
	b. Builders/Project Loans	-	-
	c. Corporates	-	-
	d. Others (specify)	-	-
2	Non-Housing Loans:		
	a. Individuals	1.24%	1.48%
	b. Builders/Project Loans	-	-
	c. Corporates	-	-
	d. Others (specify)	-	-

44.27 MOVEMENT OF NPAs

S. No	Particulars	As at 31 March, 2024	As at 31 March, 2023
1	Net NPAs to Net Advances (%)	0.73%	0.85%
2	Movement of NPAs (Gross)		
	a) Opening balance	4,189.66	5,703.90
	b) Additions during the year	4,16.18	2,737.83
	c) Reductions during the year	3,337.97	4,252.07
	d) Closing balance	5,012.87	4,189.66
3	Movement of Net NPAs		
	a) Opening balance	3,100.83	4,253.35
	b) Additions during the year	3,091.61	1,968.73
	c) Reductions during the year	2,426.01	3,121.24
	d) Closing balance	3,766.43	3,100.83
4	Movement of provisions for NPAs (excluding provisions on standard assets)		
	a) Opening balance	1,088.83	1,450.55
	b) Provisions made during the year	1,069.57	769.10
	c) Write-off/write-back of excess provisions	911.96	1,130.82
	d) Closing balance	1,246.44	1,088.83

44.28 The Company does not have any Overseas assets.

44.29 The Company does not have any Off-balance sheet SPVs sponsored (which are required to be consolidated as per accounting norms).

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION
FOR THE YEAR ENDED 31 MARCH, 2024 (Contd.)

44.30 CUSTOMER COMPLAINTS

1) Summary information on complaints received by the HFCS from customers and from the Offices of Ombudsman

S. No	Particulars	As at 31 March, 2024	As at 31 March, 2023
	Complaints received by the HFC from its customers		
1	Number of complaints pending at the beginning of the year	1	2
2	Number of complaints received during the year	178	119
3	Number of complaints disposed during the year	175	120
	3.1 Of which, number of complaints rejected by the Company	0	0
4	Number of complaints pending at the end of the year	4	1
	Maintainable complaints received by the HFC from Office of Ombudsman		
5	Number of maintainable complaints received by the HFC from Office of Ombudsman	Not Applicable*	Not Applicable*
	5.1 Of 5, number of complaints resolved in favour of the HFC by Office of Ombudsman		
	5.2 Of 5, number of complaints resolved through conciliation/mediation/advisories issued by Office of Ombudsman		
	5.3 Of 5, number of complaints resolved after passing of Awards by Office of Ombudsman against the HFC		
6	Number of Awards unimplemented within the stipulated time (other than those appealed)		

*The Reserve Bank - Integrated Ombudsman Scheme, 2021 was not applicable to the Company for year ended 31 March, 2024 and 31 March, 2023

2) Top five grounds of complaints received by the HFCs from customers

Grounds of complaints, (i.e. complaints relating to)	Number of complaints pending at the beginning of the year	Number of complaints received during the year	% increase/ (decrease) in the number of complaints received over the previous year	Number of complaints pending at the end of the year	Of 5, number of complaints pending beyond 30 days
1	2	3	4	5	6
Current Year					
Prepayment / Foreclosure Charges	0	10	(44.44)%	0	0
Online Payment related	0	9	100.00%	0	0
Loan Recovery- SARFAESI	0	9	(10.00)%	0	0
Payment Confirmation Related	0	9	100.00%	0	0
Recovery related- delinquent customer	0	6	100.00%	0	0
Other's	1	135	117.74%	4	0
Total	1	178	49.58%	4	0
Previous Year					
Prepayment / Foreclosure Charges	0	18	(25.00)%	0	0
PMAY-Credit Link Subsidy	1	14	(39.13)%	0	0
Loan Recovery- SARFAESI	0	10	66.67%	0	0
Refund	0	8	100.00%	0	0
Insurance Claim	0	7	100.00%	0	0
Other's	1	62	(13.89)%	1	0
Total	2	119	(10.53)%	1	0

44.31 FRAUDS

During the financial year 2023-2024, the Company has reported 2 cases of fraud ₹ 18.37 Lacs (31 March, 2023: Nil) to NHB.

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION
FOR THE YEAR ENDED 31 MARCH, 2024 (Contd.)

Additional disclosures 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 dated 17 February, 2021 issued by RBI.

44.32 SCHEDULE TO BALANCE SHEET

Particulars	As at 31 March, 2024		As at 31 March, 2023	
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 : Secured	3,000.90	-	17,653.41	-
: Unsecured	-	-	-	-
(other than falling within the meaning of public deposits*)				
(b) Deferred Credits	-	-	-	-
(c) Term Loans	3,29,510.00	-	2,70,905.97	-
(d) Inter-corporate loans and borrowing	-	-	-	-
(e) Commercial Paper	-	-	-	-
(f) Public Deposits	-	-	-	-
(g) Securitisation- Pass Through Certificates	7,078.05	-	8,783.45	-
2 Break-up of (1)(f) above (Outstanding public deposits inclusive of interest accrued thereon but not paid):				
(a) In the form of Unsecured debentures	-	-	-	-
(b) In the form of partly secured debentures i.e. debentures where there is a shortfall in the value of security	-	-	-	-
(c) Other public deposits	-	-	-	-
Asset Side			Amount outstanding as at 31 March, 2024	Amount outstanding as at 31 March, 2023
3 Break-up of Loans and Advances including bills receivables [other than those included in (4) below]:				
(a) Secured			5,06,239.58	3,60,914.42
(b) Unsecured			-	-
4 Break up of Leased Assets and stock on hire and other assets counting towards asset financing activities				
(i) Lease assets including lease rentals under sundry debtors				
(a) Financial Lease			-	-
(b) Operating Lease			-	-
(ii) Stock on hire including hire charges under sundry debtors				
(a) Asset 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			-	-

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION
FOR THE YEAR ENDED 31 MARCH, 2024 (Contd.)

Asset Side		Amount outstanding as at 31 March, 2024	Amount outstanding as at 31 March, 2023
5 Breakup of investments			
Current investments			
1	Quoted		
	(i) Shares		
	(a) Equity	-	-
	(b) Preference	-	-
	(ii) Debentures and Bonds	3,131.98	4,192.85
	(iii) Units of mutual funds	-	499.98
	(iv) Government Securities	12,647.72	-
	(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	1,200.00	1,200.00
	(b) Preference	-	-
	(ii) Debentures and Bonds	-	-
	(iii) Units of mutual funds	-	-
	(iv) Government Securities	-	-
	(v) Others (please specify)	-	-

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION
FOR THE YEAR ENDED 31 MARCH, 2024 (Contd.)

6 Borrower group-wise classification of assets financed as in (3) and (4) above:		Amount net of provisions as at 31 March, 2024		Amount net of provisions as at 31 March, 2023	
Category		Secured	Unsecured	Secured	Unsecured
1	Related Parties				
	(a) Subsidiaries	-	-	-	-
	(b) Companies in the same group	-	-	-	-
	(c) Other related parties	-	-	-	-
2	Other than related parties	5,06,239.58	-	3,60,914.42	-
Total		5,06,239.58	-	3,60,914.42	-
7 Investor group-wise classification of all investments (current and long term) in shares and securities (both quoted and unquoted) :		As at 31 March, 2024		As at 31 March, 2023	
Category		Market Value / Break up or fair value or NAV	Book Value (Net of Provisions)	Market Value / Break up or fair value or NAV	Book Value (Net of Provisions)
Related Parties					
	(a) Subsidiaries	1,200.00	1,200.00	1,200.00	1,200.00
	(b) Companies in the same group	-	-	-	-
	(c) Other related parties	-	-	-	-
2	Other than related parties	15,779.70	15,779.70	4,692.83	4,692.80
Total		16,979.70	16,979.70	5,892.83	5,892.80
8 Other information				As at 31 March, 2024	As at 31 March, 2023
(i) Gross Non-Performing Assets					
(a) Related parties				-	-
(b) Other than related parties				5,012.87	4,189.66
(ii) Net Non-Performing Assets					
(a) Related parties				-	-
(b) Other than related parties				3,766.43	3,100.83
(iii) Assets acquired in satisfaction of debt				-	-

44.33 DISCLOSURE ON PRINCIPAL BUSINESS CRITERIA

RBI vide its circular Number RBI/2020-21/60/DOR/NBFC (HFC) CC No 118/03.10.136/2020-21 dated October, 22, 2020 has defined Principal Business Criteria for HFCs.

Details of principal business criteria is as follows

S. No	Particulars	As at 31 March, 2024	As at 31 March, 2023
1	% of total asset towards housing finance	62.35%	57.94%
2	% of total asset towards housing finance for individuals	62.35%	57.94%

Note: Housing finance assets and individual housing finance assets amounting to ₹ 3,53,853.82 Lacs considered for computation of principal business criteria is net off ECL provisions.

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION
FOR THE YEAR ENDED 31 MARCH, 2024 (Contd.)

45. DISCLOSURE PURSUANT TO THE RESERVE BANK OF INDIA (SECURITISATION OF STANDARD ASSETS) DIRECTIONS, 2021 ("RBI SECURITISATION DIRECTIONS").

A) Disclosure as per the RBI Securitisation Directions for securitisation transactions as an originator :

Particulars	As at 31 March, 2024	As at 31 March, 2023
1 No. of special purpose vehicle's (SPV's) sponsored by HFC for securitisation transaction	2	3
2 Total amount of securitised assets as per books of SPVs sponsored by the HFC	7,885.60	8,805.55
3 Total amount of exposures retained by the HFC to comply with MRR		
i) Off-balance sheet exposures		
a) First loss	-	-
b) Others	-	-
ii) On-balance sheet exposures		
a) First Loss- Cash collateral	654.23	803.94
b) Others- Over collateral	498.56	947.70
4 Amount of exposures to securitisation transactions other than MRR		
i) Off-balance sheet exposures	-	-
a) Exposure to own securitisations		
First loss	-	-
Others	-	-
b) Exposure to third party securitisation		
First loss	-	-
Others	-	-
ii) On-balance sheet exposures towards credit enhancement		
a) Exposure to own securitisations		
First loss	-	89.83
Others	206.07	206.07
b) Exposure to third party securitisation transaction		
First loss	-	-
Others		
5 Sale consideration received for the securitised assets and gain/loss on sale on account of securitisation	-	7,905.98
6 Form and quantum (outstanding value) of services provided by way of, liquidity support, post-securitisation asset servicing, etc.		
	-	-
7 Performance of facility provided. Please provide separately for each facility viz. Credit enhancement, liquidity support, servicing agent etc. Mention percent in bracket as of total value of facility provided.		
Credit Enhancement- Cash collateral		
(a) Amount paid	-	417.00
(b) Repayment received	149.71	164.18
(c) Outstanding amount	654.23	803.94
8 Average default rate of portfolios observed in the past - Mortgage backed securities	0.45%	0.46%
9 Amount and number of additional/top up loan given on same underlying asset.	-	-
10 Investor complaints		
(a) Directly/Indirectly received and;	-	-
(b) Complaints outstanding	-	-

B) Details of financial assets sold to Securitisation / Reconstruction Company for Asset Reconstruction

During the year, the Company has not sold any financial assets to Securitisation / Reconstruction Company for Asset Reconstruction (31 March, 2023: Nil)

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION
FOR THE YEAR ENDED 31 MARCH, 2024 (Contd.)

46. DISCLOSURE PURSUANT TO THE RESERVE BANK OF INDIA (TRANSFER OF LOAN EXPOSURES) DIRECTIONS, 2021 ("RBI TLE DIRECTIONS").

(a) Details of loans not in default transferred through assignment.

Particulars	For the year ended 31 March, 2024	For the year ended 31 March, 2023
Entity	Bank/ Financial Institutions	Bank/ Financial Institutions
Count of loan accounts assigned	5,231	4,833
Amount of loan account assigned	45,066.42 Lacs	44,091.16 Lacs
Retention of beneficial economic interest (MRR)	10%	10%
Weighted average maturity (Residual Maturity)	9.81 Years	9.16 Years
Weighted average holding period	0.93 Years	0.89 Years
Coverage of tangible security coverage (LTV)	42.17%	40.63%
Rating wise distribution of rated loans	Unrated	Unrated

(b) Details of loans not in default transferred through Co-Lending

Particulars	For the year ended 31 March, 2024	For the year ended 31 March, 2023
Entity	Bank	Bank
Count of loan accounts assigned	1,344	7
Amount of loan account assigned	14,552.05 Lacs	59.75 Lacs
Retention of beneficial economic interest (MRR)	20%	20%
Weighted average Residual Tenure of the loans transferred	10.91 Years	10.66 Years
Weighted average holding period	0.28 Years	0.25 Years
Coverage of tangible security coverage (LTV)	45.94%	44.00%
Rating wise distribution of rated loans	Unrated	Unrated

(c) The Company has not acquired any loan assets during the year ended 31 March, 2024 and 31 March, 2023 in terms with the RBI TLE Directions.

(d) The Company has not transferred/acquired any stressed loan during the year ended 31 March, 2024 and 31 March, 2023.

47. KEY ANALYTICAL RATIOS

Particulars	As at 31 March, 2024	As at 31 March, 2023
Debt -Equity Ratio	1.49 times	2.41 times
Total Debts to Total Assets	0.59	0.70
(Debt securities+ Borrowings {Other than Debt Securities}/Total Assets)		
Net Profit Margin (%)	28.69%	25.59%
(PAT/Total Revenue)		
Gross NPA ratio	0.97%	1.13%
(Gross Stage 3 loans/Gross Loan Assets)		
Net NPA ratio	0.73%	0.85%
(Net Stage 3 loans/Net Loan Assets)		
Provision Coverage ratio	24.86%	25.99%
(Stage 3 Provision/Gross Stage 3 loans)		

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION
FOR THE YEAR ENDED 31 MARCH, 2024 (Contd.)

48. DISCLOSURE AS PER RBI NOTIFICATION NO.DOR.NO.BP.BC/3/21.04.048/2020-21 DATED 21.08.2020 ON RESOLUTION FRAMEWORK FOR COVID-19- RELATED STRESS

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 i.e 30 September, 2023 (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 halfYear	Exposure (#) to accounts classified as Standard consequent to implementation of resolution plan – Position as at the end of this half-year 31 March, 2024
Personal Loan**	1,862.85	82.07	7.51	115.08	1,777.87
Corporate Persons*	-	-	-	-	-
of which MSMEs	-	-	-	-	-
Others	-	-	-	-	-
Total	1,862.85	82.07	7.51	115.08	1,777.87

*As defined in Section 3(7) of the Insolvency and Bankruptcy Code, 2016

(\$) Principal outstanding (including capitalised interest) is for live restructured accounts classified as standard as on September, 30, 2023.

(#) Principal outstanding (including capitalised interest) is for live restructured accounts (including sub-standard accounts as on Sep 30, 2023) classified as standard as on March, 31, 2024

**Personal loans includes housing loan & non housing loan.

49. The Company does not hold any immovable property other than disclosed in Note 11 as on 31 March, 2024 and 31 March, 2023. All the lease agreements are duly executed in favour of the Company for properties where the Company is the lessee.

50. No proceedings have been initiated or pending against the Company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 and rules made thereunder, as at 31 March, 2024 and 31 March, 2023.

51. The Company does not have any transactions with the companies struck off under section 248 of Companies Act, 2013 or section 560 of Companies Act, 1956 during the year ended 31 March, 2024 and 31 March, 2023.

52. The Company has taken borrowings from banks and financial institutions and utilised them for the specific purpose for which they were taken as at the Balance sheet date. Unutilised funds as at 31 March, 2024 are held by the Company in the form of short term deposits/investments till the time the utilisation is made subsequently.

53. There have been no transactions which have not been recorded in the books of accounts, that have been surrendered or disclosed as income during the year ended 31 March, 2024 and 31 March, 2023, in the tax assessments under the Income Tax Act, 1961. There have been no previously unrecorded income and related assets which were to be properly recorded in the books of account during the year ended 31 March, 2024 and 31 March, 2023.

54. i) The Company has not traded or invested in Crypto currency or Virtual Currency during the year ended 31 March, 2024 and 31 March, 2023.
ii) The Company has not entered into any scheme of arrangement.
iii) The Company has complied with the number of layers prescribed under clause(87) of section 2 of the Act read with Companies(Restriction on number of layers) Rules, 2017 for the financial years ended 31 March, 2024 and 31 March, 2023.

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION
FOR THE YEAR ENDED 31 MARCH, 2024 (Contd.)

55. The Company, as part of its normal business, grants loans and advances, makes investment, provides guarantees to and accept from its customers, other entities and persons. These transactions are part of Company's normal business, which is conducted ensuring adherence to all regulatory requirements.

Other than the transactions described above, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other persons or entities, including foreign entities ("Intermediaries") with the understanding, whether recorded in writing or otherwise, that the intermediary shall lend or invest in party identified by or on behalf of the Company (Ultimate beneficiaries). The Company has also not received any fund from any parties (Funding party) with the understanding that the Company shall whether, directly or indirectly lend or invest in other persons or entities identified by or on behalf of the funding party ("Ultimate beneficiaries") or provide any guarantee, security or the like on behalf of the ultimate beneficiaries.

56. All charges or satisfaction are registered with ROC within the statutory period for the financial years ended 31 March, 2024 and 31 March, 2023. No charges or satisfactions are yet to be registered with ROC beyond the statutory period.

57. The Board of Directors of the Company in its meeting held on 12 July, 2023 and shareholders in the Extraordinary General Meeting held on 18 July, 2023 approved the sub-division of shares from ₹ 10 per share to ₹ 5 per share. The number of shares used for the calculation of earnings per share, and the earnings per share in Note 41 (including that in the comparative periods), have been adjusted for pursuant to Paragraph 64 of Ind AS 33 - "Earnings Per Share", prescribed under Section 133 of the Companies Act, 2013. No other adjustments are made in the financial statements on account of the share split.

58. The figures of previous year have been rearranged/ regrouped to conform to the current year.

For **T R Chadha & Co LLP**
Chartered Accountants
Firm's Registration No.: 006711N/N500028

Aashish Gupta
Partner
Membership No.: 097343

Place: Gurugram
Date: 08 May, 2024

For and on behalf of the Board of Directors of
India Shelter Finance Corporation Limited

Sudhin Bhagwandas Choksey
Chairman and
Non-Executive Director
DIN: 00036085

Rachna Dikshit
Independent Director
DIN: 08759332

Mukti Chaplot
Company Secretary
Membership No. 38326

Rupinder Singh
Managing Director and
Chief Executive Officer
DIN: 09153382

Ashish Gupta
Chief Financial Officer



INDEPENDENT AUDITORS' REPORT

To the Member of

India Shelter Finance Corporation Limited

Report on the Audit of the Consolidated financial statements

1. OPINION

We have audited the accompanying Consolidated financial statements of **India Shelter Finance Corporation Limited ("the Company")** and its subsidiaries (the company and its subsidiaries together referred to as "the Group"), which comprise the Consolidated Balance Sheet as at 31 March 2024, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Statement of Changes in Equity and Consolidated Statement of Cash Flows for the year ended on that date, and notes to the Consolidated financial statements, including a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the Consolidated financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Consolidated financial statements give the information required by the Companies Act, 2013 (the "Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the Consolidated state of affairs of the Group as at 31 March 2024, and Consolidated profit, Consolidated other comprehensive income,

Consolidated changes in equity and its Consolidated cash flows for the year ended on that date.

2. BASIS FOR OPINION

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

3. KEY AUDIT MATTERS

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

Sr. No.	Key Audit Matter	Auditor's Response
a.	Impairment on Financial Instruments As at 31 March 2024, the Group has reported gross loans assets amounting to Rs. 5,10,648.97 lakhs and other financial assets amounting to Rs. 12,732.69 lakhs against which impairment of Rs. 4,409.40 lakhs and Rs. 93.17 lakhs respectively have been recorded. Ind AS 109 Financial instruments (Ind AS 109) requires the Company to provide for impairment of its financial instruments (designated as amortized cost or fair value through other comprehensive income) using the expected credit loss (ECL) approach. ECL involves an estimation and a significant degree of judgement by the management for development of ECL model and its corresponding application in the ECL model. These judgement and estimates include: - Estimating the behavioral life of the product - Data inputs in relation to ECL model	Read and assessed the Group's accounting policies for impairment of financial instruments (Refer Note 2.9) and their compliance with Ind AS 109 and the governance framework approved by the Board of Directors. Read and assessed the Group's policy with respect to one-time restructuring offered to customers pursuant to the "Resolution Framework 2.0- Resolution of COVID-19-related Stress of Micro, Small and Medium Enterprises" issued by RBI on May 5, 2021 and tested the implementation of such policy on a sample basis. We have evaluated the management response upon implementation of various RBI circulars and tested the implementation of requirements as per these circulars on sample basis. We also performed end to end process walkthroughs to identify the key systems, applications and controls used in the ECL processes. We tested the relevant manual controls, general IT and application controls over key systems used in the ECL process.

INDEPENDENT AUDITOR'S REPORT (contd.)

Sr. No.	Key Audit Matter	Auditor's Response
	- Application of the macroeconomic factors on a forward-looking basis - Modification of assets in terms of restructuring - Determination of loan book segmentation based on homogeneity, probability of defaults, loss given defaults and exposure at default. - Management Overlay based on risk assessment and qualitative adjustments - Compliance with RBI circulars and assess the level of credit impairment of financial instrument. - Disclosures as required by IND AS 109 and RBI Circular Refer Note no. 6 & 8 of the Consolidated financial statements.	Evaluated the reasonableness of the management estimates by understanding the process of ECL estimation and related assumptions and tested the controls around data extraction and validation. We tested the operating effectiveness of the controls for staging of loans and advances based on their past-due status. Tested a sample of performing (stage 1) loans to assess whether any Significant Increase in Credit Risk indicators were present requiring them to be classified under higher stages. Assessing the appropriateness of changes made in macro-economic factors and management overlays to calibrate the risks that are not yet fully captured by the existing model. We tested the arithmetical accuracy of computation of ECL provision performed by the Company. We assessed the disclosures included in the Ind-AS Consolidated financial statements with respect to such allowance / estimate are in accordance with the requirements of Ind AS 109 and Ind AS 107 Financial Instruments: Disclosures and also as per RBI Guidelines.
b.	Evaluation of Company's IT systems and Controls The Group's key financial accounting and reporting processes are highly dependent on information systems including automated controls in information systems, such that there exists a risk that, gaps in the IT control environment could result in the financial accounting and reporting records being misstated. We identified 'IT systems and controls' as key audit matter because of the high level of automation being used by management and the scale and complexity of the IT architecture.	Our audit procedures include assessment and identification of key IT applications, and further verifying, testing, and reviewing the design and operating effectiveness of the IT system on the basis of reports /returns and other financial and non-financial information generated from the system on a test check basis. Our audit procedures included: - Obtained an understanding of the IT control environment, IT policies during the audit period. - Testing IT general controls related to User and Application controls, Change Management Controls and Data backup. Where we identified the need to perform additional procedures, we placed reliance on manual reconciliations between systems and other information sources.

4. OTHER INFORMATION

The Company's management and Board of Directors are responsible for the other information. The other information comprises the information included in the Company's annual report but does not include the Consolidated financial statements and our auditors' report thereon.

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

In connection with our audit of the Consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the Consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that

there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

5. MANAGEMENT'S RESPONSIBILITY FOR THE CONSOLIDATED FINANCIAL STATEMENTS

The Company's Management and Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these Consolidated 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 Group in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards ("Ind AS") specified under section 133 of the Act. This responsibility also includes maintenance of adequate

INDEPENDENT AUDITOR'S REPORT (contd.)

accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Group 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 Consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

The respective Board of Directors of the companies included in the group are also responsible for overseeing the financial reporting process of the Group's.

6. AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS

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

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

- Identify and assess the risks of material misstatement of the Consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material

misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal financial control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to Consolidated financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures in the Consolidated financial statements made by the Management and Board of Directors.
- Conclude on the appropriateness of the Management and Board of Directors use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group'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 Consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the Consolidated financial statements, including the disclosures, and whether the Consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the consolidated financial statements.
- Materiality is the magnitude of misstatements in the Consolidated financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the

INDEPENDENT AUDITOR'S REPORT (contd.)

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

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

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

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

7. OTHER MATTER

In respect of financial statements and other information of 1 subsidiary company, we did not carry out the audit, whose financial statements include total assets of Rs. 1,311.27 lakhs as at March 31, 2024, total income of Rs.100.96 lakhs, total profit after tax of Rs. 72.45 lakhs, total comprehensive income of Rs. 72.45 lakhs and Net cash outflow of Rs. 234.28 lakhs for the year ended 31 March 2024, as considered in the Consolidated Financial Statements. These financial statements and other financial information have been audited by other independent auditors.

The independent auditor's reports on financial statements of the aforesaid entity have been furnished to us by the management and our opinion on the statement in so far as it relates to the amounts and disclosures included in respect of this subsidiary is based solely on the reports of such auditors and the procedures performed by us as stated in above paragraph.

Our opinion is not modified in this respect.

8. REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

- As required by section 143(3) of the Act, based on our audit we report that:
 - 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.
 - In our opinion, proper books of account as required by law have been kept by the Group so far as it appears from our examination of those books.
 - The balance sheet, the statement of profit and loss (including other comprehensive income), the statement of changes in equity and the statement of cash flows dealt with by this Report are in agreement with the books of account.
 - In our opinion, the aforesaid Consolidated financial statements comply with the Ind AS specified under section 133 of the Act.
 - On the basis of the written representations received from the directors as on 31 March 2024 taken on record by the Board of Directors, none of the directors are disqualified as on 31 March 2024 from being appointed as a director in terms of section 164(2) of the Act.
 - With respect to the adequacy of the internal financial controls with reference to Consolidated financial statements of the Group and the operating effectiveness of such controls, refer to our separate report in "Annexure A". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls with reference to consolidated Financial Statement.
 - With respect to the matter to be included in the Auditors' Report under section 197(16) of the Act, as amended:

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



INDEPENDENT AUDITOR’S REPORT (contd.)

- h) With respect to the other matters to be included in the Auditors’ 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 Group has disclosed the impact of pending litigations as at 31 March 2024 on its financial position in its Consolidated financial statements - Refer Note 34 of Consolidated financial statements;
- ii) The Group is not required to make any provision, as required under any law and accounting standards, for material foreseeable losses on any long-term contracts including derivative contracts-Refer note 5 of the financial statements;
- iii) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Group;
- iv) (a) The Management has represented that, to the best of its (knowledge and belief, no funds (which are material either individually or in aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Group to or in any other person(s) or entity(ies), including foreign entities (“Intermediaries”), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (“Ultimate Beneficiaries”) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
- (b) The Management has represented, that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate)

- have been received by the Group from any person(s) or entity(ies), including foreign entities (“Funding Parties”), with the understanding, whether recorded in writing or otherwise, that the Group 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; and
- (c) Based on audit procedures that we have considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.
- v) During the year, the group has not paid or declared any dividend.
- vi) Based on our examination which included test checks and that performed by the auditors of the subsidiary which are company incorporated in india whose financial statements have been audited under the act, the company and subsidiary have used accounting softwares (Finnone Loan Management System and Microsoft Dynamics 365 financial accounting package) which is operated by a third party software service provider for maintaining its books of account. Based on SOC1TYPE2 and SOC2TYPE2 report for both softwares provided by the third party software service provider and other information provided to us by the company, we report that the audit trail (edit log) facility in the above softwares was enabled and operated throughout the year for all relevant transactions recorded in the software. Further, based on the

INDEPENDENT AUDITOR’S REPORT (contd.)

confirmation of the third-party software service provider provided to us by the company we report that there was no instance wherein audit trail (edit log) feature was tampered with.

As proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 is applicable from April 1, 2023, reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 on preservation of audit trail as per the statutory requirements for record retention is not applicable for the financial year ended March 31, 2024

Place: Gurugram
Date: 08th May 2024

- II. With respect to the matters specified in paragraphs 3(xxi) and 4 of the Companies (Auditor’s Report) Order, 2020 (the “Order”/“CARO”) issued by the Central Government in terms of Section 143(11) of the Act, to be included in the Auditor’s report, according to the information and explanations given to us, and based on the CARO reports issued by us for the Company and its subsidiary included in the consolidated financial statements of the Company, to which reporting under CARO is applicable, we report that there are no qualifications or adverse remarks in these CARO reports.

For T R Chadha & Co LLP
Chartered Accountants
Firm’s Reg. No-: 006711N/N50028

Aashish Gupta
(Partner)
Membership No. 097343
UDIN: 24097343BKEHVJ7652





ANNEXURE – A TO THE INDEPENDENT AUDITOR’S REPORT OF EVEN DATE ON THE CONSOLIDATED FINANCIAL STATEMENTS OF INDIA SHELTER FINANCE CORPORATION LIMITED

Report on the Internal Financial Controls with reference to Consolidated financial statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 (“the Act”)

We have audited the internal financial controls with reference to Consolidated financial statements of **India Shelter Finance Corporation Limited (“the Company”)** and its subsidiaries (the company and its subsidiaries together referred to as “the Group”) as of March 31, 2024 in conjunction with our audit of the consolidated financial statements of the Group for the year ended on that date.

MANAGEMENT’S RESPONSIBILITY FOR INTERNAL FINANCIAL CONTROLS

The Group’s management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Group considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India (‘ICAI’). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to Group’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 Group’s internal financial controls with reference to consolidated financial statements based on our audit.

We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the “Guidance Note”) and the Standards on Auditing, 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 with reference to consolidated financial statements, both applicable to an audit of Internal Financial controls with reference to consolidated financial statements. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to consolidated financial statements was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system with reference to consolidated financial statements and their operating effectiveness. Our audit of internal financial controls with reference to consolidated financial statements included obtaining an understanding of internal financial controls with reference to consolidated financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor’s judgment, including the assessment of the risks of material misstatement of the consolidated 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 Group’s internal financial controls system with reference to consolidated 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 authorizations 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 CONSOLIDATED FINANCIAL STATEMENTS

Because of the inherent limitations of internal financial controls with reference to consolidated financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the

ANNEXURE A (contd.)

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

OPINION

In our opinion, to the best of our information and according to the explanations given to us, the Group has, in all material respects, an adequate internal financial controls system with reference to consolidated financial statements and such internal financial controls with reference to consolidated financial statements were operating effectively as at March 31, 2024, based on the internal control with reference to consolidated financial statements criteria established by the Group considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India.

OTHER MATTER

We did not audit the internal financial control with reference to financial statements of 1 subsidiary company, whose financial statements include total assets of Rs. 1,311.27 lakhs as at March 31, 2024, total income of Rs.100.96 lakhs, total profit after tax of Rs. 72.45 lakhs, total comprehensive income of Rs. 72.45 lakhs and Net cash outflow of Rs. 234.28 lakhs for the year ended 31 March 2024, as considered in the Consolidated Financial Statements. These financial statements and other financial information have been audited by other independent auditors.

The internal financial control with reference to financial statements in so far as it relates to such subsidiary company have been audited by other auditors whose reports have been furnished to us by the Management and our report on the adequacy and operating effectiveness of the internal financial controls with reference to the financial statements for the Holding Company and its subsidiary company, as aforesaid under Section 143 (3) (i) of the Act in so far as it relates to such subsidiary company is based solely on the reports of the auditors of such company. Our opinion is not modified in respect of this matter with respect to our reliance on the work done by and on the reports of other auditors.

Our opinion is not modified in this respect.

For T R Chadha & Co LLP
Chartered Accountants
Firm’s Reg. No:- 006711N/N50028

Aashish Gupta
(Partner)
Membership No. 097343
UDIN: 24097343BKEHVJ7652

Place: Gurugram
Date: 08th May 2024

CONSOLIDATED BALANCE SHEET

AS AT 31 MARCH, 2024

(All amounts in ₹ Lacs, unless otherwise stated)

	Notes	As at 31 March, 2024	As at 31 March, 2023
ASSETS			
(1) Financial assets			
(a) Cash and cash equivalents	3	11,191.71	36,094.42
(b) Bank balance other than cash and cash equivalents	4	26,578.76	14,633.40
(c) Derivative financial instruments	5	-	5.85
(d) Loans	6	5,06,239.57	3,60,914.42
(e) Investments	7	15,779.70	4,692.83
(f) Other financial assets	8	12,639.52	9,021.25
(2) Non-financial assets			
(a) Current tax assets (net)	9	1,482.92	-
(b) Deferred tax assets (net)	10	306.53	303.39
(c) Property, plant and equipment	11	2,953.20	2,383.47
(d) Other intangible assets	12	28.09	48.45
(e) Other non-financial assets	13	1,581.68	816.37
(f) Assets held for sale		636.57	645.08
Total assets		5,79,418.25	4,29,558.93
LIABILITIES AND EQUITY			
Liabilities			
(1) Financial liabilities			
(a) Derivative financial instruments	5	255.54	-
(b) Trade payables			
(i) total outstanding dues of micro enterprises and small enterprises	14	18.55	-
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises	14	481.68	614.88
(c) Debt securities	15	3,000.90	17,653.41
(d) Borrowings (other than debt securities)	16	3,38,508.97	2,81,233.49
(e) Other financial liabilities	17	6,846.05	5,343.53
(2) Non-financial liabilities			
(a) Provisions	18	280.64	468.98
(b) Current tax liabilities (Net)	9	-	68.51
(c) Other non-financial liabilities	19	159.35	123.46
Total liabilities		3,49,551.68	3,05,506.26
(3) Equity			
(a) Equity share capital	20	5,352.56	4,376.47
(b) Other equity	21	2,24,514.01	1,19,676.20
Total equity		2,29,866.57	1,24,052.67
Total liabilities and equity		5,79,418.25	4,29,558.93

The accompanying notes form an integral part of these consolidated financial statements.

This is the consolidated balance sheet referred to in our report of even date.

For **T R Chadha & Co LLP**
Chartered Accountants
Firm's Registration No.: 006711N/N500028

Aashish Gupta
Partner
Membership No.: 097343

For and on behalf of the Board of Directors of
India Shelter Finance Corporation Limited

Sudhin Bhagwandas Choksey
Chairman and
Non-Executive Director
DIN: 00036085

Rachna Dikshit
Independent Director
DIN: 08759332

Mukti Chaplot
Company Secretary
Membership No. 38326

Rupinder Singh
Managing Director and
Chief Executive Officer
DIN: 09153382

Ashish Gupta
Chief Financial Officer

Place: Gurugram
Date: 08 May, 2024



CONSOLIDATED STATEMENT OF PROFIT AND LOSS

FOR THE YEAR ENDED 31 MARCH, 2024

(All amounts in ₹ Lacs, unless otherwise stated)

	Notes	For the year ended 31 March, 2024	For the year ended 31 March, 2023
REVENUE FROM OPERATIONS			
(i) Interest income	22	70,259.01	50,294.60
(ii) Fees and commission income	23	3,778.94	3,158.41
(iii) Net gain on fair value changes	24	1,009.70	609.19
(iv) Net gain on derecognition of financial instruments under amortised cost category		7,914.76	4,390.76
(I) Total revenue from operations		82,962.41	58,452.96
(II) Other income	25	3,175.01	2,170.10
(III) Total income (I+II)		86,137.42	60,623.06
EXPENSES			
(i) Finance costs	26	28,851.71	20,986.96
(ii) Impairment on financial instruments	27	1,917.59	1,406.77
(iii) Employee benefits expenses	28	17,942.88	13,455.94
(iv) Depreciation and amortisation	29	991.37	820.25
(v) Other expenses	30	4,515.60	3,757.92
(IV) Total expenses		54,219.15	40,427.84
(V) Profit before tax (III-IV)		31,918.27	20,195.22
(VI) Tax expense:	31		
(1) Current tax		6,991.83	4,648.41
(2) Deferred tax charge/(credit)		166.68	12.60
Total tax expense		7,158.51	4,661.01
(VII) Profit for the year (V-VI)		24,759.76	15,534.21
(VIII) Other comprehensive income			
(i) Items that will not be reclassified to profit or loss			
- Remesurment of defined benefit obligations		16.29	152.01
- Income tax effect relating to re-measurement loss on defined benefit plans		(4.10)	(38.26)
(ii) Items that will be reclassified to profit or loss			
- Re-measurement gains/ (losses) on hedge instruments		(691.02)	(235.22)
- Income tax effect relating to re-measurement gains/ (losses) on hedge instruments		173.92	59.20
Total other comprehensive income		(504.91)	(62.27)
(IX) Total comprehensive income for the year (VII+VIII)		24,254.85	15,471.94
(X) Earnings per equity share	41		
Basic (₹)		26.32	17.75
Diluted (₹)		25.18	17.47

The accompanying notes form an integral part of these consolidated financial statements.

This is the consolidated statement of profit and loss referred to in our report of even date.

For **T R Chadha & Co LLP**
Chartered Accountants
Firm's Registration No.: 006711N/N500028

Aashish Gupta
Partner
Membership No.: 097343

Place: Gurugram
Date: 08 May, 2024

For and on behalf of the Board of Directors of
India Shelter Finance Corporation Limited

Sudhin Bhagwandas Choksey
Chairman and
Non-Executive Director
DIN: 00036085

Rachna Dikshit
Independent Director
DIN: 08759332

Mukti Chaplot
Company Secretary
Membership No. 38326

Rupinder Singh
Managing Director and
Chief Executive Officer
DIN: 09153382

Ashish Gupta
Chief Financial Officer

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 31 MARCH, 2024

(All amounts in ₹ Lacs, unless otherwise stated)

A. EQUITY SHARE CAPITAL

Particulars	Balance as at 01 April, 2022	Changes during the year	Balance as at 31 March, 2023	Changes during the year	Balance as at 31 March, 2024
Equity share capital	4,370.67	5.80	4,376.47	976.09	5,352.56

B. OTHER EQUITY

Particulars	Share application money pending allotment	Reserves and Surplus				Items of other comprehensive income		Total
		Statutory reserve	Securities premium	Employee share based payment reserve	Retained earnings	Re-measurements of defined benefit plans	Effective portion of cash flow hedge reserve	
Balance as at 31 March, 2022	-	6,992.50	68,577.83	833.95	26,897.38	(59.69)	-	1,03,241.97
Transfer to statutory reserve	-	3,099.55	-	-	(3,099.55)	-	-	-
Issue of share capital			131.94				-	131.94
Share options exercised during the year			3.28	(3.28)			-	-
Share based payment to employees	-	-	-	830.35	-	-	-	830.35
Profit for the year	-	-	-	-	15,534.21	-	-	15,534.21
Other comprehensive income(net of taxes)	-	-	-	-	-	113.75	(176.02)	(62.27)
Balance as at 31 March, 2023	-	10,092.05	68,713.05	1,661.02	39,332.04	54.06	(176.02)	1,19,676.20
Transfer to statutory reserve	-	4,937.46	-	-	(4,937.46)	-	-	-
Issue of share capital	-	-	79,352.85	-	-	-	-	79,352.85
Share options exercised during the year	-	-	1,248.49	(1,248.49)	-	-	-	-
Share based payment to employees	-	-	-	1,230.11	-	-	-	1,230.11
Profit for the year	-	-	-	-	24,759.76	-	-	24,759.76
Other comprehensive income(net of taxes)	-	-	-	-	-	12.19	(517.10)	(504.91)
Balance as at 31 March, 2024	-	15,029.51	1,49,314.39	1,642.64	59,154.34	66.25	(693.12)	2,24,514.01

The accompanying notes form an integral part of these consolidated financial statements.
This is the consolidated statement of changes in equity referred to in our report of even date.

For T R Chadha & Co LLP

Chartered Accountants

Firm's Registration No.: 006711N/N500028

Aashish Gupta

Partner

Membership No.: 097343

Place: Gurugram

Date: 08 May, 2024

For and on behalf of the Board of Directors of

India Shelter Finance Corporation Limited

Sudhin Bhagwandas Choksey

Chairman and
Non-Executive Director
DIN: 00036085

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Company Secretary
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Chief Executive Officer
DIN: 09153382

Ashish Gupta

Chief Financial Officer



CONSOLIDATED STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 MARCH, 2024

(All amounts in ₹ Lacs, unless otherwise stated)

Particulars	For the year ended 31 March, 2024	For the year ended 31 March, 2023
(A) CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before tax	31,918.27	20,195.22
Adjustments for:		
Depreciation and amortisation	991.37	820.25
Effective interest rate adjustment on financial assets	2,051.16	2,001.93
Effective interest rate adjustment on debt securities and borrowings	(12.28)	(369.05)
Share based payments to employees	1,230.11	830.35
Impairment on financial instruments	1,974.24	1,121.90
Impairment on assets held for sale	(56.66)	284.87
Net loss on derecognition of property, plant and equipment	11.86	13.12
Net unrealised gain on fair value change of investments	-	(0.03)
Net gain on derecognition of financial instruments under amortised cost category	(2,979.51)	(2,226.85)
Gain on termination of leases	(8.50)	(8.07)
Interest expense on lease liabilities	153.51	119.24
Operating profit before working capital changes	35,273.57	22,782.88
Movements in working capital		
Increase in loans	(1,49,265.52)	(1,01,789.03)
Increase in other financial assets	(676.78)	(611.20)
Increase in other non-financial assets	(700.14)	(634.70)
Increase in derivative financial instruments	(429.63)	(241.07)
(Decrease)/Increase in trade payables	(114.64)	155.48
Increase/(Decrease) in other financial liabilities	1,502.52	(608.22)
Increase/(Decrease) in other non-financial liabilities	35.88	(28.21)
(Decrease)/Increase in provisions	(219.08)	125.26
(Decrease)/Increase in interest accrued on debt securities and borrowings	(1,132.29)	642.76
Cash flows used in operating activities post working capital changes	(1,15,726.11)	(80,206.05)
Income tax paid (net)	(7,507.24)	(5,012.04)
Net cash flows used in operating activities (A)	(1,23,233.35)	(85,218.09)
(B) CASH FLOWS FROM INVESTING ACTIVITIES		
Payments made for purchase of property, plant and equipment and intangible assets	(624.09)	(639.67)
Proceeds from sale of property, plant and equipment	28.53	34.27
(Purchase)/Proceeds of investments (net)	(11,086.87)	12,839.20
(Investment)/Redemption of fixed deposits (net)	(11,945.36)	4,015.81
Net cash used in investing activities (B)	(23,627.79)	16,249.61
(C) CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from issue of equity share capital (including security premium)	79,292.89	137.75
Proceeds from borrowings(other than debt securities)	1,58,870.00	1,63,859.00
Repayment of borrowings	(1,01,979.29)	(71,229.42)
Repayment of debt securities	(13,500.00)	(1,500.00)
Payment towards lease liabilities	(725.17)	(584.59)
Net cash flows from financing activities (C)	1,21,958.43	90,682.74
Net increase/(decrease) in cash and cash equivalents (A+B+C)	(24,902.71)	21,714.26



CONSOLIDATED STATEMENT OF CASH FLOWS (contd.)

Particulars	For the year ended 31 March, 2024	For the year ended 31 March, 2023
Cash and cash equivalents at the beginning of the year	36,094.42	14,380.16
Cash and cash equivalents at the end of the year	11,191.71	36,094.42
Components of cash and cash equivalents:-		
Cash on hand	308.43	175.98
Balances with banks (of the nature of cash and cash equivalents)		
(a) Balance with banks in current accounts	10,883.28	6,281.44
(b) Deposits with original maturity of less than 3 months	-	29,637.00
Total cash and cash equivalents	11,191.71	36,094.42

Note:

- The above consolidated statement of cash flows has been prepared under the "Indirect Method" as set out in Indian Accounting Standard (Ind AS) - 7 'Statement of Cash flows' as specified under Section 133 of the Companies Act, 2013, ('Act') read with the Companies (Indian Accounting Standards) Rules, 2015, as amended.
- Refer note 16 for reconciliation of liabilities arising from financing activities.
- Previous year figures have been regrouped/reclassified wherever applicable.

The accompanying notes form an integral part of these consolidated financial statements.
This is the consolidated statement of changes in equity referred to in our report of even date.

For **T R Chadha & Co LLP**
Chartered Accountants
Firm's Registration No.: 006711N/N500028

For and on behalf of the Board of Directors of
India Shelter Finance Corporation Limited

Aashish Gupta
Partner
Membership No.: 097343

Sudhin Bhagwandas Choksey
Chairman and
Non-Executive Director
DIN: 00036085

Rachna Dikshit
Independent Director
DIN: 08759332

Mukti Chaplot
Company Secretary
Membership No. 38326

Rupinder Singh
Managing Director and
Chief Executive Officer
DIN: 09153382

Ashish Gupta
Chief Financial Officer

Place: Gurugram
Date: 08 May, 2024

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION ON CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH, 2024

(All amounts in ₹ Lacs, unless otherwise stated)

1. CORPORATE INFORMATION

India Shelter Finance Corporation Limited ("the Company") is a Housing Finance Company registered under section 29A of The National Housing Bank Act, 1987 vide Registration Certificate No. 09.0087.10 dated 14 September, 2010. The Group is engaged in providing secured retail home loans, home equity loans and loans against property to borrowers for a period up to twenty years. These loans are primarily to be used by the borrowers for home purchase, home improvements, home extension and for construction of dwelling units on plots owned by borrowers.

India Shelter Capital Finance Limited ("Subsidiary Company") was incorporated on 24 March, 2022 to carry on lending business as Non-Banking Finance Company subject to receipt of regulatory approvals. The Subsidiary Company has neither obtained Certificate of Registration from Reserve Bank of India nor has commenced any business activity during the year ending 31 March, 2024.

The above two companies are collectively referred to as the ("Group").

1.1 Basis of preparation

(i) Statement of compliance with Indian Accounting Standards (Ind AS)

These Consolidated financial statements ("the Financial Statements") of the Group have been prepared in conformity with the accounting principles generally accepted in India including Indian Accounting Standards ('Ind AS') specified under section 133 of the Companies Act, 2013 ('Act') and other relevant provisions of the Act and guidelines issued by Reserve Bank of India (RBI) and National Housing Bank (NHB) to the extent applicable. The Group has uniformly applied the accounting policies for the periods presented in these financial statements.

The financial statements for the year ended 31 March, 2024 were authorised and approved for issue by the Board of Directors on 08 May, 2024.

(ii) Historical cost convention

The financial statements have been prepared on historical cost basis except for certain financial assets and financial liabilities which are measured at fair values at the end of each reporting period as explained in relevant accounting policies. The financial statements have been prepared on going concern basis in

accordance with accounting principles generally accepted in India.

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 Group takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and/or disclosure purposes in these financial statements is determined on such a basis, except for leasing transactions that are within the scope of Ind AS 116 'Leases' and measurements that have some similarities to fair value but are not fair value, such as value in use in Ind AS 36 'Impairment of Assets'.

In addition, for financial reporting purposes, fair value measurements 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 Group can access at the 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 asset or liability.

(iii) Basis of consolidation

The consolidated financial statements comprise the financial statements of the Company and its subsidiaries including controlled structured entities as at 31 March, 2024. The Company consolidates a subsidiary when it controls it. Control is achieved when the Company is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION ON CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH, 2024 (Contd.)

(All amounts in ₹ Lacs, unless otherwise stated)

over the investee. Generally, there is a presumption that a majority of voting rights result in control. To support this presumption and when the Company has less than a majority of the voting or similar rights of an investee, the Company considers all relevant facts and circumstances in assessing whether it has power over an investee, including:

- The contractual arrangement with the other vote holders of the investee.
- Rights arising from other contractual arrangements.
- The Company's voting rights and potential voting rights.
- The size of the Company's holding of voting rights relative to the size and dispersion of the holdings of the other voting rights holders.

The Company re-assesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control. Consolidation of a subsidiary begins when the Company obtains control over the subsidiary and ceases when the Company loses control of the subsidiary. Assets, liabilities, income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated financial statements from the date the Company gains control until the date the Company ceases to control the subsidiary.

Consolidated financial statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances. If a member of the Company uses accounting policies other than those adopted in the consolidated financial statements for like transactions and events in similar circumstances, appropriate adjustments are made to that Company member's financial statements in preparing the consolidated financial statements to ensure conformity with the Company's accounting policies.

(iv) Principles of consolidation

The consolidated financial statements relate to India Shelter Finance Corporation Limited (the Company) and its subsidiary company.

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

- The financial statements of all the entities used for the purpose of consolidation are drawn upto the same reporting date as that of the Company i.e., 31 March, 2024.
- The financial statements of the Company and its subsidiary company have been combined on a

line-by-line basis by adding together like items of assets, liabilities, income and expenses, after eliminating intra-group balances and intragroup transactions.

- The consolidated financial statements have been prepared using uniform accounting policies for like transactions and other events in similar circumstances.
- India Shelter Capital Finance Limited, a wholly owned subsidiary has been considered in the preparation of the consolidated financial statements.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

These consolidated financial statements have been prepared using the significant accounting policies and measurement bases summarised as below. These policies are applied consistently for all the periods presented in the consolidated financial statements, except where the Group has applied certain exemptions upon transition.

2.1. Revenue recognition

Interest and processing fee income on loans

Interest and processing fee income on financial assets is recognised on a time proportion basis considering the amount outstanding and the effective interest rate applicable.

Effective Interest Rate ("EIR")

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. The future cash flows are estimated taking into account all the contractual terms of the instrument.

The calculation of the EIR includes all fees 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 measured at Fair Value Through Profit and Loss ("FVTPL"), transaction costs are recognised in the statement of profit and loss at initial recognition.

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 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).

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION ON CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH, 2024 (Contd.)

Interest/Dividend income on investment

Interest income on investments and fixed deposits is recognised on time proportionate basis with reference to EIR method. Dividend income is accounted for when the right to receive it is established.

Income from assignment

Gains arising out of direct assignment transactions comprise the difference between the interest on the loan portfolio and the applicable rate at which the direct assignment is entered into with the assignee, also known as the right of excess interest spread (EIS). The future EIS basis the scheduled cash flows on execution of the transaction, discounted at the EIR of underlying pool of loans rate entered into with the assignee is recorded upfront in the statement of profit and loss. EIS is evaluated and adjusted for ECL and expected prepayment.

Fee and Commission Income

Fee and commission income includes fees other than those that are an integral part of EIR method. The Group recognises the fee and commission income at fair value of the consideration received or receivable when the Group satisfies the performance obligation.

Other operating revenue

Interest on overdue of loans and other ancillary charges are recognised upon realisation. All other income is recognised on an accrual basis upon satisfaction of performance obligation, when there is no uncertainty in the ultimate realisation/collection and income can be measured reliably.

2.2. Cash and cash equivalents

Cash and cash equivalents comprise cash on hand (including imprest), demand deposits and short-term highly liquid investments that are readily convertible into known amount of cash and which are subject to an insignificant risk of changes in value.

2.3. Cash flow statement

Cash flows are reported using indirect method as set out in Ind AS -7 "Statement of Cash Flows", whereby profit/loss before extraordinary items and tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash

flows from operating, investing and financing activities of the Group are segregated based on the available information.

2.4. Property, plant and equipment

Recognition and initial measurement

Property, plant and equipment are measured at cost less accumulated depreciation and any accumulated impairment losses.

The initial cost of property, plant and equipment comprises its purchase price, including import duties and non-refundable purchase taxes, and any directly attributable costs of bringing an asset to working condition and location for its intended use. It also includes the initial estimate of the costs of dismantling and removing the item and restoring the site on which it is located, wherever applicable.

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

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. All other repair and maintenance costs are recognised in statement of profit or loss as incurred.

Depreciation methods, estimated useful lives and residual value

Depreciation on property, plant and equipment is provided on the straight line method over the useful life of the assets as prescribed under Part 'C' of Schedule II of the Companies Act, 2013, or in case of assets where the estimated useful life was determined basis technical evaluation carried out by the Group, over the useful life so determined.

Depreciation on additions to fixed assets is provided for full month in which acquisition of the assets is made. No depreciation is provided for the month of sale/disposal of asset. Leasehold improvements are amortised over a period of lease. Asset costing less than ₹ 10,000 each are fully depreciated in the year of capitalisation.

The residual values, useful lives and method of depreciation are reviewed at the end of each financial year.



SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION ON CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH, 2024 (Contd.)

Estimated useful lives of the assets are as follows:

Asset category	Estimated useful life (in Years)	Life as per Schedule II
Plant & Equipment- Computer and other related equipment	3 years	3 years
Office equipment	5 years	5 years
Furniture and fixtures	10 years	10 years
Vehicles	8 years	8 years
Handheld communication devices (included in office equipment)	2 years	5 years
Leasehold improvements	Over the period of the lease or the estimated useful life whichever is lesser.	Over the period of the lease or the estimated useful life whichever is lesser.

De-recognition

An item of property, plant and equipment and any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on de-recognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is recognised in the statement of profit and loss, when the asset is derecognised.

2.5. Intangible assets

Recognition and initial measurement

Intangible assets are stated at their cost of acquisition. The cost comprises purchase price including any import duties and other taxes (other than those subsequently recoverable from taxation authorities), borrowing cost if capitalisation criteria are met and directly attributable cost of bringing the asset to its working condition for the intended use.

Amortisation method, estimated useful lives and residual value

Intangible assets are amortised over a period of 4 years from the date when the assets are available for use. The estimated useful life (amortisation period) of the intangible assets is arrived basis the expected pattern of consumption of economic benefits and is reviewed at the end of each financial year and the amortisation period is revised to reflect the changed pattern, if any.

De-recognition of intangible assets

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

2.6. Impairment of non-financial assets

The carrying amounts of non-financial assets are reviewed at each reporting date. If there is any indication of impairment based on internal / external factors, an impairment loss is recognised in the statement of profit and loss wherever the carrying amount of an asset exceeds its recoverable amount. For the purpose of assessing impairment, the smallest identifiable group of assets that generate cash inflows from continuing use that are largely independent of the cash inflows from other assets or groups of assets, is considered as a cash generating unit.

Recoverable amount is higher of an asset's or cash generating unit's fair value less cost of disposal and its value in use. Value in use is the present value of estimated future cash flows expected to arise from the continuing use of an asset and from its disposal at the end of its useful life.

After impairment, depreciation is provided on the revised carrying amount of the asset over its remaining useful life.

If at the reporting date there is an indication that previously assessed impairment loss no longer exists, the recoverable amount is reassessed, and the asset is reflected at the recoverable amount subject to maximum of depreciable historical cost.

2.7. Taxation

Tax expense recognised in Statement of Profit and Loss comprises the sum of deferred tax and current tax except to the extent it recognised in other comprehensive income or directly in equity.

Current tax comprises the tax payable or receivable on taxable income or loss for the year and any adjustment to the tax payable or receivable in respect of previous years. Current tax is computed in accordance with relevant tax regulations. The amount of current tax payable or receivable is the best estimate of the tax amount expected to be paid or received after considering uncertainty related to income taxes, if any. Current income tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity).

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION ON CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH, 2024 (Contd.)

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.

With effect from 1 April 2019, with introduction of Taxation Laws (Amendment) Ordinance, 2019, where section 115BAA was introduced in the Income-tax Act, 1961 proposing option to compute income tax liability at revised taxation rates. Further, under section 115JB (MAT provisions) a sub-section was introduced stating non-applicability of Minimum Alternative Tax ('MAT') provisions on the companies exercising option to pay income tax under section 115BAA.

MAT policy applicable before 1 April 2019, MAT under the provisions of the Income-tax Act, 1961 was recognised as current tax in the Statement of Profit and Loss. The credit available under the Income-tax Act, 1961 in respect of MAT paid is recognised as an asset only when and to the extent there is convincing evidence that the Group will pay normal income tax during the period for which the MAT credit can be carried forward for set-off against the normal tax liability. MAT credit recognised as an asset is reviewed at each balance sheet date and written down to the extent the aforesaid convincing evidence no longer exists.

Deferred tax is recognised in respect of temporary differences between carrying amount of assets and liabilities for financial reporting purposes and corresponding amount used for taxation purposes. Deferred tax assets are recognised on unused tax loss, unused tax credits and deductible temporary differences to the extent it is probable that the future taxable profits will be available against which they can be used. This is assessed based on the Group's forecast of future operating results, adjusted for significant non-taxable income and expenses and specific limits on the use of any unused tax loss. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date. The measurement of deferred tax reflects the tax consequences that would follow from the manner in which the Group expects, at the reporting date to recover or settle the carrying amount of its assets and liabilities. Deferred tax assets and liabilities are offset only if 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. Deferred tax relating to items recognised outside statement of profit and loss is recognised outside statement of profit or loss (either in other comprehensive income or in equity).

2.8. Employee benefits

Short-term employee benefits

Short-term employee benefits including salaries, short term compensated absences (such as a paid annual leave) where the absences are expected to occur within twelve months after the end of the period in which the employees render the related service, profit sharing and bonuses payable within twelve months after the end of the period in which the employees render the related services and non-monetary benefits for current employees are estimated and measured on an undiscounted basis.

Post-employment benefit plans are classified into defined benefits plans and defined contribution plans as under:

Defined contribution plans

The Group has a defined contribution plans namely provident fund, pension fund and employees state insurance scheme. The contribution made by the Group in respect of these plans are charged to the Statement of Profit and Loss.

Defined benefit plans

The Group has an obligation towards gratuity, a defined benefit retirement plan covering eligible employees. Where in the employee will receive on retirement is defined by reference to employee's length of service and last drawn salary. Under the defined benefit plans, the amount that an employee will receive on retirement is defined by reference to the employee's length of service and final salary. The legal obligation for any benefits remains with the Group, even if plan assets for funding the defined benefit plan have been set aside. The liability recognised in the statement of financial position for defined benefit plans is the present value of the Defined Benefit Obligation (DBO) at the reporting date less the fair value of plan assets. Management estimates the DBO annually with the assistance of independent actuaries. Actuarial gains/losses resulting from re-measurements of the liability/asset are included in other comprehensive income.

Other long-term employee benefits

The Group also provides the benefit of compensated absences to its employees which are in the nature of long-term employee benefit plan. Liability in respect of compensated absences becoming due and expected to be availed after one year from the Balance Sheet date is estimated in the basis of an actuarial valuation performed by an independent actuary using the projected unit credit method as on the reporting date. Actuarial gains and losses arising from past experience and changes in actuarial assumptions are charged to Statement of Profit and Loss in the year in which such gains or losses are determined.



SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION ON CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH, 2024 (Contd.)

Share based payment

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

The fair value of the option determined at the grant date of the equity settled share-based payments is expensed on a straight line basis over the vesting period, based on the Group's estimate of equity instruments that will eventually vest, with a corresponding increase in equity. At the end of each reporting period, the Group revises its estimate of the number of equity instruments expected to vest. The impact of the revision of the original estimates, if any, is recognised in the statement of profit and loss such that the cumulative expense reflects the revised estimate, with a corresponding adjustment to the equity-settled employee benefits reserve.

In respect of re-pricing of existing stock option, the incremental fair value of the option on the date of re-pricing is accounted for as employee cost over the remaining vesting period.

2.9. Expected credit losses and write-off of financial assets

Loan assets

Loans are classified into performing and non-performing assets in terms of policy adopted by the Group, subject to minimum classification and provisioning norms required under 'Housing Finance Company (Reserve Bank) Directions, 2021' issued by RBI from time to time.

All loan exposures to borrowers with instalment structure are stated at disbursed value after netting off:

- unearned income
- instalments appropriated up to the year end

Under Ind AS, the Group's assets have been classified as follows based on Exposure at Default:

- Stage 1: Performing Assets
- Stage 2: Under Performing Assets
- Stage 3: Non-Performing Assets

Under Ind AS, asset classification and provisioning moves from the 'rule based', incurred losses model to the Expected Credit Loss (ECL) model of providing for expected future credit losses. Thus, loan loss provisions are made on the basis of the Group's historical loss experience, future expected credit loss and after factoring in various macro-economic parameters

The Expected Credit Loss (ECL) is measured at 12-month ECL for Stage 1 loan assets and at lifetime ECL for Stage 2 and Stage 3 loan assets. ECL is the product of the Probability of Default, Exposure at Default and Loss Given Default, defined as follows:

Probability of Default (PD) - The PD represents the likelihood of a borrower defaulting on its financial obligation (as per "Definition of default and credit-impaired" above), either over the next 12 months (12 months PD), or over the remaining lifetime (Lifetime PD) of the obligation.

Loss Given Default (LGD) – LGD represents the Group's expectation of the extent of loss on a defaulted exposure. LGD varies by type of counterparty, type and preference of claim and availability of collateral or other credit support.

Exposure at Default (EAD) – EAD is based on the amounts the Group expects to be owed at the time of default. For a revolving commitment, the Group includes the current drawn balance plus any further amount that is expected to be drawn up to the current contractual limit by the time of default, should it occur.

Forward-looking economic information (including management overlay) is included in determining the 12-month and lifetime PD, EAD and LGD. The assumptions underlying the expected credit loss are monitored and reviewed on an ongoing basis.

Trade receivables

In respect of trade receivables, the Group applies the simplified approach of Ind AS 109, which requires measurement of loss allowance at an amount equal to lifetime expected credit losses. Lifetime expected credit losses are the expected credit losses that result from all possible default events over the expected life of trade receivables.

Other financial assets

In respect of its other financial assets, the Group assesses if the credit risk on those financial assets has increased significantly since initial recognition. If the credit risk has not increased significantly since initial recognition, the Group measures the loss allowance at an amount equal to 12-month expected credit losses, else at an amount equal to the lifetime expected credit losses.

When making this assessment, the Group uses the change in the risk of a default occurring over the expected life of the financial asset. To make that assessment, the Group compares the risk of a default occurring on the financial asset as at the balance sheet date with the risk of a default occurring on the financial asset as at the date of initial recognition and considers reasonable and supportable information, that is available without undue cost or effort, that is indicative of significant increases in credit risk since initial recognition. The Group assumes that the credit risk on a financial asset has not increased significantly since initial recognition if the financial asset is determined to have low credit risk at the balance sheet date.



SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION ON CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH, 2024 (Contd.)

Write-offs

Financial assets are written off either partially or in their entirety to the extent that there is no realistic prospect of recovery. Any subsequent recoveries are credited to impairment on financial instrument on statement of profit and loss.

2.10. Provisions, contingent assets and contingent liabilities

Provisions are recognised only when there is a present obligation, as a result of past events, and when a reliable estimate of the amount of obligation can be made at the reporting date. These estimates are reviewed at each reporting date and adjusted to reflect the current best estimates. Provisions are discounted to their present values, where the time value of money is material.

Contingent liability is disclosed for:

- Possible obligations which will be confirmed only by future events not wholly within the control of the Group or
- Present obligations arising from past events where it is not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount of the obligation cannot be made.

Contingent assets are neither recognised nor disclosed except when realisation of income is virtually certain, related asset is disclosed.

2.11. Leases

Group as a Lessee:

At inception of a contract, Group assesses whether the contract is, or contains, a lease. A contract is, or contains, a lease, a lease if the contract conveys the right to control the use of an identified asset for a period in exchange for consideration.

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

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. The estimated useful lives of right-of-use assets are determined on the same basis as those of property and equipment. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain re measurements of the lease liability.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Group's incremental borrowing rate. Generally, the Group uses its incremental borrowing rate as the discount rate.

The lease liability is measured at amortised cost using the effective interest method. It is re measured when there is a change in future lease payments arising from a change in an index or rate, if there is a change in the Group's estimate of the amount expected to be payable under a residual value guarantee, or if the Group changes its assessment of whether it will exercise a purchase, extension or termination option.

When the lease liability is re measured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

The Group presents right-of-use assets that do not meet the definition of investment property in 'property and equipment' and lease liabilities in 'borrowings (other than debt securities)' in the balance sheet.

2.12. Financial instruments

A Financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Initial recognition and measurement

Financial assets and financial liabilities are recognised when the Group becomes a party to the contractual provisions of the financial instrument and are measured initially at fair value adjusted for transaction costs.

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

Financial assets

Financial assets, with the exception of loans and advances to customers, are initially recognised on the trade date, i.e., the date that the Group becomes a party to the contractual provisions of the instrument. Loans and advances to customers are recognised when funds are disbursed to the customers

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION ON CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH, 2024 (Contd.)

Classification and Subsequent measurement of financial assets

Financial assets are classified in to three categories for subsequent measurement:

- Financial asset at amortised cost
- Financial asset at fair value through other comprehensive income (FVTOCI)
- Financial asset at fair value through profit and loss(FVTPL)

Financial asset at amortised cost

Financial instruments that meet the following conditions are subsequently measured at amortised cost less impairment loss:

- The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
- Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in interest income in the Statement of Profit and Loss.

Financial assets (debt instruments) at FVOCI

Financial asset (debt instruments) is classified as at the FVTOCI if both of the following criteria are met:

- The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets, and
- The asset's contractual cash flows represent SPPI. Financial assets included within the above category are measured initially as well as at each reporting date at fair value. Fair value movements are recognised in the other comprehensive income (OCI). However, the Group recognises interest income, impairment losses & reversals and foreign exchange gain or loss in the profit and loss. On derecognition of the asset, cumulative gain or loss previously recognised in OCI is reclassified from the equity to profit and loss. Interest earned whilst holding FVTOCI debt instrument is reported as interest income using the EIR method.

Financial Asset at FVTPL

Financial asset which does not meet the criteria for categorisation as at amortised cost or as FVTOCI, is classified as at FVTPL. Financial assets classified under FVTPL category are measured at fair value with all changes recognised in the statement of profit and loss.

De-recognition of financial assets

Financial assets (or where applicable, a part of financial asset or part of a group of similar financial assets) are derecognised (i.e. removed from the Group's balance sheet) when the contractual rights to receive the cash flows from the financial asset have expired, or when the financial asset and substantially all the risks and rewards are transferred. Further, if the Group has not retained control, it shall also derecognise the financial asset and recognise separately as assets or liabilities any rights and obligations created or retained in the transfer.

Financial liabilities

Debt and equity instruments issued by a Group 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.

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

Financial liabilities are classified as at FVTPL when the financial liability is either held for trading or it is designated as at FVTPL.

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.

Subsequent measurement

Subsequent to initial recognition, all non-derivative financial liabilities are measured at amortised cost using the effective interest method.

De-recognition of financial liabilities

A financial liability is de-recognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the de-recognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the Statement of Profit and Loss.

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION ON CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH, 2024 (Contd.)

Derivative Financial Instruments

The Group holds derivative financial instruments to hedge its foreign currency and interest rate risk exposures. Embedded derivatives are separated from the host contract and accounted for separately if certain criteria are met.

Derivatives are initially recognised at fair value at the date a derivative contract is entered into and are subsequently remeasured to their fair value at each balance sheet date. The resulting gain/loss is recognised in the statement of profit and loss immediately unless the derivative is designated and is effective as a hedging instrument, in which event the timing of the recognition in the statement of profit and loss depends on the nature of the hedge relationship.

The Group designates certain derivatives as hedging instruments to hedge the variability in cash flows associated with its external commercial borrowings arising from changes in exchange rates.

At inception of designated hedging relationships, the Group documents the risk management objective and strategy for undertaking the hedge. The Group also documents the economic relationship between the hedged item and the hedging instrument, including whether the changes in cash flows of the hedged item and hedging instrument are expected to offset each other.

Cash flow hedges

When a derivative is designated as a cash flow hedging instrument, the effective portion of changes in the fair value of the derivative is recognised in OCI and accumulated in the other equity under 'effective portion of cash flows hedges'. The effective portion of changes in the fair value of the derivative that is recognised in OCI is limited to the cumulative change in fair value of the hedged item, determined on a present value basis, from inception of the hedge. Any ineffective portion of changes in fair value of the derivative is recognised immediately in profit or loss.

The Group designates only the change in fair value of the spot element of forward exchange contracts as the hedging instrument in cash flow hedge relationships. The change in fair value of the forward element of the forward exchange contracts ('forward points') is separately accounted for as cost of hedging and recognised separately within equity. If a hedge no longer meets the criteria for hedge accounting or the hedging instrument is sold, expires, is terminated or is exercised, then hedge accounting is discontinued prospectively.

Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently

enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

2.13.Earnings per share

Basic earnings per share is computed by dividing the profit / (loss) after tax by the weighted average number of equity shares outstanding during the year. Diluted earnings per share is computed by dividing the profit / (loss) after tax as adjusted for dividend, interest and other charges to expense or income (net of any attributable taxes) relating to the dilutive potential equity shares, by the weighted average number of equity shares considered for deriving basic earnings per share and the weighted average number of equity shares which could have been issued on the conversion of all dilutive potential equity shares. Potential equity shares are deemed to be dilutive only if their conversion to equity shares would decrease the net profit per share from continuing ordinary operations. Potential dilutive equity shares are deemed to be converted as at the beginning of the period, unless they have been issued at a later date. Dilutive potential equity shares are determined independently for each period presented. The number of equity shares and potentially dilutive equity shares are adjusted for share splits / reverse share splits and bonus shares, as appropriate.

2.14.Foreign currency

Functional and presentation currency

Items included in the consolidated financial statement of the Group are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The consolidated financial statements have been prepared and presented in Indian Rupees (INR), which is the Group's functional and presentation currency.

Transactions and balances

Foreign currency transactions are translated into the functional currency, by applying the exchange rates on the foreign currency amounts at the date of the transaction. Foreign currency monetary items outstanding at the balance sheet date are converted to functional currency using the closing rate. Non-monetary items denominated in a foreign currency which are carried at historical cost are reported using the exchange rate at the date of the transaction.

Exchange differences arising on monetary items on settlement, or restatement as at reporting date, at rates different from those at which they were initially recorded, are recognised in the Statement of Profit and Loss in the year in which they arise.



SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION ON CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH, 2024 (Contd.)

2.15. Insurance Claims

Insurance claims are accounted for on the basis of claims admitted / expected to be admitted and to the extent that there is no uncertainty in receiving the claims.

2.16. Operating Cycle

Based on the nature of products / activities of the Group and the normal time between acquisition of assets and their realisation in cash or cash equivalents, the Group has determined its operating cycle as 12 months.

2.17. Share/Securities issue expense

Share/security issue expenses are adjusted against the Securities Premium Account as permissible under Section 52 of the Companies Act, 2013, to the extent any balance is available for utilisation in the Securities Premium Account. Share/security issue expenses in excess of the balance in the Securities Premium Account are expensed off in the Statement of Profit and Loss.

2.18. Borrowing Costs

Borrowing costs are interest and other costs incurred in connection with the borrowings of funds. Borrowing costs primarily include interest on amounts borrowed for the revenue operations of the Group. These are expensed to the statement of profit and loss using the EIR. All other Borrowing costs are recognised in the statement of profit and loss in the period in which they are incurred.

2.19. Assets held for sale

Assets acquired by the Group under Securitisation and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002. has been classified as assets held for sale, as their carrying amounts will be recovered principally through a sale of asset. In accordance with Ind AS 105, the Group is committed to sell these assets and they are measured at the lower of their carrying amount and the fair value less costs to sell.

2.20. Segment Reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker (CODM). CODM is responsible for allocating the resources, assess the financial performance and position of the Group and make strategic decision.

2.21. Significant management judgement in applying accounting policies and estimation uncertainty

The preparation of the consolidated financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the related disclosures. Actual results may differ from these estimates.

Significant management judgements:

Expected credit loss ('ECL') – The measurement of expected credit loss allowance for financial assets measured at amortised cost requires use of complex models and significant assumptions about future economic conditions and credit behaviour (e.g. likelihood of customers defaulting and resulting losses). The Group makes significant judgements with regard to the following while assessing expected credit loss:

- Determining criteria for significant increase in credit risk;
- Establishing the number and relative weightings of forward-looking scenarios for each type of product/ market and the associated ECL; and
- Establishing groups of similar financial assets for the purposes of measuring ECL.

Significant estimates:

Provision for employee benefits - Provision for employee benefits, requires that certain assumptions such as expected future salary increases, average life expectancy and discount rates etc. are made in order to determine the amount to be recorded for retirement benefit obligations. Substantial changes in the assumed development of any of these variables may significantly change the Group's retirement benefit obligations.

Useful lives of depreciable/amortisable assets – Management reviews its estimate of the useful lives of depreciable/amortisable assets at each reporting date, based on the expected utility of the assets. Uncertainties in these estimates relate to technical and economic obsolescence that may change the utility of assets.

Standard issued but not yet effective

No new standards as notified by Ministry of Corporate Affairs ("MCA"), through Companies (Indian Accounting Standards) Amendment Rules, 2019 and Companies (Indian Accounting Standards) Second Amendment Rules are effective for the current year.

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION ON CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH, 2024 (Contd.)

3. CASH AND CASH EQUIVALENTS

Particulars	As at 31 March, 2024	As at 31 March, 2023
i. Cash on hand	308.43	175.98
ii. Balances with banks (of the nature of cash and cash equivalents)		
(a) Balance with banks in current accounts	10,883.28	6,281.44
(b) Deposits with original maturity of less than 3 months	-	29,637.00
Sub-total (a and b)	10,883.28	35,918.44
Total (I and II)	11,191.71	36,094.42

4. BANK BALANCE OTHER THAN CASH AND CASH EQUIVALENTS

Particulars	As at 31 March, 2024	As at 31 March, 2023
Deposits with original maturity of more than 3 months	19,700.60	8,048.03
Deposit held as margin money under securitisation and borrowing agreements*	6,878.16	6,585.37
Total	26,578.76	14,633.40

*Includes ₹ 900 Lacs and ₹ 25 Lacs (31 March, 2023: ₹ 25 Lacs) towards guarantee to National Stock Exchange and Unique Identification Authority of India (UIDAI).

5. DERIVATIVE FINANCIAL INSTRUMENTS

Particulars	As at 31 March, 2024	As at 31 March, 2023
Financial Asset		
Cross currency derivatives	-	5.85
Financial Liability		
Cross currency derivatives	255.54	-
Total	255.54	5.85

(a) Cross Currency Swaps (CCS)

Particulars	As at 31 March, 2024	As at 31 March, 2023
i) Total notional principal amount of CCS agreement undertaken during the year	16,370.00	7,981.00
ii) Total notional principal amount of CCS agreement outstanding as on end of the year*	24,351.00	7,981.00
iii) Maturity date of CCS	15-Jun-27	15-Jun-27
iv) Hedge ratio	1:1	1:1
v) Currency pair	USD/₹	USD/₹

* Notional amount outstanding is the original amount. Restated amount as at the balance sheet date basis exchange rate is 31 March, 2024: ₹ 25,021.70 Lacs (31 March, 2023: ₹ 8,222.07 Lacs). Refer note 39.5(d).

(b) Hedged item

As at 31 March, 2024

Particulars	Change in the value of the hedged item used as the basis for recognising hedge ineffectiveness	Cash flow hedge reserve	Foreign currency monetary items translation reserve
ECB term loan	(429.63)	(926.24)	-

As at 31 March, 2023

Particulars	Change in the value of the hedged item used as the basis for recognising hedge ineffectiveness	Cash flow hedge reserve	Foreign currency monetary items translation reserve
ECB term loan	(241.07)	(235.22)	-

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION
ON CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH, 2024 (Contd.)

(c) The fair value mark to market (MTM) gains or (losses) in respect of CCS Agreement outstanding as at the Balance Sheet date is stated below:

Hedging Instrument	As at 31 March, 2024	As at 31 March, 2023
Cross currency swaps (CCS)	(255.54)	5.85
Total	(255.54)	5.85

(d) Movement in Hedge Reserve (excluding deferred tax)

Cash Flow Hedge Reserve Account	As at 31 March, 2024		
	Realised	Unrealised	Total
i) Balance at the beginning of the year	-	(235.22)	(235.22)
ii) Add: Changes in the fair value during the Year	-		
Included in derivative financial instrument	-	(261.39)	(261.39)
Included in ECB term loan	-	(429.63)	(429.63)
iii) Less: Amounts reclassified to statement of profit & loss	-	-	-
iv) Balance at the end of the year	-	(926.24)	(926.24)

Cash Flow Hedge Reserve Account	As at 31 March, 2023		
	Realised	Unrealised	Total
i) Balance at the beginning of the year	-	-	-
ii) Add: Changes in the fair value during the Year	-	-	-
Included in derivative financial instrument	-	5.85	5.85
Included in ECB term loan	-	(241.07)	(241.07)
iii) Less: Amounts reclassified to statement of profit & loss	-	-	-
iv) Balance at the end of the year	-	(235.22)	(235.22)

All hedges are 100% effective.

Note: ECB carries coupon of 3.5% p.a in USD which has been hedged/swapped via Cross currency swap @ 7.15% p.a in ₹

6. LOANS

Particulars	As at 31 March, 2024	As at 31 March, 2023
At amortised cost		
Term loans	5,09,783.81	3,64,245.87
Staff loans	865.16	217.01
Total gross	5,10,648.97	3,64,462.88
Less: Impairment loss allowance	4,409.40	3,548.46
Total net	5,06,239.57	3,60,914.42
Secured by tangible assets	5,10,648.97	3,64,462.88
Total	5,10,648.97	3,64,462.88
Less: Impairment loss allowance	4,409.40	3,548.46
Total net	5,06,239.57	3,60,914.42
Loans in India		
Public sectors	-	-
Others (individuals and other corporates)	5,10,648.97	3,64,462.88
Total gross	5,10,648.97	3,64,462.88
Less: Impairment loss allowance	4,409.40	3,548.46
Total net	5,06,239.57	3,60,914.42

6.1 Loans granted by the Group are secured by equitable mortgage/registered mortgage of the property and/or undertaking to create a security by way of equitable mortgage of property.



SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION
ON CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH, 2024 (Contd.)

6.2 Loan details

Particulars	Gross Carrying amount*	Effective interest rate adjustment	Total
As at 31 March, 2024	5,18,673.69	(8,024.72)	5,10,648.97
As at 31 March, 2023	3,70,362.69	(5,899.81)	3,64,462.88

* Loans represents aggregate of loan - principal outstanding, interest overdue and interest accrued but not due from borrowers pertaining to loans held in our books as on the last day of the relevant period.

6.3 There were no loans given against the collateral of gold jewellery and hence the percentage of such loans to the total outstanding asset is Nil (31 March, 2023: Nil).

6.4 Loans sanctioned but undisbursed amount to ₹ 42,834.11 Lacs as on 31 March, 2023 (31 March, 2023: 26,789.44 Lacs).

6.5 The Group has securitised assets amounting to ₹ 7,877.25 Lacs (31 March, 2023: 10,652.34 Lacs). These loan assets have not been de-recognised from the loan portfolio of the Group as these does not meet the de-recognition criteria. The Group is responsible for collection and servicing of this loan portfolio on behalf of buyers/investors. In terms of the said securitisation agreements, the Group pays to buyer/investor on monthly basis the prorated collection amount as per the respective agreement terms.

6.6 During the financial year 2023-24, the Group has assigned pools of certain loans amounting to ₹ 45,066.42 Lacs (31 March, 2023: 44,091.16 Lacs) by way of a direct assignment transactions. These loans have been de-recognised from the loan portfolio of the Group as the sale of loan assets is an absolute assignment and transfer on a 'no-recourse' basis. The Group continues to act as a servicer to the assignment transaction on behalf of assignee. In terms of the assignment agreements, the Group pays to assignees, on a monthly basis, the pro-rata collection amounts.

6.7 During the financial year 2023-24, The Group also undertakes lending under co-lending model with Banks, whereby loans are co-originated by both the entities in 20:80 ratio (Group:Bank). As at March, 31, 2024, outstanding amount for same is ₹ 14,552.05 Lacs (31 March, 2022 ₹ 59.76 Lacs). The said arrangement is carried post disbursement of loans by the group and the folios under the same are picked by the Bank. These loans have been de-recognised from the loan portfolio of the Company.

6.8 Expected credit loss

Expected credit loss is a calculation of the present value of the amount expected not to be recovered on a financial asset, for financial reporting purposes. Credit risk is the potential that the obligor and counterparty will fail to

meet its financial obligations to the lender. This requires an effective assessment and management of the credit risk at both individual and portfolio level.

The references below show where the Group's impairment assessment and measurement approach is set out in these notes. It should be read in conjunction with the Summary of significant accounting policies.

(i) Definition of default

The Group considers a financial instrument as defaulted and considered it as Stage 3 (credit-impaired) for ECL calculations in all cases, when the borrower becomes more than 90 days past due on its contractual payments or classified as NPA as per RBI directions. 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 year, if the facility has not been previously derecognised and is still in the portfolio.

ii) Exposure at default

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

iii) Loss given default

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

iv) Significant increase in credit risk

The Group continuously monitors all assets subject to ECL. In order to determine whether an instrument or a portfolio of instruments is subject to 12 month ECL

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION
ON CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH, 2024 (Contd.)

or lifetime ECL, the Group assesses whether there has been a significant increase in credit risk since initial recognition. The Group considers an exposure to have significantly increased in credit risk when contractual payments are more than 30 days past due.

When estimating ECL on a collective basis for a group of similar assets, the Group applies the same principles for assessing whether there has been a significant increase in credit risk since initial recognition."

v) Delinquency buckets have been considered as the basis for the staging of all loans with:

- Stage 3 are those accounts which are classified as NPA
- Stage 2 are those accounts wherein there is significant increase in credit risk
- Stage 1 are those accounts wherein DPD is 0-30 days and not considered in Stage 2 and Stage 3

vi) Macro economic factors

Macro-economic variables relevant to the underlying loan portfolio such as Gross Domestic Product, Inflation, Housing Price Index and 10 year bond yield were analysed for their correlation. Based on the analysis of trend, the Group has considered the 10 year bond yield as relevant macro-economic factor as it shows relatively better correlation with the portfolio performance.

viii) An analysis of changes in the gross carrying amount and the corresponding ECL allowances in relation to loans is, as follows:

Reconciliation of gross carrying amount balance is as follows:

Particulars	Stage 1	Stage 2	Stage 3	Total
Loans to customers at amortised cost				
Balance as at 01 April, 2022	2,55,015.67	8,695.19	5,703.93	2,69,414.79
Transfer to Stage 1	5,219.33	(3,585.50)	(1,633.83)	-
Transfer to Stage 2	(4,643.85)	5,091.36	(447.51)	-
Transfer to Stage 3	(1,330.29)	(1,122.71)	2,453.00	-
New financial assets originated	1,80,841.30	363.56	135.14	1,81,340.00
Financial assets that have been de-recognised/repaid	(76,853.70)	(1,517.33)	(2,021.07)	(80,392.10)
Balance as at 31 March, 2023	3,58,248.46	7,924.57	4,189.66	3,70,362.69
Loans to customers at amortised cost				
Balance as at 01 April, 2023	3,58,248.46	7,924.57	4,189.66	3,70,362.69
Transfer to Stage 1	3,181.44	(2,257.86)	(923.58)	-
Transfer to Stage 2	(7,612.71)	7,937.67	(324.96)	-
Transfer to Stage 3	(3,089.08)	(800.42)	3,889.50	-
New financial assets originated	2,37,852.77	605.31	292.91	2,38,750.99
Financial assets that have been de-recognised/repaid	(86,315.41)	(2,013.92)	(2,110.66)	(90,439.99)
Balance as at 31 March, 2024	5,02,265.47	11,395.35	5,012.87	5,18,673.69

vii) Credit quality of asset

The Group has classified all individual loans as amortised cost and has assessed it at the collective pool level. The individual loan book has been divided into the housing and non-housing (Loan against property) sub portfolios.

The vintage analysis methodology has been used to create the PD term structure which incorporates both 12 month (Stage 1 Loans) and lifetime PD (Stage 2 Loans). The vintage analysis captures a vintage default experience across a particular portfolio by tracking the yearly slippages from advances originating in a particular year. The vintage slippage experience/default rate is then used to build the PD term structure.

The workout methodology has been used to determine LGD wherein the recoveries of loans defaulted in past are tracked and discounted to the date of default using the effective interest rate. The worked out LGD for loans has been bucketed into various levels of collateral cover. LGD based on collateral cover has been applied to each loan in the portfolio based on specific collateral cover adjusted for the expected fall in valuation. The Group has used the forward looking LGD basis the management expectation on property prices basis the market environment.

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION
ON CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH, 2024 (Contd.)

Reconciliation of ECL balance is as follows:

Particulars	Stage 1	Stage 2	Stage 3	Total
Balance as at 01 April, 2022	1,537.36	444.76	1,452.70	3,434.82
Transfer to Stage 1	410.93	(97.51)	(313.42)	-
Transfer to Stage 2	(35.49)	152.77	(117.28)	-
Transfer to Stage 3	(9.53)	(59.73)	69.26	-
Impact of change in EAD and stages during the year	(426.29)	197.79	580.56	352.07
New financial assets originated	616.00	8.68	41.78	666.46
Financial assets that have been de-recognised/repaid	(232.49)	(47.63)	(624.76)	(904.89)
Balance as at 31 March, 2023	1,860.49	599.13	1,088.84	3,548.46

Particulars	Stage 1	Stage 2	Stage 3	Total
Balance as at 01 April, 2023	1,860.49	599.13	1,088.84	3,548.46
Transfer to Stage 1	242.99	(57.24)	(185.75)	-
Transfer to Stage 2	(49.25)	141.15	(91.90)	-
Transfer to Stage 3	(17.68)	(42.21)	59.89	-
Impact of change in EAD and stages during the year	154.95	(129.14)	884.88	910.69
New financial assets originated	751.43	17.77	77.72	846.92
Financial assets that have been de-recognised/repaid	(234.73)	(74.70)	(587.24)	(896.67)
Balance as at 31 March, 2024	2,708.20	454.76	1,246.44	4,409.40

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

As at 31 March, 2024

Asset classification as per RBI Directions	Asset classification as per Ind AS 109	Gross carrying amount as per Ind AS	Loss allowance as per Ind AS	Net Carrying Amount	Provision required as per IRACP norms	Difference between Ind AS 109 provisions and IRACP norms
Performing assets						
Standard assets	Stage 1	5,02,265.47	2,708.20	4,99,557.27	1,520.72	1,187.48
	Stage 2	11,395.35	454.76	10,940.59	249.84	204.92
Sub-total		5,13,660.82	3,162.96	5,10,497.86	1,770.56	1,392.40
Non- performing assets (NPA)						
Substandard	Stage 3	4,178.94	1,052.09	3,126.85	822.29	229.80
	Stage 3	832.40	194.03	638.37	279.57	(85.54)
Doubtful - up to 1 year	Stage 3	1.53	0.32	1.21	0.77	(0.45)
Doubtful - 1 to 3 years	Stage 3	-	-	-	-	-
Doubtful - More than 3 years	Stage 3	-	-	-	-	-
Sub-total for doubtful		833.93	194.35	639.58	280.34	(85.99)
Loss	Stage 3	-	-	-	-	-
Sub-total for NPA		5,012.87	1,246.44	3,766.43	1,102.63	143.81
Other items such as guarantees, loan commitments, etc. which are in the scope of Ind AS 109 but not covered under current (IRACP) norms	Stage 1	53,925.21	195.70	53,729.51	-	195.70
	Stage 2	-	-	-	-	-
	Stage 3	-	-	-	-	-
Subtotal		53,925.21	195.70	53,729.51	-	195.70
	Stage 1	5,56,190.68	2,903.90	5,53,286.78	1,520.72	1,383.18
	Stage 2	11,395.35	454.76	10,940.59	249.84	204.92
	Stage 3	5,012.87	1,246.44	3,766.43	1,102.63	143.81
Total	Total	5,72,598.90	4,605.10	5,67,993.80	2,873.19	1,731.91

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION
ON CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH, 2024 (Contd.)

As at 31 March, 2023

Asset classification as per RBI Directions	Asset classification as per Ind AS 109	Gross carrying amount as per Ind AS	Loss allowance as per Ind AS	Net Carrying Amount	Provision required as per IRACP norms	Difference between Ind AS 109 provisions and IRACP norms
Performing assets						
Standard assets	Stage 1	3,58,248.46	1,860.49	3,56,387.97	1,142.43	718.06
	Stage 2	7,924.57	599.13	7,325.44	243.07	356.06
Sub-total		3,66,173.03	2,459.62	3,63,713.41	1,385.50	1,074.12
Non- performing assets (NPA)						
Substandard	Stage 3	2,706.61	698.14	2,008.47	523.20	174.96
Doubtful - up to 1 year	Stage 3	1,483.05	390.69	1,092.36	473.14	(82.45)
Doubtful - 1 to 3 years	Stage 3	-	-	-	-	-
Doubtful - More than 3 years	Stage 3	-	-	-	-	-
Sub-total for doubtful		1,483.05	390.69	1,092.36	473.14	(82.45)
Loss	Stage 3	-	-	-	-	-
Sub-total for NPA		4,189.66	1,088.83	3,100.83	996.34	92.51
Other items such as guarantees, loan commitments, etc. which are in the scope of Ind AS 109 but not covered under current (IRACP) norms	Stage 1	28,861.67	110.66	28,751.01	-	110.66
	Stage 2	-	-	-	-	-
	Stage 3	-	-	-	-	-
Subtotal		28,861.67	110.66	28,751.01	-	110.66
Total	Stage 1	3,87,110.13	1,971.15	3,85,138.98	1,142.43	828.72
	Stage 2	7,924.57	599.13	7,325.44	243.07	356.06
	Stage 3	4,189.66	1,088.83	3,100.83	996.34	92.48
	Total	3,99,224.36	3,659.11	3,95,565.25	2,381.84	1,277.26

7. INVESTMENTS

Particulars	As at 31 March, 2024	As at 31 March, 2023
Investments in India		
At fair value through profit and loss		
Mutual funds	-	499.98
At amortised cost		
-Investment in debt Instrument	3,131.98	1,695.34
- Investment in Treasury Bill	4,768.47	-
- Investment in Certificate of deposits	-	2,497.51
-Investment in Government Securities	7,879.25	-
Total	15,779.70	4,692.83

8. OTHER FINANCIAL ASSETS

Particulars	As at 31 March, 2024	As at 31 March, 2023
Security deposits	321.04	259.79
Receivables on securitised loans (refer note a)	37.06	53.37
EIS receivable on direct assignment (refer note b)	11,798.28	8,111.51
Receivables on assignment transactions	322.62	279.78
Other receivables	253.69	371.94
Total gross	12,732.69	9,076.39
Less: Impairment loss allowance (on EIS Receivable assets)	(93.17)	(55.14)
Total	12,639.52	9,021.25

Note:

- a) Receivables on securitised loans is Group's share of receivable towards collections made and recoverable by the Group as at the end of the year.

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION
ON CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH, 2024 (Contd.)

- b) Under Ind AS, with respect to Assignment deals, Group has created an Excess Interest Spread (EIS) receivable, with corresponding credit to Statement of Profit and loss account. The same has been computed by discounting EIS to present value with necessary estimates and assumptions.

9. CURRENT TAX ASSETS/LIABILITIES (NET)

Particulars	As at 31 March, 2024	As at 31 March, 2023
Income tax advance/ (liabilities)(net)	1,482.92	(68.51)
Total	1,482.92	(68.51)

10. DEFERRED TAX ASSETS (NET)

Particulars	As at 31 March, 2024	As at 31 March, 2023
Deferred tax assets		
Provision for employee benefits	44.83	104.07
Difference in written down value as per Companies Act and Income Tax Act	78.67	64.80
Impairment loss allowance on loans	1,027.77	920.89
Unamortised processing fees	2,019.66	1,503.42
Lease liabilities	483.46	388.61
Provision for impairment on assets held for sale	72.85	87.11
Cash Flow Hedge Reserve	233.12	59.20
Preliminary expenses (Incorporation Charges)	1.56	2.08
Deferred tax liabilities		
Unamortised borrowing cost	(427.54)	(424.45)
Right-of-use assets	(436.44)	(353.09)
EIS receivable on direct assignment	(2,791.41)	(2,049.25)
Net deferred tax assets	306.53	303.39

Movement in deferred tax assets (net)

Particulars	As at 01 April, 2023	(Charged)/ credited to statement of profit and loss	Credited/ (charged) to other comprehensive income	As at 31 March, 2024
Deferred tax assets				
Provision for employee benefits	104.07	(55.14)	(4.10)	44.83
Difference in written down value as per Companies Act and Income Tax Act	64.80	13.88	-	78.67
Impairment loss allowance on loans	920.89	106.88	-	1,027.77
Unamortised processing fees	1,503.42	516.24	-	2,019.66
Derivative instruments in cash flow hedge reserve	59.20	-	173.92	233.12
Lease liability	388.61	94.85	-	483.46
Provision for impairment on assets held for sale	87.11	(14.26)	-	72.85
Preliminary expenses (Incorporation Charges)	2.08	(0.52)	-	1.56
Deferred tax liabilities				
Unamortised borrowing cost	(424.45)	(3.09)	-	(427.54)
Right-of-use assets	(353.09)	(83.35)	-	(436.44)
EIS receivable on direct assignment	(2,049.25)	(742.16)	-	(2,791.41)
Net deferred tax assets	303.39	(166.68)	169.82	306.53

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION
ON CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH, 2024 (Contd.)

Movement in deferred tax assets (net)

Particulars	As at 01 April, 2022	(Charged)/ credited to statement of profit and loss	Credited/(charged) to other comprehensive income	As at 31 March, 2023
Deferred tax assets				
Provision for employee benefits	110.80	31.53	(38.26)	104.07
Difference in written down value as per Companies Act and Income Tax Act	57.44	7.36	-	64.80
Impairment loss allowance on loans	893.13	27.76	-	920.89
Unamortised processing fees	999.57	503.85	-	1,503.42
Derivative instruments in cash flow hedge reserve	-	-	59.20	59.20
Lease liability	267.14	121.47	-	388.61
Provision for impairment on assets held for sale	15.41	71.70	-	87.11
Preliminary expenses (Incorporation Charges)	-	2.08	-	2.08
Deferred tax liabilities				
Unamortised borrowing cost	(331.57)	(92.88)	-	(424.45)
Right-of-use assets	(235.82)	(117.27)	-	(353.09)
EIS receivable on direct assignment	(1,481.04)	(568.21)	-	(2,049.25)
Net deferred tax assets	295.06	(12.60)	20.94	303.39

11. PROPERTY, PLANT AND EQUIPMENT

Particulars	Freehold land	Plant and equipment - computer and other related equipment	Office equipment	Furniture and fixtures	Vehicles	Leasehold improvements	Right-of- use assets	Total
Gross Block								
Balance as at 01 April, 2022	9.17	644.95	186.38	146.36	253.08	365.36	1,596.42	3,201.72
Additions during the year	-	158.78	72.68	5.16	324.29	37.51	1,044.33	1,642.75
Disposals/adjustments	-	(1.33)	(0.55)	-	(53.97)	(2.62)	(422.95)	(481.42)
Balance as at 31 March, 2023	9.17	802.40	258.51	151.52	523.40	400.25	2,217.80	4,363.05
Additions during the year	-	223.87	65.30	4.91	313.34	16.67	1,009.52	1,633.61
Disposals/adjustments	-	(68.23)	-	-	(48.59)	(2.33)	(464.94)	(584.09)
Balance as at 31 March, 2024	9.17	958.04	323.81	156.43	788.15	414.59	2,762.38	5,412.57
Accumulated depreciation								
Balance as at 01 April, 2022	-	396.97	112.05	82.47	21.87	271.69	659.39	1,544.44
Depreciation charge for the year	-	138.10	36.23	12.54	52.48	51.45	490.11	780.91
Disposals/adjustments	-	(0.76)	(0.59)	-	(9.37)	(0.37)	(334.68)	(345.77)
Balance as at 31 March, 2023	-	534.31	147.69	95.01	64.98	322.77	814.82	1,979.58
Depreciation charge for the year	-	179.13	41.89	12.91	79.51	31.72	625.87	971.03
Disposals/adjustments	-	(67.85)	-	-	(10.82)	(0.13)	(412.45)	(491.24)
Balance as at 31 March, 2024	-	645.61	189.58	107.92	133.67	354.36	1,028.24	2,459.37
Net block								
Balance as at 31 March, 2023	9.17	268.09	110.82	56.51	458.42	77.48	1,402.98	2,383.47
Balance as at 31 March, 2024	9.17	312.43	134.23	48.51	654.48	60.23	1,734.14	2,953.20



SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION
ON CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH, 2024 (Contd.)

12. OTHER INTANGIBLE ASSETS

Particulars	Computer software
Gross Block	
Balance as at 01 April, 2022	280.18
Disposal during the year	41.24
Balance as at 31 March, 2023	321.42
Additions during the year	-
Balance as at 31 March, 2024	321.42
Accumulated amortisation	
Balance as at 01 April, 2022	233.64
Amortisation charge during the year	39.33
Disposal during the year	-
As at 31 March, 2023	272.97
Amortisation charge during the year	20.36
Balance as at 31 March, 2024	293.33
Net block	
Balance as at 31 March, 2023	48.45
Balance as at 31 March, 2024	28.09

13. OTHER NON-FINANCIAL ASSETS

Particulars	As at 31 March, 2024	As at 31 March, 2023
Prepaid expenses	465.46	514.48
Capital advances	41.25	-
Advance to employees	144.64	80.32
Advance to suppliers	95.89	62.66
Balance with government authorities	834.44	158.91
Total	1,581.68	816.37

14. TRADE PAYABLES

Particulars	As at 31 March, 2024	As at 31 March, 2023
(i) total outstanding dues of micro enterprises and small enterprises (refer note 35)	18.55	-
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises	481.68	614.88
Total	500.23	614.88

Trade Payables ageing schedule as at 31 March, 2024

Particulars	MSME	Others	Disputed dues – MSME	Disputed dues - Others
Less than 1 year	18.55	481.68	-	-
1-2 years	-	-	-	-
2-3 years	-	-	-	-
More than 3 years	-	-	-	-
Total	18.55	481.68	-	-

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION
ON CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH, 2024 (Contd.)

Trade Payables ageing schedule as at 31 March, 2023

Particulars	MSME	Others	Disputed dues – MSME	Disputed dues - Others
Less than 1 year	-	614.88	-	-
1-2 years	-	-	-	-
2-3 years	-	-	-	-
More than 3 years	-	-	-	-
Total	-	614.88	-	-

15. DEBT SECURITIES (AT AMORTISED COST)

Particulars	As at 31 March, 2024	As at 31 March, 2023
Secured		
Non-convertible debentures (including interest accrued)	3,000.90	17,653.41
Total	3,000.90	17,653.41
Debt securities in India	3,000.90	17,653.41
Debt securities outside India	-	-
Total	3,000.90	17,653.41

- i)** 300 (31 March, 2023: 300), @ 11% (31 March, 2023: 10.15%) Secured listed non-convertible debentures of face (NCD) value ₹ 10,00,000 each aggregating to ₹ 3,000 Lacs repayable on 31 August, 2026. The date of allotment of NCD was 31 August, 2021. The amount outstanding as at 31 March, 2024 ₹ 3,000 Lacs (31 March, 2023: ₹ 3,000 Lacs).

(These NCD are secured by way of a first ranking exclusive and continuing charge created pursuant to the deed of hypothecation over certain identified receivables of the Issuer. A security cover of 1.10 times of the value of the aggregate principal amount outstanding on the NCD and interest accrued thereon (if any) shall be maintained at all times until the redemption of these NCD).

- ii)** Nil (31 March, 2023: 5000), @ 8.68% Secured listed non-convertible debentures (NCD) of face value ₹ 1,00,000 each aggregating to ₹ 5,000 Lacs repaid on 27 December, 2023. The date of allotment is 22 June, 2021. The amount outstanding as 31 March, 2024 Nil (31 March, 2023: ₹ 5,000 Lacs).

(These NCD having exclusive first charge floating via a deed of hypothecation over specific standard asset portfolio of receivables to the extent equal to an amount aggregating to the total outstanding such that the value of security shall be equal of 1.28 times).

- iii)** NIL (31 March, 2023: 500), @ 9.29% Secured listed non-convertible debentures of face (NCD) value ₹ 10,00,000 each aggregating to ₹ 5,000 Lacs repaid on 18 March, 2024. The date of allotment of NCD was 23 November, 2021. The amount outstanding as 31 March, 2024 Nil (31 March, 2023: ₹ 5,000 Lacs).

(These NCD are secured by way of a first ranking exclusive and continuing charge created pursuant to the deed of hypothecation over certain identified receivables of the Issuer. A security cover of 1.10 times of the value of the aggregate principal amount outstanding on the NCD and interest accrued thereon (if any) shall be maintained at all times until the redemption of these NCD).

- iv)** Nil (31 March, 2023: 150), @ 10.25% Secured listed non-convertible debentures (NCD) of face value ₹ 10,00,000 each aggregating to ₹ 1,500 Lacs repaid on 12 June, 2023 . The date of allotment was 12 June, 2020. The amount outstanding as on 31 March, 2024 Nil (31 March, 2023: ₹ 1,500 Lacs).

(These NCD having exclusive first charge floating via a deed of hypothecation over specific standard asset portfolio of receivables to the extent equal to an amount aggregating to the total outstanding such that the value of security shall be equal of 1.10 times).

- v)** Nil (31 March, 2023: 350), @ 9.25% Secured listed non-convertible debentures of face (NCD) value ₹ 10,00,000 each aggregating to ₹ 3,500 Lacs repaid on 24 August, 2023. The date of allotment of NCD was 15 September, 2021. The amount outstanding as 31 March, 2024 Nil (31 March, 2023: ₹ 3,500 Lacs).

(These NCD are secured by way of a first ranking exclusive and continuing charge created pursuant to the deed of hypothecation over certain identified receivables of the Issuer. A security cover of 1.28 times of the value of the aggregate principal amount outstanding on the NCD and interest accrued thereon (if any) shall be maintained at all times until the redemption of these NCD).



SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION
ON CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH, 2024 (Contd.)

vi) Amounts repayable from the date of balance sheet*

Particulars	As at 31 March, 2024	As at 31 March, 2023
less than 1 year	-	8,000.00
one to three years	3,000.00	2,000.00
three to five years	-	6,500.00
more than five years	-	-

*All the above mentioned repayments disclosed as per the contractual maturities of principal amount of debt securities.

16. BORROWINGS (OTHER THAN DEBT SECURITIES)

Particulars	As at 31 March, 2024	As at 31 March, 2023
At amortised cost		
(a) Term loans - Secured (including interest accrued)		
(i) from banks	2,43,809.68	1,79,128.67
(ii) from other parties		
- National housing bank	63,898.10	57,843.78
- Financial institutions	21,802.22	33,933.52
(b) Lease liabilities	1,920.92	1,544.07
(c) Liability against securitised assets (net of over collateralisation amount)	7,078.05	8,783.45
Total	3,38,508.97	2,81,233.49
Borrowings in India	3,13,580.96	2,73,056.29
Borrowings outside India	24,928.01	8,177.20
Total	3,38,508.97	2,81,233.49

- i)** Secured term loans from National Housing Bank carry rate of interest in the range of 2.80% to 8.40% p.a (31 March, 2023: 2.80% to 7.90%). The loans are having tenure of 5 to 15 years (31 March, 2023: 5 to 15 years) from the date of disbursement and are repayable in quarterly or yearly installments. These loans are secured by hypothecation (exclusive charge) of certain loans given by the Group.
- ii)** Secured term loans from banks and financial institutions include loans from various banks and financial institutions and carry rate of interest (including hedge cost in case of external commercial borrowing) in the range of 8.40% to 10.75% p.a (31 March, 2023: 7.55% to 12.35%). The loans are having tenure of 24 to 108 months (31 March, 2023: 34 to 180 months) from the date of disbursement and are repayable in monthly or quarterly installments. These loans are secured by hypothecation (exclusive charge) of certain loans given by the Group.
- iii)** During the year the Group has borrowed ₹ 16,370.00 Lacs equivalent to 200 Lacs USD (31 March, 2023: ₹ 7,981.00 Lacs equivalent to 100 Lacs USD) under the External Commercial Borrowing (ECB). The ECB loan is secured by hypothecation (exclusive charge) of certain loans given by the Group. The same is hedged by derivative instrument through cross currency swaps. The derivative instrument is for hedging the underlying ECB transaction as per applicable RBI guidelines and not for any speculative purpose.
- iv)** The Group is not a declared willful defaulter by any bank or financial Institution or other lender, in accordance with the guidelines on willful defaulters issued by the Reserve Bank of India, during the year ended 31 March, 2024 and 31 March, 2023.
- v)** The Group has borrowings from banks and financial institutions on the basis of security of loans and the quarterly details filed by the Group with the banks and financial institutions are in accordance with the books of accounts of the Group for the respective quarters.
- vi)** The Group has not defaulted in the repayment of debt, borrowings (other than debt securities) and interest thereon for the year ended 31 March, 2024 and 31 March, 2023

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION
ON CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH, 2024 (Contd.)

Terms of principal repayment of borrowings as at 31 March, 2024*

Particulars	Number of installments	Monthly repayment	Number of installments	Quarterly repayment
less than one year	830	58,084.54	147	18,030.42
one to three years	1448	94,591.95	305	36,383.27
three to five years	852	54,173.35	256	41,685.11
more than five years	309	13,804.42	207	21,971.95

Terms of principal repayment of borrowings as at 31 March, 2023*

Particulars	Number of installments	Monthly repayment	Number of installments	Quarterly repayment
less than one year	766	43,026.29	139	18,689.39
one to three years	1310	73,806.57	287	36,498.03
three to five years	808	43,252.30	245	28,585.81
more than five years	351	15,851.25	227	22,346.78

*All the above mentioned repayments disclosed as per the contractual maturities of principal amount of borrowings (other than debt securities).

Reconciliation of liabilities arising from financing activities

The changes in the Group's liabilities arising from financing activities can be classified as follows:

Particulars	Debt securities	Borrowings (other than debt securities)	Total
01 April, 2022	18,659.85	1,88,341.12	2,07,000.97
Cash flows:			
- Repayments	(1,500.00)	(71,229.42)	(72,729.42)
- Proceeds		1,63,859.00	1,63,859.00
- Payment of lease liability	-	(584.59)	(584.59)
Non-cash:			
- Amortisation of upfront fees and others(net)	73.06	(442.11)	(369.05)
- Accrued interest(net)	420.50	222.26	642.76
- Recognition of lease liabilities	-	1,067.23	1,067.23
31 March, 2023	17,653.41	2,81,233.49	2,98,886.90
Cash flows:			
- Repayments	(13,500.00)	(1,01,979.29)	(1,15,479.29)
- Proceeds		1,58,870.00	1,58,870.00
- Payment of lease liability	-	(725.17)	(725.17)
Non-cash:			
- Amortisation of upfront fees and others(net)	77.28	(89.56)	(12.28)
- Accrued interest(net)	(1,229.79)	97.49	(1,132.29)
- Recognition of lease liabilities	-	1,102.01	1,102.01
31 March, 2024	3,000.90	3,38,508.97	3,41,509.87

17. OTHER FINANCIAL LIABILITIES

Particulars	As at 31 March, 2024	As at 31 March, 2023
Employee related payable	2,566.21	1,716.78
Payable towards securitisation transactions	147.63	374.07
Payable towards assignment transactions	2,802.96	2,312.95
Insurance payables	164.90	221.77
Advance received from customers	1,164.35	717.96
Total	6,846.05	5,343.53

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION
ON CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH, 2024 (Contd.)

18. PROVISIONS

Particulars	As at 31 March, 2024	As at 31 March, 2023
Provisions for employee benefits		
- Provision for compensated absences	118.60	88.11
- Provision for gratuity (Refer note 37)	59.50	325.35
Impairment loss allowance on Undrawn commitments	102.54	55.52
Total	280.64	468.98

19. OTHER NON-FINANCIAL LIABILITIES

Particulars	As at 31 March, 2024	As at 31 March, 2023
Statutory dues payables	159.35	123.46
Total	159.35	123.46

20. EQUITY SHARE CAPITAL

Particulars	As at 31 March, 2024	As at 31 March, 2023
(a) Authorised capital		
162,000,000 equity shares of ₹ 5 each (31 March, 2023: 81,000,000) equity shares of ₹ 10 each"	8,100.00	8,100.00
(b) Issued capital and Subscribed		
10,70,51,136 equity shares of ₹ 5 each (31 March, 2023: 4,38,72,652) equity shares of ₹ 10 each	5,352.56	4,387.27
(c) Paid up capital		
10,70,51,136 equity shares of ₹ 5 each. (31 March, 2023: 4,37,37,652) equity shares of ₹ 10 each fully paid up Nil (31 March, 2023: 1,35,000) equity shares of ₹ 10 each partly paid up at ₹ 2 each	5,352.56	4,373.77
	-	2.70

(d) Reconciliation of the number of shares outstanding at the beginning and at the end of the period

Particulars	As at 31 March, 2024	As at 31 March, 2023
Equity shares outstanding at the beginning of the year	4,38,72,652	4,37,06,655
Additional shares pursuant to share split issued during the year	4,38,72,652	-
Issued during the year (Refer note (e),(f) & (g) below)	1,93,05,832	1,65,997
Equity shares outstanding at the end of the year	10,70,51,136	4,38,72,652

The Board of Directors of the Company in its meeting held on 12 July, 2023 and shareholders in the Extraordinary General Meeting held on 18 July, 2023 approved the sub-division of shares from ₹ 10 per share to ₹ 5 per share (Also refer Note 55).

(e) Issue of shares

During the year ended 31 March, 2024, the Company has allotted 3,55,000 equity shares of face value of ₹ 10/- to Mr. Anil Mehta on account of exercise of Rights to Subscribe at a premium of ₹ 73.20 per share. The said allotment has been approved by the Board of Directors vide circular resolution dated 20 July, 2023

The Board of Directors of the Company in its meeting held on 12 July, 2023 has made the first and final call of ₹ 349.60 per share on the 1,35,000 equity shares allotted to Mr. Anil Mehta.

- (f)** The Company has made an Initial Public Offer (IPO), during the year ended 31 March, 2024 for 24,340,768 equity shares of ₹ 5 each, comprising a fresh issue of 16,227,180 equity shares of the Company and 8,113,588 equity shares offered for sale by selling shareholders. The equity shares were issued at a price of ₹ 493 per equity share (including a Share Premium of ₹ 488 per equity share). Pursuant to the aforesaid allotment of equity shares, the issued, subscribed and paid-up capital of the Company stands increased to ₹ 5,352.56 Lakhs (107,051,136 Equity shares of ₹ 5 each). The Company's equity shares were listed on National Stock Exchange of India Limited (NSE) and on Bombay Stock Exchange (BSE) on 20 December, 2023.

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION
ON CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH, 2024 (Contd.)

The details of utilisation of the net IPO proceeds of ₹ 75,091.62 Lacs (net of estimated share issue expenses of ₹ 4,908.38 Lacs), is as follows:

Objects of the issue	IPO Proceeds (net)	Utilisation up to 31 March, 2024	Unutilised amount as at 31 March, 2024*
To meet future capital requirements towards onward lending	64,000.00	64,521.00	-
General corporate purposes	11,091.62	11,091.62	-

*The Company initially invested the IPO proceeds in fixed deposits and earned the interest income on the same. Here, utilised amount of ₹ 64,521 Lacs includes the IPO proceeds amounted to ₹ 64,000 Lacs and the interest earned net of TDS amounted to ₹ 521 Lacs.

(g) During the year ended 31 March, 2024, the Comapny have allotted equity shares under ESOP 2012, ESOP 2017 and ESOP 2021 scheme as below:

Esop 2012- 75,000 options of face value of ₹ 10 each at ₹ 20.32 per share

Esop 2017

- 60,000 options of face value of 10 each at ₹ 159.01 per share
- 30,000 options of face value of 10 each at ₹ 179.92 per share
- 1,00,000 options of face value of 10 each at ₹ 184.55 per share
- 6,000 options of face value of 10 each at ₹ 189.56 per share
- 2,25,000 options of face value of 10 each at ₹ 197.80 per share

Esop 2021

- 2,99,461 options of face value of 10 each at ₹ 309.59 per share
- 2,18,700 options of face value of 10 each at ₹ 315.57 per share
- 1,05,365 options of face value of 10 each at ₹ 340.71 per share
- 64,800 options of face value of 10 each at ₹ 394.00 per share

(g) **Terms and conditions of the main features of each class of shares**

The Company has only one class of equity shares having a face value of ₹ 5 per share. Each shareholder is entitled to one vote per share. The Company will pay dividend as and when declared. The dividend as and when proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts in proportion to shareholding.

(h) **Detail of shareholders holding 5 percent or more**

Name of shareholders	As at 31 March, 2024		As at 31 March, 2023	
	No. of shares Face Value ₹ 5 per share	% of holding	No. of shares Face Value ₹ 10 per share	% of holding
Aravali Investment Holdings (Wholly owned subsidiary of Westbridge Crossover Fund,LLC)	2,84,22,818	26.55%	1,42,11,409	32.47%
WestBridge Crossover Fund, LLC	2,17,08,302	20.28%	1,08,54,151	24.80%
Nexus Ventures III Limited	1,70,33,130	15.91%	99,61,798	22.76%
Nexus Opportunity Fund II, Ltd.	58,20,074	5.44%	29,10,037	6.65%
Catalyst Trusteeship Limited (Erstwhile Milestone Trusteeship Services Private Limited) acting as trustee for Madison India Opportunities Trust Fund	-	0.00%	23,79,954	5.44%
MIO Starrock (Formerly known as Starrock)	-	0.00%	22,17,554	5.07%



SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION
ON CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH, 2024 (Contd.)

(i) **Shares held by promoter**

Name of Promoter	As at 31 March, 2024		As at 31 March, 2023		% change during the year
	No. of shares Face Value ₹ 5 per share	% of total shares	No. of shares Face Value ₹ 10 per share	% of total shares	
Anil Mehta	15,70,734	1.47%	4,30,367	0.73%	82.49%
WestBridge Crossover Fund, LLC	2,17,08,302	20.28%	1,08,54,151	24.80%	0.00%
Aravali Investment Holdings (Wholly owned subsidiary of Westbridge Crossover Fund,LLC)	2,84,22,818	26.55%	1,42,11,409	32.47%	0.00%

(j) **Shares reserved for issue under options and contracts/commitments for the sale of shares**

The Company has reserved 74,09,492 of face value INR 5 per share (31 March, 2023: 35,67,347 of face value INR 10 per share) number of shares for grant of employee stock options to equity shares representing 6.47% (31 March, 2023: 7.52%) of fully diluted share capital for the benefit of employees on such terms and conditions as determined by the Investors and Board of Directors.

(k) The Company (except disclosed above) has not allotted any shares for consideration other than cash, bonus shares and shares bought back for the five years immediately preceding the reporting date.

(l) The Board of Directors have not proposed any dividend for the year ended 31 March, 2024 and 31 March, 2023.

21. OTHER EQUITY

Particulars	As at 31 March, 2024	As at 31 March, 2023
Securities premium	1,49,314.39	68,713.05
Statutory reserve	15,029.51	10,092.05
Employee share based payment reserve	1,642.64	1,661.02
Re-measurements of defined benefit plans	66.25	54.06
Effective portion of cash flow hedge reserve	(693.12)	(176.02)
Retained earnings	59,154.34	39,332.04
Total	2,24,514.01	1,19,676.20

Nature and purpose of other reserve

Securities premium

Securities premium represents premium received on issue of shares. The amount is utilised in accordance with the provisions of the Companies Act, 2013.

Statutory reserve

This reserve is created as per the provision of Section 29C of the National Housing Bank Act, 1987 (read with Section 36(1)(viii) of the Income-tax Act, 1961).

The Group transfers amount at least 20% of the total comprehensive income after tax to Statutory reserve.

Employee share based payment reserve

This reserve is used to recognise the fair value of the options issued to employees of the Group under Group's employee stock option plan.

Retained earnings

Retained earnings represents the amount of accumulated earnings of the Group.

Re-measurements of defined benefit plans

Represents the cumulative actuarial gains/(losses) arising on defined benefit plans classified under Other Comprehensive income.

Effective portion of cash flow hedge reserve

Represents the cumulative gains/(losses) arising on revaluation of the derivative instruments and underlying financial instrument designated as cash flow hedges through OCI.

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION
ON CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH, 2024 (Contd.)

22. INTEREST INCOME (ON FINANCIAL ASSETS MEASURED AT AMORTISED COST)

Particulars	For the year ended 31 March, 2024	For the year ended 31 March, 2023
Interest on loans	64,416.58	46,504.46
Interest on investments	1,591.34	1,406.92
Interest on deposits with banks	2,610.16	1,221.63
Other interest income	1,640.93	1,161.59
Total	70,259.01	50,294.60

23. FEES AND COMMISSION INCOME

Particulars	For the year ended 31 March, 2024	For the year ended 31 March, 2023
Fee based income	3,778.94	3,158.41
Total	3,778.94	3,158.41

Revenue from contract with customers

Particulars	For the year ended 31 March, 2024	For the year ended 31 March, 2023
i. Type of services		
- Fee and commission income (as per note no- 23)	3,778.94	3,158.41
- Marketing support income (as per note no- 25)	3,163.35	2,142.99
Total	6,942.29	5,301.40
ii. Primary Geographical market		
- Outside India	-	-
- India	6,942.29	5,301.40
Total	6,942.29	5,301.40
iii. Timing of revenue recognition		
- At a point in time upon rendering services	3,778.94	3,158.41
- Over period of time upon rendering services	3,163.35	2,142.99
Total	6,942.29	5,301.40
iv. Receivable towards contract with customers (included in other receivables)		
- Opening Balance	258.22	-
- Closing Balance	80.06	258.22
v. Impairment on receivable towards contract with customers	-	-

24. NET GAIN ON FAIR VALUE CHANGES

Particulars	For the year ended 31 March, 2024	For the year ended 31 March, 2023
Net gain on financial instruments at fair value through profit or loss		
On trading portfolio		
- Investments	1,009.70	609.19
Total net gain on fair value changes	1,009.70	609.19
Fair value changes		
- Realised	1,009.70	609.16
- Unrealised	-	0.03
Total net gain on fair value changes	1,009.70	609.19



SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION
ON CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH, 2024 (Contd.)

25. OTHER INCOME

Particulars	For the year ended 31 March, 2024	For the year ended 31 March, 2023
Marketing support income	3,163.35	2,142.99
Gain on termination of leases	8.50	8.07
Liabilities no longer required, written back	3.16	19.04
Total	3,175.01	2,170.10

26. FINANCE COSTS (ON FINANCIAL LIABILITIES MEASURED AT AMORTISED COST)

Particulars	For the year ended 31 March, 2024	For the year ended 31 March, 2023
(a) Interest expenses on		
- Borrowings	26,846.29	18,531.77
- Debt securities	1,075.37	1,697.18
- Securitised loans	697.42	579.05
(b) Other borrowing costs		
- Securitisation expense	17.13	25.12
- Interest expense on lease liabilities	153.51	119.24
- Other interest expense	61.99	34.60
Total	28,851.71	20,986.96

27. IMPAIRMENT ON FINANCIAL INSTRUMENTS (MEASURED AT AMORTISED COST)

Particulars	For the year ended 31 March, 2024	For the year ended 31 March, 2023
Impairment loss on loans ^	907.96	96.06
Net loans written off(net)*	1,028.27	1,011.50
Impairment loss on EIS receivable on direct assignment	38.02	14.34
Impairment loss on stock of acquired properties	(56.66)	284.87
Total	1,917.59	1,406.77

^includes provision on undrawn commitments of INR 47.02 Lakhs(31 March 2023: INR (17.58) Lakhs)

*Net of bad debt recovery of ₹ 410.58 Lacs(31 March, 2023: ₹ 494.04 Lacs)

28. EMPLOYEE BENEFITS EXPENSES

Particulars	For the year ended 31 March, 2024	For the year ended 31 March, 2023
Salaries, wages and bonus	15,569.11	11,747.10
Contribution to provident and other funds	890.24	698.50
Share based payments to employees	1,230.11	830.35
Staff welfare expenses	253.42	179.99
Total	17,942.88	13,455.94

29. DEPRECIATION AND AMORTISATION

Particulars	For the year ended 31 March, 2024	For the year ended 31 March, 2023
Depreciation of property, plant and equipment (Refer note 11)	971.00	780.92
Amortisation of intangible assets (Refer note 12)	20.36	39.33
Total	991.37	820.25

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION
ON CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH, 2024 (Contd.)

30. OTHER EXPENSES

Particulars	For the year ended 31 March, 2024	For the year ended 31 March, 2023
Legal and professional charges	798.62	661.48
Loan processing charges	354.02	266.70
Advertisement and marketing expenses	276.78	182.13
Rent and hire charges	195.37	152.95
Travelling and conveyance	673.85	763.68
Information technology expense	987.05	771.12
Communication expenses	141.68	101.34
Rates and taxes expenses	9.02	3.63
Repairs and maintenance - others	101.12	100.18
Office expenses	101.55	91.77
Electricity and water expenses	176.17	138.48
Printing, stationery and office supplies	73.56	35.95
Insurance expenses	54.96	62.48
Directors' sitting fees	47.91	32.10
Auditor's remuneration (Refer note 30.1 below)	57.81	45.97
Bank charges	99.55	77.46
Loss on derecognition of property, plant and equipment	11.86	13.12
Corporate social responsibility expenses (Refer note 30.2 below)	316.38	230.00
Preliminary expenses (Incorporation Charges)	-	10.32
Miscellaneous expenses	38.33	17.05
Total	4,515.60	3,757.92

30.1 Auditor's remuneration

Particulars	For the year ended 31 March, 2024	For the year ended 31 March, 2023
a) As auditors (excluding GST)		
- Statutory audit including limited review	42.30	40.35
- Certification and other charges*	6.54	3.45
b) for re-imburement of expenses	4.20	2.17

* Excludes remuneration of ₹ 50 lacs paid for Report on offer documents including report on restated financial information, various certificates and comfort letter which is adjusted against security premium.

30.2 Expenditure incurred on Corporate Social Responsibility (CSR)

As per section 135 of the Companies Act, 2013 along with Companies (Corporate Social Responsibility Policy) Rules 2014, the Group is required to spend for CSR activities in accordance with its CSR policy. The details of the CSR expenses for the year are as under:

Particulars	For the year ended 31 March, 2024	For the year ended 31 March, 2023
a) Gross amount required to be spent by the Group during the year	316.38	230.00
b) Amount spent during the year on:		
i) Construction/acquisition of any asset	14.50	40.70
ii) On purpose other than (i) above		
Contribution towards Trust/NGOs	301.88	189.30
c) Amount unpaid	-	-

The nature of CSR activities undertaken by the Group: To improve the lives of the community, especially the socially and economically underprivileged communities, by making a long term, measurable and positive impact through projects in the areas of Education, Health and Skill Development

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION
ON CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH, 2024 (Contd.)

31. TAX EXPENSE

Particulars	For the year ended 31 March, 2024	For the year ended 31 March, 2023
In respect of the current year	7,127.94	4,648.41
In respect of the prior period	(136.11)	-
	6,991.83	4,648.41
Deferred tax charge/(credit)	166.68	12.60
	166.68	12.60
Total income tax expense recognised (excluding tax recognised in other comprehensive income)	7,158.51	4,661.01

The major components of tax expense and the reconciliation of the expected tax expense based on the domestic effective tax rate and the reported tax expense in statement of profit and loss, is as follows:

Particulars	For the year ended 31 March, 2024	For the year ended 31 March, 2023
Profit before tax	31,918.27	20,195.22
Applicable tax rate	25.17%	25.17%
Expected tax expense [A]	8,033.19	5,082.73
Effect of expenses that are not deductible in determining taxable profit	79.94	240.92
Deductions under section 80JJAA of the Income-tax Act, 1961	(132.80)	(136.31)
Deductions under Section 36(1)(viii) and 36(1)(viia) of the Income-tax Act, 1961	(991.64)	(547.27)
Tax on other comprehensive income	169.82	20.94
Total	7,158.51	4,661.01

Income tax expense recognised in other comprehensive income

Particulars	For the year ended 31 March, 2024	For the year ended 31 March, 2023
Income tax relating to re-measurement loss on defined benefit plans	4.10	38.26
Income tax relating to re-measurement gains/ (losses) on hedge instruments	(173.92)	(59.20)
Total	(169.82)	(20.94)

32. EXPENDITURE IN FOREIGN CURRENCY

Particulars	For the year ended 31 March, 2024	For the year ended 31 March, 2023
Software license expense	16.57	2.84
Legal and professional charges (in respect of IPO)	471.04	-
Interest expense on ECB	788.62	172.25
Total	1,276.23	175.09

The Group's unhedged foreign currency exposure as on 31 March, 2024 is Nil (31 March, 2023: Nil).

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION
ON CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH, 2024 (Contd.)

For the year ended 31 March, 2024

Particulars	Unhedged			Hedged through forward or derivative			Natural hedge
	</=1 year	> 1 year	Total	</=1year	> 1 year	Total	</=1 year
Foreign currency (FCY) receivables							
Exports	-	-	-	-	-	-	-
Loans to Joint Venture/Wholly Owned Subsidiary (JV/WOS)	-	-	-	-	-	-	-
Others	-	-	-	-	-	-	-
FCY payables							
Imports	-	-	-	-	-	-	-
Trade credits	-	-	-	-	-	-	-
External Commercial Borrowings (ECBs)	-	-	-	-	24,928.01	24,928.01	-
Other FCY loans	-	-	-	-	-	-	-
₹ to USD swaps	-	-	-	-	-	-	-
Total	-	-	-	-	24,928.01	24,928.01	-

For the year ended 31 March, 2023

Particulars	Unhedged			Hedged through forward or derivative			Natural hedge
	</=1 year	> 1 year	Total	</=1year	> 1 year	Total	</=1 year
Foreign currency (FCY) receivables							
Exports	-	-	-	-	-	-	-
Loans to Joint Venture/Wholly Owned Subsidiary (JV/WOS)	-	-	-	-	-	-	-
Others	-	-	-	-	-	-	-
FCY payables							
Imports	-	-	-	-	-	-	-
Trade credits	-	-	-	-	-	-	-
External Commercial Borrowings (ECBs)	-	-	-	-	8,177.20	8,177.20	-
Other FCY loans	-	-	-	-	-	-	-
₹ to USD swaps	-	-	-	-	-	-	-
Total	-	-	-	-	8,177.20	8,177.20	-

33. SEGMENT REPORTING

The Group is predominantly engaged in a single business segment i.e. providing housing loans and loan against properties in India only, which has similar nature of products and services, type/class of customers and the nature of the regulatory environment, risks and returns and accordingly there are no separately reportable business or geographical segments as per the Indian Accounting Standard ('Ind AS') 108 on Operating Segments.

34. CONTINGENT LIABILITIES AND COMMITMENTS

Particulars	For the year ended 31 March, 2024	For the year ended 31 March, 2023
a) In respect of following:		
- Income tax matters	660.03	660.03
- Goods and Service tax	12.50	-
b) Commitments		
- Loan financing	42,834.11	26,789.44
- Capital commitments	-	-
c) Bank guarantees	925.00	25.00

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION
ON CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH, 2024 (Contd.)

Note:

- The Company received income tax notice under section 143(3) of the Income Tax Act, 1961 (the Act) dated 25 December, 2019 for tax demand amounting to ₹ 445.23 Lacs on account of unexplained credit under Section 68 of the Act for assessment year 2017-18. In response to such notice, the Company has filed an appeal before Commissioner of Income Tax (Appeals). The Company has deposited ₹ 89.05 Lacs under protest. The legal proceeding when ultimately concluded will not, in the opinion of the management, have a material effect on the financial position of the Group.
- The Company received an income tax notice under section 143(1)(a) of the Income Tax Act, 1961 on 4 March, 2020, for the assessment year 2019-20, for tax demand of ₹ 214.80 Lacs, on account of disallowance of Interest payable on NCD issued to mutual fund under section 43B of the Income Tax Act, 1961. The said amount has been adjusted against the refund due for the assessment year 2019-20. The Company has filed an appeal before the National Faceless Appeal Centre, New Delhi.
- The Company has received a demand order of ₹ 12.50 Lacs for contravention of Section 34(2) of CGST Act 2017 for 2019-20 dated 27 September, 2023. The Company has filled the appeal with the relevant authorities.
Above amount does not include the contingencies, the likelihood of which is remote.
- Bank guarantees amounting to INR 900 lacs given to National Stock Exchange as security deposit for Initial Public Offer.

35. DISCLOSURES AS PER THE MICRO, SMALL AND MEDIUM ENTERPRISES DEVELOPMENT ACT, 2006

Particulars	As at 31 March, 2024	As at 31 March, 2023
(i) the principal amount and the interest due thereon remaining unpaid to any supplier at the end of each accounting year;		
- Principal due	18.55	Nil
- Interest due	Nil	Nil
(ii) the amount of interest paid by the buyer in terms of section 16 of the Micro, Small and Medium Enterprises Development Act, 2006, along with the amount of the payment made to the supplier beyond the appointed day during each accounting year;	Nil	Nil
(iii) the amount of interest due and payable for the period of delay in making payment (which has been paid but beyond the appointed day during the year) but without adding the interest specified under the Micro, Small and Medium Enterprises Development Act, 2006;	Nil	Nil
(iv) the amount of interest accrued and remaining unpaid at the end of each accounting year; and	Nil	Nil
(v) the amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the Micro, Small and Medium Enterprises Development Act, 2006.	Nil	Nil

36. ASSETS HELD FOR SALE

The Group has obtained possession of certain properties mortgaged by customers, under Securitisation and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002 (The SARFAESI Act, 2002), which shall be sold to realise the loan and other amounts receivable by the Group. The Group is in the process of selling these properties and has classified these as assets held for sale.

Particulars	As at 31 March, 2024	As at 31 March, 2023
Gross Carrying Amount	926.05	991.22
Less:- Impairment loss on stock of acquired properties	(289.48)	(346.14)
Net Carrying amount	636.57	645.08

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION
ON CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH, 2024 (Contd.)

37. EMPLOYEE BENEFIT PLANS

A) Defined contribution plans

Provident and other funds

The Group makes contributions, determined as a specified percentage of employee salaries, in respect of qualifying employees towards provident fund and other funds which are defined contribution plans. The Group has no obligations other than this to make the specified contributions. The contributions are charged to the Statement of Profit and Loss as they accrue.

Particulars	For the year ended 31 March, 2024	For the year ended 31 March, 2023
Employer's contribution to provident and other funds	890.24	698.50
	890.24	698.50

B) Defined benefit plans

Gratuity

These plans typically expose the Group to actuarial risks such as: investment risk, interest rate risk, longevity risk and salary risk.

Investment risk

The present value of the defined benefit plan liability (denominated in Indian Rupee) is calculated using a discount rate which is determined by reference to market yields at the end of the reporting period on government bonds.

Interest risk

The plan exposes the Group to the risk of fall in interest rates. A fall in interest rates will result in an increase in the ultimate cost of providing the above benefit and will thus result in an increase in the value of the liability.

Longevity risk

The present value of the defined benefit plan liability is calculated by reference to the best estimate of the mortality of plan participants both during and after their employment. An increase in the life expectancy of the plan participants will increase the plan's liability.

Salary risk

The present value of the defined benefit plan liability is calculated with the assumption of salary increase rate of plan participants in future. Deviation in the rate of increase of salary in future for plan participants from the rate of increase in salary used to determine the present value of obligation will have a bearing on the plan's liability.

The most recent actuarial valuation of the plan assets and the present value of the defined benefit obligation were carried out as at 31 March, 2024 by Mr. Ashok Kumar Garg (FIAI M.No. 00057), Fellow of the Institute of Actuaries of India. The present value of the defined benefit obligation, and the related current service cost, were measured using the projected unit credit method.

Principal assumptions	31 March, 2024	31 March, 2023
Discount rate(s)	7.25%	7.50%
Expected rate(s) of salary increase	11.00%	11.00%
Retirement age	58	58
Withdrawal rate	20.00%	20.00%
In service mortality	IALM (2012-14)	IALM (2012-14)

Amounts recognised in the statement of profit and loss in respect of these defined benefit plans are as follows:

Particulars	For the year ended 31 March, 2024	For the year ended 31 March, 2023
Service cost:		
Current service cost	159.19	113.36
Interest cost	24.40	25.55
Components of defined benefit costs recognised in profit or loss	183.59	138.91
Remeasurement (gains)/ loss recognised in other comprehensive income:		
Actuarial losses/(gains) arising from changes in financial assumptions	36.95	(62.32)
Actuarial (gains)/losses arising from experience adjustments for plan liabilities	(51.10)	(89.69)
Actuarial (gains)/losses arising from experience adjustments for plan assets	(2.15)	-
Components of defined benefit costs recognised in other comprehensive income	(16.29)	(152.01)



SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION
ON CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH, 2024 (Contd.)

The amount included in the balance sheet arising from the Group's obligation in respect of its defined benefit plans is as follows:

Particulars	As at 31 March, 2024	As at 31 March, 2023
Present value of funded defined benefit obligation	461.65	325.35
Fair value of plan assets	402.15	-
Net liability arising from defined benefit obligation	59.50	325.35

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

Particulars	Year ended 31 March, 2024	Year ended 31 March, 2023
Opening defined benefit obligation	325.35	365.01
Current service cost	159.19	113.36
Interest cost	24.40	25.55
Remeasurement (gains)/losses:		
Actuarial losses/(gains) arising from changes in financial assumptions	36.95	(62.32)
Actuarial (gains)/losses arising from experience adjustments	(51.10)	(89.69)
Past service cost, including losses/(gains) on curtailments	-	-
Benefits paid	(33.14)	(26.56)
Closing defined benefit obligation	461.65	325.35

Movements in the fair value of planned assets are as follows:

Particulars	Year ended 31 March, 2024	Year ended 31 March, 2023
Fair value of plan assets at the beginning of the period	-	-
Expected return on plan assets	-	-
Contributions	400.00	-
Benefits paid	-	-
Actuarial gain/(loss) on plan assets	2.15	-
Fair Value of Plan Asset at the end of the Period	402.15	-

Sensitivity analysis

Significant actuarial assumptions for the determination of the defined obligation are discount rate, expected salary increase, mortality, etc. The sensitivity analysis below have been determined based on reasonable possible changes of the respective assumptions occurring at the end of the reporting period, while holding all other assumptions constant.

- If the discount rate is 100 basis points higher (lower), the defined benefit obligation would decrease by ₹ 22.42 Lacs (increase by ₹ 24.76 Lacs) [31 March, 2023: 15.59 Lacs (increase by ₹ 16.85 Lacs)].

- If the expected salary growth increases (decreases) by 100 basis points, the defined benefit obligation would increase by ₹ 23.20 Lacs (decrease by ₹ 21.38 Lacs) [31 March, 2023: increase by ₹ 16.14 Lacs (decrease by ₹ 15.25 Lacs)].

Sensitivities due to change in mortality rate and change in withdrawal rate are not expected to be material and hence impact of such change is not calculated.

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.

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 reporting period.

There was no change in the methods and assumptions used in preparing the sensitivity analysis from prior years.



SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION
ON CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH, 2024 (Contd.)

Other disclosures

Maturity profile of defined benefit obligations

Particulars	As at 31 March, 2024	As at 31 March, 2023
Average duration of the defined benefit obligation (in years)		
Less than 1 year	35.76	21.98
Between 1-2 years	6.57	4.58
Between 2-5 years	26.16	18.08
Over 5 years	393.16	280.71

-The expected contributions to the plan for the next year is ₹ 297.35 Lacs.

38. MATURITY ANALYSIS OF ASSETS AND LIABILITIES

Assets	31 March, 2024			31 March, 2023		
	Within 12 months	After 12 months	Total	Within 12 months	After 12 months	Total
Financial assets						
Cash and cash equivalents	11,191.71	-	11,191.71	36,094.42	-	36,094.42
Bank balance other than cash and cash equivalents	23,286.61	3,292.15	26,578.76	11,869.13	2,764.27	14,633.40
Derivative financial instruments	-	-	-	5.85	-	5.85
Loans	63,630.94	4,42,608.63	5,06,239.57	55,066.43	3,05,847.99	3,60,914.42
Investments	15,779.70	-	15,779.70	4,692.83	-	4,692.83
Other financial assets	4,737.77	7,901.75	12,639.52	3,764.10	5,257.15	9,021.25
Non-financial assets			-			
Current tax assets (Net)	1,482.92	-	1,482.92	-	-	-
Deferred tax assets (net)	-	306.53	306.53	-	303.39	303.39
Property, plant and equipment	-	2,953.20	2,953.20	-	2,383.47	2,383.47
Other intangible assets	-	28.09	28.09	-	48.45	48.45
Other non-financial assets	1,438.31	143.37	1,581.68	576.65	239.72	816.37
Assets held for sale	636.57	-	636.57	645.08	-	645.08
Total assets	1,22,184.53	4,57,233.72	5,79,418.25	1,12,714.49	3,16,844.44	4,29,558.93
Liabilities						
Financial liabilities						
Derivative financial instruments	255.54	-	255.54	-	-	-
Trade payables						
(i) total outstanding dues of micro enterprises and small enterprises	18.55		18.55	-	-	-
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises	481.68	-	481.68	614.88	-	614.88
Debt securities	0.90	3,000.00	3,000.90	9,230.69	8,422.72	17,653.41
Borrowings (Other than debt securities)	77,192.33	2,61,316.64	3,38,508.97	62,260.88	2,18,972.61	2,81,233.49
Other financial liabilities	6,846.05	-	6,846.05	5,343.53	-	5,343.53
Non-financial liabilities						-
Provisions	158.36	122.28	280.64	92.60	376.38	468.98

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION
ON CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH, 2024 (Contd.)

Assets	31 March, 2024			31 March, 2023		
	Within 12 months	After 12 months	Total	Within 12 months	After 12 months	Total
Current tax liabilities (Net)	-	-	-	68.51	-	68.51
Other non-financial liabilities	159.35	-	159.35	123.46	-	123.46
Total liabilities	85,112.76	2,64,438.93	3,49,551.68	77,734.55	2,27,771.71	3,05,506.26
Net	37,071.78	1,92,794.79	2,29,866.57	34,979.94	89,072.73	1,24,052.67

Classification of assets & liabilities under maturity buckets is based on estimates and assumptions of the group.

39.1 Capital management

Capital

The Group maintains an actively managed capital base to cover risks inherent in the business and is meeting the capital adequacy requirements of the National Housing Bank (NHB) and Reserve Bank of India (RBI). The adequacy of the Group's capital is monitored using, among other measures, the regulations issued by NHB and RBI.

Capital management

The capital management objectives of the Group are:

- to ensure that the Group complies with externally imposed capital requirements, if any and maintains strong credit ratings and healthy capital ratios
- to ensure the ability to continue as a going concern
- to provide an adequate return to shareholders

Gearing ratio

The gearing ratio at the end of reporting period was as follows:

Particulars	As at 31 March, 2024	As at 31 March, 2023
Debt		
Borrowings(other than debt securities)	3,38,508.97	2,81,233.49
Debt securities	3,000.90	17,653.41
Cash and cash equivalents	(11,191.71)	(36,094.42)
Net debt	3,30,318.16	2,62,792.49
Total equity	2,29,866.57	1,24,052.67
Net debt to equity ratio	1.44	2.12

Management assesses the capital requirements of the Group in order to maintain an efficient overall financing structure. The Group manages the capital structure and makes adjustments to it in the light of changes in economic conditions and the risk characteristics of the underlying assets. In order to maintain or adjust the capital structure, the Group may adjust the amount of dividends, return on capital to shareholders, issue new shares, or sell assets to reduce debt.



SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION
ON CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH, 2024 (Contd.)

39.2 Categories of financial instruments

The carrying value of financial assets and financial liabilities are as follows:

As at 31 March, 2024

Particulars	Fair value through profit or loss	Fair value through other comprehensive income	Amortised cost	Total carrying value
Financial assets				
Cash and cash equivalents	-	-	11,191.71	11,191.71
Bank balance other than cash and cash equivalents	-	-	26,578.76	26,578.76
Loans	-	-	5,06,239.57	5,06,239.57
Investments	-	-	15,779.70	15,779.70
Other financial assets	-	-	12,639.52	12,639.52
Total financial assets	-	-	5,72,429.26	5,72,429.26
Financial liabilities				
Derivative financial instruments	-	255.54	-	255.54
Trade payables	-	-	500.23	500.23
Debt securities	-	-	3,000.90	3,000.90
Borrowings (Other than debt securities)	-	-	3,38,508.97	3,38,508.97
Other financial liabilities	-	-	6,846.05	6,846.05
Total financial liabilities	-	255.54	3,48,856.15	3,49,111.69

As at 31 March, 2023

Particulars	Fair value through profit or loss	Fair value through other comprehensive income	Amortised cost	Total carrying value
Financial assets				
Cash and cash equivalents	-	-	36,094.42	36,094.42
Bank balance other than cash and cash equivalents	-	-	14,633.40	14,633.40
Derivative financial instruments	-	5.85	-	5.85
Loans	-	-	3,60,914.42	3,60,914.42
Investments	499.98	-	4,192.85	4,692.83
Other financial assets	-	-	9,021.25	9,021.25
Total financial assets	499.98	5.85	4,24,856.34	4,25,362.17
Financial liabilities				
Trade payables	-	-	614.88	614.88
Debt securities	-	-	17,653.41	17,653.41
Borrowings (Other than debt securities)	-	-	2,81,233.49	2,81,233.49
Other financial liabilities	-	-	5,343.53	5,343.53
Total financial liabilities	-	-	3,04,845.31	3,04,845.31

39.3 Fair value measurement of assets and liabilities

- Fair value hierarchy

Assets and liabilities are measured at fair value in the financial statements and are grouped into three levels of a fair value hierarchy. The three Levels are defined based on the observability of significant inputs to the measurement, as follows:

- Level 1: Quoted prices (unadjusted) for identical instruments in an active markets;
- Level 2: Directly (i.e. as prices) or indirectly (i.e. derived from prices) observable market inputs, other than Level 1 inputs; and
- Level 3: Inputs which are not based on observable market data (unobservable inputs).

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION
ON CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH, 2024 (Contd.)

The following table shows the levels within the hierarchy of assets measured at fair value on a recurring basis:

As at 31 March, 2024

Particulars	Level 1	Level 2	Level 3	Total
Asset measured at fair value on a recurring basis				
Financial Assets carried at fair value through profit and loss				
Investments in mutual fund	-			-
Assets measured at fair value on a non recurring basis				
Assets held for sale	-	636.57	-	636.57

As at 31 March, 2023

Particulars	Level 1	Level 2	Level 3	Total
Asset measured at fair value on a recurring basis				
Investments in mutual fund	499.98	-	-	499.98
Assets measured at fair value on a non recurring basis				
Assets held for sale	-	645.08	-	645.08

Valuation methodologies of financial instruments measured at fair value

Below are the methodologies and assumptions used to determine fair values for the above financial instruments which are recorded and measured at fair value in the Group's financial statements:

- Mutual funds** - Units held in Mutual funds are valued based on their published Net asset value (NAV) and such instruments are classified under Level 1.
- Asset held for sale** - Assets held for sale valuation are basis independent valuations by a specialist in valuing these type of assets. The best estimate of fair value is current prices in an active market for similar assets.

39.4 Fair value of instruments measured at amortised cost

Fair value of instruments measured at amortised cost for which fair value is disclosed is as follows, these fair values are calculated using Level 3 inputs:

As at 31 March, 2024

Particulars	Carrying value	Fair value			
		Level 1	Level 2	Level 3	Total
Financial assets					
Cash and cash equivalents	11,191.71	-	-	11,191.71	11,191.71
Bank balance other than cash and cash equivalents	26,578.76	-	-	26,578.76	26,578.76
Loans	5,06,239.57	-	-	5,06,239.57	5,06,239.57
Investments	15,779.70	-	-	15,779.70	15,779.70
Other financial assets	12,639.52	-	-	12,639.52	12,639.52
	5,72,429.26	-	-	5,72,429.26	5,72,429.26
Financial liabilities					
Trade payables	500.23	-	-	500.23	500.23
Debt securities	3,000.90	-	-	3,000.90	3,000.90
Borrowings (Other than debt securities)	3,38,508.97	-	-	3,38,508.97	3,38,508.97
Other financial liabilities	6,846.05	-	-	6,846.05	6,846.05
	3,48,856.15	-	-	3,48,856.15	3,48,856.15

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION
ON CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH, 2024 (Contd.)

As at 31 March, 2023

Particulars	Carrying value	Fair value			
		Level 1	Level 2	Level 3	Total
Financial assets					
Cash and cash equivalents	36,094.42	-	-	36,094.42	36,094.42
Bank balance other than cash and cash equivalents	14,633.40	-	-	14,633.40	14,633.40
Loans	3,60,914.42	-	-	3,60,914.42	3,60,914.42
Investments	4,192.85	-	-	4,192.85	4,192.85
Other financial assets	9,021.25	-	-	9,021.25	9,021.25
	4,24,856.34	-	-	4,24,856.34	4,24,856.34
Financial liabilities					
Trade payables	614.88	-	-	614.88	614.88
Debt securities	17,653.41	-	-	17,653.41	17,653.41
Borrowings (Other than debt securities)	2,81,233.49	-	-	2,81,233.49	2,81,233.49
Other financial liabilities	5,343.53	-	-	5,343.53	5,343.53
	3,04,845.31	-	-	3,04,845.31	3,04,845.31

The management is of view that the fair value of bank balances and cash and cash equivalents, other bank balances, loans, other financial assets, trade payables, borrowings including debt securities and other financial liabilities that are being carried at amortised cost, approximates to their respective net carrying value.

39.5. Financial risk management

Risk Management

The Group's activities expose it to market risk, liquidity risk credit risk. This note explains the sources of risk which the entity is exposed to and how the entity manages the risk and the related impact in the financial statements.

Risk	Exposure arising from	Measurement	Management
Credit risk	Loan receivables, cash and bank balances, investments, financial assets measured at amortised cost	Expected loss analysis	Credit risk analysis, diversification of customers/asset base, high rated bank deposits, credit limits and collateral.
Liquidity risk	Business commitments and other liabilities	Rolling cash flow forecasts	Maintaining adequate cash reserves and undrawn credit facilities, by continuously monitoring forecast and actual cash flows, and by matching the maturity profiles of financial assets and liabilities.
Market risk - interest rate	Borrowings at variable rates	Sensitivity analysis	Funding strategies to ensure diversified resource-raising options to minimise cost and maximise stability of funds. and Asset Liability Management Committee supervise an interest rate sensitivity report periodically for assessment of interest rate risks.
Market risk - currency risk	External Commercial Borrowings	Sensitivity analysis	Hedging strategies to ensure 100 % hedge by way of booking derivatives in the form of forward cover or cross currency swap. Effectiveness of the hedge is reviewed by Risk management Committee periodically.

The Board has the overall responsibility of risk management - there are two committees of the Board which takes care of managing overall risk in the organisation. In accordance with the RBI and NHB guidelines to enable Housing Finance Companies to adopt best practices and greater transparency in their operations, the Board of Directors of the Company has constituted a Risk Management Committee to review risk management in relation to various risks, namely, market risk, credit risk, and operational risk, and an Asset Liability Management Committee (ALCO).



SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION
ON CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH, 2024 (Contd.)

a) 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 the Group. In its lending operations, the Group is principally exposed to credit risk. The credit risk is governed by various product policies. The product policies outlines the type of products that can be offered, customer categories, the targeted customer profile and the credit approval process and limits. The Group measures, monitors and manages credit risk at an individual borrower level. The credit risk for individual borrowers is being managed at portfolio level for both Housing Loans and Non-housing Loans. The Group has a structured and standardised credit approval process, which includes a well-established procedure of comprehensive credit appraisal.

Credit risk arises from loan financing, cash and cash equivalents, investments and deposits with banks and financial institutions, as shown below:

Particulars	As at 31 March, 2024	As at 31 March, 2023
Loans	5,06,239.57	3,60,914.42
Cash and cash equivalents	11,191.71	36,094.42
Bank balance other than cash and cash equivalents	26,578.76	14,633.40
Investments	15,779.70	4,692.83
Other financial assets	12,639.52	9,021.25

Credit risk management

The Group assesses and manages credit risk based on internal credit rating system and external ratings.

Cash and cash equivalents and bank deposits

Credit risk related to cash and cash equivalents and bank deposits is managed by only accepting highly rated banks and diversifying bank deposits and accounts in different banks across the country.

Loans

The customers are primarily low and middle-income, salaried and self-employed individuals. The credit officers evaluate credit proposals on the basis of active credit policies as on the date of approval. The criteria typically include factors such as the borrower's income and obligations, the loan-to-value ratio and demographic parameters subject to regulatory guidelines. Any deviations need to be approved at the designated levels. The various process controls such as PAN Number Check, CERSAI database scrubbing, Credit Bureau Report analysis are undertaken prior to approval of a loan. Individual loans are secured by the mortgage of the borrowers property.

Investments

Investments are generally made in mutual funds and high rated debt securities. Credit risk related to these investments is managed by monitoring the recoverability of such amounts continuously.

Other financial assets measured at amortised cost

Other financial assets measured at amortised cost includes security deposits and others. Credit risk related to these other financial assets is managed by monitoring the recoverability of such amounts continuously.

b) Liquidity risk

Prudent liquidity risk management implies maintaining sufficient cash and marketable securities and the availability of funding through an adequate amount of committed credit facilities to meet obligations when due.

Management of the Group monitors forecast of liquidity position and cash and cash equivalents on the basis of expected cash flows. The Asset Liability Management Policy aims to align market risk management with overall strategic objectives, articulate current interest rate view and determine pricing, mix and maturity profile of assets and liabilities. The asset liability management policy involves preparation and analysis of liquidity gap reports and ensuring preventive and corrective measures. It also addresses the interest rate risk by providing for duration gap analysis and control by providing limits to the gaps.

The tables below analyse the financial assets and liabilities of the Group into relevant maturity groupings based on their contractual maturities for all non-derivative financial liabilities.

The amounts disclosed in the table are the contractual undiscounted cash flows except EIS receivables on direct assignment included in other financial assets. Balances due within 12 months equal their carrying balances as the impact of discounting is not significant.



SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION
ON CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH, 2024 (Contd.)

Maturities of financial assets

31 March, 2024

Particulars	Less than 1 year	1-3 year	3-5 year	More than 5 years	Total
Cash and cash equivalents	11,191.71	-	-	-	11,191.71
Bank balance other than cash and cash equivalents	23,286.61	3,267.15	25.00	-	26,578.76
Loans	65,030.02	1,15,485.42	1,01,237.41	2,36,920.84	5,18,673.69
Investments#	15,779.70	-	-	-	15,779.70
Other financial assets	4,737.77	4,449.67	2,329.33	1,122.75	12,639.52
Total	1,20,025.81	1,23,202.24	1,03,591.74	2,38,043.59	5,84,863.38

#High Quality Liquid Assets(HQLA) are considered for maturity under the bucket of “Less than 1 year” considering the nature of investments

31 March, 2023

Particulars	Less than 1 year	1-3 year	3-5 year	More than 5 years	Total
Cash and cash equivalents	36,094.42	-	-	-	36,094.42
Bank balance other than cash and cash equivalents	11,869.13	2,739.27	25.00	-	14,633.40
Derivative financial instrument	5.85	-	-	-	5.85
Loans	56,955.37	1,10,154.93	82,564.34	1,20,688.05	3,70,362.69
Investments	4,692.83	-	-	-	4,692.83
Other financial assets	3,764.10	4,369.91	859.94	27.30	9,021.25
Total	1,13,381.70	1,17,264.11	83,449.28	1,20,715.35	4,34,810.44

Maturities of financial liabilities

The tables below analyse the financial liabilities of the group into relevant maturity groupings based on their contractual maturities for all non-derivative financial liabilities.

The amounts disclosed in the table are the contractual undiscounted cash flows. Balances due within 12 months equal their carrying balances as the impact of discounting is not significant.

31 March, 2024

Particulars	Less than 1 year	1-3 year	3-5 year	More than 5 years	Total
Borrowings (Other than debt securities)	76,936.52	1,30,975.22	95,858.46	35,776.36	3,39,546.56
Debt securities	0.90	3,000.00	-	-	3,000.90
Derivative financial instrument	255.54	-	-	-	255.54
Trade payables	500.23	-	-	-	500.23
Other financial liabilities	6,846.05	-	-	-	6,846.05
Total	84,539.24	1,33,975.22	95,858.46	35,776.36	3,50,149.28

31 March, 2023

Particulars	Less than 1 year	1-3 year	3-5 year	More than 5 years	Total
Borrowings (Other than debt securities)	62,260.88	1,10,304.62	71,838.12	38,198.03	2,82,601.65
Debt securities	9,230.69	2,000.00	6,500.00	-	17,730.69
Trade payables	614.88	-	-	-	614.88
Other financial liabilities	5,343.53	-	-	-	5,343.53
Total	77,449.98	1,12,304.62	78,338.12	38,198.03	3,06,290.75

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION
ON CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH, 2024 (Contd.)

Public disclosure on Liquidity Risk in accordance with RBI circular No. RBI/2019-20/88 DOR.NBFC(PD) CC. No.102/03.10.001/2019-20 dated 04 November, 2019 on Liquidity Risk Management Framework for Non-Banking Financial Companies (NBFCs) including Core Investment Companies and RBI circular No. RBI/2020-21/60 DOR.NBFC(HFC).CC.No.118/03.10.136/2020-21 dated 22 October, 2020 for regulatory framework for Housing Finance Companies (HFCs).

Funding concentration based on significant counterparty*# (borrowings)

Particulars	As at 31 March, 2024	
Number of significant counterparties*	Amount	% of total liabilities
22	3,23,893.77	92.66%

Particulars	As at 31 March, 2023	
Number of significant counterparties*	Amount	% of total liabilities
29	2,78,861.74	91.28%

*A significant counterparty is a single counterparty that has an amount outstanding for more than 1% of the total liabilities as on the reporting date.

Funding concentration based on significant instrument/product*#

Name of the instrument	As at 31 March, 2024		As at 31 March, 2023	
	Amount	% of total liabilities	Amount	% of total liabilities
Term loans from banks and financial institutions	2,65,773.77	76.03%	2,13,817.53	69.99%
Term loans from National Housing Bank	63,934.24	18.29%	57,889.28	18.95%
Non-convertible debentures	3,000.00	0.86%	16,500.00	5.40%
Securitisation	7,096.07	2.03%	8,805.55	2.88%
	3,39,804.07		2,97,012.36	

*A significant instrument/product is defined as a single instrument/product of group of similar instruments/products which in aggregate amount to more than 1% of the total liabilities.

Top 10 borrowings#

Name of the instrument	As at 31 March, 2024		As at 31 March, 2023	
	Amount	% of total liabilities	Amount	% of total liabilities
Term Loan/NCD/Securitisation	2,49,560.24	73.44%	1,79,679.90	60.50%

#All the above mentioned outstanding borrowings are disclosed at principal outstanding without considering EIR impact and interest accrued on borrowings.

Stock Ratios:

Particulars	As at 31 March, 2024	As at 31 March, 2023
Commercial papers issued to public funds	Nil	Nil
Commercial papers issued to total liabilities	Nil	Nil
Commercial papers issued to total assets	Nil	Nil
NCD (original maturity < one year) to public funds	Nil	Nil
NCD (original maturity < one year) to total liabilities	Nil	Nil
NCD (original maturity < one year) to total assets	Nil	Nil
Other short-term liabilities to public funds	2.21%	2.05%
Other short-term liabilities to total liabilities	2.15%	1.99%
Other short-term liabilities to total assets	1.30%	1.42%



SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION
ON CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH, 2024 (Contd.)

Disclosure on Liquidity Coverage Ratio (LCR) as on 31 March, 2024 in accordance with RBI circular No. RBI/2020-21/73 DOR.FIN. HFC.CC.No.102 /03.10.136/2020-21 dated 17 February, 2021 and RBI circular No. RBI/DNBR/2016-17/45 Master Direction DNBR.PD.008/03.10.119/ 2016-17 dated 01 September, 2016

The RBI vide Circular No. RBI/2020-21/73 DOR.FIN.HFC.CC.No.120/03.10.136/2020-21 dated 17 February, 2021 issued guidelines on maintenance of Liquidity Coverage Ratio (LCR) for HFCs. The guidelines required all non-deposit taking HFC with an asset size of ₹ 5,000 Crs and above, but less than ₹ 10,000 Crs to maintain LCR of 30% as at 31 December, 2021, to be gradually increased to 100% by December, 2025.

The objective of the LCR is to promote resilience in the liquidity risk profile of HFCs. This is done by ensuring that the Company has an adequate stock of unencumbered high-quality liquid assets (HQLA) that can be converted easily and immediately into cash to meet its liquidity needs for a 30 calendar day liquidity stress scenario.

The total assets of the Group has crossed INR 5,000 crores as at 31 December, 2023, the Group has presented the LCR related disclosures for position as on 31 December 2023 and for the quarter ended 31 March 2024 only i.e. the period for which the guideline became applicable to the Group.

The Group regularly reviews the maturity position of assets and liabilities and liquidity buffers, and ensures maintainance of sufficient quantum of High Quality Liquid Assets, most of which is in the form of government securities as at 31 March 2024.

Quantative information on LCR for the year ended 31 March, 2024 is as follows:

Particulars	As at 31-Dec-2023		Qtr ended 31-03-2024	
	Total Unweighted Value(average)	Total weighted Value(average)	Total Unweighted Value(average)	Total weighted Value(average)
High Quality Liquid Assets				
1. Total high Quality Liquid Assets (HQLA)	10,413.95	10,413.95	15,576.90	15,000.72
Cash Outflows	-	-	-	-
2. Deposits (for deposit taking companies)	-	-	-	-
3. Unsecured wholesale funding	-	-	-	-
4. Secured wholesale funding	36,128.77	41,548.09	9,635.98	11,081.37
5. Additional requirements, of which	-	-	-	-
(i) Outflows related to derivative exposures and other collateral requirements	-	-	-	-
(ii) Outflows related to loss of funding on debt products	-	-	-	-
(iii) Credit and liquidity facilities	-	-	-	-
6. Other contractual funding obligations	642.69	739.10	2,708.00	3,114.20
7. Other contingent funding obligations	6,162.94	7,087.38	24,864.84	28,594.57
8. TOTAL CASH OUTFLOWS	42,934.41	49,374.57	37,208.82	42,790.14
Cash Inflows				
9. Secured lending	8,798.27	6,598.70	9,384.49	7,038.37
10. Inflows from fully performing exposures	-	-	-	-
11. Other cash inflows	1,01,629.31	76,221.98	97,028.42	72,771.31
12. TOTAL CASH INFLOWS	1,10,427.58	82,820.68	1,06,412.91	79,809.68
Total HQLA		10,413.95		15,000.72
Total Net Cash Inflows		5,010.75		10,697.54
Liquidity Coverage Ratio (%)		207.83%		140.23%
Minimum Liquidity Coverage Ratio (%) required		60.00%		60.00%

c) Market risk

Interest rate risk

Liabilities

The policy of the Group is to minimise interest rate cash flow risk exposures on long-term loans and borrowings. As at 31 March, 2024, the Group is exposed to changes in market interest rates through loans and bank borrowings at variable interest rates.

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION
ON CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH, 2024 (Contd.)

Interest rate risk exposure

Below is the overall exposure of the Group to interest rate risk:

Particulars	As at 31 March, 2024	As at 31 March, 2023
Variable rate borrowing	2,72,924.05	2,37,326.50
Fixed rate borrowing	66,880.03	59,685.86
Total borrowings	3,39,804.07	2,97,012.36

Sensitivity

Below is the sensitivity of profit or loss and equity changes in interest rates:

Particulars	Impact on profit before tax	
	Year ended 31 March, 2024	Year ended 31 March, 2023
Interest rate - Increase by 100 basis points*	2,508.21	1,925.33
Interest rate - Decrease by 100 basis points*	(2,508.21)	(1,925.33)

* Holding all other variables constant

d) Currency risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign currency rates. The Group's exposure to the risk of changes in foreign exchange rates relates primarily to External Commercial Borrowings (ECB).

- (i) The Group has hedged its foreign currency exposure through Cross Currency Swaps in such a manner that it has fixed determinate outflows in its functional currency and as such there would be no significant impact of movement in foreign currency rates on the Group's profit before tax (PBT).

Foreign Currency Exposure

Particulars	Year ended 31 March, 2024	Year ended 31 March, 2023
External Commercial Borrowing (USD in Lacs)	300.00	100.00

Sensitivity

Below is the sensitivity of profit or loss and equity changes in currency rates:

Particulars	Impact on profit before tax		Impact on OCI before tax	
	Year ended 31 March, 2024	Year ended 31 March, 2023	Year ended 31 March, 2024	Year ended 31 March, 2023
USD rate - Increase by 5%*	-	-	(1,250.69)	(411.08)
USD rate - Decrease by 5%*	-	-	1,250.69	411.08

*Holding all other variables constant



SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION
ON CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH, 2024 (Contd.)

40. RELATED PARTY TRANSACTIONS

List of related parties:	
i. Holding Company	WestBridge Crossover Fund, LLC Aravali Investment Holdings (wholly-owned subsidiary of Westbridge Crossover Fund, LLC) (Post initial public offer refer note. 20(f), Collective shareholding has gone below 50%. Hence, cease to be holding Company during the current year)
ii. Post Employment Benefit Plan	India Shelter Employees Gratuity Fund Trust
iii. Key management personnel	a. Sudhin Bhagwandas Choksey- Chairman and Non-Executive Director w.e.f 31 July, 2023 b. Anil Mehta - Chairman and Non-Executive Director till 31 July, 2023 c. Rupinder Singh- Managing Director and Chief Executive Officer d. Ashish Gupta - Chief Financial Officer e. Mukti Chaplot - Company Secretary g. Anup Gupta - Nominee Director till 07 March, 2024 h. Sumir Chadha - Nominee Director i. Shailesh J Mehta - Nominee Director j. Rachna Dikshit - Independent Director k. Sunil Bhumralkar- Independent Director (till 30 November, 2022) l. Thomson Kadantot Thomas- Independent Director (w.e.f 02 August, 2022) m. Parveen Kumar Gupta- independent Director w.e.f 12 June, 2023 n. Savita Mahajan- Independent Director w.e.f 31 July, 2023 o. Ajay Narayan Jha- Independent Director- w.e.f 12 July, 2023 till 08 February, 2024
iv. Entities having significance influence	a. WestBridge Crossover Fund, LLC (Holder of Equity Shares) b. Nexus Ventures III Ltd, Mauritius (Holder of Equity Shares) till 20 December, 2023 c. Aravali Investment Holdings (Holder of Equity Shares)
v. Relative of key management personnel(KMP) - (where there are transactions)	Ankit Aggarwal - Husband of Mukti Chaplot Adit Mehta- Son of Anil Mehta

Transactions with related parties

Particulars	For the year ended 31 March, 2024	For the year ended 31 March, 2023
Rent paid to relative of KMP	-	2.74
Gratuity Contribution in India Shelter Employees Gratuity Fund Trust	400.00	-

Transaction with key management personnel

Particulars	For the year ended 31 March, 2024	For the year ended 31 March, 2023
Short- term benefits	957.55	763.28
Contribution to pension funds and gratuity payment	30.99	59.94
Fees paid to non-executive director	93.33	186.67
Sitting fees paid to independent directors	96.60	29.45
Proceeds from issue of equity shares	108.05	2.70
Proceeds for security premium	2,223.48	115.29

Amount payable to key management personnel

Particulars	As at 31 March, 2024	As at 31 March, 2023
Short-term benefits	528.16	413.39

Note 1: The KMPs are covered under the Group's gratuity policy, compensated absences policy and ESOP scheme along with other eligible employees of the Group. Proportionate amount of gratuity expenses, provision for compensated absences and ESOP expenses are not included in the aforementioned disclosures as it cannot be separately ascertained.

Note 2: During the current year, the Company has allotted 3,55,000 equity shares of face value of ₹ 10/- to Mr. Anil Mehta on account of exercise of Rights to Subscribe at a premium of ₹ 73.20 per share. The said allotment has been approved by the Board of Directors vide circular resolution dated 20 July, 2023.

The Board of Directors of the Company allotted 3,87,500 equity shares to Mr. Rupinder Singh, 1,90,000 equity shares to Mr. Ashish Gupta and 40,000 equity shares to Ms. Mukti Chaplot of face value of ₹ 10/- per share.

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION
ON CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH, 2024 (Contd.)

Note 3: During the year ended 31 March, 2023, the Company has allotted 1,35,000 partly paid-up equity shares of face value of ₹ 10/- per share at a premium of ₹ 427 per share on preferential basis to Mr. Anil Mehta (Promotor). Shares are paid-up to the extent of ₹ 2 towards face value and ₹ 85.4 towards premium. The said allotment has been approved by the Board of Directors vide circular resolution dated 19 November, 2022. Balance amount on partly paid shares were called by the Board on 12th July, 2023.

Note 4: The Group has incorporated wholly owned subsidiary India Shelter Capital Finance Limited on 24 March, 2022 to carry on lending business as Non-Banking Finance Company subject to receipt of regulatory approvals.

Balances outstanding as at the year end

Particulars	As at 31 March, 2024	As at 31 March, 2023
Share capital		
WestBridge Crossover Fund, LLC	1,085.42	1,085.42
Aravali Investment Holdings	1,421.14	1,421.14
Nexus Ventures III Ltd	-	996.18
Relative of KMP	0.75	0.75
Key Managerial Personnel	142.39	35.19

41. EARNINGS PER SHARE

Particulars	For the year ended 31 March, 2024	For the year ended 31 March, 2023
Profits for the year		
Weighted average number of equity shares for calculating basic earnings per share	24,759.76	15,534.21
Effect of potential ordinary shares on Employee Stock Options and right to subscribe outstanding	9,40,88,926	8,75,29,304
Total weighted average number of equity shares for calculating diluted earnings per share	42,55,659	14,11,462
Earnings per share on profit for the year (Face value of ₹ 5 per share)(Refer note no. 55)	9,83,44,585	8,89,40,766
a) Basic earnings per share (₹)	26.32	17.75
b) Diluted earnings per share (₹)	25.18	17.47

42. LEASE RELATED DISCLOSURES

The Group has leases for office building, branches and related facilities and cars. With the exception of short-term leases and leases of low-value underlying assets, each lease is reflected on the balance sheet as a right-of-use asset and a lease liability. Variable lease payments which do not depend on an index or a rate are excluded from the initial measurement of the lease liability and right-of-use assets. The Group classifies its right-of-use assets in a consistent manner to its property, plant and equipment.

Each lease generally imposes a restriction that, unless there is a contractual right for the Group to sublease the asset to another party, the right-of-use asset can only be used by the Group. Some leases contain an option to extend the lease for a further term.

A Lease payments not included in measurement of lease liability

The expense relating to payments not included in the measurement of the lease liability is as follows:

Particulars	31 March, 2024	31 March, 2023
Short-term leases	195.37	152.95
Leases of low value assets	-	-
Variable lease payments	-	-

B Total cash outflow for leases for the year ended 31 March, 2024 was ₹ 725.17 Lacs (31 March, 2023: 584.59 Lacs).

C The Group has total commitment for short-term leases as at 31 March, 2024 ₹ Nil (31 March, 2023: Nil).

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION
ON CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH, 2024 (Contd.)

D Maturity of lease liabilities

The lease liabilities are secured by the related underlying assets. Future minimum lease payments were as follows:

31 March, 2024

Particulars	Minimum lease payments due						Total
	Within 1 year	1-2 years	2-3 years	3-4 years	4-5 years	More than 5 years	
Lease payments	736.34	654.38	395.65	236.92	90.25	114.26	2,227.81
Interest expense	132.34	84.05	46.82	23.47	11.17	9.03	306.89
Net present values	604.00	570.33	348.83	213.45	79.08	105.23	1,920.92

31 March, 2023

Particulars	Minimum lease payments due						Total
	Within 1 year	1-2 years	2-3 years	3-4 years	4-5 years	More than 5 years	
Lease payments	530.22	420.50	369.09	240.66	119.28	171.40	1,851.14
Interest expense	110.96	77.59	51.18	30.80	16.26	20.28	307.07
Net present values	419.26	342.91	317.91	209.86	103.02	151.11	1,544.07

E There are no variable lease agreements.

F Information about extension and termination options

As at 31 March, 2024

Right of use assets	Number of leases	Range of remaining term	Average remaining lease term	Number of leases with extension option	Number of leases with purchase option	Number of leases with termination option
Office premises	177	1 to 7 years	2.40 years	177	-	177
Car lease	8	2-5 years	4 years	-	8	8

As at 31 March, 2023

Right of use assets	Number of leases	Range of remaining term	Average remaining lease term	Number of leases with extension option	Number of leases with purchase option	Number of leases with termination option
Office premises	145	1 to 7 years	2.60 years	145	-	145
Car lease	6	2-5 years	1.5 years	-	6	6

G The total future cash outflows as at 31 March, 2024 for leases that had not yet commenced is of ₹ Nil (31 March, 2023: Nil).

43. EMPLOYEE STOCK OPTION SCHEME

The Group provides Employee Stock option schemes to its employees. For the year ended 31st March, 2024 following Employee Stock Option Plans (ESOPs) were in existence. The relevant details of the schemes and the grants are as below:

Particulars	ESOP 2012				
Date of grant	01 October, 2012	01 October, 2013	15 March, 2014	22 January, 2015	08 June, 2016
Exercise price	₹ 13.27 per option	₹ 14.18 per option	₹ 16.84 per option	₹ 20.32 per option	₹ 83.20 per option
Vesting dates:					
Tranche I*	01 October, 2013	01 October, 2014	15 March, 2015	22 January, 2016	08 June, 2017
Tranche II*	01 October, 2014	01 October, 2015	15 March, 2016	22 January, 2017	08 June, 2018
Tranche III*	01 October, 2015	01 October, 2016	15 March, 2017	22 January, 2018	08 June, 2019
Tranche IV*	01 October, 2016	01 October, 2017	15 March, 2018	22 January, 2019	08 June, 2020

*Grant on 01 October, 2012, 01 October, 2013, 15 March, 2014 and 22 January, 2015 to be vested equally in each tranche. However, option granted on 08 June, 2016 to be vested in the ratio of (3:5:5:7)



SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION
ON CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH, 2024 (Contd.)

Particulars	ESOP 2017						
Date of grant	31 January, 2018	15 February, 2019	17 May, 2019	13 August, 2019	04 November, 2019	01 July, 2020	17 September, 2020
Exercise price	₹ 118.48 per option	₹ 159.01 per option	₹ 179.92 per option	₹ 184.55 per option	₹ 189.56 per option	₹ 197.80 per option	₹ 197.80 per option
Vesting dates:							
Tranche I (10% of the options granted)	31 January, 2019	15 February, 2020	17 May, 2020	13 August, 2020	04 November, 2020	01 July, 2021	17 September, 2021
Tranche II (20% of the options granted)	31 January, 2020	15 February, 2021	17 May, 2021	13 August, 2021	04 November, 2021	01 July, 2022	17 September, 2022
Tranche III (30% of the options granted)	31 January, 2021	15 February, 2022	17 May, 2022	13 August, 2022	04 November, 2022	01 July, 2023	17 September, 2023
Tranche IV (40% of the options granted)	31 January, 2022	15 February, 2023	17 May, 2023	13 August, 2023	04 November, 2023	01 July, 2024	17 September, 2024

Particulars	ESOP 2021						
Date of grant	31 August, 2021	02 November, 2021	01 February, 2022	31 March, 2022	12 May, 2022	31 May, 2022	01 July, 2022
Exercise price	₹ 309.59 per option	₹ 315.57 per option	₹ 315.57 per option	₹ 340.71 per option	₹ 340.71 per option	₹ 340.71 per option	₹ 340.71 per option
Vesting dates:							
Tranche I (20% of the options granted)	31 August, 2022	02 November, 2022	01 February, 2023	31 March, 2023	12 May, 2023	31 May, 2023	01 July, 2023
Tranche II (20% of the options granted)	31 August, 2023	02 November, 2023	01 February, 2024	31 March, 2024	12 May, 2024	31 May, 2024	01 July, 2024
Tranche III (20% of the options granted)	31 August, 2024	02 November, 2024	01 February, 2025	31 March, 2025	12 May, 2025	31 May, 2025	01 July, 2025
Tranche IV (20% of the options granted)	31 August, 2025	02 November, 2025	01 February, 2026	31 March, 2026	12 May, 2026	31 May, 2026	01 July, 2026
Tranche V (20% of the options granted)	31 August, 2026	02 November, 2026	01 February, 2027	31 March, 2027	12 May, 2027	31 May, 2027	01 July, 2027

Particulars	ESOP 2021						
Date of grant	30 July, 2022	01 August, 2022	03 November, 2022	10 February, 2023	09 May, 2023	29 Septemebr 2023	13 November, 2023
Exercise price	₹ 340.71 per option	₹ 340.71 per option	₹ 394.00 per option	₹ 394.00 per option	₹ 394.00 per option	₹ 207.70 per option	₹ 207.70 per option
Vesting dates:							
Tranche I (20% of the options granted)	30 July, 2023	01 August, 2023	03 November, 2023	10 February, 2024	09 May, 2024	29 September, 2024	13 November, 2024
Tranche II (20% of the options granted)	30 July, 2024	01 August, 2024	03 November, 2024	10 February, 2025	09 May, 2025	29 September, 2025	13 November, 2025
Tranche III (20% of the options granted)	30 July, 2025	01 August, 2025	03 November, 2025	10 February, 2026	09 May, 2026	29 September, 2026	13 November, 2026
Tranche IV (20% of the options granted)	30 July, 2026	01 August, 2026	03 November, 2026	10 February, 2027	09 May, 2027	29 September, 2027	13 November, 2027
Tranche V (20% of the options granted)	30 July, 2027	01 August, 2027	03 November, 2027	10 February, 2028	09 May, 2028	29 September, 2028	13 November, 2028

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION
ON CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH, 2024 (Contd.)

Particulars	ESOP 2023						
Date of grant							27 July, 2023
Exercise price							₹ 204.00 per option
Vesting dates:							
Tranche I (20% of the options granted)							27 July, 2024
Tranche II (20% of the options granted)							27 July, 2025
Tranche III (20% of the options granted)							27 July, 2026
Tranche IV (20% of the options granted)							27 July, 2027
Tranche V (20% of the options granted)							27 July, 2028

The Nomination and Remuneration Committee vide Circular resolution dated July 20, 2023 has approved acceleration of vesting(s) ("Right of Acceleration") falling due between July 19, 2023 to September 30, 2024 during the period July 20, 2023 to July 25, 2023 ("Acceleration Window"), under ESOP Scheme 2017 and ESOP Scheme 2021, in accordance with the respective ESOP Schemes and subject to the applicable terms and conditions.

Reconciliation of options under each plan

Particulars	ESOP 2012		ESOP 2017		ESOP 2021		ESOP 2023	
	Number of options	Amount	Number of options	Amount	Number of options	Amount	Number of options	Amount
Outstanding as at 31 March, 2023	75,000	15.24	4,93,500	896.45	23,57,560	7,836.40	-	-
Addition in number of options on account of share split*	75,000		4,93,500		23,57,560			
Granted during the year	-	-	-	-	5,75,500	1,177.02	25,81,500	5,266.26
Forfeited during the year	-	-	8,000	7.59	3,42,470	589.88	2,70,000	550.80
Exercised during the year	1,50,000	15.24	8,42,000	790.35	13,76,652	2,231.55	-	-
Expired during the year	-	-	-	-	-	-	-	-
Outstanding as at 31 March, 2024	-	-	1,37,000	98.51	35,71,498	6,191.99	23,11,500	4,715.46
Exercisable at the end of the year	-	-	1,37,000	98.51	2,96,758	482.46	-	-

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

Particulars	
Risk free interest rate	7.05% to 7.28%
Expected life of option	3.6 yrs to 5.6 yrs
Expected Volatility	12.01% to 15.95%
Dividend yield	0%

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

The Board of Directors of the Company in its meeting held on 12 July, 2023 and shareholders in the Extraordinary General Meeting held on 18 July, 2023 approved the sub-division of shares from ₹ 10 per share to ₹ 5 per share (Also refer Note 55).



SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION
ON CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH, 2024 (Contd.)

44. ADDITIONAL INFORMATION AS REQUIRED BY PARAGRAPH 2 OF THE GENERAL INSTRUCTION OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENT TO SCHEDULE III TO THE COMPANIES ACT 2013 FOR THE PERIOD ENDED MARCH, 31,2024

Name of the entity in the Group	Net Assets, i.e., total assets minus total liabilities		Share in profit or loss		Share in other comprehensive income		Share in total comprehensive income	
	As % of consolidated net assets	Amount	As % of consolidated profit or loss	Amount	As % of consolidated other comprehensive income	Amount	As % of total comprehensive income	Amount
Parent								
India Shelter Finance Corporation Limited	99.43%	2,28,557.67	99.70%	24,686.41	100.00%	(504.91)	99.70%	24,181.50
Subsidiary								
India Shelter Capital Finance Limited	0.57%	1,308.90	0.30%	73.35	0.00%	-	0.30%	73.35
Non-controlling interests in subsidiary	0.00%	-	0.00%	-	0.00%	-	0.00%	-
TOTAL	100.00%	2,29,866.57	100.00%	24,759.76	100.00%	(504.91)	100.00%	24,254.85

Additional Information as required by Paragraph 2 of the general instruction of preparation of Consolidated financial statement to Schedule III to the companies Act 2013 for the period ended 31 March, 2023

Name of the entity in the Group	Net Assets, i.e., total assets minus total liabilities		Share in profit or loss		Share in other comprehensive income		Share in total comprehensive income	
	As % of consolidated net assets	Amount	As % of consolidated profit or loss	Amount	As % of consolidated other comprehensive income	Amount	As % of total comprehensive income	Amount
Parent								
India Shelter Finance Corporation Limited	99.00%	1,22,814.80	99.76%	15,496.86	100.00%	(62.27)	99.76%	15,434.59
Subsidiary								
India Shelter Capital Finance Limited	1.00%	1,237.87	0.24%	37.35	0.00%	-	0.24%	37.35
Non-controlling interests in subsidiary	0.00%	-	0.00%	-	0.00%	-	0.00%	-
TOTAL	100.00%	1,24,052.67	100.00%	15,534.21	100.00%	(62.27)	100.00%	15,471.94

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION
ON CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH, 2024 (Contd.)

45. DISCLOSURE PURSUANT TO THE RESERVE BANK OF INDIA (SECURITISATION OF STANDARD ASSETS) DIRECTIONS, 2021 ("RBI SECURITISATION DIRECTIONS").

A) Disclosure as per the RBI Securitisation Directions for securitisation transactions as an originator:

Particulars	As at 31 March, 2024	As at 31 March, 2023
1 No. of special purpose vehicle's (SPV's) sponsored by HFC for securitisation transaction	2	3
2 Total amount of securitised assets as per books of SPVs sponsored by the HFC	7,885.60	8,805.55
3 Total amount of exposures retained by the HFC to comply with MRR		
i) Off-balance sheet exposures		
a) First loss	-	-
b) Others	-	-
ii) On-balance sheet exposures		
a) First Loss- Cash collateral	654.23	803.94
b) Others- Over collateral	498.56	947.70
4 Amount of exposures to securitisation transactions other than MRR		
i) Off-balance sheet exposures	-	-
a) Exposure to own securitisations		
First loss	-	-
Others	-	-
b) Exposure to third party securitisation		
First loss	-	-
Others	-	-
ii) On-balance sheet exposures towards credit enhancement		
a) Exposure to own securitisations		
First loss	-	89.83
Others	206.07	206.07
b) Exposure to third party securitisation transaction		
First loss	-	-
Others		
5 Sale consideration received for the securitised assets and gain/loss on sale on account of securitisation	-	7,905.98
6 Form and quantum (outstanding value) of services provided by way of, liquidity support, post-securitisation asset servicing, etc.	-	-
7 Performance of facility provided. Please provide separately for each facility viz. Credit enhancement, liquidity support, servicing agent etc. Mention percent in bracket as of total value of facility provided.		
Credit Enhancement- Cash collateral		
(a) Amount paid	-	417.00
(b) Repayment received	149.71	164.18
(c) Outstanding amount"	654.23	803.94
8 Average default rate of portfolios observed in the past- Mortgage backed securities	0.45%	0.46%
9 Amount and number of additional/top up loan given on same underlying asset.	-	-
10 Investor complaints		
(a) Directly/Indirectly received and;	-	-
(b) Complaints outstanding"	-	-

B) Details of financial assets sold to Securitisation / Reconstruction Company for Asset Reconstruction

During the year, the Group has not sold any financial assets to Securitisation / Reconstruction Company for Asset Reconstruction (31 March, 2023: Nil)

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION
ON CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH, 2024 (Contd.)

46. DISCLOSURE PURSUANT TO THE RESERVE BANK OF INDIA (TRANSFER OF LOAN EXPOSURES) DIRECTIONS, 2021 ("RBI TLE DIRECTIONS").

(a) Details of loans not in default transferred through assignment:

Particulars	For the year ended 31 March, 2024	For the year ended 31 March, 2023
Entity	Bank/ Financial Institutions	Bank/ Financial Institutions
Count of loan accounts assigned	5,231	4,833
Amount of loan account assigned	45,066.42 Lacs	44,091.16 Lacs
Retention of beneficial economic interest (MRR)	10%	10%
Weighted average maturity (Residual Maturity)	9.81 Years	9.16 Years
Weighted average holding period	0.93 Years	0.89 Years
Coverage of tangible security coverage (LTV)	42.17%	40.63%
Rating wise distribution of rated loans	Unrated	Unrated

(b) Details of loans not in default transferred through Co-Lending

Particulars	For the year ended 31 March, 2024	For the year ended 31 March, 2023
Entity	Bank	Bank
Count of loan accounts assigned	1,344	7
Amount of loan account assigned	14,552.05 Lacs	59.75 Lacs
Retention of beneficial economic interest (MRR)	20%	20%
Weighted average Residual Tenure of the loans transferred	10.91 Years	10.66 Years
Weighted average holding period	0.28 Years	0.25 Years
Coverage of tangible security coverage (LTV)	45.94%	44.00%
Rating wise distribution of rated loans	Unrated	Unrated

(c) The Group has not acquired any loan assets during the year ended 31 March, 2024 and 31 March, 2023 in terms with the RBI TLE Directions.

(d) The Group has not transferred/acquired any stressed loan during the year ended 31 March, 2024 and 31 March, 2023.

47. KEY ANALYTICAL RATIOS

Particulars	As at 31 March, 2024	As at 31 March, 2023
Debt -Equity Ratio	1.49 times	2.41 times
Total Debts to Total Assets (Debt securities+ Borrowings {Other than Debt Securities}/Total Assets)	0.59	0.70
Net Profit Margin (%) (PAT/Total Revenue)	28.74%	25.62%
Gross NPA ratio (Gross Stage 3 loans/Gross Loan Assets)	0.97%	1.13%
Net NPA ratio (Net Stage 3 loans/Net Loan Assets)	0.73%	0.85%
Provision Coverage ratio (Stage 3 Provision/Gross Stage 3 loans)	24.86%	25.99%

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION
ON CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH, 2024 (Contd.)

48. DISCLOSURE AS PER RBI NOTIFICATION NO.DOR.NO.BP.BC/3/21.04.048/2020-21 DATED 21.08.2020 ON RESOLUTION
FRAMEWORK FOR COVID-19- RELATED STRESS

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 i.e 30 September, 2023 (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 halfYear	Exposure (#) to accounts classified as Standard consequent to implementation of resolution plan – Position as at the end of this half- year 31 March, 2024
Personal Loan**	1,862.85	82.07	7.51	115.08	1,777.87
Corporate Persons*	-	-	-	-	-
of which MSMEs	-	-	-	-	-
Others	-	-	-	-	-
Total	1,862.85	82.07	7.51	115.08	1,777.87

*As defined in Section 3(7) of the Insolvency and Bankruptcy Code, 2016
(\$) Principal outstanding (including capitalised interest) is for live restructured accounts classified as standard as on September, 30, 2023.
(#) Principal outstanding (including capitalised interest) is for live restructured accounts (including sub-standard accounts as on September 30, 2023) classified as standard as on March, 31, 2024
**Personal loans includes housing loan & non housing loan.

49. The Group does not hold any immovable property other than disclosed in Note 11 as on 31 March, 2024 and 31 March, 2023. All the lease agreements are duly executed in favour of the Group for properties where the Group is the lessee.
50. The Group has taken borrowings from banks and financial institutions and utilised them for the specific purpose for which they were taken as at the Balance sheet date. Unutilised funds as at 31 March, 2024 are held by the Group in the form of short term deposits/ investments till the time the utilisation is made subsequently.
51. There have been no transactions which have not been recorded in the books of accounts, that have been surrendered or disclosed as income during the year ended 31 March, 2024 and 31 March, 2023, in the tax assessments under the Income Tax Act, 1961. There have been no previously unrecorded income and related assets which were to be properly recorded in the books of account during the year ended 31 March, 2024 and 31 March, 2023.
52. i) The Group has not traded or invested in Crypto currency or Virtual Currency during the year ended 31 March, 2024 and 31 March, 2023.
ii) The Group has not entered into any scheme of arrangement.
iii) The Group has complied with the number of layers prescribed under clause(87) of section 2 of the Act read with Companies(Restriction on number of layers) Rules, 2017 for the financial years ended 31 March, 2024 and 31 March, 2023.
iv) No proceedings have been initiated or pending against the Group for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 and rules made thereunder, as at 31 March, 2024 and 31 March, 2023.
v) The Group does not have any transactions with the companies struck off under section 248 of Companies Act, 2013 or section 560 of Companies Act, 1956 during the year ended 31 March, 2024 and 31 March, 2023.



SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION
ON CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH, 2024 (Contd.)

53. The Group, as part of its normal business, grants loans and advances, makes investment, provides guarantees to and accept from its customers, other entities and persons. These transactions are part of Group's normal business, which is conducted ensuring adherence to all regulatory requirements.

Other than the transactions described above, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Group to or in any other persons or entities, including foreign entities ("Intermediaries") with the understanding, whether recorded in writing or otherwise, that the intermediary shall lend or invest in party identified by or on behalf of the Group (Ultimate beneficiaries). The Group has also not received any fund from any parties (Funding party) with the understanding that the Group shall whether, directly or indirectly lend or invest in other persons or entities identified by or on behalf of the funding party ("Ultimate beneficiaries") or provide any guarantee, security or the like on behalf of the ultimate beneficiaries
54. All charges or satisfaction are registered with ROC within the statutory period for the financial years ended March, 31, 2024 and March, 31, 2023. No charges or satisfactions are yet to be registered with ROC beyond the statutory period.
55. The Board of Directors of the Company in its meeting held on 12 July 2023 and shareholders in the Extraordinary General Meeting held on 18 July 2023 approved the sub-division of shares from Rs. 10 per share to Rs. 5 per share. The number of shares used for the calculation of earnings per share, and the earnings per share in Note 41 (including that in the comparative periods), have been adjusted for pursuant to Paragraph 64 of Ind AS 33 - "Earnings Per Share", prescribed under Section 133 of the Companies Act, 2013. No other adjustments are made in the financial statements on account of the share split.
56. The figures of previous year have been rearranged/ regrouped to conform to the current year

For **T R Chadha & Co LLP**
Chartered Accountants
Firm's Registration No.: 006711N/N500028

Aashish Gupta
Partner
Membership No.: 097343

Place: Gurugram
Date: 08 May, 2024

For and on behalf of the Board of Directors of
India Shelter Finance Corporation Limited

Sudhin Bhagwandas Choksey
Chairman and
Non-Executive Director
DIN: 00036085

Rachna Dikshit
Independent Director
DIN: 08759332

Mukti Chaplot
Company Secretary
Membership No. 38326

Rupinder Singh
Managing Director and
Chief Executive Officer
DIN: 09153382

Ashish Gupta
Chief Financial Officer

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Home Loans

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