

Integrating **Technology.** Elevating **Experience.**



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INVESTOR INFORMATION

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AGM Date	: 29 July, 2025
AGM Mode/Venue	: Video Conferencing/Audio-Visual Means

Disclaimer

This document contains statements about expected future events and financials of Aadhar Housing Finance 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.

For more investor-related information, please visit the link below:

<https://aadharhousing.com/investor-relations/investor-meet-presentation>



Or scan this QR code



ABOUT THE REPORT

Introduction to the Report

This Annual Report presents a comprehensive overview of Aadhar Housing Finance Limited's performance, strategic direction, and value creation approach for the reporting period. It reflects a sustained focus on transparency, accountability, and creating long-term value for all stakeholders. The Report also explains how the Company adapts to an evolving business environment, while staying aligned with its objective of expanding access to affordable housing finance across India.

Approach to Reporting

The Report combines financial and non-financial data to present a full picture of the Company's operations, strategy, and sustainability initiatives. The stakeholder-first lens ensures that all disclosures cover information material to investors, customers, regulators, and other key stakeholders. It also outlines how digital tools and data insights are driving operational efficiency and greater financial inclusion.

Period, Scope, and Boundary of the Report

The coverage spans the financial year from April 1, 2024, to March 31, 2025, unless otherwise stated. It includes all the Company's operations across India. The scope includes financial performance, business developments, governance practices, and environmental, social, and technological initiatives undertaken during the year.



Progress gains meaning when systems evolve in sync with human ambition. At Aadhar Housing Finance Limited, technology is not seen as a standalone solution but as an integral thread that weaves together purpose, precision, and possibility. We are embedding digital capabilities across every layer, from how we onboard customers to how we continue to serve them, driven by a deeper commitment to serve better, think ahead, and simplify complexity. Our focus is to ensure customer experience is not just a service, but a journey shaped around them.

In an age defined by speed and intelligence, the role of technology moves beyond utility. At Aadhar, it becomes the bridge that closes the distance between intent and execution, insight with impact, and effort with experience. Whether through mobile-first platforms, automated underwriting, or data-led credit decisions, Aadhar is fostering responsiveness, transparency, and trust. Relationships are not built on transactions alone, but on seamless, meaningful exchanges. Technology helps strengthen these bonds.

To elevate experience is to reimagine every touchpoint. It means reducing friction through simplified processes,

enabling faster decisions with real-time insights, and ensuring every customer and employee interaction feels intuitive and empowering. In such a scenario, technology creates room for customers to feel secure, for employees to work smarter, and for the organisation to grow without losing sight of its mission.

This journey reflects a mindset the Company actively fosters—one that values progress anchored in empathy. It views every innovation as a step towards greater dignity in the financial experience. Moreover, it recognises that transformation holds meaning only when it translates into real, tangible change for both those served and those who serve.

The theme 'Integrating Technology, Elevating Experience.' encapsulates this conviction. It defines Aadhar's approach to becoming a more agile, intelligent, and future-ready organisation, where technology strengthens decisions, and every advancement keeps pace with the needs of its customers and communities.

Integrating **TECHNOLOGY,** Elevating **EXPERIENCE.**



Highlights of the Year

Metrics that Showcase Performance





Financial Highlights

₹ **255** billion

Assets under
Management (AUM)

₹ **9** billion

Profit after Tax (PAT)

₹ **64** billion

Net Worth

₹ **82** billion

Disbursement



Operational Highlights

580

Branches

Presence in

21 States

and Union Territories
(UTs)

299,000+

Live Accounts

4

Mobile Applications

₹ **1.0** million

Average Ticket Size



Digital Integration

25-35 minutes

Door-to-Login Time

97%

NACH

40+

Fintech Integrations

1.25 lakh

App Downloads



Sustainability Highlights

90

Green Housing Projects



100%

Paperless Onboarding

4,500

Saplings Planted

About the Company

Aadhar Housing Finance at a Glance

Aadhar Housing Finance Limited (also referred to as 'Aadhar' or 'The Company') stands as one of India's foremost housing finance providers. It specialises in delivering accessible, affordable home loans to the low-income segment. With AUM of ₹ 255 billion, the Company has built a granular and diversified portfolio, largely catering to salaried customers nationwide.

Aadhar has established a strong pan-India presence, operating through 580 branches across 545 districts in 21 states and union territories. This vast footprint is supported by an extensive branch and sales network that enables deep geographical penetration, even in underserved markets.

The Company's robust, technology-enabled operating model spans the entire value chain, from onboarding and underwriting to servicing and collections. This approach ensures efficiency, scalability, and a seamless customer experience.

Aadhar's expandable digital infrastructure and integrated customer journeys are key enablers of its growth and responsiveness to shifting borrower needs.

With access to a broad and balanced mix of funding sources, the Company ensures financial flexibility and stability. A seasoned, cycle-tested management team leads the organisation with a firm commitment to corporate governance and responsible lending.





Vision

To enable homeownership for every Indian across the nation.



**GHAR
BANEGA,
TOH DESH
BANEGA**



Mission



To focus on the low-income segment



To provide valuable financial services at affordable rates



To expand our network to every corner of the nation and widen the net of financial and economic inclusion



To go one step beyond in serving our customers, providing a sense of security and creating customer delight



To speak the language of respect, dignity, and courtesy with every customer





Values

Aadhar's strategies are anchored in values that shape its actions and define its identity



Speed

To set clear performance standards and be accountable for providing solutions within specified timelines, with skill and agility.



Integrity

To honour our commitment, we will act responsibly, honestly, and transparently in all our external and internal relationships.



Innovation

To expand our network across every corner of the nation and widen the net of financial and economic inclusion.



Customer Delight

To maintain respectful relations with customers and deliver customer delight through all our actions, whilst measuring our performance by the value delivered to customers.



Initial Public Offering (IPO)

In May 2024, Aadhar marked a pivotal step in its journey with a successful IPO. The offering garnered overwhelming interest, with an overall subscription of 26.76 times, including 76.42 times by QIBs, 17.33 times by NIIIs, 2.58 times by retail investors, and 6.88 times by employees. The stock debuted at a 7.5% premium on the listing day. The raised capital will further solidify Aadhar's financial position, enabling the Company to expand its mission of providing accessible housing finance to underserved communities across India.



Key Highlights

ISSUE SIZE

₹ **3,000** Cr.

STRUCTURE

₹1000 Cr. raised via Fresh Issue and ₹ 2,000 Cr. raised via Offer for Sale

UTILISATION OF PROCEEDS

Strengthening capital adequacy, expanding lending operations, and supporting strategic initiatives in affordable housing

INVESTOR RESPONSE

Oversubscribed by
26.76 times



What are WE LEVERAGING?

Deep understanding of underserved segments, enabling tailored financial solutions that meet the unique needs of customers.

Widespread presence across India, ensuring accessibility and personalised service for a diverse clientele.

Proactive approach to risk assessment and mitigation, ensuring sustainable business growth, while protecting stakeholder interests.

Broad range of financial products, designed to address various customer requirements, from affordable housing to customised lending solutions.

Advanced technology to enhance operational efficiency, improve customer experience, and drive digital transformation.

Commitment to compliance with all relevant regulatory frameworks, ensuring transparency, accountability, and trust.

Trusted name in the housing finance sector, reinforced by impactful community-driven initiatives and brand-building efforts.

Focus on giving back to the community through sustainable practices and initiatives that uplift underserved populations.

Our Geographic Presence

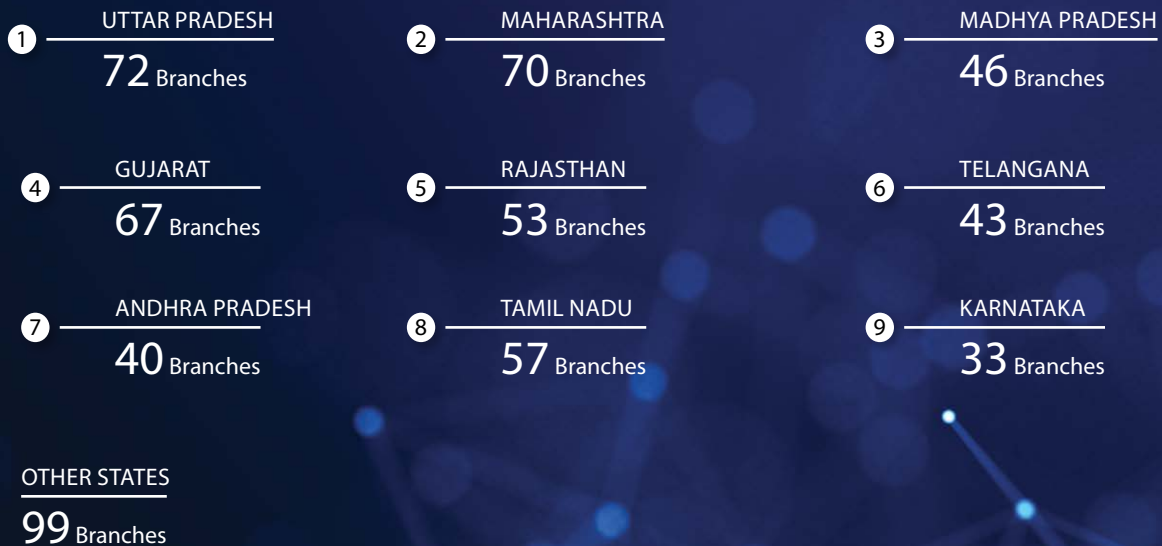
Network That Drives Accessibility

Driven by a strong commitment to accessibility and reach, Aadhar has established a widespread network of branches and sales offices across the country. This extensive footprint, supported by diverse sales channels, facilitates efficient loan sourcing and delivers timely, personalised service.

580

Branches

Distribution Network



No State Accounts for

> **14%**
of AUM

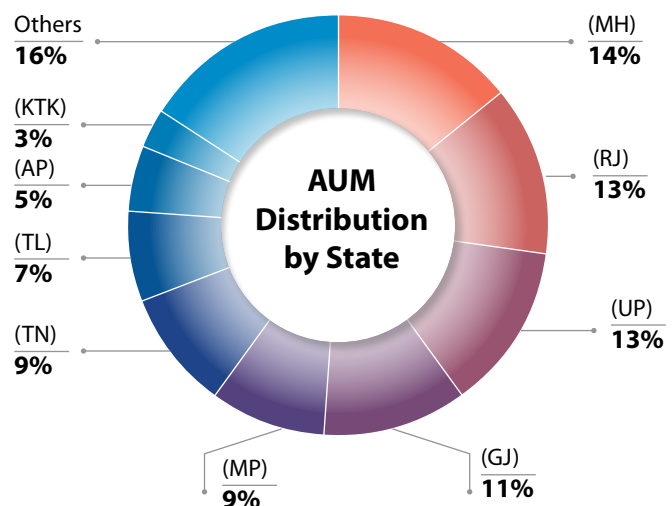
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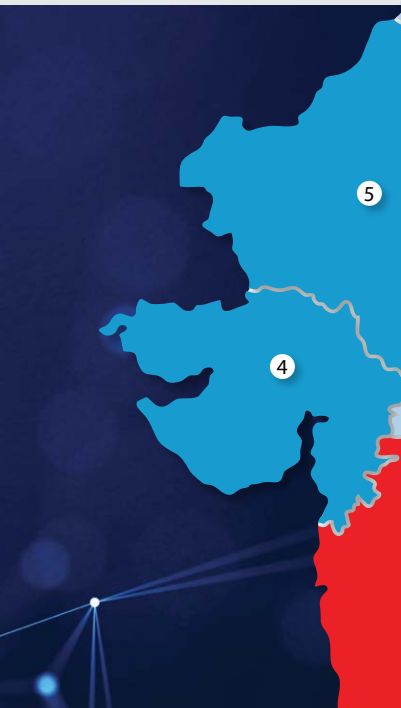
States and UTs

1

New State to enter in
Q1 2025-26

AUM Distribution by State

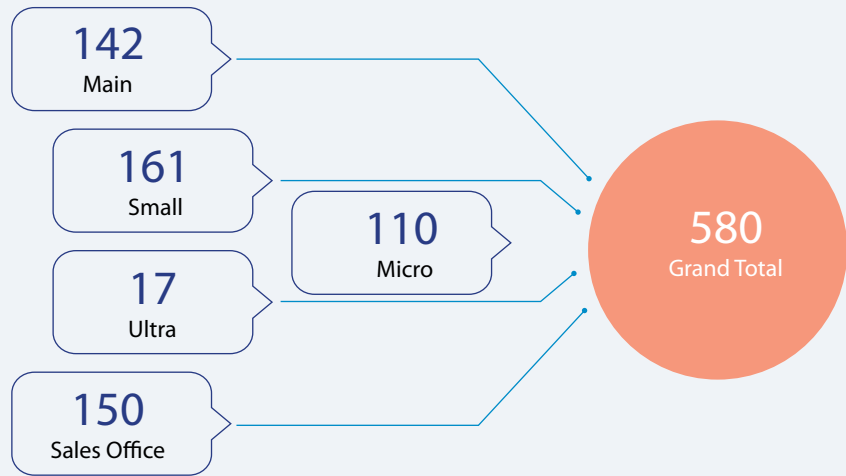




Disclaimer: This map is a generalised illustration only for the ease of the reader to understand the locations, and it is not intended to be used for reference purposes. The representation of political boundaries and the names of geographical features/states do not necessarily reflect the actual position. Our Company or any of our Directors, officers or employees cannot be held responsible for any misuse or misinterpretation of any information or design thereof. Our Company does not warrant or represent any kind of connection with its accuracy or completeness.

Strategic Network Expansion for Targeted Market Reach

Aadhar is expanding its branch network across India to meet growing demand from urbanisation. With a mix of main and ultra-micro branches, the Company ensures efficient service delivery, while optimising operational costs. Additionally, it uses demographic data, market trends, and the Aadhar Gram Unnati (AGU) product as a testing tool to align branch locations with real demand. Continuous assessments sharpen the approach, supporting agile growth and stronger market presence.



Distribution Strategy and Channel Expansion

Aadhar continued to strengthen its pan-India presence in 2024-25 through focussed expansion and optimisation of its sourcing channels. By reengineering key distribution models and introducing new engagement layers, the Company achieved wider reach, deeper market penetration, and improved sourcing efficiency.

Empowering the Aadhar Mitra Ecosystem

The Company revamped its Aadhar Mitra (AM) and Mahila Aadhar Mitra (MAM) models to align with evolving market needs. Additionally, it introduced the Technical Aadhar Mitra (TAM) channel to bring in specialised talent and improve lead quality. These efforts were supported by targeted branch strategies to maximise channel effectiveness.

Widening Reach through Selective Partnerships

In parallel, the Company broadened its reach through a curated network of partners. Prioritising quality and capability, it streamlined the DSA base, strengthened digital outreach via the Digital Aadhar Mitra (DAM) model, and onboarded new channel partners to expand in strategic markets.

Channel Onboarded in FY 2025

AMs increased by 29% YoY growth ; MAMs surged 124%

Total AM, MAM, TAM, and DAMs empanelled during the year

5,700+

Cumulative strength of AMs, MAMs, and TAMs as of March 2025

17,400+

Key Metrics Supporting this Growth

140

New channel partners onboarded

2

Digital Aadhar Mitras onboarded

2,000+

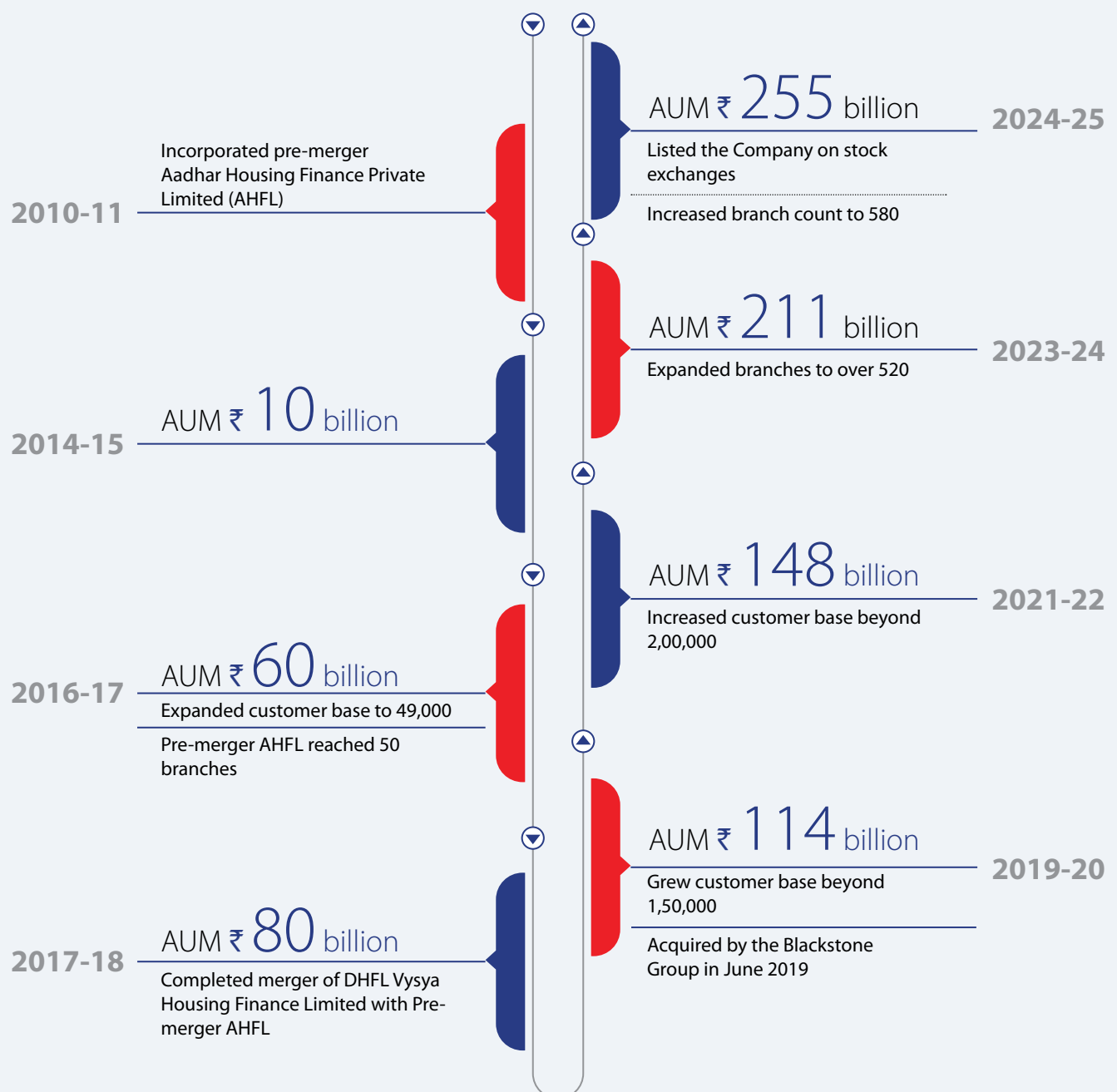
Total DSA base as of March 2025



Journey

Milestones that Define Progress

Aadhar's success stems from a journey defined by strategic expansion, mergers, and operational excellence. From its inception to becoming a publicly listed company with a robust pan-India presence, Aadhar has consistently demonstrated endurance and growth across business cycles.



Message from Our MD & CEO



Strong roots anchor bold ambitions.



Dear Shareholders,

Aadhar's journey in 2024-25 reflects a pivotal transition, from strength to scale, and from private resilience to public trust. Riding this momentum, we delivered strong results, demonstrated strategic resilience, and pursued purposeful growth throughout the year. Our IPO listing opens a new chapter, one not only measured by financial milestones but also by a deeper dedication to transparency, inclusion, and meaningful impact.

Central to this commitment is our focus on Integrating Technology and Elevating Experience, ensuring every home loan we disburse is backed by speed, simplicity, and a seamless customer journey. Yet, Aadhar's future will rest on a strategy that transcends mere digitisation.

We believe that real transformation begins at the intersection of human need and digital innovation. For us, technology is not a disruption but a powerful enabler. It simplifies complexity, accelerates scale, and builds trust at every interaction. Our strategy is grounded in using technology to enhance decision-making, streamline operations, and, above all, craft financial journeys that are seamless, inclusive, and deeply personal. Through this, we are shaping an organisation that is not only efficient but empathetic, future-ready, and purpose-driven.

Drawing on India's Economic Growth Momentum

India's economy has shown remarkable resilience, with GDP expected to grow at 6.5% in 2024-25, supported by robust consumer demand, increased government expenditure, and sustained investment flows. Fiscal consolidation, stable inflation, and robust tax collections have further reinforced macroeconomic stability.

Rising urbanisation, a growing working-age population, and digital infrastructure expansion are shaping a consumption-led growth journey. With improving credit offtake and steady investment inflows, India remains well-positioned for long-term structural growth.

Expanding Horizons in India's Housing Finance Ecosystem

India's housing sector stands at a pivotal juncture, fuelled by strong demand and decisive government support. Rapid urbanisation and the emergence of satellite cities are reshaping housing needs, driving greater demand for affordable homes. The government's focus on housing as a key pillar of inclusive growth is evident in the increased budget allocation of ₹ 30,170 Cr. for 2024-25 towards housing for all initiative.

Despite this progress, India's mortgage-to-GDP ratio remains significantly lower than that of developed markets. This presents a transformative opportunity for housing finance institutions to play a catalytic role in enabling access and widening financial inclusion. We view this as a transformative moment and remain committed to translating this growth into wider accessibility and inclusion across the country.

Notable Milestones during the Year

This year has been truly defining for us. We surpassed an AUM of ₹ 255 billion, marking a robust 21% year-on-year growth. This achievement reaffirms our sustained momentum and strengthens our position as India's leading affordable housing finance provider.

Complementing this growth, our total income surged by 20% to ₹ 31,089.1 million, reflecting higher revenue from expanded lending operations and increased market demand. Additionally, our ROA improved by 11 basis points to reach 4.3%, while profit after tax



As we invest in sustainable growth, we also prioritise our people, because we believe, 'When we take care of our people, everything else falls into place.'



grew nearly 22% year-on-year. These results reflect effective cost control and operational efficiency that boosted our bottom line. Incremental disbursements also showed steady growth, reaching ₹ 81,921 million for the year, signalling strong demand and disciplined execution across all lending segments. This was complemented by a healthy GNPA decline to 1.05% and collection efficiency consistently above 100%.

Geographically, we expanded significantly, now present in 21 states with 580 branches reaching out to 545 districts. We opened 57 new branches, broadening our reach to nearly 3 lakh live customers. A key upcoming milestone is our planned entry into the Northeast region, with our first branch launched in Guwahati in April 2025, aligning with NHB's vision for financial inclusion and the Government's 'Housing for All' mission.

Technology for Scale and Efficiency

This year marked a major leap in our digital and data science journey, strengthening the foundation for scale, efficiency, and future readiness. Our fully digitised processes cut the time from door-to-login to just 25 to 35 minutes, enabling seamless, paperless onboarding and faster credit decisions. With over 129,000 customer app logins, our digital servicing channels continue to see rising engagement. More importantly, we now harness AI and machine learning to reinvent credit underwriting, portfolio management, and customer engagement. Predictive risk scorecards, and real-time segmentation sharpen how we assess

and respond to borrower behaviour, leading to better decisions and stronger asset quality.

Besides enhancing efficiency, these innovations are deepening our understanding of customers, enabling more personalised experiences, faster turnaround times, and proactive risk interventions. As we continue this journey, our aim is to build a digitally empowered, insight-driven organisation that scales responsibly, adapts intelligently, and stays firmly aligned with the evolving aspirations of the nation.

Our Sustainability Initiatives and Social Responsibility

Sustainability is deeply intertwined with our commitment to social responsibility and community well-being. In 2024-25, we successfully certified 90 green houses nationwide, with Karnataka contributing 44 of these certifications, demonstrating strong regional adoption of sustainable construction. Through our collaboration with the International Finance Corporation, we are promoting affordable green homes that help reduce electricity and water costs by at least 20%, directly benefiting underserved families.

As we invest in sustainable growth, we also prioritise our people, because we believe, 'When we take care of our people, everything else falls into place.'

With the 4,583 employees who embrace this philosophy, we are creating an enduring, inclusive future where environmental, social, and human values thrive together.

The Road Ahead

Looking forward, our strategy is anchored in sustainable and inclusive growth, driven by innovation, digital transformation, and geographic expansion. We continue to deepen our presence in underserved markets by using data-driven insights and technology to tailor products for diverse customer needs.

Improving operational efficiency and asset quality will remain top priorities, supported by a strong focus on prudent risk management. Our portfolio remains well-diversified, with no single state contributing more than 14% to our total AUM. This reflects our disciplined approach to risk and our long-term view on sustainability. On the liability side, we will stay committed to diversification that enables stable and cost-effective funding.

As we step into our next phase of growth, I am confident in Aadhar's ability to adapt, evolve, and lead with purpose. Our commitment to financial inclusion, responsible lending, and operational excellence remains firm. Moreover, we will continue to strengthen our foundation through technology and improve customer experience at every step.

I extend my heartfelt gratitude to all our stakeholders for their trust and support as we move forward, empowering more lives through affordable housing.

With Regards,

Rishi Anand

MD & CEO

Operating Context

Factors that Define Industry Context

As economies evolve, shifts in consumer behaviour, demographic changes, and government policies play a significant role in transforming industries. In this dynamic environment, factors such as increasing disposable incomes, urbanisation, and rising demand for affordable housing are paving the way for new opportunities.

Changing Dynamics

Evolving societal and economic patterns are reshaping the housing industry in India. Rapid urbanisation, including the rise of satellite cities, is driving demand for affordable and tailored housing solutions. Rising disposable incomes are enhancing purchasing power, leading to greater demand for housing loans. Simultaneously, demographic shifts, particularly the increase in nuclear families, are fuelling the need for individual housing units.

- Urbanisation
- Rising Disposable Incomes
- Demographic Shifts



Increasing Demand for Low-Ticket Housing loans

The structural shift towards urban living, coupled with a persistent shortage of affordable housing units, is fuelling a sharp rise in demand for low-ticket housing loans. Supportive demographics, rising aspirations, and housing-focused government policies are accelerating this trend. Consequently, affordable housing finance now stands out as a strong growth avenue for both Housing Finance Companies (HFCs) and mainstream lenders.

31.2
million units

Total Demand for
Affordable Housing in
Urban Centres by 2030

21.1
million units

New Affordable Housing
Demand by 2030

10.1
million units

Existing Housing Shortage

Government Initiatives

India's mortgage-to-GDP ratio stood at 12.34 as of March 2024. This remains significantly below the levels seen in developed economies, indicating ample room for growth. The under-penetration presents a strong opportunity for affordable housing financiers to expand, especially in rural and semi-urban areas where housing demand is growing but credit access remains limited.

Increasing Demand for Low-Ticket Housing loans

The government continues to play a catalytic role in promoting affordable housing through targeted policy interventions and support schemes. Flagship programmes such as the Pradhan Mantri Awas Yojana (PMAY) aim to bridge the housing gap across both urban and rural India. Alongside these initiatives, interest subsidies and tax incentives have been instrumental in encouraging home ownership, especially among economically weaker sections and lower-income groups.

Increase in Allocation

₹ 30,170 Cr. allotted for PMAY-Urban in 2024-25, a 20.19% increase over the previous year.

PMAY 2.0 Targets

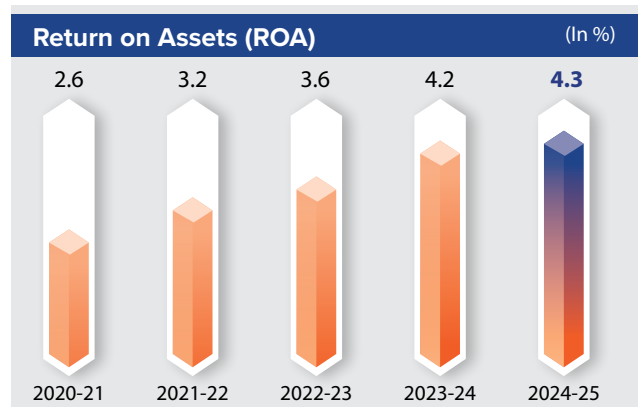
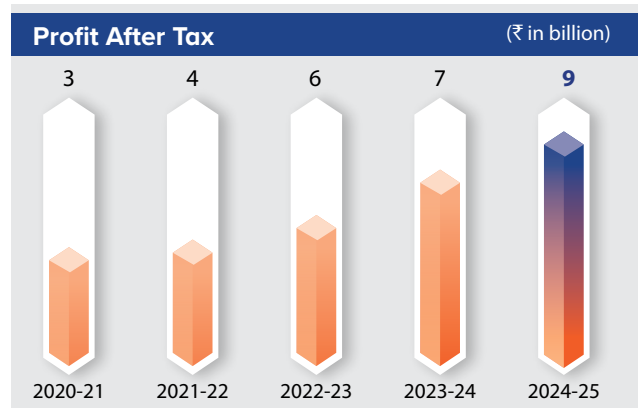
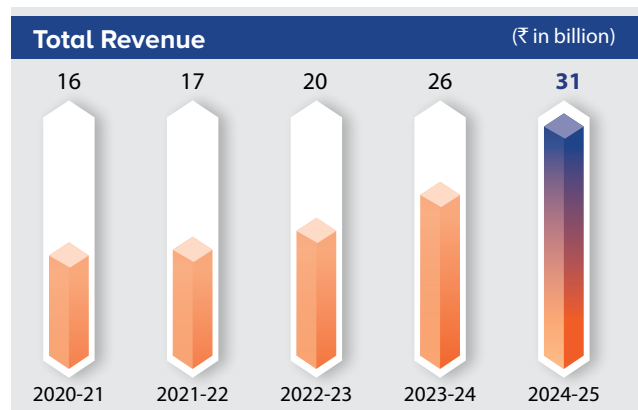
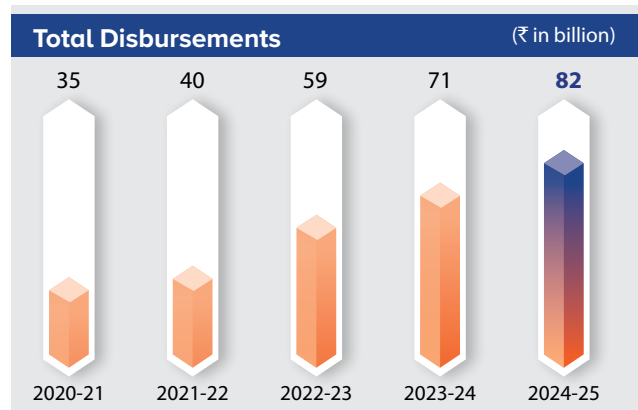
Aim to build 30 million houses by 2029 (10 million urban, 20 million rural).

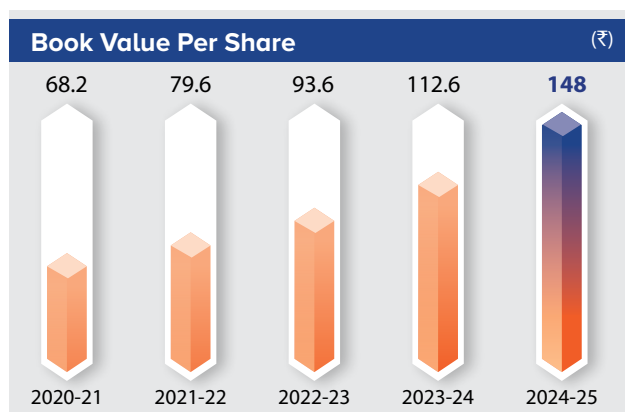
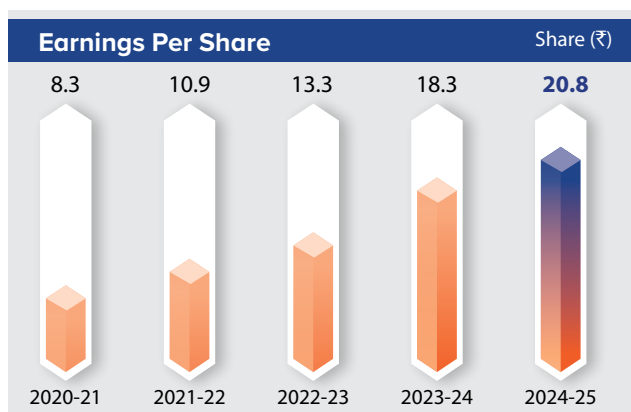
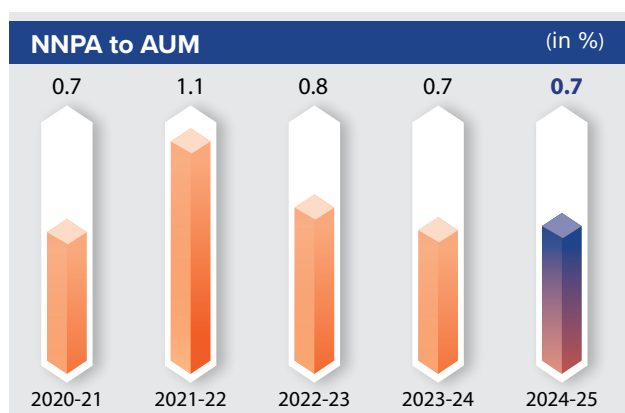
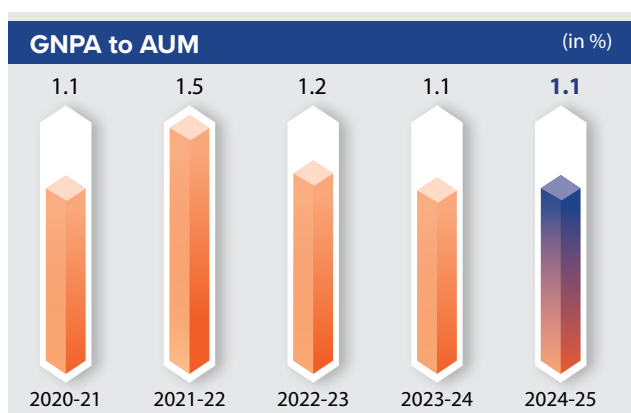
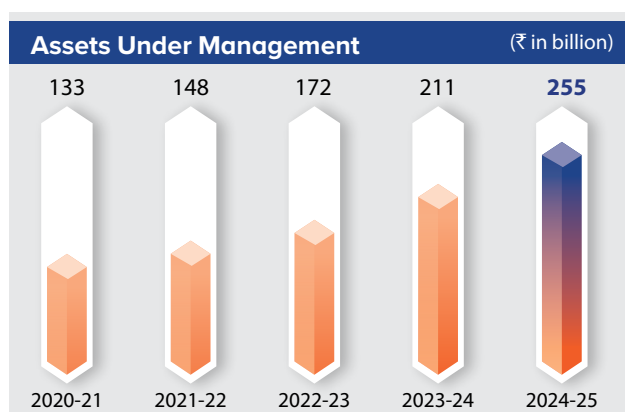
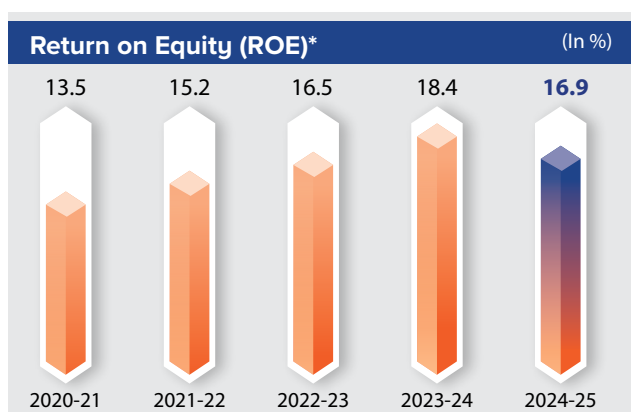
Financial Incentives

Subsidies revised under PMAY 2.0 with tax benefits continuing to support homebuyers and developers.

Year of Sustained Growth and Financial Resilience

This year marked a phase of steady and broad-based growth with Aadhar crossing the ₹ 255 billion mark in AUM and delivering robust disbursement growth reflecting the strength of our retail-focused strategy and disciplined execution. We continue to build a scalable, high-quality portfolio while driving deeper outreach across underserved regions.





*ROE in 2024-25 is after primary IPO proceeds of ₹1000 Crores



Strong Credit Assessment

Framework that Navigates Headwinds Effectively

Aadhar has instituted a robust credit and risk framework to ensure prudent underwriting, effective collections, and strong asset quality. The Company aligns all business decisions with a balanced approach to risk and return, while continuously monitoring key metrics across capital, profitability, and compliance.



Robust Credit Framework Driven by Experienced In-House Experts

Application Segmentation and Processing Approach

The Company adopts a differentiated processing strategy for customer segments to optimise efficiency and turnaround time. Loan applications from salaried customers are processed through centralised Regional Processing Units (RPU), enabling standardisation, cost optimisation, and faster decision-making. In contrast, applications from non-salaried customers are handled in a decentralised manner at the branch level by credit managers, allowing for deeper local insights and personalised credit assessments.

Credit Underwriting

The underwriting process at Aadhar is designed to ensure a comprehensive understanding of the customer's repayment capacity. For non-salaried applicants, detailed on-ground verification of income sources and expected business cash flows is carried out. Credit decisions for salaried customers are centrally managed at RPU, aligning with the Company's internal Risk Appetite Statement. This structure ensures every loan balances risk with return, reinforcing the Company's commitment to responsible lending.

Technical Due Diligence

A robust technical due diligence framework is integral to Aadhar's credit process. An in-house team of skilled civil engineers conducts site visits, technical property evaluations, and periodic reviews of construction projects. For properties beyond a certain value threshold, third-party agencies conduct independent valuations. Additionally, every quarter, around 5% of disbursed properties undergo revaluation to capture any deviations and trigger corrective steps where required.

Legal Due Diligence

The Company adopts a two-tier legal verification process to secure ownership clarity and enforceability. Empanelled lawyers and the in-house legal team jointly conduct detailed title checks, validate documents, and assess builder credibility. Internal teams thoroughly examine legal reports to eliminate ambiguities and protect the Company's legal position.

Risk Containment Measures

Aadhar's Risk Containment Unit (RCU) safeguards asset quality through exhaustive screening of loan applications. The unit verifies key documents, conducts field investigations where required, and flags suspicious submissions for source-level validation. This structured process enables early detection of irregularities and minimise fraud risk, thereby enhancing the integrity of the loan portfolio.

Digital Initiatives

Integrating Technology for Simplified Operations

A strong technological foundation anchors Aadhar's competitive edge, driving efficiency, enriching customer experience, and accelerating growth. Its digital-first model, built on an integrated core system, has redefined operations across every stage of the customer journey. This unified framework ensures superior service delivery, operational excellence, and cost efficiency.

The integration of digital solutions has fundamentally reshaped how the Company interacts with customers, processes applications, manages risk, and drives business growth. With a technology-led approach, the Company leads innovation in the lending space. Furthermore, continued investment in digital platforms delivers measurable gains in productivity, faster turnaround, and rising customer satisfaction.

Digital Acquisition

25-35 Mins

Door-to-Login Time

Digital Processing

100%

Paperless Onboarding

Digital Collections

97%

NACH Conversion

Digital Servicing

1,34,000+

Customers

Scalable Technology Platform Enabling Agile Digital Processes

The Company has developed a modular, scalable technology architecture built on the Aadhar Neo SaaS Platform and hosted on a private cloud with advanced DC/DR capabilities. This foundation enables rapid feature deployment and seamless integration across systems. With core systems encompassing loan origination, customer management, analytics, treasury, and compliance, the platform enables availability, elastic scalability, and robust data protection.

The technology foundation powers the following capabilities:

Rapid innovation with minimal system disruption

Efficient integration with over 40 fintech partners

Real-time operational continuity and robust data security

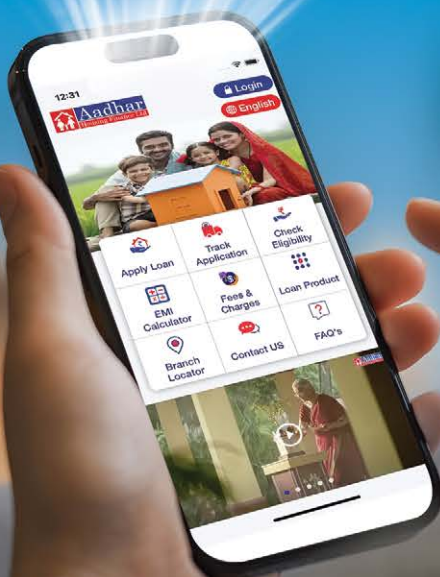
Aadhar Sahyogi Portal: Digitally Empowering Vendor Onboarding

24x7 digital access for vendors to submit verified details and documents

Minimises manual errors, enhances productivity and vendor compliance

Self e-KYC authentication, eliminating the need for physical paperwork

Improves communication and fosters stronger, long-term vendor relationships



Transformation of Data and AI into Intelligent Solutions

The Company is leveraging data science and artificial intelligence to build intelligent, adaptive systems that drive sharper decisions and stronger business outcomes. By embedding AI across the credit lifecycle, from underwriting and pricing to collections and retention, the Company is delivering scalable solutions that mitigate risk, enhance customer experience, and generate lasting value. This data-led approach improves accuracy, accelerates execution, and deepens personalisation at every touchpoint.

Key Highlights



AI-powered application scorecards that enhance credit underwriting precision and consistency



Predictive risk models to proactively identify early signs of delinquency



RAG-based customer segmentation to prioritise collections and recovery efforts



AI-driven fraud detection and personalised engagement strategies to improve customer retention and satisfaction



Evolved analytics capabilities from descriptive to predictive and prescriptive to drive smarter, progressive decisions.

Strategic Initiatives Undertaken during the Year

The Company remained focused on strengthening its digital core to drive efficiency, resilience, and customer-centricity across the organisation. Additionally, investments in intelligent automation, data-led decisions, and intuitive digital interfaces improved operational agility and reinforced future readiness.

Expanded fintech integrations to enhance ecosystem capabilities

Deployed Robotic Process Automation (RPA) for time-consuming workflows

Embedded advanced analytics and AI across risk, collections, and customer engagement

Strengthened data governance and cybersecurity protocols to align with regulatory expectations

Upgraded UI/UX across customer-facing platforms

Mobile Applications for a Seamless Customer Experience

The Company's extensive suite of mobility applications is designed to empower customers, partners, and employees alike. These apps enable seamless access across the lending lifecycle, driving robust customer engagement, enhancing partner productivity, and improving employee experience through features like virtual office solutions. With continuous upgrades to user experience and functionality, Aadhar is fostering deeper connections, greater efficiency, and a more agile organisation. Some of the applications are listed below:

~7500

Monthly Active Users (MAU)

1.34 lakh +

Downloads

4.15

Customer Rating for AHFL Customer Service App

Sales Mobility App

100% paperless On-the-go onboarding of customers and credit initiation

Customer Service App

Account servicing, in-app payments, multilingual access

Collections App

Real-time tracking, digital receipts, field monitoring

All-in-One Employee App

Unified HR services for attendance, leave, payroll, performance

Environment Stewardship

Commitment that Promotes Environmental Care

Aadhar considers environmental responsibility essential to long-term success and meaningful social contribution. Through strategic initiatives and practical actions, the Company is embedding sustainability across its operations and value chain.



Energy-Efficient Practices

The Company has undertaken several measures to reduce its carbon footprint and operational energy consumption. These include transitioning to energy-efficient lighting systems at its offices, optimising air conditioning systems, and increasing reliance on digital workflows to minimise printing and physical documentation. These efforts have not only improved energy efficiency but also contributed to more environmentally responsible operations.



Responsible E-Waste Disposal

The Company is committed to managing waste, particularly electronic waste in a safe, compliant, and sustainable manner. In partnership with authorised vendors, e-waste is collected, stored, and disposed of following regulatory norms, ensuring environmental safety and compliance.



Tree Plantation Drive – Bhilwara, Rajasthan

As part of its community and sustainability initiatives, the Company undertook a tree plantation drive in Bhilwara, Rajasthan. This initiative reaffirmed Aadhar's dedication to promoting ecological balance and creating green public spaces. It also served as a platform to involve employees and local communities in the shared sustainability agenda.

4,500

Saplings planted and area covered

Engagement of local teams and community participation

Green Housing Initiatives: Building a Sustainable Future

Reinforcing its commitment to national sustainability goals and global climate action, Aadhar has begun work on Green Affordable Housing. In collaboration with the International Finance Corporation (IFC), a member of the World Bank Group, the Company is designing a comprehensive value proposition for Green Affordable Self-Construction Housing.

Key Green Initiatives Undertaken This Year

- Rolled out Green Home product across 12 regions.
- Launched training module on managing unconscious bias and gender-inclusive sales.
- Implemented Green Home marketing campaigns
- Conducted awareness sessions on Green Homes for over 500 stakeholders, including suppliers, developers, and employees.
- Empanelled a certified agency for Green Home validations.
- Completed first certified batch of Green Homes in February 2024.
- Distributed Green Home certificates and subsidies to eligible beneficiaries.
- Trained teams to integrate the Climate Action for Financial Institutions (CAFI) tool with EDGE for impact tracking in green housing finance.

Aadhar Green Building Homes

As part of its commitment to sustainable development, the Company actively advanced its Green Building Certification initiative during 2024-25. This programme promotes environmentally responsible construction practices by encouraging builders and developers to adopt eco-friendly standards and pursue recognised green certifications.

Branch Technical Managers (BTMs) played a vital role in identifying eligible projects and supporting developers through the certification process. The initiative boosts the environmental compliance of financed projects and aligns with broader national and global priorities in green finance.

90 Projects

have been certified under the green building initiative in 2024-25.

44 Projects

Certified in Karnataka, making it the leading state

Board of Directors

Board of Directors

Guided by a clear sense of purpose and a strong legacy, Aadhar's Board of Directors and senior leadership offer vision, integrity, and strategic foresight. Their collective experience and deep industry insight drive long-term value for stakeholders while advancing the Company's objective of responsible growth and social impact.



Mr. O.P. Bhatt

*Independent Director &
Non-Executive Chairman*

Appointed: September 13, 2019

Mr. Bhatt brings extensive leadership experience and strategic insight to the Board. He holds a bachelor's degree in Science and a master's degree in English Literature from Meerut University. A seasoned professional in the banking and corporate sectors, he has served as the Non-Executive Chairman and Independent Director of the Company since September 13, 2019.

Mr. Bhatt is currently on the boards of several prominent companies, including Tata Motors Limited and Coforge Limited. He also serves as a Director at Greenko Energy Holdings (Mauritius), Tata Daewoo Commercial Vehicle Limited, and TML Holdings Private Limited. He previously held the position of Chairman at the State Bank of India, where he played a pivotal role in shaping the bank's strategic direction.



Mrs. Sharmila A. Karve

Independent Director

Appointed: December 15, 2020

Mrs. Karve is a qualified Chartered Accountant (CA) from the Institute of Chartered Accountants of India and holds a bachelor's degree in Commerce from the University of Bombay. She was an audit partner with Price Waterhouse and has spent her career performing audits of large multinational and Indian business houses. She was also appointed as the Head for Diversity and Inclusion for the PwC Network.

She brings with her extensive expertise in finance, governance, and risk management, and currently serves on the Boards of several reputed organisations, including EPL Limited, Syngene International Limited, CSB Bank Limited Thomas Cook (India) Limited and Vanaz Engineers Limited. Her international board experience spans entities such as EPL Packaging (Guangzhou) Limited, EPL America LLC, Lamitube Technology Limited (Mauritius), EPL America LLC and Fairfax India Holdings Corporation.



Dr. Punita Kumar Sinha

Independent Director

Appointed: August 07, 2024

Dr. Sinha has a PhD and Master's in Finance, a Bachelor's Degree in Chemical Engineering and is a CFA Charter holder.

Dr. Sinha is the founder of Pacific Paradigm Advisors and brings over 30 years of extensive experience in investment management, financial markets, governance, and board leadership. With a career spanning across India and North America, she has made significant contributions to the fields of finance and governance. Dr. Sinha has a rich background in providing strategic insights and advisory to organisations, helping them navigate complex markets and achieve sustainable growth.

For almost 15 years, Dr. Kumar-Sinha served as the Senior Portfolio Manager and Chief Investment Officer for The India Fund, one of the largest India funds in the US. Dr. Kumar-Sinha also served as Managing Director and Senior Portfolio Manager at Oppenheimer Asset Management and CIBC World Markets, where she also managed India and Asia funds. Additionally, she has worked at Battery March (a Legg Mason company), Standish Ayer & Wood (a BNY Mellon company), JP Morgan, and IFC/World Bank. In 2016, she was awarded the Asian Centre for Corporate Governance and Sustainability's best woman director award and has been listed as 'One of India's Most Influential Women' by Business World in 2021, 2022, and 2023.



Mr. Raj Vikash Verma

*Additional Independent
Director*

Appointed: May 06, 2025

Mr. Verma holds master's degree in economics from Delhi School of Economics and a MBA from Delhi University (FMS) and is a Certified Associate of the Indian Institute of Bankers.

He has held several leadership positions during his 40 years' service in the Banking, Finance, Housing, Mortgage and Real Estate sector, including with Regulatory bodies. Starting his career with the Reserve Bank of India, he served as Chairman and MD of National Housing Bank, Founding MD & CEO and Central Registrar of CERSAI, Member/Chairman at the Pension Fund Regulatory and Development Authority (PFRDA), Chairman at India Mortgage Guarantee Corporation. Mr. Verma led several groundbreaking initiatives and played a key role in the formulation of various innovative national level schemes and programmes on affordable and Low-Income Housing of NHB and the Government of India. He has held several Board positions, including as Chairman of AU Small Finance Bank, Consultant to the World Bank Group and Member of Advisory Committee IBBI, among others. He also served two terms as Chairman of the Asia Pacific Union for Housing Finance (APUHF). Currently, he serves as a Director on the Board of RMBS Development Company Limited, Veritas Finance Limited, SBI Pension Funds Private Limited, and Encore Asset Reconstruction Company Private Limited.



Mr. Amit Dixit

*Non-Executive Director
(Nominee)*

Appointed: August 02, 2019

Mr. Dixit is the Senior Managing Director and Head of Asia for the Private Equity business at Blackstone Advisors India Private Limited.

An accomplished professional, Mr. Dixit holds a bachelor's degree in Civil Engineering from the Indian Institute of Technology, Bombay, where he was awarded the Director's Silver Medal. He also holds a master's degree in Civil Engineering from Stanford University and an MBA from Harvard University.

Prior to joining Blackstone, he was associated with Warburg Pincus as an Associate. He currently serves on the Boards of several prominent companies including Mphasis Limited, EPL Limited, Blackstone Advisors India Private Limited, ASK Investment Managers Limited, and VFS Global AG, among others.



Mr. Mukesh Mehta

*Non-Executive Director
(Nominee)*

Appointed: August 02, 2019

Mr. Mehta is a Senior Managing Director in the Private Equity business at Blackstone Advisors India Private Limited, bringing over 17.5 years of experience in the investment and financial services sector.

A Chartered Financial Analyst (USA) and a CA from the Institute of Chartered Accountants of India, Mr. Mehta also holds a master's degree in Commerce from the University of Mumbai. Prior to joining Blackstone, he worked with Carlyle India Investment Advisors Private Limited, Citicorp Finance (India) Limited, and the Assurance and Business Advisory Group at Price Waterhouse & Co.

He currently serves on the Boards of several companies including International Gemmological Institute (India) Limited, R Systems International Limited, Simplilearn Solutions Private Limited, PGP Glass Private Limited, and VFS Global AG.


Mr. Prateek Roongta

*Non-Executive Director
(Nominee)*

Appointed: January 20, 2023

Mr. Roongta holds a bachelor's degree in Commerce from the University of Delhi and a post-graduate diploma in Management from Indian Institute of Management, Ahmedabad. He is also a qualified chartered accountant and company secretary. He is the Managing Director within the Portfolio Operations Group at Blackstone Advisors India Private Limited.

He has more than 21 years' experience and has previously worked at Boston Consulting Group (India) Private Limited, True North Managers LLP (formerly known as India Value Fund Advisors Private Limited) and A.T. Kearney Consulting (India) Private Limited.

He currently serves on the Boards of various companies such as ASK Investment Managers Limited, ASK Wealth Advisors Private Limited, Ask Long-Short Fund Managers Private Limited, Ask Alternatives Managers Private Limited, International Gemmological Institute (India) Limited, Fino Payments Bank Limited and Fino Paytech Limited.


Mr. Deo Shankar Tripathi

Executive Vice Chairman

Appointed: January 03, 2023

Mr. Tripathi brings with him extensive experience in the banking and housing finance sectors. He holds a bachelor's and master's degree in Science from Lucknow University and a Diploma in Public Administration from Awadh University. He is also an associate of the Indian Institute of Bankers. Over the years, he has enhanced his professional acumen through various certificate programmes, including a study tour on 'Energy Efficiency in Residential Buildings' organised by KfW Entwicklungsbank, Germany, and a Strategy and Management in Banking programme by International Development Ireland Limited.

Prior to his current role as Executive Vice Chairman, he held leadership positions like General Manager at Union Bank and President & COO at DHFL. He also served as the Managing Director & CEO of the Company. In addition, he serves on the Board of Aadhar Sales and Services Private Limited, a subsidiary of the Company and Fort Finance Limited.


Mr. Rishi Anand

*Managing Director and
Chief Executive Officer*

Appointed: January 03, 2023

Mr. Anand holds a postgraduate degree in Business Management from the Indian Institute of Management, Kozhikode, and brings over 27 years of extensive experience in the financial services industry.

Before assuming his current role, Mr. Anand served as the Chief Operating Officer at Aadhar Housing Finance Limited. His career spans several leadership positions across renowned organisations including Shelters, ICICI Bank Limited, GE Countrywide Consumer Financial Services Limited, BHW Home Finance Limited, Reliance Capital Limited, AIG Home Finance India Limited/Indo Pacific HFL (Merged with L&T Housing Finance Limited), and DHFL. His in-depth expertise across diverse functions and segments has been instrumental in driving strategic growth and operational excellence in the housing finance domain.

Management Team

Acumen that Inspires Confidence

Mr. Rajesh Viswanathan

Chief Financial Officer



Mr. Viswanathan is a CA from the Institute of Chartered Accountants of India and a qualified Cost and Works Accountant from the Institute of Cost and Works Accountants of India. He also holds a bachelor's degree in Commerce from the University of Mumbai.

Mr. Viswanathan has been an integral part of the Company, bringing years of experience in accounting, finance, strategy, planning, taxation, treasury, audit, and managing investor relations. He joined the Company on December 01, 2019.

Previously, he worked with renowned organisations, including A F Ferguson & Co., Mahindra & Mahindra Limited, DSP Financial Consultants Limited, KPMG Bahrain, Bajaj Allianz Life Insurance Corporation Limited, Bajaj Finance Limited, and Capital Float.

Mr. Anmol Gupta

Chief Treasury Officer



Mr. Anmol Gupta is a CA from the Institute of Chartered Accountants of India and holds a bachelor's degree in Commerce (Hons.) from the University of Delhi. He is employed with the Company since April 01, 2017.

He has a wealth of experience in coordinating financial operations, preparing budgets, and ensuring the maintenance of up-to-date financial reports, commitments, expenditures, and legal records. Prior to his role, Mr. Gupta worked with BHW Birla Home Finance Limited and served as the Chief Financial Officer of Erstwhile AHFL.

Mr. Anil Kumar Nair

Chief Business Officer



Mr. Anil Kumar Nair brings extensive cross-sectoral experience across FMCG, electronics, and the mortgage industry. He holds a Bachelor's and Master's degree in Commerce, along with a Diploma in Marketing Management from Rani Durgavati Vishwavidyalaya, Jabalpur. He also holds an MBA from Sikkim Manipal University.

He is employed with the Company since February 14, 2019. Before joining Aadhar Housing Finance in February 2019 as Business Head – Business Development – Housing Loan, he held leadership roles at reputed organisations such as Bata India, MIRC Electronics (ONIDA), ICICI Bank, DHFL, and Aspire Home Finance (now Motilal Oswal Home Finance).

Mr. Nirav Shah

Chief Risk Officer



Mr. Nirav Shah is a qualified CA from the Institute of Chartered Accountants of India and holds a bachelor's degree in Commerce from P. D. Lion's College of Commerce and Economics, University of Mumbai. He has also cleared the Certified Information Systems Audit exam from the Information Systems Audit and Control Association.

He joined our Company on July 05, 2018 and had been the Head Internal Audit of our Company from July 2018 till December 31, 2019. He brings several years of experience in implementing robust risk management systems across business units, maintaining an integrated risk management framework, and ensuring business continuity.

Prior to joining Aadhar, he worked with leading organisations such as Deloitte Haskins & Sells, ICICI Prudential Life Insurance Company Limited, and Tata Capital Housing Finance Limited.

Mr. Haryyaksha Ghosh*Chief Data Officer*

Mr. Ghosh holds a postgraduate diploma in Management from the Indian Institute of Management, Calcutta, and an integrated master's degree in Physics from the Indian Institute of Technology, Kharagpur. As Chief Data Officer, he leads the Company's data, digital, and data science initiatives. He joined the Aadhar team on February 01, 2021.

He brings around 17 years of expertise in data science and information technology. Throughout his career, Mr. Ghosh has worked with various prestigious organisations across India and Southeast Asia, including Infosys Technologies Limited, M/s Eckelon (Co-founder), Mindwave Solutions Pte. Ltd. (Singapore), Knowledge Management Solutions Pte. Ltd. (Singapore), Network 18 Media & Investments Ltd, and ECL Finance Limited. He is also a Director on the Board of Aashaa Global Solutions & Services Private Limited.

Mr. Anil Jain*Chief Credit & Operations Officer*

Mr. Anil Jain brings nearly two decades of experience in the mortgage industry, specialising in both Prime lending and the affordable housing sectors. He is employed with the Company since June 15, 2018. He has previously worked with notable organisations like ICICI Bank (Housing Finance), Deutsche Postbank Home Finance Limited, IndiaHomes.com, and Muthoot Homefin India Limited.

Mr. Madhur Bhatnagar*Chief Recovery & Collections Officer*

Mr. Madhur Bhatnagar has nearly 20 years of diverse experience in sales, credit, and collections across various industries and products. He is employed with the Company since October 04, 2014. He has previously worked with leading organisations like Magma Fincorp Ltd, Bajaj Auto Finance Ltd, Bharti Axa Life Insurance, Reliance Capital Limited, and ICICI Bank Limited.

Ms. Harshada Pathak*Company Secretary & Compliance Officer*

Ms. Harshada Pathak holds a bachelor's degree in Commerce and a bachelor's in Law from the University of Mumbai. A qualified Company Secretary from the Institute of Company Secretaries of India, she brings over 20 years of experience in corporate governance and compliance. She joined our Company on April 15, 2021. Before joining the Company, she worked as the Compliance Officer and Company Secretary at Volkswagen Finance Private Limited, in the secretarial department of Mahindra & Mahindra Financial Services Limited, and in the compliance department of Essar Investments Limited.

Mr. Sreekanth V. N*Chief Compliance Officer*

Mr. Sreekanth holds a bachelor's degree in Commerce and Law from Mahatma Gandhi University and has cleared the examination for a master's in Business Administration (Finance) from OJPS University. He is also a qualified Company Secretary from the Institute of Company Secretaries of India. He was also associated with Erstwhile Aadhar starting from April 11, 2011. Before joining the Company, he worked with prominent organisations including the Bureau of Police Research & Development, Ministry of Home Affairs, and the Department of Supply, Ministry of Commerce.

Mr. Vinod Nair*Chief Human Resources Officer*

Mr. Vinod Nair is a seasoned HR leader with over 25 years of experience, including more than two decades at Mahindra Finance. He brings deep expertise in Business Process Re-engineering, Organisational Restructuring, and strategic HR transformation. He holds a Master's degree in Human Resources from Narsee Monjee Institute of Management Studies (NMIMS) and is a certified Corporate Coach. He joined Aadhar Housing Finance Limited on October 01, 2024, and leads the people agenda with a focus on building a future-ready, performance-driven culture.

Mr. Sharad Yashwant Jambukar*Chief Information Technology Officer*

Mr. Sharad Jambukar is a seasoned IT leader with over 21 years of extensive experience in driving digital transformation, fostering innovation, and leading business process improvements. He holds a master's degree in Finance and ERP from Mumbai University. He has been associated with Aadhar Housing Finance Limited since July 16, 2018, and currently serves as the Chief Information Technology Officer, spearheading the Company's technology strategy and digital initiatives.

Social Initiatives

Efforts that Advance Collective Progress

Social responsibility goes beyond community welfare; it embodies a comprehensive commitment to people, purpose, and progress. Through purposeful marketing that informs and empowers, targeted customer outreach that delivers financial solutions to those most in need, and community programmes advancing education, health, and sustainability, Aadhar generates shared value for all stakeholders. Collectively, these initiatives build the foundation of a socially responsible business focused on inclusion, accessibility, and meaningful change at every level.

Marketing Initiatives

In an era where genuine connections drive success, the Company's marketing strategy centres on purpose. It crafts campaigns that not only fuel growth but also positively impact customers' lives. By emphasising authentic storytelling and effective digital and on-ground engagement, the Company seeks to inspire, educate, and deliver enduring value to its audience. Our strong presence in the daily lives of the consumers through or local out reach initiatives, have helped us create a strong personal bond with our end customers.

Impactful Campaigns and Initiatives

Aadhar's outreach initiatives have been instrumental in driving significant engagement and expanding our market reach. Through strategic campaigns and collaborations, the Company has generated thousands of quality leads, enhanced its brand visibility, and strengthened connections with communities. Key highlights include

PMAY and Home Loan Utsav Campaigns

Conducted 72 Spot Sanction Camp activities alongside 293 PMAY Home Loan Utsav events with a reach of approx. 30,000 consumers, generating over 3,800 leads.

Aadhar Parichay and Distribution Initiatives

Completed 12,026 Aadhar Parichay activities reaching more than 33,000 consumers, enhancing awareness in underserved areas.

Regional Outreach

Ran campaigns across Gujarat and Karnataka involving 160 Jio Store activities, supplemented by 25 Aadhar and CIDCO out-of-home campaigns in Mumbai, enhancing local visibility and interest.

Festivals and Cultural Engagements

Branding efforts during the Ganapati Festival in Maharashtra and Durga Puja in West Bengal saw significant community interaction and heightened brand awareness.

Innovative Campaigns

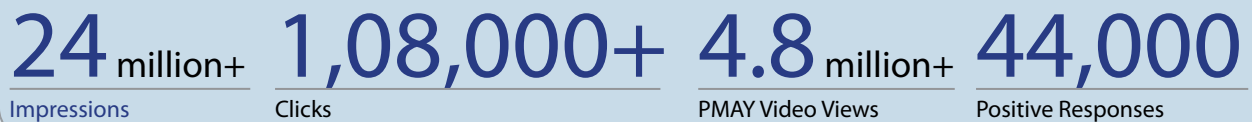
Executed wall painting at 619 locations covering 806,600 square feet and organising the Red FM Loan Carnival, generating over 13,000 leads through immersive, customer-centric events.





PMAY Digital Impact

A notable achievement remains the Company's active role in the Pradhan Mantri Awas Yojana (PMAY), which garnered remarkable engagement across both digital and offline channels.

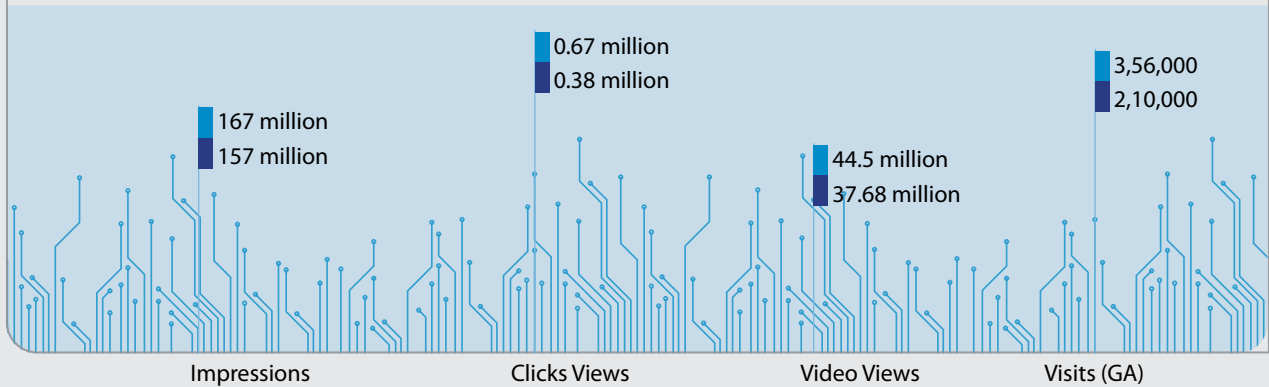


Digital Initiatives

Aadhar's digital initiatives surpassed expectations, achieving exceptional reach, click-throughs, video views, and visits to our website by our target consumers.

Campaign Budget: **13.73 million**

■ Achieved ■ Planned



Increasing brand visibility and relations with stakeholders and customers through media relations



CORPORATE

- Positioning the management as a thought leader in the housing finance space
- Showcasing Aadhar's brand journey and success



CUSTOMER CENTRIC

- Highlighting the PMAY initiative and the work done by Aadhar (sanction camps)
- Focusing on increasing business landscape by opening new branches

Actions that Support the Community

In today's world, where business success extends beyond profits, CSR stands as a pillar of sustainable growth. At Aadhar these initiatives tell stories of transformation, empowering individuals and communities throughout India.



CSR Vision

To actively contribute towards social development by bringing sustainable change in the lives of the underprivileged and needy population of the country, the Company undertook several focused initiatives during FY 2024–25 as mentioned below:

Healthcare

25,000+

Women

1,000+

Children

400+

Pregnant women and lactating mothers

13,000+

Adolescent girls

1,000+

Specially abled

Menstrual Hygiene Management

Teleconsultations and support for telemedicine

Medical Equipment Support

Early childhood care, education & nutrition

Mobility aids for disabled

Mid-Day Meals

Education & Skilling

4,200+

Underprivileged students and specially abled children

1,450+

Women and youth

40

Acid attack survivors

30+

Transgender individuals

100+

Children

Digital Libraries in police stations & scholarships for higher education of specially challenged students and children from low income families

Rehabilitation & skill development of acid attack survivors and transgenders

Vocational training for marginalised women & youth

Up-gradation of school infrastructure

Rescue & Rehabilitation of Out-Of-School-Children

Vocational training of Apprentices

Environment

4,500+

Indigenous saplings planted

70 KW

Solar Panel installed

600+

Families

Tree Plantation

Solar panel installation

Water Security - Borewell, Recharge Pits & Pond Renovation

Sports

8

Para Athletes across Pan India

Holistic training and preparation of Indian para-athletes

Need-Based Support

250

Employees Volunteered

Distribution of essential items as a part of Joy of Giving in various shelter homes for senior citizens, children, women & specially abled across India

Awards & Accolades

Accolades that Reflect Distinction



DNA Awards 2024



17th NBFC & Fintech Awards 2024



Great Place to Work



CSR Award 2024



Analytics Leader Award



Indian Digital Marketing Awards 2024 by e4m



India Legal Awards 2024



Prescriptive Analytics Award at Financial Express's Futech Awards 2024



Operations - Best Cost Control Initiative

Corporate Information

Board of Directors

- a) Mr. Om Prakash Bhatt**
Independent Director
(Non-Executive Chairman of the Board)
DIN: 00548091)
- b) Mrs. Sharmila A Karve**
Independent Director
(DIN: 05018751)
- c) Dr. Punita Kumar Sinha**
Independent Director
(DIN: 05229262)
- d) Mr. Raj Vikash Verma**
Additional Independent Director
(DIN:03546341) w.e.f. May 06, 2025
- e) Mr. Amit Dixit**
Non-Executive Director (Nominee)
(DIN: 01798942)
- f) Mr. Mukesh Mehta**
Non-Executive Director (Nominee)
(DIN: 08319159)
- g) Mr. Prateek Roongta**
Non-Executive Director (Nominee)
(DIN: 00622797)
- h) Mr. Deo Shankar Tripathi**
Executive Vice Chairman
(DIN: 07153794)
- i) Mr. Rishi Anand**
Managing Director & CEO
(DIN: 02303503)

Key Managerial Personnel

- a) Mr. Rishi Anand**
Managing Director & CEO
- b) Mr. Rajesh Viswanathan**
Chief Financial Officer
- c) Ms. Harshada Pathak**
Company Secretary & Compliance Officer

Statutory Auditor

S.R. Batliboi & Associates LLP
12th Floor, The Ruby, 29, Senapati Bapat Marg,
Dadar (West), Mumbai 400028

Kirtane & Pandit LLP
601, 6th Floor, Earth Vintage, Senapati Bapat
Marg, Dadar (West),
Mumbai- 400028, Maharashtra.

Debenture Trustees

- a) Catalyst Trusteeship Limited**
(Formerly known as GDA Trusteeship Ltd.)
GDA House, Plot No. 85, S. No. 94 & 95,
Bhusari Colony (Right), Kothrud,
Pune - 411038, Maharashtra.
Ph. No.: +91 20 2528 0081
Email : dt@ctltrustee.com
Website: https://catalysttrustee.com/

b) Beacon Trusteeship Ltd.

5W, 5th Floor, The Metropolitan,
E Block, Bandra Kurla Complex,
Bandra (E), Mumbai-400051
Phone:- 022 - 46060278
Email : compliance@beacontrustee.co.in
Website: http://beacontrustee.co.in

Holding Company

BCP Topco VII Pte. Ltd., Singapore

Subsidiary Company

Aadhar Sales and Services Pvt. Ltd.

Company Secretary

Ms. Harshada Pathak
Company Secretary & Compliance Officer
Unit No. 802, 8th Floor, Natraj By Rustomjee,
Junction of Western Express Highway and
M. V. Road, Andheri (E), Mumbai - 400 069,
Maharashtra.
Ph. No.: +91 22 41689991
Email: complianceofficer@aadharhousing.com

Stock Exchange

BSE Ltd.

(for Equity Shares and Non- Convertible
Debentures)
P.J. Towers, Dalal Street, Mumbai - 400001,
Maharashtra.
Ph. No.: +91 22 22721234
Website: www.bseindia.com

National Stock Exchange of India Limited

(for Equity Shares)
Exchange Plaza, C-1, Block-G, Bandra-Kurla
Complex, Bandra (E), Mumbai-400051
Website:-www.nseindia.com

Depositories for Demat

a) National Securities Depository Ltd. (NSDL)

301, 3rd Floor, Naman Chambers, G Block,
Plot No- C-32, Bandra Kurla Complex,
Bandra East, Mumbai- 400051.
Ph. No.: +91 22 24994200
Email id: info@nsdl.co.in
Website: www.nsdl.co.in

b) Central Depository Services (India) Ltd. (CDSL)

Marathon Futurex, A-Wing, 25th Floor,
N M Joshi Marg, Lower Parel,
Mumbai - 400013, Maharashtra.
Ph. No.: +91 22 2305 8640
Email id: helpdesk@cdslindia.com
Website: www.cdslindia.com

Registrar & Transfer Agents

a) KFin Technologies Ltd.

(for equity shares and public issues of NCDs)
Selenium, Tower B, Plot No- 31 & 32,
Financial District, Nanakramguda,
Serilingampally, Hyderabad, Rangareddi,
Telangana, India, 500032.
Ph. No.: +91 40 6716 1663
Email id: einward.ris@kfintech.com
Website: www.kfintech.com

b) 3i Infotech Ltd.

(for privately placed NCDs)
Tower # 5, 3rd Floor, International Infotech
Park, Vashi, Navi Mumbai - 400703
Ph. No.: +91 22 7123 8000
Email id: vijaysingh.chauhan@3i-infotech.com
Website: www.3i-infotech.com

Registered Office

2nd Floor, No. 3, JVT Towers, 8th 'A' Main Road,
Sampangi Rama Nagar,
Bengaluru - 560 027, Karnataka.
Toll Free No: 1800 3004 2020

Corporate Office

Unit No. 802, 8th Floor, Natraj By Rustomjee,
Junction of Western Express Highway and
M. V. Road, Andheri (E), Mumbai - 400 069,
Maharashtra. Ph. No.: +91 22 41689900
Email id: customercare@aadharhousing.com
Website: www.aadharhousing.com
CIN : L66010KA1990PLC011409

Bankers

National Housing Bank
Axis Bank Limited
Bandhan Bank
Bank of Baroda
Bank of India
Canara Bank
Central Bank of India
Citibank N.A.
DBS Bank India Limited
HDFC Bank Limited
IDBI Bank Limited
Indian Bank
Indian Overseas Bank
Karnataka Bank Limited
Kotak Mahindra Bank Limited
Punjab National Bank
Punjab & Sind Bank
Shinhan Bank
State Bank of India
SVC Co-Operative Bank Limited
The Federal Bank Limited
The Hongkong & Shanghai Banking
Corporation Limited
The South Indian Bank Limited
UCO Bank
Union Bank of India

Management Discussion and Analysis

Indian Economic Overview

The global economy enters CY 2025 navigating a complex but evolving landscape, with real GDP growth expected to moderate to around 2.8% in CY 2025, before edging up to 3.0% in CY 2026. After a relatively stable expansion of 3.3% in CY 2024, the coming year brings both challenges and opportunities. Geopolitical tensions are rising, and major policy changes, particularly broad tariff revisions by the US, have increased uncertainty. At the same time, a wider shift is underway as economies adjust their priorities in response to a more multipolar global order.

The global economy remains strong despite short-term challenges. Inflation is easing, though more slowly than anticipated. Global headline inflation is expected to reach 4.3% in CY 2025, and decline to 3.6% in CY 2026. This trend reflects the impact of earlier monetary tightening and improved supply chain efficiencies. Although the near-term outlook remains complex, it offers economies an opportunity to build stronger foundations. The adaptability shown during recent disruptions, from supply chain breakdowns and tariffs to inflationary pressures, indicates that recovery is possible with the right policy mix and reforms. Moving through CY 2025 and into CY 2026, a renewed focus on international cooperation will be essential to stabilise trade relations, reduce geopolitical tensions, and restore investor confidence.

(Sources: IMF Report on World Economic Outlook, April 2025, OECD)

India's economy is expected to maintain its growth momentum, with GDP expanding by 6.5% in 2024–25 and a similar growth rate of 6.5% projected for 2025–26. This places the country on track to become the world's third-largest economy by 2026-27, and the third-largest consumer market by 2025-26. Amid ongoing global uncertainty, India's growth remains underpinned by solid domestic demand, increases in private investments, and targeted policy reforms.

Stable food prices, effective government interventions, and a favourable monsoon have helped keep inflation in check, within the 4-4.5% range, close to the Reserve Bank of India's (RBI) target. The RBI's Monetary Policy Committee lowered its 2025–26 inflation forecast to 3.7% following a sustained decline in consumer prices.

On the fiscal front, revenue deficit is also on a declining trend and is expected to reduce from 4.8% of GDP in 2024-25 to 4.4% of GDP in 2025-26, reflecting strong remittance inflows and contained oil import costs. These figures indicate healthy external balances, a positive sign given the global slowdown and disruptions in trade.

Global developments like the shift towards protectionism, evident in the rise of effective tariff rates, are shaping India's trade dynamics. Although these trends pose challenges, they also create medium-term opportunities. India's strategic position in the 'China Plus One' supply chain diversification is strengthening. The government may reduce tariffs selectively to enhance export competitiveness.

The Union Budget for 2025-26 sets the stage for inclusive growth while ensuring fiscal discipline. It prioritises capital expenditure, with increased funding for infrastructure projects, including roads, railways, and renewable energy. Allocations for agriculture, MSMEs, and rural development are also enhanced, aiming to stimulate consumption and employment, especially in non-urban regions.

India is set to reach new heights in foodgrain production in 2024-25, supported by a favourable monsoon. However, challenges remain in pulses and oilseeds production. Despite these obstacles, the agricultural sector is on a path to strong recovery, with growth projections for 2024-25 ranging from 3.5% to 4%.

Micro, small, and medium enterprises (MSMEs) remain vital players in supply chains, with healthy growth across various industries. They continue to drive innovation and diversify India's manufacturing base, contributing significantly to the economy's broader growth. In line with this, the Union Budget 2025-26 had also introduced a series of measures aimed at strengthening the MSME sector by raising investment and turnover limits, improving credit access, supporting first-time entrepreneurs, and launching sector-specific productivity initiatives.

Investment and financial markets are benefitting from significant credit growth, particularly from private banks and NBFCs, and increased domestic investor participation. Structural reforms are also playing a key role. Government initiatives in infrastructure, digitalisation, and financial inclusion are boosting productivity, efficiency, and access. These efforts are setting the stage for sustained medium-term growth. India's digital economy is also flourishing, driven by smartphone penetration, fintech adoption, and a vibrant startup ecosystem. Government initiatives like UPI and ONDC are enhancing digital commerce, with UPI transactions reaching ₹ 24.77 Lakh crores in March 2025, marking a 36% year-on-year (Y-o-Y) increase.

(Source: <https://economictimes.indiatimes.com/news/economy/agriculture/foodgrain-output-set-to-scale-new-peak-in-2025-as-farm-sector-eyes-4-pc-growth/articleshow/116761745.cms?from=mdr>)

Indian Economy Outlook

India's outlook for 2025-26 remains stable and optimistic. The economy is expected to navigate global challenges better than many peers, supported by strong domestic fundamentals, prudent policies, and structural improvements.

As the world witnesses a period of heightened uncertainty and slower growth, India's balanced and inclusive growth approach positions it to emerge stronger and more resilient. The nation's prospects remain positive, backed by rising domestic consumption, growing digital adoption, and progress in healthcare.

A young, expanding population and rising incomes further support long-term growth. Moreover, continued policy support, robust demand, and structural reforms will help India strengthen its role as a key global economy, driving transformation across multiple sectors.

(Source: <https://www.imf.org/en/Countries/IND>; <https://www.ubs.com/global/en/investment-bank/insights-and-data/2024/indias-outlook-2025-2026-story.html>; <https://india.un.org/en/287164-un-report-forecasts-robust-growth-indian-economy>, Economic Survey 2024-25)

Indian Housing Sector Overview

The Indian housing sector remains a key driver of the nation's economy, with a projected contribution of 13% to GDP by 2024-25. This highlights both its strength and potential. Recognising housing as both a fundamental need and a major employment generator, the government continues to support the sector through consistent budget allocations, regulatory reforms, and targeted welfare schemes.

By 2030, the sector is projected to become a USD 1 trillion market, driven by demographic shifts, policy support, and global trends. Tier 2 and Tier 3 cities are emerging as key growth centres. Urban homeownership is also rising, with rates projected to increase from 65% in 2020 to 72% by 2025, propelled by affordable loans, nuclearisation of families, rapid urbanisation, and a younger demographic entering the market.

The sector's upward momentum, reignited in 2023, continued through 2025-26. Residential sales in India's top eight cities reached 4.5 Lakh units in 2024, marking a 10% annual increase. New launches hit a record 5.6 Lakh units. The beginning of 2025 further strengthened this trend, with 1.4 Lakh units sold and inventory levels falling by 8%.

The mid-segment, priced between ₹ 40-80 Lakhs, continues to dominate supply, contributing 34% of new launches. Demand remains strong across all price points. This is supported by stable interest rates, rising disposable incomes, and preferences for bigger homes. There has been a visible shift towards high ticket size home loans partly due to the rise in cost of construction and mainly due to preferences of the upper middle class and High Net-Worth Individuals (HNIs) for availing high ticket size loans for buying bigger or luxury homes.

Despite this progress, India's housing shortage remains substantial. The shortfall exceeds 31 million units, with an unmet demand of 26 million units concentrated in the Lower Income Group (LIG) and Economically Weaker Sections (EWS). Rural and semi-urban areas carry the heaviest burden.

In urban areas, the shortage is largely due to congestion and poor-quality housing. On the other hand, in rural regions, it stems from the widespread presence of non-serviceable or kutcha homes. Addressing this gap may require ₹ 43-45 trillion in additional housing loans, of which 29 trillion would be needed for the EWS/LIG segments. This far exceeds the ₹ 34.5 trillion outstanding as of March 2025, indicating strong growth potential for the housing finance sector. This momentum in housing demand is reflected in the financing scenario, where growth continues to be fuelled by affordability initiatives and expanding credit access.

(Source: <https://www.ibtimes.co.in/indian-housing-sector-contribute-13-pc-national-gdp-by-2025-report-877479>)

Indian Housing Finance Market Overview

India's housing finance market is set to grow steadily in 2024-25, with outstanding loans projected to reach ₹ 34.5 trillion. This reflects a 13% compound annual growth rate (CAGR), as per CRISIL. Growth is driven by rising demand for homeownership, better affordability in smaller cities, and a stable policy environment. Low-income housing loans (≤ ₹ 1.5 million) now account for over half of total loan volume. However, they contribute around 16% to the overall value, highlighting the large customer base in the affordable housing segment.

While banks remain dominant, Housing Finance Companies (HFCs) and NBFCs are steadily expanding, particularly in low-income and semi-formal segments. In 2024-25, HFCs accounted for 39% of disbursements in the ₹ 0-0.75 million and ₹ 0.75-1.5 million loan brackets. Public sector banks saw a relative decline during the same period. This shift highlights HFCs' stronger presence in underbanked regions and their flexible approach to lending, especially for borrowers without formal income proof. There is a visible shift of banks and prime home loan-focussed HFCs towards high-ticket-size home loans, while the share of all other HFCs for loans up to ₹ 25 Lakhs has remained more or less the same over the last five years.

Government-backed schemes such as the Pradhan Mantri Awas Yojana (PMAY) and refinancing from the National Housing Bank (NHB) continue to provide an essential cushion for first-time homeowners, ensuring inclusivity in credit growth.

Asset quality remains solid, with housing finance continuing to be one of the most secure lending segments. Gross NPAs for housing loans stood at only 1.3-1.4% in 2024-25, much lower than the NPAs in MSME or auto finance sectors.

Growth Factors

India's housing sector benefits from strong structural growth drivers. These drivers continue to shape demand and create long-term opportunities across the market. The following factors highlight the key elements supporting this sustained momentum:

- Demographics, including a young and growing population, support long-term housing demand.
- Mortgage penetration remains low, with a Mortgage-to-GDP ratio below 11%, highlighting credit expansion potential.
- Government programmes have enhanced housing finance access for underserved segments.
- Household incomes are rising, and the shift to nuclear families is increasing the demand for independent housing.
- Lending conditions remain stable, and controlled interest rates keep home loans affordable.
- Rapid urbanisation
- Infrastructure development and improved digital connectivity in smaller cities are expanding access to the formal housing market.

All these developments collectively encourage broader participation from developers and homebuyers.

Challenges

Despite the sector's strong performance, several challenges continue to affect its growth trajectory. The following points outline the key issues that persist:

- Affordability remains a hurdle in urban centres, where home prices exceed the capacity of low-income buyers.
- Policy support exists but has not fully bridged the affordability gap for economically weaker sections.
- Housing quality in rural and semi-urban areas remains poor, with many homes lacking basic amenities or structural integrity.
- Supply of affordable homes continues to fall short of demand as big builders are focussed in construction of high value homes.
- Input costs, including materials and labour, are on the rise, raising expenses and worsening affordability.
- Interest rate sensitivity continues to affect the sector and may weaken sentiment among low-income and price-sensitive buyers.
- Regulatory requirements continue to evolve, challenging developers and housing finance institutions, and delaying project execution and loan disbursement.
- External risks such as global inflation, trade disruptions, and geopolitical tensions could impact capital flow and investor confidence.

The Indian housing sector in 2025-26 continues to play a vital role in driving economic development. It is supported by rising demand, steady credit growth, and firm policy backing. Residential sales are rising, with growing activity in Tier 2 and Tier 3. A supportive financial ecosystem underpins the sector's resilience and long-term promise.

Affordability, quality, and cost pressures remain the main concerns, especially for low-income groups. However, coordinated public and private efforts are improving access and inclusivity. With favourable demographics, rising ownership aspirations, and an enabling policy and infrastructure framework, the sector is poised to aid India's growth and transformation.

(Sources: <https://www.ibtimes.co.in/indian-housing-sector-contribute-13-pc-national-gdp-by-2025-report-877479>

<https://economictimes.indiatimes.com/industry/services/property/-construction/housing-demand-in-india-to-reach-93-million-by-2036-report/articleshow/106659577.cms>)

Company Overview

Aadhar Housing Finance Limited (also referred to as 'Aadhar' or 'the Company') is one of India's largest housing finance institutions focussed on low-income housing finance. It primarily serves economically weaker and low-to-middle-income customers who require small-ticket mortgage loans.

With a mission to support homeownership among individuals in salaried, self-employed, and informal sectors, Aadhar offers a wide range of loan products. These include loans for residential property purchase and construction, home improvement and extension, commercial property construction and acquisition, and loans against residential properties. The micro-LAP products typically have a ticket size of ₹ 8-9 Lakhs.

As of March 31, 2025, Aadhar's Assets Under Management (AUM) stood at ₹ 25,531 crores. It operates through a robust network of 580 branches across 21 States and Union Territories. With coverage across more than 11,600 pin codes, the Company ensures a strong presence in both urban and semi-urban areas throughout India.

The Company's digital-first, scalable technology platform improves both operational efficiency and customer experience. With fully digital acquisition and paperless onboarding, the Company enables faster turnaround times and seamless loan processing. Its core systems, supported by Tata Consultancy Services (TCS) and other leading technology partners, integrate end-to-end digital journeys across onboarding, underwriting, and collections. This strengthens the Company's ability to scale operations with speed, transparency, and reliability.

Aadhar is backed by a strong promoter, Blackstone's BCP Topco VII Pte. Limited, which held a 75.6% stake as of March 31, 2025. This association has enabled the Company to draw on Blackstone's global expertise in corporate governance and financial management. The Company has a well-balanced Board comprising independent directors and seasoned professionals with deep industry knowledge in housing finance and banking.

Social responsibility remains a core part of Aadhar's business model. The Company actively contributes to economic upliftment through partnerships with government initiatives such as PMAY-G, promotes financial inclusion, and drives employment across urban and semi-urban regions. With a value-driven ESG framework and a focus on inclusive growth, Aadhar aims to create lasting value for its stakeholders.

Operational Performance

The Company is a retail-focussed housing finance company (HFC) that primarily serves the low-income housing segment. It primarily targets economically weaker and low-to-middle-income individuals seeking small-ticket mortgage loans. Most customers are first-time home buyers with limited access to formal credit. Aadhar also provides loans against property, as well as financing for property renovation, extensions, purchase of commercial properties and self-occupied residential properties.

The Company continues to show strong growth across various key metrics. The following highlights reflect its performance for the year 2024-25:

- Number of loan accounts increased to 2,99,000+ as of 2024-25, up from 2,66,000+ at 2023-24's end.

- AUM grew by 21 % YoY, reaching ₹ 25,531 crores as of 2024-25, compared to ₹ 21,121 crores at 2023-24 end.
- Disbursements reached ₹ 8,192 crores in 2024-25, rising from ₹ 7,072 crores in the previous year.
- GNPA decreased to 1.05% as of 2024-25, compared to 1.08% at 2023-24 end.
- Liquidity at ₹ 2,200 crores as of 2024-25.
- Capital adequacy ratio stood at 44.6% as of March 31, 2025, including Tier 1 at 44.1% and Tier 2 at 0.5%, up from 38.4% in 2023-24.
- Number of branches and offices increased to 580 as of 2024-25, up from 534 branches at 2023-24 end.
- The customer-mix by AUM comprised 56% salaried individuals and 44% self-employed individuals, as of March 31, 2025.
- Product mix continued to favour home loans, which formed a major part of the portfolio.
- Average ticket size rose to ₹ 10.3 Lakhs, with a stable loan-to-value ratio of 59%, consistent with the previous year.
- Directly assigned loan portfolio amounted to ₹ 4,362 crores in 2024-25, including ₹ 1,582 crores of fresh assignments during the year.
- Co-lending portfolio stood at ₹ 592 crores at the 2024-25 end, with ₹ 143 crores added during the year.

Aadhar uses a diverse range of lead sourcing channels, including Direct Selling Teams, Direct Selling Agents, Aadhar Mitras, Mahila Aadhar Mitras, digital platforms, and call centres. It also focusses heavily on ground-level outreach through market combing, loan camps, and marketing initiatives. These efforts help front-end teams connect with their target customers more effectively.

In alignment with the government's aim of financial inclusion, Aadhar actively supports and participates in key affordable housing initiatives such as the Pradhan Mantri Awas Yojana (PMAY). This enables economically weaker and lower-income to access interest subsidies on their home loans.

Standalone Financial Performance

- Total income increased by 20% Y-o-Y for the year ended March 31, 2025.
- Operating expenses are very stable, with the cost-to-income ratio at 36.4% in 2024-25.
- Profit after Tax (PAT) stood at ₹ 912 crores in 2024-25, a 22% increase over ₹ 750 crores in 2023-24.
- Aadhar achieved a strong Return on Assets (ROA) of 4.3% in 2024-25, up from 4.2% in 2023-24.
- Return on Equity (ROE) for 2024-25 was 16.9% (including IPO primary gross portion of ₹ 1,000 crores), indicating sustained strong profitability and efficient capital utilisation.

Company Strategy and Outlook

The housing finance sector in India holds immense growth potential, fuelled by rapid urbanisation, rising incomes, and strong government support for affordable housing. Despite recent progress, India's Mortgage-to-GDP ratio remains far below global standards, offering significant room for expansion.

Demand is particularly strong for smaller ticket loans, with disbursements under ₹ 2.5 million accounting for nearly more than two-thirds of the market. As India continues to lead global population growth in the coming decade, the need for accessible housing finance, especially in underserved areas, will only intensify.

Recognising this opportunity, the Company has built a robust and agile business model to capture growth across the low- and middle-income segments. As of 31 March 2025, the Company operates a strategically diversified network of 580 branches across 21 States and Union Territories, supported by a flexible branch classification system tailored to local demand dynamics. This targeted approach, combined with a deep understanding of semi-urban and rural markets, positions the Company to effectively penetrate tier 4 and tier 5 towns and drive financial inclusion.

Parallelly, Aadhar continues to strengthen its digital ecosystem to enhance customer experience, improve operational efficiency, and support scalable growth. Its integrated technology platform enables paperless onboarding, real-time loan processing, and seamless integration with fintech partners. Through advanced data analytics, the Company is embedding predictive insights into risk management, underwriting, and collections. This ensures agility, future-readiness, and alignment with evolving customer needs. Combining its extensive physical presence with a robust digital infrastructure, the Company is well-positioned to capitalise on the next phase of growth in India's affordable housing finance sector.

Advanced data analytics are now embedded throughout Aadhar's operations. This enables initiatives such as customer risk categorisation, scorecard development, early warning systems for collections, balance transfer monitoring, and branch location identification. These analytics-driven insights are integral to the Company's strategy, enhancing risk management and supporting informed decision-making across all key functions.

From a funding perspective, the Company follows a diversified borrowing strategy. As of 2024-25, 53% of borrowings are from banks, 23% from the NHB, and 21% from NCDs and 3% from ECB. Aadhar continues to conduct direct assignment of portfolios with both public and private sector banks. It has also established co-lending partnerships with two public sector banks, broadening its funding base and reducing costs.

The Company has successfully raised its maiden External Commercial Borrowing (ECB) of USD 50 million in 2024-25. This strategic milestone marks a significant step in diversifying its funding sources and optimising its cost of capital. ECB was raised from a reputed international bank, reflecting strong confidence in Aadhar's robust business fundamentals, prudent risk management practices, and long-term growth prospects in the affordable housing finance segment. The funds will be primarily utilised to enhance our lending capacity, support portfolio growth, and further our mission of providing accessible housing finance solutions to underserved segments across India. This successful transaction underlines the Company's continued efforts to tap into global markets for long-term funding and reinforces our commitment to financial inclusion and sustainable growth.

Customer Base

The Company remains focussed on the low-income housing mortgage segment, serving economically weaker and low-to-middle-income groups. It enables credit access for individuals in urban and semi-urban areas, where formal banking options are still limited. Aadhar provides tailored mortgage loans to both salaried and self-employed individuals. This includes those in informal sectors who often lack standard income proofs such as salary slips or tax returns, making them ineligible for traditional banks and large financial institutions.

The Company adopts a dynamic distribution strategy, classifying branches by size and service focus to optimise operational costs and ensure broad coverage. Its network includes Main Branches, Small Branches, Micro Branches, Ultra-Micro Branches, and Deep Impact Branches. Each type serves specific regional needs and customer densities. This tiered model allows the Company to efficiently serve diverse geographies, especially urban and semi-urban areas, while maintaining cost control.

The Deep Impact Branches form a vital part of the Company's strategy. These branches operate in remote and underserved areas, mainly in Tier 4 and Tier 5 towns, addressing the housing finance needs of economically weaker sections. In addition, Aadhar engages with the local community through Aadhar Mitras, who are individuals from non-allied businesses such as vegetable vendors, kirana shop owners, cement dealers, and salon owners, among others. They support lead generation, strengthening the Company's grassroots presence.

Using its deep experience and specialised business model, the Company has built solid underwriting and risk management processes that effectively serve this underbanked segment. A key element of its customer evaluation involves structured personal interviews. These help collect behavioural insights and alternative data where formal documents are lacking.

With a robust infrastructure and increasing use of data analytics for credit assessment, customer segmentation, and risk control, the Company is improving operational efficiencies and optimising its cost-to-income ratio. These strategic actions are expected to support sustainable growth in 2025-26, while keeping NPA and credit cost levels low, maintaining interest spreads, and delivering strong return ratios. Overall, this strategic and scalable distribution approach extends customer reach, boosts operational efficiency, and supports Aadhar's goal of inclusive housing finance.

While the Company caters to both salaried and self-employed customers, focus also remains on the more stable salaried segment. As of 2025, salaried customers constituted approximately 56% of the AUM, with a majority having formal income credited directly to their bank accounts. Meanwhile, 44% of the AUM was attributed to self-employed individuals, a significant share of whom came from informal backgrounds without formal income documentation.

The Company continues to enhance customer service through a combination of digital tools and regional engagement. It enables EMI payments via online platforms and supports customers with welcome calls in regional languages. CRM systems and multilingual SMS alerts in five vernacular languages further improve communication. Branches display notices in both English and local languages to ensure better outreach. Customers can activate NACH mandates through online facilities, adding to the convenience. To maintain service quality, the Company conducts biannual training sessions for branch and call centre staff. It also shares customer FAQs and grievance redressal officer details on its website for easy access.

The Company's digital customer service has gained strong traction, with its mobile app and service web portals contributing to ease of access and engagement. As of 2024-25, the Company has over 2,99,000+ live accounts, continuing its strong growth trajectory from 266,000+ accounts in 2023-24, 233,000+ in 2022-23, 204,000+ in 2021-22, and 182,000+ in 2020-21.

Loan Sourcing

Aadhar employs a multi-channel loan sourcing strategy that blends direct and indirect approaches to effectively reach its target audience. At the heart of its sales operations are Direct Selling Teams (DSTs) and Relationship Managers, who drive customer acquisition. They are supported by Direct Selling Agents (DSAs) and grassroots contributors known as Aadhar Mitras, Digital Aadhar Mitras and Mahila Aadhar Mitras, who act as lead generators.

Aadhar Mitras are individuals from non-allied industries such as shopkeepers, local vendors, or service providers, who refer potential borrowers to the Company. Each successful referral resulting in a loan disbursement earns the Aadhar Mitra a referral fee. The Mahila Aadhar Mitra initiative aims to bring more women into the referral network. This not only helps expand outreach but also promotes women's empowerment.

Additionally, the Company uses corporate channel partners and a range of digital platforms, including lead aggregators, its official website, and social media, to attract potential borrowers. The Digital Aadhar Mitra programme further strengthens this digital outreach, enabling seamless lead generation and customer engagement.

Common Services Centres (CSC) are one of the crucial enablers of the Digital India Programme. They are the access points for delivery of various e-governance and business services to citizens in rural and remote areas of the country.

Being a pioneer in the affordable segment, we signed the agreement with CSC and integrated with their portal so CSC VLEs share leads with us and our team works on that lead for eligible customers.

India Post Payments Bank (IPPB) was set up under the Department of Post, Ministry of Communication, with 100% equity owned by the Government of India.

We did tie up with IPPB and integrated with their application, where postmen and Gramin Dak Sevaks, refer home loan prospects with us and our team processes it further in our application.

JK Cement Ltd. is one of India's leading manufacturers of Grey Cement and one of the leading White Cement manufacturers in the world. We mutually agreed for the retail segment where customers approach for buying cement or contact engineers from JK for renovation/extension or construction of homes. They share interested prospects for availing loans for the construction, and we work on the referred customers.

Such a comprehensive distribution model enables the Company to balance physical and digital outreach, ensuring a strong presence across urban, semi-urban, and deeper locations in the country while advancing its ambition of providing inclusive housing finance.

Branch Network

The Company operates across India through a well-diversified and rapidly expanding network of 580 branches as of 2024-25. This network spans 21 States and Union Territories and covers over 11,600 pin codes, enabling Aadhar to serve customers in 545 districts with a balanced geographic presence.

In 2024-25, the Company added 57 new branches to its network, further extending its reach. Of these, 15 branches were either 'Deep Impact' branches or sales offices, established in tier 4 and 5 towns to serve the underserved housing finance segment.

The Company continues to follow a cost-efficient and agile branching strategy, classifying its network into Main Branches, Small Branches, Micro Branches, Ultra-Micro Branches, and Deep Impact Branches based on the local business potential. This categorisation is determined by portfolio size, performance, branch vintage, and operating expenses. By aligning branch formats with regional needs and potential, the Company ensures operational flexibility and efficiency, helping maintain lower operating costs and ensure deeper market penetration, particularly in semi-urban and rural areas.

The Company's Gross AUM remains well diversified, with the top two states accounting for only 27% of the overall AUM and no state contribution more than 14%. As part of its sustainable growth strategy, no state contributes more than 14% of the Company's branch network, annual disbursement and AUM. This disciplined geographical diversification, combined with focussed expansion and technological integration, positions the Company as a leading player in the affordable housing finance segment, committed to inclusive growth and sustainable profitability.

Operations

The Company has a variety of cutting-edge solutions aimed at enhancing customer satisfaction, boosting operational efficiency, and ensuring adherence to regulatory standards. The implementation of WhatsApp messaging for customer interactions has led to improved delivery rates and has proven to be more cost-effective than traditional methods of communication via SMS or physical letters. Additionally, the Company has enabled sharing of PDF letters via WhatsApp, which has further reduced expenses related to physical letter dispatches and improved delivery speed.

The Document Tracking System (DTS) now offers centralised storage of security documents along with an enhanced level of tracking. The Company has also introduced a digital Welcome Call Kit, delivered to customers as a link via SMS and WhatsApp, containing all critical loan-related details, such as the MITC and repayment schedule, among others. This kit also provides an option to download the Company's mobile app, which customers can use to access various other services, thereby enriching their experience.

The Company has upgraded its loan system to comply with the data requirements of Credit Information Companies (CICs), achieving a Quality Index score exceeding 99%, surpassing the standards set by the RBI. Furthermore, it has automated SMS notifications for DPD reporting and initiated an educational series through WhatsApp, delivering daily process insights and essential communications to employees—particularly aiding new hires.

The Company has also upgraded its Loan Management System (LMS) to charge interest from the date of cheque handover, ensuring flawless accuracy in interest calculation. Another significant advancement is the establishment of customer service call centres with calling teams proficient in regional languages. The Company's customer service executives are able to communicate in 11 regional languages, ensuring that customers are engaged in a language that is familiar and easy to understand, thereby enhancing comfort during interactions.

Additionally, the Company has introduced online payment options, allowing customers to conveniently make payments for fees, charges, and overdue EMIs, among others. Collectively, these innovations have significantly enhanced customer service, streamlined operations, and fostered revenue growth.

Credit

To enhance operational efficiency and accuracy in credit processing, several key system improvements have been implemented. The introduction of the Bank Statement Analyser has significantly reduced manual effort in assessing bank statements. Bank statements are now automatically analysed by the system, generating a detailed report covering Average Bank Balance (ABB), salary credits with dates and amounts, regular debits, EMI tracking, fraud indicators, etc. within minutes. This has improved the accuracy of data and analysis, while also reducing the overall loan application processing time.

The Company has also implemented a Reject Score Card, which, at the time of onboarding a loan application, allows the system to cross-check key borrower parameters such as demographics and credit history (through credit bureau reports). All non-considerable cases are rejected automatically by the system at the initial stage, thereby eliminating redundant application processing and enhancing overall efficiency.

Credit Approval and Disbursement Process

Aadhar follows a structured and thorough credit underwriting process that combines digital tools with manual checks. This ensures strong risk evaluation while supporting financial inclusion. Trained credit officers guide the underwriting approach, balancing speed, accuracy, and customer understanding, serving both formal and informal employment segments.

For formally employed customers, the Company utilises technology-enabled tools to verify essential information such as KYC documents, PAN, Aadhaar, Voter ID, EPF records, TDS data, employer profiles, and income tax returns. This allows for standardised and expedited verifications. In contrast, for informally employed customers, often without formal income proof, credit managers visit homes and businesses. They assess income using defined field protocols, ensuring fair and consistent evaluations.

The Company's credit processing is supported by both centralised and decentralised mechanisms. For salaried individuals, loan applications are handled through Regional Processing Units (RPU) across 17 business regions, enabling standardised credit checks, optimised costs, and faster turnaround times. For self-employed or informally salaried customers, processing is decentralised and branch-led, with credit managers conducting ground-level verifications and manual income assessments based on observed business cash flows, living standards, and operational realities.

Customer onboarding at the Company starts digitally. Field executives meet customers in person to collect demographic, income, and KYC details using a mobile application. This ensures real-time data capture and digital authentication through OTP-based e-signatures. Reject scorecard developed by the Data Science team is run on every login to reject leads before they enter the system. This helps in improving the efficiency and productivity of the sales, credit and other functions. The system then uploads the completed applications, which are reviewed by a Centralised Data Entry Team before moving to the Operations Team for further verification.

Subsequently, through the Loan Origination System, applications are assigned to Credit Managers. They check for duplicate records, review credit scores, and conduct a mix of online and offline verifications. These may include telephonic discussions or physical site visits, depending on the customer profile.

The interaction method varies based on customer segments. For formally salaried customers, credit discussions are typically conducted over the phone. For self-employed or informally salaried individuals, credit managers perform physical site visits to evaluate income streams, operating expenses, and overall living conditions. These assessments include capturing timestamped photographs of business premises and are combined with EMI obligations to determine loan eligibility. A detailed Credit Appraisal Memo is then prepared and submitted to the appropriate sanctioning authority for approval.

Before disbursement, each loan application goes through three additional layers of evaluation: legal, technical, and risk containment. The legal assessment is conducted by in-house legal teams and empanelled lawyers to verify property documents and confirm clear title ownership. A Regional Legal Manager reviews all legal reports to ensure accuracy and compliance.

The technical assessment involves engineers and empanelled valuers who carry out site visits and property evaluations. For high-value properties, the process includes third-party valuation reviews. Simultaneously, the Risk Containment Unit conducts trigger-based checks, verifies employment certificates, scrutinises documents, and performs geography-specific risk assessments to identify potential fraud. Additionally, high-risk profiles may undergo early-stage personal verification.

Through this four-layered framework of credit underwriting, legal verification, technical evaluation, and risk containment, the Company enforces robust risk management practices. This enables it to serve a broader, financially underserved population with precision and operational excellence.

Loan Collection and Monitoring

The Company has implemented a structured collections framework. It includes tele-calling, field collections, legal recovery, and settlement mechanisms to ensure timely repayments and reduce delinquencies. At the time of disbursement, customers receive multiple repayment options. These include automated clearing house (ACH), and digital payment modes. To enhance its digital infrastructure, the Company has partnered with leading payment service providers.

To improve collections and support timely payments, the Company collects pre-authorised, auto-debit mandates. Where mandate registration is delayed, post-dated cheques are taken in advance. Additionally, the Company's field executives, supported by third-party call centres, support doorstep collections and customer follow-ups. The Company has been successful in ensuring collection from customers, majorly using direct bank mandates and other digital means, thereby reducing cash handling to a minimum.

Aadhar executes its collection strategy through three structured stages:

- **Pre-Delinquency Management**

With the support of the Data Science Management team, customers identified as likely to default are contacted via SMS alerts, pre-recorded voice messages, and reminder calls from tele-callers. These reminders help in ensuring early EMI payments before an account slips into delinquency.

- **Delinquency Management**

For customers who enter delinquency, the Company follows a structured recovery approach. Trained in-house collection agents, supported by digital tools and centralised call centres, manage follow-ups.

Each executive handles a portfolio aligned with disbursement volumes in their assigned geography. A collection mobile app supports field operations with features such as offline access, geo-tagging, geo-tracking, route planning, and scorecards. Digital receipts are issued through SMS links. The operations team tracks these collections and ensures timely deposit reconciliation through in-app controls.

In critical or delayed cases, senior collection personnel may visit customers. Legal notices are issued where repayment ability or intent appears doubtful. Additionally, periodic reviews are conducted, with special focus on high-ticket or consistently overdue accounts.

- **Recovery Management**

For loans classified as NPAs, the Company initiates collateral recovery under the SARFAESI Act, 2002. It works with local authorities when repossession is required. In-house legal teams and empanelled external lawyers are engaged to initiate and oversee legal processes. Where repossession is not effective, but the customer is contactable, the Company pursues alternative legal actions. These include Section 138 of the NI Act and arbitration proceedings.

All field executives are supported with a mobility solution that provides real-time access to borrower data, enabling targeted collections, prompt issue of digital receipts, and enhanced customer service. This integrated, tech-enabled

approach allows Aadhar to maintain strong asset quality while supporting borrowers with accessible and flexible repayment mechanisms.

Treasury Function

The Company maintains a strong and strategic approach to managing its capital requirements and asset-liability obligations through a dedicated treasury department. This department is responsible for liquidity management, interest rate risk mitigation, diversification of funding sources, and the deployment of surplus funds in accordance with the Company's investment policy. It also plays a key role in ensuring optimal capital structure and cost-effective fundraising to support the Company's lending activities and long-term financial stability.

To meet its financing needs, Aadhar taps into a diverse pool of funding sources including term loans, working capital facilities, Non-Convertible Debentures (NCDs), refinancing from the NHB, and subordinated debt from banks, mutual funds, and insurance companies. Aadhar also raises funds via Direct Assignment (DA) and Co-Lending agreements with banks and financial institutions. These arrangements help the Company optimise borrowing costs, enhance liquidity, and ensure sound Asset-Liability Management (ALM).

As of March 31, 2025, the Company's borrowings were composed of 53% loans from banks, 23% from NHB refinancing, 21% from NCDs, and 3% from ECB. The treasury team periodically submits detailed ALM reports to the Asset-Liability Management Committee (ALCO), and these insights are further reviewed by the Board of Directors to support strategic decisions.

To prevent cumulative asset-liability mismatches, the Company implements robust ALM strategies, maintaining an appropriate match between asset maturities and liabilities. The Direct Assignment programme, through which the Company sells pools of Home Loans and Loan Against Property (LAP) to PSU and private sector banks, remains central to its borrowing strategy. This approach strengthens relationships with banking partners and enhances funding flexibility.

To ensure secure borrowing arrangements, the Company has appointed a Security Trustee, approved by its secured lenders, who oversees the Company's pledged assets across its banking relationships.

With a flexible and forward-looking fundraising strategy, the Company is actively working to diversify its funding base, identify new capital pools, and explore international funding sources. These efforts are aligned with its objective to continue offering affordable housing finance, while managing risk effectively and maintaining regulatory compliance.

Together, these strategies ensure the Company remains financially resilient, cost-efficient, and well-positioned to scale its operations while serving the underserved housing finance segment across India.

Risk Management Framework

Risk is inherent in all business activities, and the existence of every financial institution depends on how effectively it manages risks. Aadhar recognises that risk management is integral to sound business practices. Therefore, the Company has implemented an enterprise-wide risk management framework that enables it to manage risks and serve customers and stakeholders. Effective risk management leads to informed decision-making within the organisation's risk appetite. In this regard, risk management forms part of the continuous improvement process to mitigate risks and maximise opportunities.

The Company's risk management was strengthened across all management levels and functional areas. Risk management roles were distributed across the Board of Directors, Audit Committee and Risk Management Committee. The Chief Risk Officer is

responsible for enterprise risk and is tasked with reviewing, analysing, monitoring, and reporting all significant risk areas to the Executive Risk Management Committee, Risk Management Committee, and the Board.

Aadhar has a risk appetite framework approved by the Board of Directors. This framework covers various types of risk to which the organisation is exposed and clearly defines the boundaries for risk acceptance. There is a clear understanding of the Company's desired risk appetite. As part of the process, the framework is updated in response to changing internal and external environments. This ensures a thorough understanding of and ability to measure the risks the organisation is or may be facing. Furthermore, Aadhar has a well-defined reporting mechanism to highlight stressed risk appetite parameters, along with an escalation and reporting structure to address them.

Aadhar has documented Internal Capital Adequacy Assessment Process (ICAAP) policy and model in place for identifying and measuring risks, maintaining an appropriate level of internal capital relative to its risk profile, applying mitigation techniques, and further developing suitable risk management systems. It also encompasses comprehensive strategies and procedures for continuous evaluation and regular review, composition and distribution of internal capital considered adequate to cover current and future risks in both quantitative and qualitative terms. ICAAP is an ongoing process, and the Company submits a written record of its outcome annually to the Board of Directors.

Details on identification, assessment and measurement, mitigation, and reporting and monitoring of each key risk are provided below:

Credit Risk

Credit risk management is a vital component of Aadhar's risk management framework, ensuring effective assessment, monitoring, and mitigation of potential losses arising from the inability of borrowers or counterparties to meet their financial obligations.

The Company maintains robust and thorough underwriting systems to ensure the financial soundness of its operations. Its comprehensive underwriting process involves Board-approved policies to effectively manage credit risks, defining customer selection criteria, credit acceptance criteria, credit underwriting processes for sanctioning of loans, and a business mix designed to mitigate portfolio risk.

Portfolio quality improvement is a continuous exercise. The Company has implemented automated analytics to monitor performance of the portfolio basis key parameters and segments like business mix, bouncing, delinquency, branches, and regions.

Operational Risk

Operational risk is a complex category and is impacted by numerous factors such as internal business processes, regulatory environment, business growth, customer preferences, technological advancements, new business models/products/services, third-party interactions, and even factors external to the organisation.

Operational risk management is a fundamental component of the Company's broader risk management strategy, focussing on identifying, assessing, and mitigating risks arising from inadequate or failed internal processes, systems, people, or external events. Operational risk is inherent in all financial products, activities, processes, and systems, and encompasses all risks except credit and market risks.

Aadhar has Board-approved Operational Risk Management Policy that defines the framework, governance structure, roles and responsibilities of three lines of defence, training to enhance awareness and risk culture, and operational risk identification and monitoring tools. These include Key Risk Indicators (KRIs) and Early

Warning Signals (EWS) for trend analysis; Risk and Control Self-Assessment (RCSA) to identify risks and assess control effectiveness; and the tracking and analysis of operational risk incidents and losses arising from such events.

The Company's operational risk management framework involves management of the following subcategories of operational risks:

A) Third-Party Risk Management

Increased usage of third-party services requires a structured third-party risk management framework to mitigate risks like third-party dependency, reputational damage, and data breaches involving third parties. Aadhar has defined a framework to identify and reduce risks related to the use of third parties (including intragroup entities) and conducts due diligence before entering into arrangements with them.

B) Fraud Risk

As a financing organisation dealing with people and processes, the Company is exposed to frauds, both internal and external. Aadhar has a Risk Containment Unit (RCU) to prevent, detect, investigate, and respond to fraudulent activities across all levels of the organisation. Potential frauds are discussed by the Internal Fraud Risk Committee. Altogether, an effective fraud risk management builds a resilient defence against financial deception.

C) Compliance Risk

Aadhar may be susceptible to financial penalties, legal consequences, reputational damage, and material loss if it fails to comply with legal regulations, industry standards, or recommended best practices. A separate compliance team (second line of defence), led by the Chief Compliance Officer (CCO), manages the Company's regulatory compliance.

D) Reputational Risk

Reputation risk refers to the current or prospective risk to earnings and capital arising from adverse perceptions of the institution's image by customers, counterparties, shareholders, investors and/or regulators. Aadhar conducts business from multiple locations, employing hundreds of employees, and focussing on the low-income housing finance segment in the country. Hence, the Company is committed to delivering superior customer service, strengthening its grievance redressal mechanism, and improving its ESG practices. The Company has also recognised this as a material risk in its ICAAP Policy.

E) Technology Risk

Technology risk refers to the potential for technology failures to disrupt business operations, such as information security incidents or service outages. It also involves management technology infrastructure failure that could compromise cybersecurity and business intelligence. To this end, the Company has established a Board-approved IT Policy with defined a governance structure, processes and controls required to be maintained in relation to IT systems.

Information Security and Cybersecurity

The organisation has proactively identified key information-related security risks and implemented targeted mitigation strategies to enhance its security posture:

A) Cyber Threats

There has been a notable increase in worldwide phishing, ransomware, Distributed Denial-of-Service (DDoS) attacks,

and Advanced Persistent Threats (APTs), especially those targeting financial assets and customer data.

Mitigation Measures: Deployment of next-generation firewalls, integration of threat intelligence feeds, 24/7 Security Operations Centre (SOC) monitoring, and regular penetration testing.

B) Third-Party Risk

The growing reliance on vendors and cloud services has introduced vulnerabilities across the supply chain.

Mitigation Measures: Enforcement of third-party risk assessments, incorporation of security Service Level Agreements (SLAs) into contracts, and periodic monitoring of vendor security practices.

C) Insider Threats

Risks related to unauthorised access or negligent behaviour by internal employees or contractors remain a concern for information security in financial organisations.

Mitigation Measures: Implementation of Data Loss Prevention (DLP) tools, Privileged Access Management (PAM), and delivery of insider threat awareness training programmes.

D) Regulatory Compliance

There is a continuous risk of non-compliance with evolving financial regulations.

Mitigation Measures: Regular compliance audits and ongoing updates to policies and procedures in alignment with global regulatory standards.

E) Data Leakage

The potential loss of sensitive customer or financial data due to system misconfigurations or external breaches poses a critical risk.

Mitigation Measures: Use of encryption (both at rest and in transit), data tokenisation, and comprehensive endpoint protection.

F) Legacy Systems

Outdated infrastructure and software components increase the organisation's exposure to security vulnerabilities.

Mitigation Measures: Migration of critical services to modern cloud platforms equipped with built-in security capabilities.

G) Credential Compromise

Weak or reused credentials can lead to unauthorised access to critical systems and data.

Mitigation Measures: Enforced the use of Multi-Factor Authentication (MFA) and the introduction of password less authentication mechanisms for high-risk systems.

Strategic Initiatives

A) Zero-Trust Architecture

- Transition to a Zero-Trust model to reduce implicit trust across systems.
- Implement micro-segmentation throughout the network.
- Enforce least-privilege access controls with continuous authentication.

B) Employee Awareness and Training

- Strengthen the human firewall.
- Conduct periodic phishing simulations.
- Launch gamified cybersecurity awareness programmes.

C) Incident Response Maturity

- Improve detection and response speed and accuracy.
- Automate threat response via Security Orchestration, Automation, and Response platforms.
- Conduct regular blue team exercises.

D) Data Governance and Protection

- Reinforce data classification, governance, and lifecycle management.
- Enhance classification tools and automated retention and deletion workflows.
- Align with NIST and ISO 27001 frameworks.

Over the last few years, Aadhar has significantly enhanced its cybersecurity posture by adopting proactive defences, enforcing rigorous policies, and aligning with global standards. As cyber threats continue to evolve, the Company remains committed to staying ahead through innovation, strategic investments, and continuous education.

Interest and Liquidity Risk

The Company defines market risk as the risk of valuation loss or reduction in expected earnings stemming from adverse fluctuations in interest rates and credit spreads.

Liquidity risk is the risk of incurring losses due to an inability to meet payment obligations promptly when they fall due.

Aadhar has established a framework for managing liquidity and interest rate-related risks, as outlined in its Asset-Liability Management (ALM) Policy, which includes:

- Structural Liquidity Statement
- Liquidity Coverage Ratio (LCR) and Stock-Based Approach
- Dynamic Liquidity Report

The Company has a Board-approved Investment, Interest Rate and Resource Planning Policy to limit exposure and plan funding by taking into consideration the associated pricing. In addition, it has implemented a robust mechanism to comprehensively track cash flow mismatches under both normal and stressed conditions, along with critical ratios.

Branding and Marketing

The Company is committed to building a strong and lasting connection with its customers by combining localised outreach initiatives with digital engagement strategies. Recognising the diversity of its customer base, Aadhar undertakes a range of grassroots marketing efforts to ensure deep penetration and brand relevance across urban, semi-urban, and rural markets.

On-ground activities include branding of Direct Selling Agents (DSAs) and Aadhar Mitras, use of wall paintings, local advertising, and branded signage boards to increase visibility in key geographies. These efforts are complemented by the distribution of branded merchandise to sales teams and partners, reinforcing brand presence at every customer touchpoint and strengthening recall value.

In the digital space, the Company actively utilises its social media platforms to engage with both potential and existing customers. Through timely posts and updates, the Company promotes its product offerings, shares useful financial information, and communicates new initiatives in a cost-efficient and interactive manner. Its official website and call centre play a key role in lead generation and business sourcing, offering a seamless experience for users seeking housing finance solutions.

Additionally, the Company invests in public relations (PR) to further broaden awareness among stakeholders and the public. These multi-channel initiatives help the Company maintain a strong brand identity, enhance its credibility in the market, and foster trust with its target audience.

Through this integrated marketing approach, balancing local presence with digital reach, the Company continues to build a meaningful, trusted brand that resonates across all segments of its growing customer base.

Outdoor Marketing Activities During the Year

- Conducted 72 PMAY Spot Sanction Camps, generating over 1,700 hot leads.
- Organised 293 PMAY Home Loan Utsav events, resulting in more than 2,100 hot leads.
- Held 13 additional Spot Sanction Activities, yielding over 440 hot leads.
- Executed 12,026 Aadhar Parichay and 8,365 Leaflet Distribution drives, collectively generating over 33,000 hot leads.
- Facilitated 6,447 CSC (Common Service Centre) activities, contributing more than 13,250 hot leads.
- Completed wall painting campaigns at 619 locations, covering a total area of 8,06,600 sq. ft.
- Launched a Jio Store campaign across 160 outlets in Gujarat and Karnataka.
- Rolled out the Aadhar-CIDCO OOH (Out-of-Home) campaign at 25 key locations in Mumbai.
- Conducted festive branding campaigns in Maharashtra and West Bengal during Ganesh Chaturthi and Durga Puja.
- Participated in the Red FM Loan Carnival, generating 30 qualified leads.

Information Technology: Enabling a Digital Future

Aadhar has evolved into a truly digital-first lending organisation, embedding technology into every aspect of its operations. The Company's commitment to digital transformation has redefined how it serves its customers and enhanced operational efficiency. It also helps ensure regulatory compliance. By using advanced solutions, Aadhar has built a scalable, secure, and customer-centric ecosystem, ranging from an advanced loan management platform to mobility solutions and automation-driven efficiencies. This technology-driven approach fuels business growth and delivers seamless, innovative, and hassle-free financial experiences to the Company's customers.

Scalable Lending Platform: Powering Growth with Agility

In a rapidly evolving financial ecosystem, scalability and efficiency are key to sustained growth. Over the past four years, Aadhar has significantly strengthened its technology infrastructure by deploying a cloud-based data centre and launching the TCS Lending and Securitisation Platform. This robust and scalable core system seamlessly integrates with third-party ecosystems, ensuring smooth digital lending operations.

With a data-driven approach, the Company's lending platform facilitates:

- Seamless customer onboarding and loan application processing.
- Real-time credit underwriting using cognitive rule-based policies.
- Automated fraud and risk control mechanisms.
- Efficient loan disbursement, repayment scheduling, and NPA tracking.
- Real-time integration with agencies like CIBIL, CRIF, CERSAI, and PMAY.
- Digital collections management and real-time account allocation for agents.

These enhancements have streamlined Aadhar's loan lifecycle, reduced turnaround time and costs, and ensured compliance.

Mobility Initiatives: Redefining Digital Experience

Recognising the need for accessibility and efficiency, the Company has placed mobility technology at the forefront of its digital strategy. Its mobility solutions empower both customers and employees with anytime, anywhere access to critical services. Key mobile initiatives include:

- **Sales Mobility App:** Facilitating 100% paperless customer onboarding.
- **Collections (Debt Management) App:** Enabling field agents to collect payments electronically with real-time e-receipting.
- **Customer App (Available in English and Hindi):** Providing secure account access, digital onboarding, and seamless CRM integration for raising service requests.
- **All-in-One Employee App:** Streamlining internal workflows and approvals.
- **Field Technical Scrutiny App:** Digitising site inspections and assessments.
- **Personalised Digital Welcome Kit:** Enhancing customer engagement from the start.

These mobility solutions and various services at the fingertips have significantly increased customer satisfaction and operational efficiency, while ensuring compliance adherence, leading to cost savings and improved service delivery.

Process Automation: Driving Operational Excellence

Automation has been a key pillar of Aadhar's digital transformation strategy, enabling efficiency, accuracy, and scalability. The Company has proactively implemented automation to optimise critical business operations, reducing manual intervention and enhancing process efficiency.

Key automation initiatives include:

- Automated KYC verification
- Automated bureau verification

- Automated EPFO verification
- Bank statement analyser for enhanced loan decisioning
- E-stamping and e-signing for digital loan execution

One of the Company's key enablers in automation has been Robotic Process Automation (RPA), used by Aadhar to streamline repetitive, rule-based tasks. With over 30 automated processes, the Company has successfully saved 1,000+ person-days, allowing its workforce to focus on high-value activities. By embracing RPA, the Company has minimised errors, improved processing speed, and strengthened compliance, setting the stage for a more agile and efficient operational framework.

In-House Fintech Capabilities: Deploying Tailored Digital Solutions

Understanding the dynamic nature of its business, Aadhar has invested in developing bespoke digital solutions in-house. More than 15 digital modules have been created to enhance customer experience, regulatory compliance, and operational efficiencies. Some of the key initiatives include:

- **Customer DIY/Web Portal** for self-service.
- **Partner Portal** to streamline channel partner onboarding and servicing.
- **Digital Vendor Onboarding** for seamless vendor management.
- **Digital Lead Generation** through integration with various fintech partners to improve customer acquisition.

Additionally, Aadhar's centralised payment platform has simplified online collections, making digital transactions more accessible to customers.

Robust IT Infrastructure: Ensuring Reliability and Security

A strong IT infrastructure is essential to support business continuity and secure operations. The Company has established a dedicated IT infrastructure, with a primary data centre in Mumbai, and a disaster recovery (DR) centre in Hyderabad. Aadhar's major branches are equipped with an SD-WAN network, ensuring:

- AI-enabled granular monitoring.
- Firewall protection and intrusion detection.
- Advanced malware protection and web content filtering.

Additionally, the Company's automated server load balancing mechanism ensures high uptime, improving customer service and business operations.

Information Security: Implementing a Layered Approach to Protection

Security is a core aspect of Aadhar's IT strategy. The Company follows a layered security architecture to safeguard customer data and financial transactions. Key initiatives include:

- Endpoint protection with EDR New Generation Anti-Virus solutions and BitLocker encryption.
- Annual vulnerability assessments and penetration testing.
- SSL certification updates for secure website access.
- Web Application Firewall (WAF) to mitigate cyber threats.
- Email security with BIMi to prevent phishing attacks.
- Automated regulatory compliance reporting through compliance software.

Furthermore, the Company has established the Aadhar Data Vault for secure number storage, safeguarding customer privacy and ensuring compliance with government regulations and legal requirements.

Driving the Future with Innovation

As Aadhar continues to grow, its focus remains on using technology to create seamless, secure, and customer-centric financial experiences. The Company's investments in AI-driven analytics, automation, mobility, and fintech capabilities puts it at the forefront of digital transformation in the housing finance sector.

By continuously innovating and optimising its IT ecosystem, Aadhar is enhancing its business efficiency and empowering its customers with greater control and convenience in their financial journey. Moreover, the Company's technology-led objective is paving the way for a future-ready, scalable, and customer-first organisation.

Data Analytics

The Company has embraced a data-driven strategy, led by a dedicated Chief Data Officer (CDO) and a skilled data science team. This approach enables efficient scaling, sharper decision-making, and better business outcomes through advanced analytics, artificial intelligence (AI), and machine learning (ML).

The centralised data science team includes data engineers, data scientists, and experts in visualisation and discovery. Together, they help optimise key business processes. The team collaborates with risk, collections, and operations teams to integrate data intelligence into the Company's strategic framework.

This system enables the Company to standardise data, establish a single source of truth, and create a cloud-ready infrastructure for efficient analytics. By embedding generative AI, data governance, and security protocols into every layer of its analytics stack, Aadhar ensures compliance, builds trust, and drives agile, informed decision-making across the enterprise.

Key focus areas of the Company's data science team include:

- Strengthening asset quality through advanced risk analytics to support more accurate and data-backed credit underwriting decisions.
- Conducting collections analytics to identify high-risk customer cohorts early, enabling timely interventions to mitigate defaults.
- Automating risk-based pricing models to refine credit risk evaluation, improve approval rates, and optimise pricing strategies, ultimately enhancing profitability and yield.
- Aligning branch expansion strategies with data insights, ensuring that new locations are selected based on analytical forecasts and performance potential.

Through these initiatives, the Company aims to deeply integrate data analytics into its business model. The use of predictive modelling and AI not only enhances risk management but also contributes to operational efficiency, strategic planning, and a more agile and responsive decision-making process. By continuing to evolve its analytics capabilities, the Company is well-positioned to stay ahead in a dynamic and competitive lending environment, using data as a powerful asset for growth and sustainability.

Branch Audit Dashboard

The Internal Audit team has developed a customised branch audit dashboard with the help of the Data Science Team wherein data analysis 2 types of functions of branch audits have been automated:

- Daily Cash Register (DCR) and Cash Management System (CMS) have been automated. The Internal Audit Department uploads the file in the required format on the Data Science portal, and the report is generated along with detailed analysis for the amount deposited, TAT, and the name of the person depositing the amount. This functionality has reduced the manual effort required by auditors to analyse cases where the amount is not deposited, is short deposited, or where TAT is violated.

Internal Audit Software- Pentana

The launch of our audit management software, Pentana – 'AHFL Audit Application', has simplified the auditing process. Audits are now conducted using this software, which enables us to raise observations and monitor actionables through the system. It also serves as a central repository for gathering and preserving observations and evidence.

ESG & Environment Responsibility

As part of its ongoing commitment to sustainable development and environmentally responsible construction, the Company continued to advance the Green Building Certification initiative during the financial year 2024–25. This programme encourages builders and developers to adopt eco-friendly construction practices and obtain recognised green building certifications.

Under this initiative, Branch Technical Managers (BTMs) play a crucial role in identifying eligible projects and guiding developers through the certification process. The objective is to not only enhance the environmental compliance of financed projects but also align with broader national and global green finance trends.

Key Highlights:

- A total of 70 projects were certified under the Green Building initiative during 2024–25.
- Karnataka (KTK) led the initiative with 44 certified projects, demonstrating strong regional adoption of sustainable construction practices.
- Regions such as Rajasthan, Gujarat, and Tamil Nadu also recorded active participation in the programmes.

This initiative continues to support the Company's broader ESG (Environmental, Social, and Governance) objectives and contributes to the long-term sustainability and resilience of its lending portfolio.

Human Resources

At Aadhar, employees are not just part of the business—they are the business. Every success, every milestone, and every celebration is driven by their passion, commitment, and aspirations. This people-first culture is not merely a philosophy; it is the foundation of everything the Company does.

The Company is proud to have earned the Great Place to Work® Certification for the sixth consecutive year, and to once again be named among India's Top 50 Best Workplaces in Health & Wellness 2024. These recognitions are not just accolades—they reflect the Company's continued commitment to creating a workplace where people feel safe, supported, and inspired to grow.

Over the past year, the Company has prioritised ensuring every employee feels seen and valued. Through its flagship recognition platform, 'Aadhar Sammaan', over 1,000 high-performing individuals were recognised for their contributions. The Long Service Awards celebrated 175 employees who have been part of the journey for five to twenty years—a testament to the enduring relationships the Company has nurtured.

At Aadhar, work is not just about performance—it is about shared experience. From celebrating festivals like Diwali, Navratri, Eid, and Christmas to commemorating national days with pride, the Company's offices across India reflect a vibrant spirit of unity and cultural celebration.

The Company has continued to invest in employee well-being through a variety of initiatives, including sports tournaments, health check-ups, and expert-led wellness sessions. Regular townhalls, under the banner of 'Seedhi Baat Aadhar Ke Saath', have enabled the leadership to engage directly with employees, fostering transparency, trust, and open communication.

Internal career growth remains a core focus. Over 100 roles were filled through Internal Job Placement (IJP) programs, and 85% of apprentices from key functions such as Credit, Operations, and Technical transitioned into full-time positions. The UDAAN programme has further accelerated the careers of high-potential talent.

Learning and leadership development continue to be central to the Company's strategy. The iLEAD programme, in collaboration with NMIMS, equips first-time managers with leadership skills, while the LEADD programme focusses on strengthening the capabilities of branch managers through real-world business and behavioural training. With an average of 2.10 training days per employee, a culture of continuous learning is deeply embedded within the Company.

At Aadhar everything is built on a simple belief: when the Company takes care of its people, everything else falls into place. The Company is not just building a workplace—it is cultivating a thriving community where every individual is respected, empowered, and inspired to grow.

Corporate Social Responsibility

Corporate Social Responsibility (CSR) remains a strategic priority for Aadhar, closely aligned with its aim of promoting inclusive and sustainable development. Far from being a supplementary effort, CSR is embedded into the Company's business philosophy, reflecting a strong commitment to ethical conduct, social responsibility, and stakeholder engagement. Rooted in the principles of sustainability, accountability, and transparency, Aadhar's CSR strategy focusses on tackling key developmental challenges through structured, impact-oriented initiatives.

Aadhar's CSR framework emphasises long-term value creation over short-term relief, seeking to empower communities through initiatives that are scalable, sustainable, and responsive to evolving social needs. Key thematic areas, including healthcare, education and skill development, environmental conservation, and sports promotion, are selected based on their potential to deliver measurable, lasting outcomes. Furthermore, the Company places significant importance on stakeholder accountability, ensuring every programme is monitored, evaluated, and aligned with defined social objectives and regulatory requirements.

In recent years, Aadhar's CSR initiatives have grown in both scale and impact, reaching varied communities across several states and regions. The Company has introduced programmes focussed on

healthcare access, education, skill development, environmental restoration, and sports development, each carefully designed to deliver tangible benefits for targeted communities. These efforts aim to promote social equity, improve livelihoods, increase access to essential services, and encourage environmental responsibility. Together, they support the holistic development of communities.

Employee involvement builds a culture of volunteerism and social responsibility within the organisation. By engaging employees directly, the Company deepens its connection with the communities it serves and promotes a sense of shared responsibility. Through these CSR efforts, Aadhar also supports national development goals, reflecting its commitment to act as a responsible and socially aware corporate entity.

Internal Control

The Company has built a strong internal control framework aligned with its scale, complexity, and regulatory environment. This framework rests on a culture of integrity, ethics, and accountability, ensuring adherence to high standards of corporate governance. It supports compliance with regulations, protects assets, prevents fraud and errors, and ensures accurate financial reporting. It also enables timely preparation of reliable financial statements, fostering transparency and informed decision-making.

The framework is supported by a combination of in-house audit mechanisms and external independent auditors. In addition to the dedicated internal audit team, the Company engages a professional audit firm to conduct regular internal and process audits. These assessments verify adherence to established control policies and identify areas for operational improvement. The Company also deploys monitoring tools, transaction tracking systems, data backup protocols, and contingency plans to safeguard business continuity and resilience.

Audit Committee meetings are held at regular intervals to review internal audit findings and initiate corrective actions where necessary. These meetings play a key role in strengthening the risk management framework, enforcing accountability, and enhancing internal control practices across the organisation.

Cautionary Statement

It is important to note that past performance is not necessarily indicative of future results. Certain statements in this Management Discussion and Analysis (MD&A) may constitute 'forward-looking statements' within the meaning of applicable securities laws and regulations. These statements reflect the Company's current beliefs, expectations, and intentions regarding future events, actions, or developments. 'Forward-looking statements' are generally identified by words such as 'believe', 'plan', 'anticipate', 'continue', 'estimate', 'expect', 'may', 'will', and similar expressions. They may also include underlying assumptions or bases for such statements. Actual results may differ materially from those expressed or implied due to a variety of internal and external factors beyond the Company's control. The Company undertakes no obligation to update, revise, or amend any 'forward-looking statements' in this MD&A following its publication, whether as a result of new information, future events, or otherwise.

Board's Report for the Financial Year 2024-25

Dear Members,

The Board of Directors of Aadhar Housing Finance Limited ("**your Company**" or "**the Company**" or "**Aadhar Housing**" or "**AHFL**") are pleased to present the 35th (Thirty- Fifth) Annual Report and the Audited Financial Statements (Standalone and Consolidated) of your Company for the financial year ended March 31, 2025 ("**financial year under review**"). Your Company is a Housing Finance Company registered with National Housing Bank ("**NHB**") and regulated & controlled by Reserve Bank of India ("**RBI**") and supervised by NHB. Aadhar Housing is engaged in providing housing finance to the lower income segment of the society. Aadhar Housing is currently operating out of twenty-one states and union territories of India with a branch network of over 580 branches and there is no change in business of the Company during the financial year 2024-2025.

1. Financial Performance of AHFL (Standalone):

(₹ in crore)		
Particulars	March 31, 2024	March 31, 2025
AUM	21,121	25,531
Income	2,587	3,109
PAT	749	912
Net Worth / Total Equity	4,446	6,368
CRAR	38.46%	44.61%
CRAR – Tier I Capital	37.74%	44.07%
CRAR – Tier II Capital	0.72%	0.54%
Retail NPA (on retail AUM)	1.08%	1.05%
ROE %	18.4%	16.9%

About AHFL:

- The Company is focused on low-income segment (ticket size less than Rs 15 Lakhs) with an AUM of ₹ 25,531 crores.
- Low concentration risk due to wide geographical presence: Presence across 21 states and union territories with diversified exposure across locations; no single state contributes to more than 14% of AHFL's AUM.
- 100% secured retail advances with an average ticket size of ₹ 10.3 Lakhs, high share of low-risk salaried customers viz. 56% of AUM and moderate LTV ratios of 59% and majority of the mortgage portfolios satisfy the Priority Sector Lending criteria prescribed by RBI/NHB.
- 17,000+ Aadhar Mitra's (including 2000+ Mahila Aadhar Mitras) help in building out a low cost and wide distribution network.
- High asset quality: The Gross NPA on AUM stood at 1.05% for the year ended March 31, 2025. Provision Coverage Ratio on NPA Assets (Stage 3B carrying value) at 34.54%.
- Strong liquidity: High liquid assets/cash & bank balances of ₹ 2,100 crores as at March 31, 2025 in addition to unutilized Banks' sanction lines.

2. Major Developments during the year

During the year the Company launched its public offering, comprising a fresh issue of ₹ 10,000 million ("**Fresh Issue**") and an offer for sale of ₹ 20,000 million ("**Offer for Sale**"). The issue opened on May 08, 2024 with a price band of ₹ 300 - ₹ 315 per equity share and closed on May 10, 2024, oversubscribed by 26 times.

The IPO Committee of the Company at its meeting held on May 13, 2024, approved the allotment of 31,763,535 equity shares and transfer of 63,492,063 equity shares comprising total of 95,255,598 Equity Shares at the Offer price of ₹ 315 per Equity Share (including a premium of ₹ 305 per Equity Share), aggregating to ₹ 30,000 million, pursuant to the Offer in accordance with provisions of Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 ("**SEBI ICDR Regulations**"). Further, a discount of ₹ 23 per Equity Share was offered to the Eligible Employees bidding in the Employee Reservation Portion, in accordance with SEBI ICDR Regulations. The Company's equity shares got listed on BSE Ltd ("**BSE**") & National Stock Exchange of India Limited ("**NSE**") (collectively referred to as "the Stock Exchanges") on May 15, 2024.

Subsequently, pursuant to the in-principle approvals granted by BSE and NSE on July 03, 2024 and July 09, 2024, eligible employees have exercised the stock options vested to them under Aadhar Housing Finance Limited – Employees Stock Option Plan 2018 ("**ESOP 2018**") and Aadhar Housing Finance Limited – Employee Stock Option Plan 2020 ("**ESOP 2020**"). Consequently, the paid-up share capital of the Company increased from ₹ 4,265,185,050 as on May 15, 2024 to ₹ 4,313,844,590 as on March 31, 2025.

During the year, the Company has issued unlisted Non-Convertible Debentures of INR equivalent to USD 60 million to Asian Development Bank. Further, the Company has also availed its maiden External Commercial Borrowing (ECB) of USD 50 million at competitive pricing. The ECB has been fully hedged for the entire tenure of the facility.

3. Initiatives towards funding of the Green Housing Projects

Your Company and International Finance Corporation ("**IFC**"), a member of the World Bank Organization, are collectively engaging for developing a Green Affordable Housing value proposition in the self-construction segment and creating a roadmap for launching this proposition in full scale.

A green home is one that reduces expenditure on electricity and water so you can save at least 20% on your electricity and water bills and it provides a healthier indoor environment and does not harm the planet.

The following green initiatives were taken during the FY 2024-25

- Successful implementation of green home product across 12 regions apart from pilot region and defined objective, roles, and targets for the regions.
- Design and implementation of training module on managing unconscious bias and gender sales.
- Successful implementation of green home product marketing within the regions.

- Green Home awareness sessions with Suppliers, Developers, and internal participants across multiple regions with more than 500 participants.
- Successful empanelment of certification agency for green homes.
- Successfully completion of 1st Batch in Green Homes on Feb -24.
- Successful distribution of Green Home certificates and subsidy amount as a benefit to the certified homes as Green.
- Training on CAFI tool to report development - How CAFI interfaces and interacts with EDGE to measure and monitor impact of affordable green housing finance.

Through this project, the Company and IFC aim to educate and help the under served section of the society, benefit from the environment friendly and cost-efficient housing.

Key Highlights:

- A total of 70 projects have been certified under the green building initiative in FY 2024-25.
- Karnataka leads significantly with 44 certified projects, showcasing strong adoption of green building practices in the region.
- Other regions such as Rajasthan, Gujarat and Tamil Nadu have also shown active participation.

This initiative continues to support our ESG (Environmental, Social, Governance) goals and enhances the long-term sustainability of our lending portfolio.

4. Management Discussion and Analysis Report

In accordance with the applicable provisions of the Master Direction issued by the Reserve Bank of India for Housing Finance Companies, a detailed analysis of the Company's performance is discussed in the Management Discussion and Analysis Report, which forms part of this Annual Report.

5. Changes in the Directors and Key Managerial Personnel

Board of Directors ("the Board")

- The Members at the Annual General Meeting of the Company held on September 14, 2024, considered and approved the appointment of Dr. Punita Kumar Sinha (DIN : 05229262) as an Independent Director, for a period of five years w.e.f. August 07, 2024 to August 06, 2029.
- The term of Dr. Nivedita Haran, Independent Director (DIN: 06441500) has expired at the conclusion of the 34th Annual General Meeting (AGM). The Board places on record its appreciation for the invaluable services rendered by Dr. Haran during her tenure as Independent Director of the Company.
- Pursuant to Section 152 of the Companies Act, 2013 ("Act"), Mr. Prateek Roongta (DIN: 00622797), Non-Executive (Nominee) Director retires from the Board by rotation and being eligible, offers himself for re-appointment at the ensuing 35th Annual General Meeting of the Company.
- The Board of Directors at their meeting held on May 06, 2025, based on recommendation of the Nomination and Remuneration Committee of the Board approved the appointment of Mr. Raj Vikash Verma, Additional

Independent Director (DIN:03546341). Subject to the approval of Members of the Company at the ensuing AGM, it is proposed to appoint Mr. Raj Vikash Verma as Independent Director of the Company for a period of 5 years with effect from May 06, 2025 to May 05, 2030.

- The Nomination and Remuneration Committee of the Company and the Board of Directors have recommended the appointment/ re-appointment of Mr. Raj Vikash Verma and Mr. Prateek Roongta. A detailed profile of the Directors seeking appointment / re-appointment is provided in the Notice of the 35th Annual General Meeting of the Company.

Key Managerial Personnel

During the financial year under review, there were no changes in the Key Managerial Personnel of the Company.

6. Share Capital Structure:

Your Company's capital structure as at March 31, 2025 is given in the below table:

Share Capital	Amount in ₹ crores
Authorised Share Capital (50,00,00,000 Equity Shares of ₹ 10 each)	500.00
Issued, Subscribed and Paid-up Share Capital (43,13,84,459 Equity Shares of ₹ 10 each)	431.38

Changes in Capital Structure and shareholding position:

During FY 2024-25, your Company successfully launched an Initial Public Offer by way of an offer for sale of 63,492,063 Equity Shares by the promoter of the Company, BCP Topco VII Pte. Ltd. ("Promoter Selling Shareholder") aggregating to ₹ 20,000 million, ("Offer for Sale") and further a fresh issue of 31,763,535 Equity Shares by the Company aggregating to ₹10,000 million ("Fresh Issue"). Consequently, the issued, subscribed and paid-up share capital increased from ₹ 3,947,549,700 as on March 31, 2024 to ₹ 4,265,185,050 as on May 15, 2024.

Subsequent to the Initial Public offer, eligible employees exercised their stock options resulting in allotment of 4,865,954 equity shares of the Company during the year. As a result, the paid-up Equity Share capital of the Company stands increased from ₹ 4,265,185,050 as on May 15, 2024 to ₹ 4,313,844,590 as on March 31, 2025.

As a result of the above, the promoter shareholding reduced from 98.72% as on March 31, 2024 to 75.61% as on March 31, 2025.

Strong Parentage of the BCP Topco VII Pte. Ltd. (A Blackstone Group entity)

The Company enjoys a strong parentage of our Promoter Company and benefits from the resources, relationships and expertise of Blackstone, one of the world's leading investment firms. Blackstone's asset management businesses include investment vehicles focused on real estate, private equity, public debt and equity, growth equity, opportunistic, non-investment grade credit, real assets and secondary funds, all on a global basis. Through its different businesses, Blackstone had total assets under management of over USD 1.20 trillion as of March 31, 2025. Currently, the Board of Directors of the Company has 3 Nominee directors from the Promoter group.

The shareholding pattern of the Company at the end of the financial year is as mentioned below :-

List of Shareholders & percentage of holding as on March 31, 2025

Sr. No.	Name of Shareholders	No. of Equity Shares held	Percentage of shareholding
1	Promoter & Promoter Group	32,61,91,357	75.61%
2	Public	10,51,93,102*	24.39%
Total		43,13,84,459	100.00%

*Includes 26,100 bonus shares kept in abeyance in the Unclaimed Suspense Account of the Company pertaining to shareholders who are holding shares in physical form and have not yet provided their demat account details.

Post listing of the equity shares, the Company uploads the shareholding pattern as on the end of each quarter on the websites of the Stock Exchanges as required under regulation 31 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

7. Financial Performance

7.1 Financial summary and highlights of the Company:

Your Company takes pleasure in presenting the standalone and consolidated reports on the operational and business performance, along with the audited financial statements for the financial year ended March 31, 2025.

Financial summary and highlights of the Company are given as following :

(Rs in crores)

Particulars	Standalone		Consolidated	
	2024-25	2023-24	2024-25	2023-24
Total Income from Operations	3108.62	2,586.65	3108.91	2586.99
Less:				
Total Expenditures	1934.81	1,627.42	1935.65	1627.40
Profit before Taxes	1173.81	959.23	1173.26	959.59
Provision for Taxes	261.70	210.72	261.43	209.95
Profit after Taxes	912.11	748.51	911.83	749.64
Appropriations:				
Transfer to Special Reserve under NHB Act	182.43	149.70	182.43	149.70
Transfer to General Reserve	0.00	74.85	0.00	74.85
Transfer to Debenture redemption reserve	0.00	0.00	0.00	0.00
Retained Profits	729.68	523.96	729.40	525.09
Balance at the beginning of the year	1650.36	1126.40	1652.04	1126.95
Balance at the end of the year	2380.04	1650.36	2381.44	1652.04
Earnings per share- Basic	21.44	18.96	21.43	18.99
Earnings per share- Diluted	20.85	18.32	20.85	18.35

Note: Consolidated financials include financials of wholly owned subsidiary Aadhar Sales and Services Private Limited.

7.2 GNPA and ECL Provision (including additional provision):

a) GNPA :

Particulars	As at 31st March, 2025	As at 31st March, 2024
GNPA on AUM (%)	1.05%	1.08%
GNPA on Own Book (%)	1.08%	1.10%

b) Your Company provides for Non-Performing Assets (NPAs) using the Expected Credit Loss Model prescribed under Ind AS 109.

c) Your Company's gross loan assets are ₹ 20727.13 crores as at March 31, 2025 (₹ 17111.15 crores as at March 31, 2024). Your Company is carrying an impairment

allowance of ₹ 243.03 crores as at March 31, 2025 (₹ 208.21 crores as at March 31, 2024). The ECL provision coverage ratio on Stage 3B (NPA Assets) is 34.54% as at March 31, 2025 (41.36% as at March 31, 2024).

e) Based on the current information available, the Company has estimated various scenario analysis and applied management overlays based on the policy approved by the Board, while arriving at the provision for impairment of financial assets which the Management believes is adequate. As at March 31, 2025, your Company is carrying a management overlay provision of ₹ 58.51 crores.

The provision under the Expected Credit Loss Model is higher than the Income Recognition and Prudential Norms by ₹ 79.10 crores.

7.3 Financial Ratios:

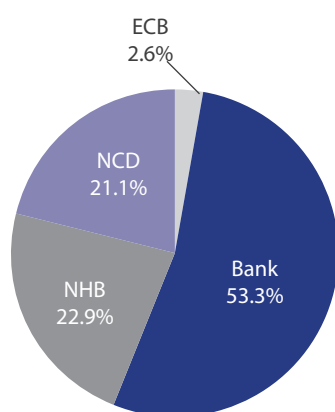
The main financial ratios of the Company are-

Particulars	2024-25	2023-24
Earning per share (EPS) (in ₹)	21.44	18.96
Capital to Risk Asset Ratio (CRAR)	44.61%	38.46%
Net Debt Equity Ratio (DE Ratio)	2.31	2.93
Net Owned Fund (NOF) (in ₹)	5789.83 crore	4,067.60 crore

8. Resource Mobilisation:

Your Company's Resource Planning Policy has been approved by the Board. The Company has obtained approval for borrowings vide special resolution passed by the shareholders at their Annual General Meeting held on September 14, 2024 under Sections 42, 71, 180(1)(c) read with 180(1)(a) of the Act or other applicable provisions and has authorised the Board of Directors / Management Committee to raise or borrow any sum or sums of money (including non-fund based facilities) by way of loan(s) in rupee currency and/or foreign currency from various borrowing sources up to an amount of ₹ 20,000 crores (Rupees twenty thousand crores) or up to 12 times of Net Owned Fund (NOF) of the Company whichever is lower, as per provisions of Master Direction – Non-Banking Financial Company – Housing Finance Company (Reserve Bank) Directions, 2021 ("RBI Master Directions") and other applicable Directions/ Notification/ Circulars/Guidelines issued by RBI/ NHB.

(a) Borrowing Composition:



March 31, 2025

The borrowings comprised of 53.33% from banks, 2.61% from External Commercial Borrowings, 22.93% from National Housing Bank, 21.13% from Non-Convertible Debentures ("NCD") as at March 31, 2025. There has been no deviation in the utilisation of issue proceeds of secured redeemable NCD from the objects as stated in the private placement memorandum.

Your Company endeavors to gradually reduce its reliance on the borrowings from banks and focus on capital market instruments and other funding avenues with lower funding costs depending upon the opportunities available in the market.

Another strategy adopted by the Company, to keep a balanced ALM, was to enter into strategic partnership with banks that are keen on good-quality assets and assign long-tenor receivables to them at mutually beneficial terms.

(b) Loans from Banks:

As at March 31, 2025, your Company had relationships with 24 banks. Your Company continued to leverage on its long term relationships with these banks and raised additional term loans from banks to the extent of ₹ 2,435 crores during the year at competitive rates. Total outstanding borrowing from banks as at March 31, 2025 aggregated to ₹ 8,704 crores.

(c) Refinance from National Housing Bank(NHB):

The NHB Refinance department has sanctioned Refinance facility to the Company under various schemes for a term ranging from 7 years to 15 years repayment tenure.

During the year, your Company has availed refinance facility of ₹ 1,100 crores from NHB. As on March 31, 2025 the outstanding balance on NHB Refinance amounts to ₹ 3,742 crores.

9. Borrowings through other Debt Instruments and Resource Mobilisation:-

(i) Secured Redeemable Non-Convertible Debentures (NCDs)

As at March 31, 2025, your Company's outstanding Secured NCDs issued under Initial Public Offer stood at 2,12,353 NCDs aggregating to ₹ 21.23 crores, held by 1,156 NCD holders. Your Company has duly paid the principal/interest amounts on due dates for the NCDs public issue and has timely intimated BSE/ debenture trustees.

During the financial year under review, your Company raised ₹ 1,052 crores by way of issue of 1,05,180 Senior, Secured, Rated, Redeemable, Non-Convertible Debenture on private placement basis, as per the applicable provisions of relevant circulars issued by Securities and Exchange Board of India. The Company has completed the allotment process within the prescribed time-limit.

As at March 31, 2025, your Company's outstanding secured NCDs under private placement were ₹ 3377.40 crores at face value. The necessary disclosures for the listed NCDs as per SEBI Master Circular no. SEBI/HO/DDHS/PoD1/P/CIR/2024/54 dated May 22, 2024 ("SEBI Circular") has been disclosed to BSE Ltd. and are available at the website of the Company. In FY 25, the Company has met the shortfall towards issuance of NCD's of the previous financial year as per the SEBI Regulations. However, the Company could not raise the required percentage of current year's borrowings through issuance of NCDs, due to unfavorable pricing for debt market as compared to bank borrowings.

The SEBI vide its circular no. SEBI/HO/DDHS/DDHS-RACPOD1/P/CIR/2023/172 dated October 19, 2023 has revised the framework for fund raising by issuance of debt securities by large corporates (LCs) by revising the criteria for identification as Large Corporate and the requirement of mandatory qualified borrowing by an LC in a FY shall be met over a contiguous block of three years from FY 2025 onwards. It has also provided certain dispensation to Companies recognised as Large Corporates under erstwhile criteria. Accordingly, the Company endeavored to comply with the requirement of raising 25% of its incremental borrowings done

during FY 2024-25 by way of issuance of debt securities over a contiguous block of three years from FY 2024-25.

Further, your Company has made timely payment of interest and principal amount on the respective due dates for NCDs issued by the Company and there has been no default in payment.

(ii) Unsecured Subordinated Non-Convertible Debentures:

As at March 31, 2025, your Company's outstanding unsecured subordinated debts were ₹ 60 crores at face value. The debt is subordinated to present and future senior debt of your Company. Your Company has duly paid the interest amount due on the aforesaid NCDs on time and reported the same to BSE Ltd. and the Debenture Trustees without any delay/default.

(iii) Commercial Paper:

During the financial year under review, the Company has raised ₹ 250 crores through commercial papers which was duly paid on the due date and there were no outstanding commercial papers as on March 31, 2025.

(vi) Credit Ratings:

The Credit ratings for various Borrowings/FD of the Company are given herein below :

Name of the Rating Agency	Rated Facility	Rating as on March 31, 2024	Rating as on March 31, 2025
CARE	Long Term Bank Facilities	CARE AA (stable)	CARE AA (stable)
CARE	Non-Convertible Debentures	CARE AA (stable)	CARE AA (stable)
CARE	Subordinated Debt	CARE AA (stable)	CARE AA (stable)
CARE	Fixed Deposits	CARE AA (stable)	CARE AA (stable)
BRICKWORKS	Non-Convertible Debentures	BWR AA (stable)	BWR AA (stable)
ICRA	Long Term Bank Facilities	ICRA AA (stable)	ICRA AA (stable)
ICRA	Non-Convertible Debentures	ICRA AA (stable)	ICRA AA (stable)
ICRA	Subordinated Debt	ICRA AA (stable)	ICRA AA (stable)
ICRA	Short Term Borrowings	ICRA A1+	ICRA A1+
INDIA RATINGS	Non-Convertible Debentures	IND AA (stable)	IND AA (stable)
INDIA RATINGS	Long Term Bank Facilities	IND AA (stable)	IND AA (stable)

10. Investments:

As per Investment Policy of the Company, the Executive Committee is responsible for approving investments in line with the policy and limits as set out by the Board. The Investment Policy is reviewed and revised in line with the market conditions and business requirements from time to time. The decision to buy and sell up to the approved limit is delegated by the Board to the Investment Executive Committee consisting of Company's senior executives. The investment function is carried out primarily to support the core business of housing finance to ensure adequate levels of liquidity.

Your Company maintains sufficient liquidity for its business needs, repayment obligations and also to meet any contingency funding requirements. As at March 31, 2025, your Company had unencumbered liquidity buffers of ₹ 1,962 crores in highly liquid assets. Further, surplus funds are also generated considering the time lag between raising of resources and its deployment. Such surplus funds are generally parked with highly liquid mutual funds, and

(iv) Direct Assignment of Mortgage Pool Receivables:

Majority of the Company's loan book portfolio qualifies under the Priority Sector Lending (PSL) mortgage loan portfolio, as per the notification issued by RBI from time to time. During the financial year under review, the Company has assigned/co-lent receivables of its mortgage loan assets aggregating to ₹ 1,725 crores, being investors' share. Total assigned pool outstanding as at March 31, 2025 was ₹ 4,954 crores.

(v) Security Coverage for the Borrowings:

The security details of the aforesaid secured borrowings made by the Company are mentioned at Note No. 15 and 16 in the Notes to accounts forming part of the Audited Financial statements for the year ended March 31, 2025.

The Company has not provided any gold loans or does not provide loans against the security of gold or other precious metals or ornaments during the financial year 2024-25.

short-term deposits with banks. During the financial year 2024-25, your Company earned ₹ 21.96 crores by way of income from mutual funds & other operations and ₹ 117.16 crores by way of interest on deposits placed with banks and from bonds.

11. Asset Liability Management Committee ("ALCO"):

The Asset Liability Management Committee lays down policies and quantitative limits that involve assessment of various types of risks and shifts in assets and liabilities to manage such risks. The Company has duly implemented the NHB's Asset Liability Management ("ALM") Guidelines applicable to Housing Finance Companies.

The Board of Directors of the Company has approved the ALM Policy & Framework and reviewed the same from time to time. The ALCO Committee ensures that the liquidity and interest-rate risks are contained within the limits laid down by the NHB. As at March 31, 2025, your Company had a strong asset-liability position with positive gaps across all the buckets.

12. Risk Management Framework and Monitoring:

The existence of every financial institution depends on how effectively it manages the risks. Aadhar Housing recognises that risk management is integral to sound business practices and hence implemented enterprise-wide risk management framework. Effective risk management leads to informed decision-making within the organisation's risk appetite. In this regard, risk management forms part of the continuous improvement process to mitigate risks and maximise opportunities.

Risk Management is the culture, processes and structure that are directed towards realizing potential opportunities whilst managing adverse effects. Aadhar Housing is committed to manage its risk in a proactive manner and adopts a structured and disciplined approach to risk management by developing and implementing risk management program.

Aadhar Housing's risk management was deepened across all management levels and functional areas. Risk management roles were distributed across the Board of Directors, Audit Committee and Risk Management Committee. The Chief Risk Officer is responsible for enterprise risk and review, analysing, monitoring and reporting of all significant risk areas to the Risk Management Committee and the Board.

Aadhar Housing has the Risk appetite framework approved by the Board of Directors which covers various types of risk the organisation is exposed to and also clearly defines the boundaries for risk acceptance. There is a clear understanding of our desired risk appetite. As a part of the process, the framework undergoes a change depending on the changing external/internal environment. This ensures understanding and measuring the risk the organisation is/would be facing. Further, Aadhar Housing has well defined reporting mechanism to report the stressed Risk Appetite Parameters and escalation & reporting mechanism to tackle it.

The Company recognises the identification of risk as a very critical function in managing and mitigating risk. The key pillars behind risk mitigation include:

- Regular Executive Risk Management Committee
- Robust policies & standards
- Use of fraud databases, screening documents and field visits to contain potential frauds.
- Regular monitoring of key risk indicators
- Regular monitoring & testing of risk control matrix
- Risk Containment Unit (RCU) carried out real time screening of files, keeping track of adverse trend in various locations and guidance to field teams.

Key Risk & Its Mitigation Strategies

Type of Risk	Mitigations	Strategies
Credit Risk		
Credit risk is the potential that a borrower or counterparty will fail to meet its obligations in accordance with agreed terms.	There are robust policies and processes for managing credit risk, mainly through our: • Appropriate risk diversification; • Thorough risk assessment at the credit appraisal stage; • Risk-based pricing and risk mitigation; • Continuous risk monitoring at the individual counterparty level as well as portfolio level; • Avoidance of undesirable risks to the extent possible	Maintaining healthy asset quality with optimal risk reward considerations.
Operational Risk		
Operational risk arises from inadequate or failed internal processes, people and systems or from external events.	Detailed Operational Risk Management framework and processes, internal controls, information technology, key risk indicators and fraud monitoring mechanisms are in place to manage operational risk	Minimising operational losses through monitoring risk continuously, quick actions and mitigation.
It includes risk of loss due to legal risk.		
Interest & Liquidity Risk		
Company defines market risk as the risk of valuation loss or reduction in expected earnings stemming from adverse fluctuations in interest rates and credit spreads. Liquidity risk is the risk of incurring losses due to an inability to meet payment obligations in a timely manner when they become due.	Aadhar Housing's framework for liquidity and interest rate risk management is spelled out in our Asset Liability-Management policy. Further, a robust mechanism to comprehensively track cash flow mismatches under normal as well as stressed conditions and critical ratios has been implemented. Further, Company has Board Approved Investment and Resource Planning Policy to limit exposure and plan funding accordingly.	To maintain healthy liquidity in comparison to balance sheet size of the Company to tide over any unforeseen stress scenario. Maintaining competitive cost of funds

Type of Risk	Mitigations	Strategies
Information Security Risk Information technology/ security risk is the risk arising on account of inadequacies or failure of technical infrastructure or IT systems which can have an adverse impact on the availability, integrity, accessibility and security of the data and the IT infrastructure.	The Company has Board approved Information Security Policy & Cyber Security Policy to manage the information security risk.	Facilitating growth via secure digital initiatives. - Sustaining operational effectiveness and efficiency. - Adapting and updating Cyber Defence framework to counter new-age threats - Continuous information to raise security awareness for employees and customers

13. Internal Audit Control & Reporting:

The Company's Internal Audit department is led by the Head – Internal Audit and supported by team of qualified chartered accountants, experienced internal auditors and functional experts. The Risk Based Internal Audit Policy and Risk Based Internal Audit Plan are approved annually by Audit Committee. All the significant findings of internal audit and action taken thereon are discussed in the Audit Committee of the Board.

Periodic branch audits, continuous concurrent audits and risk based process audits, information systems and information security audits are part of internal audit annual plan. Company's internal controls are reviewed for effectiveness and efficiency by the internal audit.

14. Insurance Cover facilities:

Your Company also has in place a Medclaim policy for its employees and their dependent family members to cover against hospitalisation, group term life and group personal accident policies, which provides compensation in case of accidents and hospitalisation due to illness.

Moreover, your Company has obtained the Fire & other Perils Policy for its assets, the Protection against money in safe/ transit policy to cover 'money in safe and till counter and money in transit' for the Company's branches and various offices.

Your Company also has taken an insurance policy covering various cyber risks including data protection.

As per the provisions of the Act and in compliance with Regulation 25(10) of the SEBI LODR Regulations, the Company has taken a D&O Liability Insurance policy on behalf of all Directors including Independent Directors and officers of the Company for such quantum and for such risks as determined by the Board.

15. Fixed Deposits ("FD") program:

Pursuant to the instructions issued by NHB as a condition for approval of the change in control & management of the Company, the Company has stopped accepting any fresh or renewal of deposits from public from May 2019. Your Company's FD programme is rated, CARE AA (stable) by CARE Ratings Ltd. As on March 31, 2025, your Company's outstanding FDs including accrued interest (excluding unclaimed matured deposit) are Rs. 0.54 Cr. The Company is regular in payment of interest and maturity amount dues to depositors without any delay or default. The Company has maintained SLR security deposits with Government Bonds/Fixed Deposits for amount more than the stipulated requirements by the Regulators for repayment of these deposits as and when required by the depositors.

As per para 44 of RBI Master Directions, the details of Company's unclaimed matured public deposit accounts of depositors, after the date on which the deposit became due for repayment and the total amount due under such unclaimed/ unpaid accounts as on March 31, 2025 are mentioned below :

- Total 153 nos. of accounts of fixed deposits of the Company which have not been claimed by the depositors after the date on which the deposit became due for repayment.
- Total amount of ₹ 22,88,422 is due, under such accounts remaining unclaimed or unpaid beyond the date referred to in clause (a) as aforesaid.

For the unclaimed deposits as mentioned above, the Company has taken the following actions:-

- Postal letters dispatched to FD holders, to intimate that, deposits are matured and asking them to submit the FD certificate for repayment of the same through NEFT/ RTGS mode.
- The Company also contacted the depositors or nominee or sourcing agent through our local branches, requesting them to submit the FD certificates, duly discharged and get the maturity payment.

The Company also sends SMS communications to depositors, prior to 14 days of maturity and post maturity till the deposits are claimed for payment by the FD holder.

16. Unclaimed/ Unpaid Dividend & Deposits:

During the financial year under review, your Company transferred unclaimed dividend of ₹ 78,506/- for the Financial Year 2016-17 on September 19, 2024 to the Investor Education and Protection Fund ("IEPF"), established by the Central Government. During the financial year under review, no shares were transferred by the Company to IEPF. Your Company has duly complied with all applicable provisions of Act and the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 ("IEPF Rules") regarding Unclaimed/ Unpaid Dividend & Deposits.

17. PMAY 2.0 Urban - Interest Subsidy Scheme (ISS) :-

The Ministry of Housing and Urban Affairs (MoHUA), Government of India is implementing the Interest Subsidy scheme "ISS" under Pradhan Mantri Awas Yojana – Urban 2.0 (PMAY-U 2.0) to support the eligible beneficiaries by providing the interest subsidy on Home Loans and to address the housing needs of the economically Weaker Sections (EWS)/Low Income Group (LIG)/and Middle Income Groups (MIG) segments in Urban areas.

The ISS envisages the provision of interest subsidy on home loan to enable EWS/LIG/MIG borrower/beneficiary to buy or construct the house.

This PMAY scheme was implemented through 4 verticals:-

- Beneficiary lead construction, (BLC)
- Affordable Housing in partnership (AHP)
- Affordable Rental Housing. (ARH)
- Interest Subsidy Scheme (ISS)

PMAY 2.0 claim and Disbursement Status as on March 31, 2025:-

Aadhar Housing has also executed MOU for availing benefits under various Schemes of PMAY 2.0 ISS with National Housing Bank on November 05, 2024. The Company has submitted the claim for subsidy to NHB from time to time under the PMAY scheme.

- Total PMAY claim submitted in PMAY 2.0 ISS till March 31, 2025 is for 481 loan accounts.
- Till March 31, 2025, NIL subsidy has been released for PMAY 2.0 ISS.

18. Reserve Bank of India ("RBI") Regulations/ Directions:

Your Company has also adopted a Co- Lending Policy as per the Reserve Bank of India circular no. RBI/2020-21/63 FIDD. CO.Plan.BC.No.8/04.09.01/2020-21 dated November 05, 2020 to define framework for entering into Co-Lending Model arrangements with banks/financial institutions as partners to improve the reach to customers. The policy has been reviewed by the Board at its Meeting held on May 29, 2024.

All the Directors meet the fit and proper criteria stipulated under the RBI Master Direction, as amended from time to time.

There have been no delays in filing the necessary disclosures, returns and necessary forms with respect to Foreign Direct Investment for the financial year under review. The fines/ penalties levied by the RBI during the year 2024-25 have been provided in Secretarial Audit and Secretarial Compliance Report section of the Board's report.

19. National Housing Bank Regulations:

Your Company is having a valid NHB License for carrying on business of Housing Finance Company, bearing revised registration certificate No. 04.0168.18, dated April 05, 2018 (being latest registration post change in name after merger was completed) and further the Company has complied with the provisions of NHB Directions/ circulars, as applicable. The circulars and the notifications issued by NHB are also placed before the Audit Committee/ Board of Directors at regular intervals to update the Committee/ Board members on the compliance of the same. Various inspection observations of NHB were satisfactorily complied and resolved and reported to the Board.

As per the Master Circular- Returns to be submitted by Housing Finance Companies (HFCs) and various Circulars/ Guidelines/ Notifications issued by NHB, the Company has duly complied and submitted all the required monthly/ quarterly/ half yearly NHB reports/ returns, intimation of opening/ closing (shifting/relocation/merger) of branches/ offices within prescribed time-limit during the FY 2024-25.

The Company is regular in filing the online returns on the Centralised Reporting and Management Information Systems (CRaMIS) portal of NHB.

The Company being a financial institution is also registered for taking SARFAESI Action under Securitisation and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002 ("SARFAESI Act") and the same has been notified by NHB.

20. Capital Adequacy and Transfer to Special Reserve

As per the Master Direction – Non-Banking Financial Company – Housing Finance Company (Reserve Bank) Directions, 2021, the Company is required to maintain a minimum capital adequacy of 15% on a stand-alone basis. The following table sets out Company's Capital Adequacy Ratios as at March 31, 2025, 2024 and 2023:

Particulars	As on March 31		
	2025	2024	2023
Capital Adequacy Ratio (CRAR)	44.61%	38.46%	42.73%
CRAR – Tier I Capital	44.07%	37.74%	41.66%
CRAR – Tier II Capital	0.54%	0.72%	1.07%

The Capital Adequacy Ratio (CAR) of your Company was at 44.61% as on March 31, 2025, as compared to the regulatory requirement of 15%. In addition, the National Housing Bank Act, 1987 also requires that your Company transfers minimum 20% of its annual profits to a Special Reserve fund, which the Company has duly complied.

21. Principal Business Criteria for HFC's

"Housing Finance Company" shall mean a Company incorporated under the Companies Act, 2013 that fulfils the following conditions:-

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

RBI vide its circular number RBI/2020-21/73/DOR.FIN.HFC. CC.No.120/03.10.136/2020-21 dated February 17, 2021 updated on February 27, 2025 defined the principal business criteria for HFC's. The Company has complied and is meeting the aforesaid principal business criteria for HFC.

Particulars	As on March, 31, 2025 (₹ In Lakhs)
Total Assets	23,21,627
Less : Intangible assets	34,817
Net total assets	22,86,810
Housing Finance	15,15,684
Housing Finance for Individuals	15,15,684
Percentage of housing finance to total assets (netted off intangible assets)	66.28%
Percentage of individual housing finance to total assets (netted off intangible assets)	66.28%
Percentage of individual housing finance to housing finance	100%

22. Insurance Regulatory and Development Authority of India (IRDAI):

The Company is registered with IRDAI as Corporate Agent – Composite bearing registration number CA0012 with validity till March 31, 2028. The Company has Corporate Agency agreement executed with the insurers : Pramerica Life Insurance Limited, Navi General Insurance Limited and Bajaj Allianz General Insurance Company Limited.

During the FY 2024-2025, the Company has complied with Insurance Regulatory and Development Authority of India (Registration of Corporate Agents) Regulations, 2015 and all other relevant regulations / circulars and guidelines issued by IRDAI. Also, the Company has duly filed/ submitted various returns, reports and intimations within the prescribed time-limit. No penalties/fine was levied by the IRDAI during the FY 2024-2025.

23. Trade Marks Registration for the Company:

Aadhar Housing owns a combination of trademarks to establish and protect our brands, logos, and marketing designs. The Company has 13 trademarks registered with the Registrar of Trademarks under the Trademarks Act.

24. Fair Practice Code, KYC norms, Anti Money Laundering standards and Policy for prevention, prohibition and Redressal of Sexual Harassment:

The Fair Practice Code, KYC Norms and Anti Money Laundering (AML) Standards as per the guidelines issued by the NHB/RBI from time to time are invariably adhered to and duly complied by the Company. The Company has put in place Board approved robust Know Your Customer (KYC) & Anti Money Laundering (AML) Measures Policy ("KYC & AML Policy") for compliance by the branches and the same is reviewed by the Board periodically. The Internal Auditors conducted the audits of the branches to ensure adherence of these AML standards during the financial year under review. The quarterly reporting under KYC & AML policy has been submitted to NHB within the due dates for intimation.

The Company has zero tolerance for sexual harassment at workplace and has adopted a Policy on prevention, prohibition, and redressal of sexual harassment at workplace in line with the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the Rules thereunder ("the POSH Act") for prevention, prohibition and redressal of complaints of sexual harassment at workplace. The Company has also constituted an Internal Committee (IC) in compliance with Section 4 of the POSH Act.

During 2024-25, the Company has received one complaint on sexual harassment which has been investigated and addressed with appropriate action as per the Policy.

25. Internal Financial Control Measures/System:

The Company's internal control system is designed to ensure operational efficiency, protection and conservation of resources, accuracy and promptness in financial reporting and compliance with laws and regulations. The internal control system is supported by an Internal Audit Department which is responsible for independently evaluating the adequacy and effectiveness of all internal controls, risk management, governance systems and processes and is manned by appropriately qualified personnel. The Internal Audit Department during the course of audit also ascertains the extent of adherence to regulatory guidelines, legal requirements and operational processes and provides timely

feedback to the Management for corrective action. Internal Audit reports are discussed with the management and all significant internal audit findings and action taken thereon are discussed in the Audit Committee of the Board. Audit Committee of the Board reviews the performance of the internal audit and the adequacy and effectiveness of the internal control systems and compliance with regulatory guidelines.

26. Auditors

Statutory Auditors, their Report and Notes to Financial Statements

The Statutory Auditor's Report does not contain any qualifications, reservations, adverse remarks or disclaimer. The Statutory Auditors have not reported any incident of fraud to the Audit Committee or the Board of Directors under Section 143(12) of the Act during the financial year under review.

M/s. Walker Chandio & Co LLP concluded their tenure as the statutory auditors of the Company upon the completion of their term at the 34th Annual General Meeting held on September 14, 2024. At the same Meeting, M/s. S. R. Batliboi & Associates LLP, Chartered Accountants were appointed as Joint Statutory Auditors of the Company for a period of 3 years till conclusion of the Annual General Meeting to be held for FY 2026-27.

M/s. Kirtane & Pandit LLP, Chartered Accountants and M/s. S. R. Batliboi & Associates LLP, Chartered Accountants continue to be the joint auditors of the Company.

Secretarial Audit and Secretarial Compliance Report :

The Board of Directors of the Company had appointed M/s. Aashish K. Bhatt & Associates, Company Secretaries, Mumbai, (Membership Number – ACS 19639 and Certificate of Practice Number -7023) as Secretarial Auditor, pursuant to section 204(1) of Act. The Secretarial audit report in Form MR- 3 for financial year 2024-25 forms part of this Board's report.

There are no qualifications or adverse remarks in the Secretarial Audit Report for the financial year 2024-25 except for non-compliance under Regulation 60 of the SEBI LODR Regulations for delay in intimation of record date to BSE, non-compliance pertaining to the composition of the Stakeholders Relationship Committee and Corporate Social Responsibility Committee during certain period of the year and delay in circulation of signed minutes. The Company has duly complied with the provisions of composition of all the Committees as on November 06, 2024. The delay in intimation of record date to the Stock Exchange as required under regulation 60 of the SEBI LODR Regulations was only for one day due to inadvertent mistake of including public holiday and the Company has paid fine of ₹ 10,000 to BSE Ltd as per the notice levying fine dated December 02, 2024 for the said noncompliance. The Company has subsequently obtained waiver from the Board of Directors for circulation of signed copy of minutes in accordance with Secretarial Standard -1.

By an Order dated September 02, 2024, the Reserve Bank of India has levied penalty of Rs 5,00,000 for failure to comply with RBI directions on fair practice code observed during statutory inspection with reference to the Company's financial position as on March 31, 2022. The Company has complied with the order and corrected its system for the charge of levy of interest for the period from the date of actual disbursement of loan/issuance of cheque to the borrower in line with the directions in the NHB Circular issued on April 29, 2024.

The Company had approached M/s Aashish K Bhatt & Associates, Company Secretaries, Mumbai (Membership number- ACS 19639 and Certificate of Practice number -7023) for providing the Annual Secretarial Compliance Report for the financial year under review. A copy of the same is available on website of the Stock Exchanges and uploaded on the website of the Company at <https://aadharhousing.com/disclosures-under-regulation-62-of-the-sebi-lodr-regulation-2015-pdf/annual-secretarial-compliance-report>.

Cost records and Auditors

The provisions mandating maintenance of Cost Records and conducting Cost Audit as prescribed under Section 148 of the Act are not applicable to the Company.

Corporate Governance report and Compliance Certificate

The Corporate Governance report as stipulated under Schedule V Part C of the SEBI LODR Regulations forms part of this Annual Report.

The requisite certificate as required under Schedule V Part E of the SEBI LODR Regulations, confirming compliance with the requirements of Corporate Governance received from M/s Aashish K. Bhatt & Associates, Company Secretaries, Mumbai is attached as **Annexure 1** to the Board's report.

In accordance with Part D of Schedule V of the SEBI LODR Regulations, declaration from Managing Director & CEO of the Company has been received confirming that all the Directors, Key Managerial Personnel and the Senior Managerial Personnel of the Company have affirmed the compliance and have also complied to the Code of Conduct of directors and senior management for the financial year ended March 31, 2025 and is attached as **Annexure 2** to this Report. The said code is hosted on the website of the Company and can be accessed at web link: <https://aadharhousing.com/disclosures-under-regulation-62-of-the-sebi-lodr-regulation-2015-pdf/code-of-conduct-of-the-board-of-directors-and-senior-management-personnel>.

27. Reporting on various Corporate Governance Regulations & Compliances under the Act:

i) Annual Return as per section 134(3)(a):

During the year 2024-25, the Annual General Meeting for the financial year 2023-24 was duly held on September 14, 2024 and the Annual Return was filed within prescribed time limit. The Annual Return for the financial year 2024-25 will be filed and uploaded on website within the prescribed timeline after conclusion of the Annual General Meeting.

As provided under section 92(3) and 134(3) (a) of the Act, Annual Returns of the Company are placed on the website of the Company at <https://aadharhousing.com/disclosures-under-regulation-62-of-the-sebi-lodr-regulation-2015-pdf/annual-return>.

ii) Number of meetings of the Board & Committees under section 134(3)(b):

During the year under review, the Board of Directors met periodically/as and when required, to deliberate various issues, policy matters and take suitable decisions etc. The details of Board of Directors and their Meetings and also various other Board level Committee Meetings are furnished separately under the Corporate Governance Report, which forms part of this Annual report.

iii) Directors' Responsibility Statement under section 134(3)(c):

As required by section 134(3)(c) read along with section 134(5) of the Act, the Board of Directors state that:

- a. in the preparation of the Annual Financial Statements for the financial year ended March 31, 2025, the applicable Accounting Standards had been followed and there were no material departures from the same;
- b. 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 as at March 31, 2025 and of the profit of the Company for that period;
- c. 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;
- d. the Directors had prepared the Annual Financial Statements on a going concern basis;
- e. 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.
- f. the Directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

iv) Details of Fraud Reporting to NHB & as per provisions of section 134 (3) (ca) read with section 143 (12) of the Act:

- a) There were no material fraud cases amounting to ₹ 1 crore or above, detected and required to be reported during the FY 2024-25, as per the provisions of section 134 (3)(ca) read with section 143 (12) of the Companies Act, 2013 to the regulatory authorities.
- b) Frauds of value involved for ₹ 1 Lakh & above and frauds committed by unscrupulous borrowers, detected, during the FY 2024-25 - the Company has duly reported 8 fraud cases as per Circular(s)/ Guidelines, issued by National Housing Bank/ Reserve Bank of India.
- v) In terms of section 134(3)(d) of the Act, your Board states that the Independent Directors have given a declaration under section 149(7) of the Act and Regulation 25(8) of the SEBI LODR Regulations confirming that they continue to meet the criteria of independence as prescribed under Section 149(6) of the Act and Regulation 16(1)(b) of the SEBI LODR Regulations.
- vi) With regard to section 134(3)(e) of the Act, the Company has duly followed the Nomination Remuneration & Evaluation Policy (NRE Policy), which, inter alia, lays down the approach to diversity of the Board, criteria for identifying the persons who are qualified to be appointed as Directors, Key Managerial Personnel (KMP) &

senior Managerial Personnel of the Company, along with the criteria for determination of remuneration thereof and evaluation of Board of Directors/Committees (including Independent Directors) and KMPs/senior managerial personnel of the Company and includes other matters, as prescribed under the provisions of Section 178 of the Act. Further pursuant to provisions of RBI Master Directions, the Company has obtained Fit & Proper declarations and Deed of Covenants and various other declarations duly signed by all the Directors of the Company.

The aforesaid policy is available on the website of the Company, i.e. <https://aadharhousing.com/>

- vii)** In terms of section 134(3)(g) of the Act, the Company has not made any Investment through two or more layers of Investment Companies, pursuant to provisions of section 186(1) of the Act. Further, the Company being Housing Finance Company, all loans are in the ordinary course of business and details of the same along with the investment made by the Company are disclosed in Financial Statements and Notes to Accounts, thereto, which forms part of this Annual Report.

viii) Particulars of transactions with related parties under section 134(3)(h) and section 188 of the Act:

The Transactions with related parties are entered as per the Related Party Transaction Policy of the Company, pursuant to provisions of section 188 of the Act, read with the rules made thereunder, after taking necessary approval of Shareholders & Board of Directors.

A quarterly update is also given to the Audit committee and the Board of Directors on the Related Party Transactions ("RPTs") undertaken by the Company for their review and consideration and disclosures of RPTs are also submitted to BSE and NSE on a half-yearly basis.

Apart from payment of sitting fees and commission to Independent Directors, there is no pecuniary relationship or transactions of the Independent/Non-Executive Directors vis a vis the Company. The details with respect to the related party transactions are mentioned in the notes to the audited financial statements for the financial year ended March 31, 2025.

There are no transactions to be reported as per Section 188 of the Act read with Rule 15 of Companies (Meetings of Board and its Powers) Rules, 2014 as amended from time to time and hence the disclosure of material related party transaction as required in the prescribed Form AOC – 2 is not applicable.

During the financial year under review, the Company has not given any loans and advances in the nature of loans to its subsidiaries or associate(s) or to firms/companies in which Directors are interested. Accordingly, the disclosure of particulars of loans/advances, etc., as required to be furnished in the Annual Accounts of the Company pursuant to Regulations 53 (f) read with paragraph A of Schedule V of the SEBI LODR Regulations is not applicable to the Company. The Audit Committee on March 31, 2025 has approved the omnibus transaction limits for RPTs with related parties and Directors for the financial year 2025-2026 as per the note/limits circulated to the Committee with clarifications.

Pursuant to provisions of RBI Master Directions, a copy of Related Party Transaction Policy of the Company, duly approved by the Board, is enclosed as **Annexure 3** to this report. The same can also be accessed on the website of the Company at link provided below: <https://aadharhousing.com/disclosures-under-regulation-62-of-the-sebi-lodr-regulation-2015-pdf/policy-on-dealing-with-related-party-transactions>

ix) Meetings of the Board and its Committees:

Board

The Board of Directors of your Company meet at regular intervals to discuss and decide on the Company's performance and strategies. During the financial year under review, the Board met 10 (Ten) times on April 15, 2024, April 30, 2024, May 11, 2024, May 29, 2024, June 07, 2024, June 27, 2024, August 07, 2024, November 06, 2024, February 06, 2025 and March 26, 2025.

Further details on the Board, its Meetings, composition and attendance are provided in the Corporate Governance Report, which forms part of this Annual Report.

Your Company has the following 13 (thirteen) Board-level Committees, which have been established in compliance with the requirements of the business and relevant provisions of applicable laws and statutes:

- Audit Committee
- Nomination and Remuneration Committee
- Corporate Social Responsibility Committee
- Stakeholders' Relationship Committee
- Risk Management Committee
- IT Strategy Committee
- Asset Liability Management Committee
- Investment Committee
- Management Committee
- IPO committee
- Share Transfer and Allotment Committee
- Willful Defaulter Review Committee
- Consumer Protection Committee

More information on all of the above Committees including details of its Meetings, composition and attendance are provided in the Corporate Governance Report, which forms part of this Annual Report.

x) Transfer of profits to Reserves:-

In terms of section 134(3)(j) of the Act, Company has transferred ₹ 163.79 crores to General Reserve from Debenture Redemption Reserve and a sum of ₹182.43 crores to the Special Reserves under Section 29C of National Housing Bank Act, 1987 and Section 36(1) (viii) of the Income Tax Act, 1961, in addition to other provisions created during the financial year under review as per the audited financials submitted to the Board.

- xi)** In order to conserve the resources for better growth opportunity, there was no dividend recommended or declared during the financial year under review, which is in line with the Dividend Distribution Policy of the Company. The policy is available on your Company's website at <https://aadharhousing.com/disclosures-under-regulation-62-of-the-sebi-lodr-regulation-2015-pdf/dividend-distribution-policy>

- xii) Material changes and commitments, if any, affecting the financial position of the Company which has occurred between the end of the financial year of the Company to which the financial statements relate and the date of the report, in terms of Section 134(3) (l) of the Act: -

There were no other material changes and commitments affecting the financial position of the Company.

xiii) Statement containing salient features of the financial statements of subsidiaries or Associates Companies or Joint Venture :-

A report on the performance and financial position of the Company's Subsidiary as per Section 129(3) of the Act read with the Companies (Accounts) Rules, 2014, in the prescribed form AOC-1 is attached as **Annexure 4** to the Board's Report. The Company does not have any associate companies or Joint ventures as on March 31, 2025.

xiv) Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo in terms of Section 134(3)(m) of the Act read with Rule 8 of Companies (Accounts) Rules, 2014:

➤ **Conservation of Energy**

Your Company is not engaged in any manufacturing activity and thus its operations are not energy intensive. However, the Company always takes adequate measures to ensure optimum utilisation and maximum possible saving of energy. The Company has also implemented processes to install energy efficient devices in the branches such as 5-star Air conditioners and so far has produced 32 such air conditioners which have potentially saved 8000KWH units of power, along with VRV/VRF etc. wherever possible which consumes very little energy. The Company is also installing in branches all energy efficient devices such as LED Lights, etc. The Company has deployed energy-efficient printing machines in some branches through which it has potentially saved 2,49,000 KWH units of power. The Company has also initiated use of solar energy in branches.

➤ **Technology Upgradation**

Aadhar Housing continues to strengthen its digital and technological landscape, building on the robust foundation established in recent years. In alignment with our commitment to innovation and operational excellence, the Company has made significant progress during the year by enhancing in-house digital capabilities and upgrading core infrastructure to better serve customers, partners, and employees.

Recognizing the evolving dynamics of the financial services ecosystem, the Company developed over 15 bespoke digital modules tailored to improve customer experience, regulatory compliance, and operational productivity. Key milestones included the rollout of a self-service Customer DIY Web Portal, a Partner Portal for seamless onboarding and engagement with channel partners, and a Digital Vendor Onboarding platform to streamline third-party integrations. The Company also deepened its digital reach through integration with multiple fintech partners to accelerate lead generation and customer acquisition.

In tandem with software innovation, the Company executed a major network modernisation initiative to enhance last-mile connectivity and ensure consistent digital performance across its branch network. By deploying the latest Cisco Meraki SD-WAN technology, the Company introduced AI-enabled network monitoring, advanced firewall and intrusion detection systems, and robust protection against malware and inappropriate content. This upgrade has significantly improved network reliability and security across the majority of branches, with full deployment planned in the coming year.

To further enhance operational agility, the Company implemented intelligent automation across core business functions and support operations using the Automation Edge platform. This universal automation solution has empowered staff across branches to boost productivity by automating repetitive tasks and enabling greater synergy between human effort and digital processes.

Collectively, these technology upgrades reflect the Company's strategic vision to remain agile, secure, and customer-centric in an increasingly digital world. By integrating advanced digital tools, robust infrastructure, and intelligent automation, the Company is well-positioned to deliver improved efficiency, compliance, and service excellence while ensuring its platforms remain resilient and future-ready.

➤ **Foreign exchange earning and outgo**

The foreign exchange earnings and outgo etc. and other provisions of reporting as per the Act are given below as applicable to the Company during financial year under review.

Particulars	As at March 31, 2025	As at March 31, 2024
	Amount (₹ in Lakhs)	Amount (₹ in Lakhs)
Foreign Exchange outgo	605	37
Foreign Exchange inflow	43,728	Nil

xv) Corporate Social Responsibility under Section - 134(3)(o):

The Corporate Social Responsibility ("CSR"), under section 135(1) of the Act is applicable to the Company during the financial year under review. Your Company has in place, Corporate Social Responsibility Policy, as per the provisions of the Companies (Corporate Social Responsibility Policy) Rules, 2014 ("CSR Rules"), which lays down the guidelines and mechanism for undertaking socially useful projects for welfare and sustainable development of the community at large. According to the provisions of the Act, the Corporate Social Responsibility Committee was formed by the Company. The annual report on CSR activities is annexed separately to this report. The total amount of CSR contribution and payment details are given in **Annexure 5** to this Board's Report. The Company has duly transferred the unspent amount relating

to ongoing projects to a special account called the Unspent Corporate Social Responsibility Account 2025, in accordance with sub-section (6) of the CSR Rules within 30 days from end of the financial year 2024-25. The amount shall be spent by the Company in pursuance of its obligation towards the Corporate Social Responsibility Policy within a period of three financial years from the date of such transfer.

The CSR Policy is available on the website of the Company, i.e. <https://aadharhousing.com/customer-relations/ahfl-policies-codes>.

xvi) Formal Annual Evaluation of the Board, its Committees and of individual directors under section 134(3)(p) and rule 8(4) of the Companies (Accounts) Rules, 2014:

Pursuant to the provisions of the Act and its Rules, an annual evaluation of the performance of the Board, its Committees and of individual Directors, was carried out during the year. The details of the evaluation process as carried out and the evaluation criteria have been explained in the Corporate Governance Section, forming part of this Annual Report. Also, the Nomination and Remuneration Committee has evaluated the Directors/ KMPs at the time of their appointment.

xvii) Statement regarding opinion of the Board with regard to integrity, expertise and experience (including the proficiency) of the independent directors appointed during the year, in terms of rule 8 (5) (iii a) of Companies (Accounts) Rules, 2014 as amended :-

The Independent Directors are selected as per the applicable provisions of Act, read with RBI Master Directions based upon the qualification, expertise, track record, integrity and other "fit and proper" criteria and the Company obtains the necessary information and declaration from the Directors. All the Independent Directors of the Company have strong academic background and having long stint experience with renowned Government and private organisations/ corporates. The integrity/ expertise of the Directors have been evaluated at the time of appointment and every year by the Board and NRC at their respective meetings.

Further, all Independent Directors have confirmed that they have registered with the data bank of Independent Directors maintained by; and are either exempt or have completed the online proficiency self- assessment test conducted by the Indian Institute of Corporate Affairs in accordance with the provisions of Section 150 of the Act.

xviii) Secretarial Standards of Institute of Company Secretaries of India

Your Company is in compliance with the Secretarial Standards specified by the Institute of Company Secretaries of India ("ICSI") on Meetings of the Board of Directors (SS-1) and General Meetings (SS-2).

xix) Vigil Mechanism / Whistle Blower Policy:

In terms of section 177(9) of the Act and Rule 7 of the Companies (Meetings of Board and its Powers) Rules, 2014 read with the SEBI LODR Regulations, the Board of Directors has put in place a Vigil Mechanism and adopted a Whistle Blower Policy to provide for adequate safeguards against victimisation of employees and directors who may avail of the vigil mechanism/ whistle blower policy, by directly sending mail to the Chairperson of the Audit Committee. The Company affirms that no person was denied access to the Audit Committee.

These provisions are already circulated to the employees through the intra-net and the same is also available at the website of the Company.

During the financial year under review, the Whistle Blower Policy has been reviewed by the Board of Directors at their meeting held on March 26, 2025.

xx) Investments, loans and guarantees given by the Company:

Your Board further states that during the financial year under review, your Company did not make any major investment in other companies, bodies corporate, provided loans and given guarantees, etc. above the limits prescribed under sections 185, 186 and 187 of the Act, read with Companies (Meetings of Board and its Powers) Rules, 2014, as applicable to the Company. Details of Investments made, loans and guarantees given by the Company are disclosed in the Financial Statements for financial year 2024-25.

xxi) Name of the Companies, which have become or ceased to become Subsidiary, Joint Venture or Associate Company, during the year under review : NIL

xxii) Details of significant and material order, passed by the Regulators or Court or Tribunals, impacting the going concern status and Company's operations in future : NIL

xxiii) Human Resources:

At Aadhar Housing Finance, our focus on human capital reflects core principles of employee engagement, recognition, and development. Our consistent recognition as a Great Place to Work® and ranking among India's Top 50 in Health & Wellness demonstrate our commitment to creating a positive, supportive work environment. The team of Aadhar Housing has grown steadily from 3931 employees last year to 4583 employees during the financial year under review.

Our initiatives such as performance recognition (Aadhar Sammaan), long-service awards, and wellness programs are designed to motivate and retain talent. Internal mobility programs (UDAAN) and leadership development initiatives support career growth and succession planning. Additionally, open communication channels like townhalls (Seedhi Baat Aadhar Ke Saath) foster trust and transparency within the organization.

By investing in our people through these practices, we aim to build a resilient organization where employees can thrive and contribute meaningfully to our collective success.

xxiv) Training & Development :

At Aadhar Housing, we consider our employees our greatest asset. We focus on creating a supportive and inclusive culture through various programs, ensuring every employee aligns with our vision. We strive to build strong relationships with our staff while providing them with the knowledge, skills, and growth mindset needed for sustainable business. We implement blended learning to foster a dynamic, flexible, and scalable training environment for our employees.

Key Highlights of 2024-25:

1. Comprehensive Training Programs:

- Throughout the year, we conducted focused training sessions on key areas such as functional skills, behavioural skills, and

compliance. These sessions were offered both virtually and in-person, benefiting all employees, including those from subsidiaries and on a contract basis. Our dedication to employee growth resulted in 19,451 training man-days, achieving 100% completion of compliance and regulatory training for all employees.

2. New Channel Development:

- Deeper Impact (DI) branches: We equipped DI teams with better tools. The Location In-charge, Direct Sales Team, and Credit Team learned key policy aspects, improved personal discussions, and effectively developed the business.
- Common Service Centers and Village Level Entrepreneurs (VLEs): These centers and VLEs played a crucial role in raising awareness about housing finance products and schemes for low-income individuals and rural residents. We successfully oriented 6,811 VLEs.

3. Lead Engage Accelerate Develop & Drive (LEADD):

- This structured training program built the capability of Branch Managers in self-management, people management, and business management. In the first phase, 54 Branch Managers were trained.

4. First Time Manager (iLEAD):

- The First Time Manager program supports individuals transitioning into managerial roles, contributing to the organisation's overall success and effectiveness. A total of 65 managers were trained.

5. Aadhar ki Paathshala & Training Day:

- Training Days were held at regional and branch levels to promote a culture of continuous learning, featuring insights on functional and behavioural aspects. These sessions ensure employees continuously improve and stay aligned with the Company's goals and best practices.

We are committed to leveraging our insights to introduce new initiatives that facilitate both personal and professional development. We believe in the importance of learning, enhancing our skills, and collaboratively advancing towards our shared objectives.

xxv) Details of ESOP Schemes implemented by the Company:

a) Employee Stock Option Plan - 2018 ("ESOP Plan 2018"):

The ESAR scheme was approved in March, 2018 by the previous promoter group and at the Meeting held on January 24, 2024, the shareholders approved the amendments and changes to the ESAR scheme and rechristened it's name as Aadhar Housing Finance Limited – Employee Stock Options Plan, 2018 ("ESOP Plan 2018") to align the ESOP Plan 2018 with the requirements of the SEBI (Share Based Employee Benefit & Sweat Equity) Regulations, 2021. No fresh grants are possible under the ESOP Plan 2018.

b) Employee Stock Option Plan - 2020 ("ESOP Plan 2020"):

In order to reward the performance and elicit long term commitment of the employees towards the growth of the Company, the new ESOP Plan 2020 was introduced with the approval of Board & Shareholders. Under the ESOP Plan 2020 duly approved by the Board, as on March 31, 2025, total number 14,052,102 of ESOP's were granted and outstanding to the identified & eligible existing employees including the Whole Time/ Executive/ Managing Director(s) of the Company.

ESOP Plan 2020 was originally approved by the members of the Company on April 27, 2020 and further amended by members through special resolutions passed at the extra-ordinary general meetings of the Company held on 13th March, 2021, 23rd March, 2022, May 26, 2022 and January 24, 2024. Post the initial public offer, ESOP Plan 2020 has been ratified at the 34th Annual general Meeting of the Company held on September 14, 2024.

The Disclosures in compliance with SEBI (Share Based Employee Benefits & Sweat Equity) Regulations, 2021, are uploaded on the website of the Company at <https://aadharhousing.com/>. Further, a certificate from the Secretarial Auditors with respect to implementation of your Company's ESOP Plan 2018 and ESOP Plan 2020, will be available at the ensuing AGM of the Company for inspection by the Members.

xxvi) Buy-back of the Company's own shares

During the financial year under review, the Company did not make any buy back of any of its shares or share equivalent/stock options during the year under review, hence the provisions of section 68 of the Act, are not applicable.

xxvii) Particulars of employees in receipt of remuneration above the limits and other applicable provisions of the Act

Disclosures about remuneration required pursuant to the section 197(12) of the Act and Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are given below-

(i) Name of Director and Designation	ratio of the remuneration to the median remuneration of the employees of the Company for the financial year	% increase/ (decrease) in remuneration
Mr. O. P. Bhatt, Chairman and Non- Executive Independent Director	23.29	10.70%
Ms. Sharmila A Karve, Independent Director	5.88	65.79%
Dr. Nivedita Haran*, Independent Director	2.30	Not Applicable*
Dr. Punita Kumar Sinha#, Independent Director	N.A.	N.A.#
Mr. Amit Dixit, Non-Executive (Nominee) Director	N.A.	N.A.
Mr. Mukesh Mehta, Non-Executive (Nominee) Director	N.A.	N.A.
Mr. Prateek Roongta, Non-Executive (Nominee) Director	N.A.	N.A.
Mr. Deo Shankar Tripathi, Executive Vice Chairman	72.53	7%
Mr. Rishi Anand, Managing Director and CEO	65.89	5%

*Not comparable since Dr. Nivedita Haran ceased to be Director of the Company w.e.f. September 14, 2024.

#Dr. Punita Kumar Sinha was appointed as Director of the Company w.e.f. August 07, 2024 and hence was not paid commission during FY 2024-25.

Remuneration of Independent Directors includes commission paid to Directors and excludes payment of sitting fees.

For determining the percentage increase in remuneration for Executive Directors, perquisite value of options exercised in FY 25 under Employee Stock option Scheme and one time payouts made in FY 24 are excluded.

The Non- Executive Nominee directors of the Company do not receive any remuneration from the Company.

(ii) the percentage increase in remuneration of each director, Chief Financial Officer, Chief Executive Officer, Company Secretary, in the financial year -

Executive Vice Chairman- 7%

Managing Director & CEO - 5%,

Chief Financial Officer – 5%,

Company Secretary - 20%

For determining the percentage increase in remuneration, perquisite value of options exercised in FY 25 under Employee Stock option Scheme and one time payouts made in FY 24 are excluded.

(iii) the percentage increase in the median remuneration of employees in the financial year- 7.4%

(iv) the number of permanent employees on the rolls of company- 4,583

(v) average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration;

Key Managerial Persons - 7%

Other – 16% (Other than CXOs & HODs)

For determining the percentage increase in remuneration, perquisite value of options exercised in FY 25 under Employee Stock option Scheme and one time payouts made in FY 24 are excluded.

(vi) It is further confirmed that the remuneration paid to employees is as per the remuneration policy of the Company.

(vii) The statement containing names of top ten employees in terms of remuneration drawn and the particulars of employees as required under Section 197(12) of the Companies Act, 2013 ('Act') read with Rule 5(2) and Rule 5(3) of the Companies (Appointment and Remuneration of Key Managerial Personnel) Rules, 2014, is available on the Website of the Company at the link <https://aadharhousing.com/disclosures-under-regulation-62-of-the-sebi-lodr-regulation-2015-pdf/annual-report>

(viii) None of the employees listed in the said list is a relative of any Director in the Company.

(ix) There was no employee either throughout the financial year or part thereof who was in receipt of remuneration which, in the aggregate, was in excess of that drawn by the managing director or whole-time director and who held by himself or along with his spouse or dependent children, not less than two percent of the equity shares of the Company.

(x) None of the Directors receive any commission or remuneration from holding or subsidiary of the Company.

xxviii) Other Statutory disclosures

(i) During the year, the Company has not made any application under the Insolvency and Bankruptcy Code, 2016 ('IBC Code'). Further, there is no Corporate Insolvency Resolution Process initiated under the IBC Code.

(ii) During the year, there was no one-time settlement done with the Banks or Financial Institutions. Therefore, the requirement to disclose details of difference between amounts of valuation done at the time of one-time settlement and the valuation done, while taking loan from Banks or Financial Institutions along with reasons thereof, is not applicable.

- (iii) The 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.
- (iv) The Company has not issued any sweat equity shares during financial 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.
- (v) During the financial year under review, there were no instances of non-exercising of voting rights in respect of shares purchased directly by employees under a scheme pursuant to Section 67(3) of the Act read with Rule 16(4) of Companies (Share Capital and Debentures) Rules, 2014.

xxix) Details of utilisation of funds raised through preferential allotment or qualified institutional placement as specified under Regulation 32(4) of the SEBI LODR Regulations:

During the financial year under review, the Company has not done any preferential allotment or qualified institutional placement of equity shares.

The Company has received an amount of ₹ 100,000 Lakh as proceeds from fresh issue of equity shares. The utilisation of gross IPO proceeds is summarised below :-

				(Rs in Lakhs)
Sr. No.	Objects of the Issue as per Prospectus	Amount to be utilised as per Prospectus	Amount utilised upto March 31, 2025	Total Amount Unutilised as on March 31, 2025
1	To meet the future capital requirements towards onward lending	75,000	75,000	-
2	General corporate purpose	20,233	20,233	-
3	Issue related expenses	4,767	4,201	566
Total		1,00,000	99,434	566

The funds raised through your Company's Initial Public Offering (IPO) during the year, are monitored by a SEBI-registered monitoring agency. The monitoring agency submits a detailed report on the utilisation of the IPO proceeds on a quarterly basis which is placed before the Audit Committee for review and is publicly disseminated to the stock exchanges, ensuring transparency and compliance with regulatory requirements.

28. Acknowledgement by the Management:

Your Board of Directors would like to place on record their sincere gratitude to the Reserve Bank of India, National Housing Bank, Registrar of Companies, Securities and Exchange Board of India, Insurance Regulatory and Development Authority of India, Ministry of Corporate Affairs, all Bankers to the Company, Central & State government departments, Tax Authorities, Debenture Trustees, Debenture holders, Registrars, other stake-holders, customers and all other business associates for their continued support during the year under review. The Directors would also like to thank the BSE Limited, National Stock Exchange of India Limited, National Securities Depository Limited and Central Depository Services (India) Limited and the Credit Rating Agencies for their support & co-operation.

Your Company and Management team also express their sincere gratitude to the Promoter, Holding Company BCP Topco VII Pte. Ltd. and our Investors and Shareholders for their unstinted support & co-operation.

Your Directors wish to acclaim the hard work and commitment of the employees at all levels who had contributed with all their might for improving the performance of the Company year by year.

By the Order of & For and on behalf of the Board of Directors of
Aadhar Housing Finance Limited

Mr. O.P. Bhatt
DIN:-00548091
Independent Director &
Non-executive Chairman

Mr. Rishi Anand
DIN:-02303503
Managing Director &
Chief Executive Officer

Date : May 06, 2025
Place: Mumbai

Report on Corporate Governance

The Report on Corporate Governance as prescribed by the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, ("**SEBI LODR Regulations**") is given below:

Company's Philosophy on Code of Governance:

Aadhar Housing Finance Limited ("**Your Company**" or "**the Company**" or "**Aadhar Housing**") continuously endeavors to review, strengthen and upgrade its systems and processes so as to bring in transparency and efficiency in its business. With a steadfast dedication to integrity and values, your Company ensures that its operations adhere to the highest standards of corporate governance behavior. This dedication extends to all stakeholders, including members, customers, employees, and the environment. At the heart of this commitment lies the Board of Directors, which plays a pivotal role in overseeing management's actions. The Board provides strategic guidance across all facets of operations, emphasizing optimal resource utilisation, governance, and sustainability. Through its vigilant oversight, the Board ensures that your Company remains aligned with its core values while driving forward in its mission to serve its stakeholders responsibly and ethically.

Your Company's Board comprises of Executive, Non-Executive and Independent Directors. The Management team, led by the Managing Director and Chief Executive Officer, who reports to the Board, is responsible for implementing the strategies and achieving the goals and targets set by the Board.

A brief note on the Board and other Board Level Committees is furnished below: -

Board of Directors

The composition of your Company's Board represents an optimal mix of professionalism, knowledge and experience that enables the Board in discharging its responsibilities and providing effective leadership and support to the business. As on March 31, 2025 the Board of Directors comprises of 8 (Eight) Directors, which includes 3 (Three) Independent Directors of which 2 (Two) are Women Directors, 3 (Three) Non-Executive (Nominee) Directors, the Executive Vice Chairman and the Managing Director and Chief Executive Officer of the Company. The Board is chaired by Mr. O. P. Bhatt, Independent Director & Non-Executive Chairman of the Company. The composition of the Board is in conformity with the requirements of the Companies Act, 2013 ("**the Act**") and Regulation 17 of the SEBI LODR Regulations.

During the financial year under review, Dr. Punita Kumar Sinha was appointed on the Board as an Additional Independent Director at its meeting held on August 07, 2024 and regularised as an Independent Director with the approval of shareholders at the Annual General Meeting held on September 14, 2024 and term of Dr. Nivedita Haran, Independent Director expired w.e.f. September 14, 2024.

The details of the Directors of the Company with regard to their other Directorships, Committee positions, including that in listed entities, as on March 31, 2025 were as follows:

Name of the Director	Category of Directorship held in your Company	Skills identified and area of core expertise	No. of other Directorship (s) held	Other Committee positions held		Names of other listed entities where Director holds Directorship (excluding the Company) and the category of directorship held in such other listed entity
				Member	Chairperson	
Mr. O. P. Bhatt	Chairman, Non-Executive Independent Director	- Industry Knowledge - Corporate Governance - Financial Expertise - Strategic Expertise - General Management - Technology, Digitisation & Innovation	2	3	1	Category of directorship- Independent Director - Tata Motors Limited - Coforge Limited
Dr. Punita Kumar Sinha	Non-Executive Independent Director	- Industry Knowledge - Corporate Governance - Financial Expertise	5	6	1	Category of directorship- Independent Director - Lupin Limited - Ventive Hospitality Limited - One Mobikwik Systems Limited
Mrs. Sharmila A Karve	Non-Executive Independent Director	- Industry Knowledge - Corporate Governance - Financial Expertise - Human Resource Development	5	6	4	Category of directorship- Independent Director - EPL Limited - Syngene International Limited - CSB Bank Limited - Thomas Cook (India) Limited

Name of the Director	Category of Directorship held in your Company	Skills identified and area of core expertise	No. of other Directorship (s) held	Other Committee positions held		Names of other listed entities where Director holds Directorship (excluding the Company) and the category of directorship held in such other listed entity
				Member	Chairperson	
Mr. Mukesh Mehta	Non-Executive Nominee Director, Representative of Promoter	- Industry Knowledge - Corporate Governance - Financial Expertise - Strategic Expertise	2	-	-	Category of directorship- Non Executive Director - R Systems International Limited - International Gemmological Institute(India) Limited
Mr. Amit Dixit	Non-Executive Nominee Director, Representative of Promoter	- Industry Knowledge - Corporate Governance - Financial Expertise - Strategic Expertise	3	-	-	Category of directorship- Non Executive Director - Mphasis Limited - EPL Limited
Mr. Prateek Roongta	Non-Executive Nominee Director, Representative of Promoter	- Industry Knowledge - Corporate Governance - Technology, Digitisation & Innovation - Financial Expertise - Strategic Expertise	4	5	1	Category of directorship- Non Executive Director - Fino Payments Bank Limited - International Gemmological Institute (India) Limited
Mr. Deo Shankar Tripathi	Executive Vice Chairman to the Board	- Industry Knowledge - Corporate Governance - Financial Expertise - Strategic Expertise - General Management	2	-	-	Nil
Mr. Rishi Anand	Managing Director and Chief Executive Officer	- Industry Knowledge - Corporate Governance - Financial Expertise - Strategic Expertise - Technology, Digitisation & Innovation - General Management	-	-	-	Nil

Notes:

- The Directorship and Committee position count excludes Aadhar Housing Finance Limited.
- The number of directorships is excluding directorship in foreign companies, private limited companies and companies incorporated under Section 8 of the Act.
- In the opinion of the Board, the Independent Directors fulfil the conditions specified in the SEBI LODR regulations and are independent of the management.
- In terms of Regulation 26(1) of the SEBI LODR Regulations:
 - Foreign companies, private limited companies and companies under section 8 of the Act are excluded for the purpose of considering the limit of committees.
 - The committees considered for the purpose are audit committee and stakeholders' relationship committee.
 - None of the Directors held directorship in more than seven listed entities (equity + high value debt listed entities) and were members of more than Ten committees or chairperson of more than five committees across all listed companies in which they were Directors.
 - Mr. Deo Shankar Tripathi and Mr. Rishi Anand do not serve as an independent director in any other listed entities.

Disclosure of relationships between directors inter-se: No director is related to each other.

Number of shares and convertible instruments held by non-executive directors: Nil

Board Induction and Familiarisation

As per Regulation 62(1A) of the SEBI LODR Regulations, the terms and conditions of appointment of Independent Directors is available on the Company's website at <https://aadharhousing.com/disclosures-under-regulation-62-of-the-sebi-lodr-regulation-2015-pdf/terms-and-conditions-of-appointment-of-independent-directors>

In our commitment to ensure robust governance practices, we continue to prioritise Director Familiarisation programs as a cornerstone of our Board's effectiveness. These initiatives serve as invaluable opportunities for our directors to deepen their understanding of the Company's operations and industry landscape. Through structured interactions with Senior Management, regular presentations, and engagement with both Statutory and Internal Auditors, our directors gain comprehensive insights into our businesses and key operational dynamics. These interactions cover a spectrum of critical areas, including risk assessment and mitigation strategies, updates on regulatory frameworks impacting our operations, and in-depth reviews of quarterly performance metrics. This continuous learning process not only enhances Board effectiveness but also reinforces our collective stewardship towards shareholder interests and organisational sustainability. The Directors are also regularly kept informed of the other developments of the Company through emails. The familiarisation programme for the Directors of your Company is made available on the website

of the Company at <https://aadharhousing.com/disclosures-under-regulation-62-of-the-sebi-lodr-regulation-2015-pdf/familiarization-programs-imparted-for-independent-directors>

Declaration of independence:

On the basis of declarations received from each Independent Director, your Board is of the opinion that Independent Directors meet the criteria of independence as provided in Section 149(6) of the Companies Act, 2013 and Regulation 16(1) (b) of the SEBI LODR Regulations and are independent of the Management. None of the Independent Directors resigned during the Financial Year 2024-25.

The composition of the Board along with attendance details of the Board Meeting is given hereunder:

Name of the Director	Date of Board Meetings held and attended										No. of Meetings attended	Attendance at the last annual general meeting 14-09-2024
	15-04-2024	30-04-2024	11-05-2024	29-05-2024	07-06-2024	27-06-2024	07-08-2024	06-11-2024	06-02-2025	26-03-2025		
Mr. O. P. Bhatt, Chairperson	Yes	Yes	-	Yes	Yes	Yes	Yes	Yes	Yes	Yes	9	Yes
Dr. Punita Kumar Sinha Independent Director ¹	NA	NA	NA	NA	NA	NA	NA	Yes	Yes	Yes	3	-
Dr. Nivedita Haran, Independent Director ²	Yes	Yes	Yes	Yes	Yes	Yes	Yes	NA	NA	NA	7	Yes
Ms. Sharmila A Karve, Independent Director	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	10	Yes
Mr. Amit Dixit, Non-Executive Director (Nominee)	Yes	Yes	-	-	Yes	-	Yes	Yes	-	Yes	6	Yes
Mr. Mukesh Mehta, Non-Executive Director (Nominee)	Yes	Yes	-	Yes	Yes	Yes	Yes	Yes	Yes	Yes	9	Yes
Mr. Prateek Roongta, Non-Executive Director (Nominee)	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	10	Yes
Mr. Deo Shankar Tripathi, Executive Vice Chairman	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	10	Yes
Mr. Rishi Anand, Managing Director & CEO	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	10	Yes

- Shareholders at their Annual General Meeting held on September 14, 2024 approved appointment of Dr. Punita Kumar Sinha for a period of 5 years w.e.f. August 07, 2024.
- Shareholders at their Annual General Meeting held on September 14, 2024 noted expiry of term of Dr. Nivedita Haran w.e.f. September 14, 2024.

Audit Committee:

As per provisions of section 177 of the Companies Act, 2013 and Master Direction – Non-Banking Financial Company – Housing Finance Company (Reserve Bank) Directions, 2021 (“**RBI Master Directions**”), your Company has duly constituted the Audit Committee of the Board. The Audit Committee makes suitable recommendations to the Board from time to time after careful consideration of matters related to finance, accounts, inspection, audits, etc. and has met 7 (Seven) times during the financial year 2024-25.

The Audit Committee of your Company is in compliance with the requirements of Regulation 18 read with Part C of Schedule II of the SEBI LODR Regulations. All the Members of the Audit Committee are financially literate. Moreover, the Chairperson and Members of the Audit Committee have accounting or related financial management expertise.

A certificate from M/s. Aashish K. Bhatt & Associates, Practicing Company Secretaries has been received stating / confirming that none of the Directors on the Board have been debarred or disqualified from being appointed or continuing as Directors of the Company by SEBI/ Ministry of Corporate Affairs or any such statutory authority and is attached as **Annexure 6** to this report.

During the financial year under review, the Board met 10 (Ten) times to deliberate various matters relating to Company's financial and business performance. The Board has accepted all recommendations of the various committees of the Board (including the audit committee) during the financial year under review.

The terms of reference of the Audit Committee include:

- The Audit Committee shall consist of a minimum of three directors. Two-thirds of the members of the Audit Committee shall be independent directors.
- All members of Audit Committee including its chairperson shall be persons with ability to read and understand, the financial statement and at least one member shall have accounting or related financial management expertise.
- Every Audit Committee shall act in accordance with the terms of reference specified in writing by the Board which shall, inter alia, include:
 - the recommendation for appointment, remuneration and terms of appointment of auditors of the Company;
 - review and monitor the auditor's independence and performance, and effectiveness of audit process;

- III. examination of the financial statement and the auditors' report thereon;
 - IV. approval or any subsequent modification of transactions of the Company with related parties. The Audit Committee may make omnibus approval for related party transactions proposed to be entered into by the Company subject to such conditions as may be prescribed under the rules made under the Companies Act, 2013;
 - V. scrutiny of inter-corporate loans and investments;
 - VI. valuation of undertakings or assets of the Company, wherever it is necessary;
 - VII. evaluation of internal financial controls and risk management systems; and
 - VIII. monitoring the end use of funds raised through public offers and related matters.
4. The Audit Committee may call for the comments of the auditors about internal control systems, the scope of audit, including the observations of the auditors and review of financial statement before their submission to the Board and may also discuss any related issues with the internal and statutory auditors and the management of the Company.
 5. The Audit Committee shall have authority to investigate into any matter in relation to the items specified above or referred to it by the Board and for this purpose shall have power to obtain professional advice from external sources and have full access to information contained in the records of the Company.
 6. The auditors of a Company and the key managerial personnel shall have a right to be heard in the meetings of the Audit Committee when it considers the auditor's report but shall not have the right to vote.
 7. All appointments, including the filling of a casual vacancy of an auditor shall be made after taking into account the recommendations of such committee.
 8. The additional terms of reference for the Audit Committee as per Schedule II - Part C of the SEBI LODR Regulations are given below:
 1. Overseeing our Company's financial reporting process and disclosure of its financial information to ensure that its financial statements are correct, sufficient and credible;
 2. Recommending to our Board the appointment, remuneration and terms of appointment of the statutory auditor of our Company;
 3. Approving payments to statutory auditors for any other services rendered by the statutory auditors;
 4. Reviewing, with the management, the annual financial statements and auditor's report thereon before submission to our Board for approval, with particular reference to:
 - (a) Matters required to be included in the Director's Responsibility Statement to be included in our Board's report in terms of clause (c) of sub-section 3 of Section 134 of the Companies Act;
 - (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 our 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 or rights issue or preferential issue or qualified institutions placement, and making appropriate recommendations to our Board to take up steps in this matter. This also includes monitoring the use/application of the funds raised through the Initial Public offer by our Company;
 7. Reviewing and monitoring the statutory auditor's independence and performance, and effectiveness of audit process;
 8. Approval or any subsequent modifications of transactions of our Company with related parties;
 9. Scrutinising of inter-corporate loans and investments;
 10. Valuation of undertakings or assets of our Company, wherever it is necessary;
 11. Evaluating of internal financial controls and risk management systems;
 12. Establishing a vigil mechanism for directors and employees to report their genuine concerns or grievances;
 13. Reviewing, with the management, the 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. Discussing with internal auditors on 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 our Board;
 17. Discussing 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 the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
 19. Reviewing the functioning of the whistle blower mechanism;
 20. Approving the appointment of the chief financial officer or any other person heading the finance function or discharging that function after assessing the qualifications, experience and background, etc. of the candidate;
 21. Carrying out any other function as is mentioned in the terms of reference of the Audit Committee and any other terms of reference as may be decided by the Board and/or

specified/provided under the Companies Act, the SEBI LODR Regulations or by any other regulatory authority; and

22. Reviewing the utilisation of loans and/ or advances from/ investment by the holding company in any subsidiary exceeding rupees 100 crore or 10% of the asset size of the subsidiary, whichever is lower including existing loans / advances / investments existing as per applicable law.
23. Consider and comment on rationale, cost-benefits and impact of schemes involving mergers, demergers, amalgamation etc., on the Company and its shareholders.

Powers of the Audit Committee

The powers of the Audit Committee shall include the following:

- To investigate any activity within its terms of reference;
- To seek information from any employee;
- To obtain outside legal or other professional advice; and
- To secure attendance of outsiders with relevant expertise, if it considers necessary

Reviewing Powers:

The Audit Committee shall mandatorily review the following information:

- Management's discussion and analysis of financial condition and results of operations;
- Statement of significant related party transactions (as defined by the Audit Committee), submitted by the management.
- Management letters / letters of internal control weaknesses issued by the statutory auditors;
- Internal audit reports relating to internal control weaknesses;
- The appointment, removal and terms of remuneration of the chief internal auditor shall be subject to review by the Audit Committee;
- Examination of the financial statements and the auditors' report thereon; and
- Statement of deviations:
 - (i) quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) in terms of the SEBI LODR Regulations; and
 - (ii) annual statement of funds utilised for purposes other than those stated in the document/ prospectus/notice in terms of the SEBI LODR Regulations.

Details of composition and meetings of the Audit Committee held during the financial year under review are given below;

Name of the Members	Category	Date of Audit Committee Meetings held and attended							No. of Meetings attended
		15-04-2024	29-05-2024	27-06-2024	07-08-2024	06-11-2024	06-02-2025	17-03-2025	
Ms. Sharmila A Karve Chairperson	Independent Director	Yes	Yes	Yes	Yes	Yes	Yes	Yes	7
Mr. O. P. Bhatt, Member	Independent Director	Yes	Yes	Yes	Yes	Yes	Yes	Yes	7
Dr. Nivedita Haran, Member ¹	Independent Director	Yes	Yes	Yes	Yes	NA	NA	NA	4
Dr. Punita Kumar Sinha, Member ²	Independent Director	NA	NA	NA	NA	NA	Yes	Yes	2
Mr. Prateek Roongta, Member	Non-Executive (Nominee) Director	Yes	Yes	Yes	Yes	Yes	Yes	Yes	7

1. Ceased to be a member of the Committee w.e.f. September 14, 2024.
2. Appointed as member of the Committee w.e.f. November 6, 2024.

Nomination & Remuneration Committee ("NRC"):

The Nomination and Remuneration Committee has been constituted in compliance with the requirements of provisions of Section 178 of the Act and Regulation 19 read with Part D of Schedule II of SEBI LODR Regulations.

The terms of reference of the Nomination and Remuneration Committee include:

- i) Considering and recommending for appointment and remuneration of directors, managing/executive director, CEO of the Company.
- ii) Considering, reviewing and approving annual salary increment, bonus and promotion to KMPs/ Senior managerial persons.
- iii) Approving & implementing staff welfare schemes or ESOPs/ ESAR as per the NRC Policy.
- iv) Considering & recommending 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 and other employees.

- v) 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 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;
 - c. consider the time commitments of the candidates
- vi) Formulating of criteria for evaluation of the performance of the independent directors and the Board;
- vii) Devising a policy on Board diversity;

- viii) Identifying persons who qualify to become directors or who may be appointed in senior management in accordance with the criteria laid down, recommending to the Board their appointment and removal, and carrying out evaluations of every director's performance;
- ix) Determining 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;
- x) Analysing, monitoring and reviewing various human resource and compensation matters;
- xi) Determining the Company's policy on specific remuneration packages for executive directors including pension rights and any compensation payment, and determining remuneration packages of such directors;
- xii) Determining compensation levels payable to the senior management personnel and other staff (as deemed necessary), which shall be market-related, usually consisting of a fixed and variable component;
- xiii) Reviewing and approving compensation strategy from time to time in the context of the then current Indian market in accordance with applicable laws;
- xiv) Performing such functions as are required to be performed by the compensation committee under the Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021, as amended;
- xv) Framing suitable policies and systems to ensure that there is no violation, by an employee of any applicable laws in India or overseas, including:
 - the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, as amended; or
 - the Securities and Exchange Board of India (Prohibition of Fraudulent and Unfair Trade Practices relating to the Securities Market) Regulations, 2003, as amended.
- xvi) Recommend to our Board, all remuneration, in whatever form, payable to senior management; and
- xvii) Any other functions/powers referred/powers delegated to the committee by the Board under the NRC Policy, any regulation/ directions of regulators or the statutory or government authorities/bodies and as per the provisions of the Companies Act, 2013 and the rules made thereunder.

During the financial year under review, the NRC met 6 (Six) times and the details of attendance along with the Composition of the Committee are given below: -

Name of the Members	Category	Date of NRC Meetings held & attended						No. of Meetings attended
		15-04-2024	29-05-2024	07-06-2024	07-08-2024	06-02-2025	17-03-2025	
Ms. Sharmila A Karve, Chairperson	Independent Director	Yes	Yes	Yes	Yes	Yes	Yes	6
Mr. O. P. Bhatt, Member	Independent Director	Yes	Yes	Yes	Yes	Yes	Yes	6
Mr. Mukesh Mehta, Member	Non-Executive (Nominee) Director	Yes	-	Yes	Yes	Yes	-	4
Dr. Punita Kumar Sinha, Member ¹	Independent Director	NA	NA	NA	NA	Yes	Yes	2

1. Appointed as member of the Committee w.e.f. November 6, 2024.

Performance evaluation criteria for Independent Directors

The performance evaluation of Independent Directors shall be done by the NRC and the entire Board of Directors, excluding the Director being evaluated. The evaluation is carried out as per Schedule IV (Code for Independent Directors) of the Companies Act, 2013 and SEBI Circular SEBI/HO/CFD/CMD/CIR/P/2017/004 dated January 05, 2017.

While evaluating the Independent Director, the contribution(s) made by the Director in the decisions taken at the Board level and its impact on the performance of the Company shall be considered. The time devoted, including the attendance of the Independent Director at various Committee/Board Meetings shall also be considered while evaluating an Independent Director.

On the basis of the performance evaluation report, it shall be determined whether to extend or continue the term of appointment of an Independent Director.

Independent Director's meeting:

In accordance with the provisions of Schedule IV of the Companies Act, 2013 and Regulation 25 (3) of the SEBI LODR Regulations, a meeting of the Independent Directors of your Company was held on February 06, 2025 without the presence of the Non-Independent Directors and the members of the Management. The meeting was attended by all the 3 (Three) Independent Directors. They discussed matters including the performance/ functioning of the Company, reviewed the performance of the other Non-Independent Directors and the management of your Company, assessed the quality, quantity and timeliness of flow of information between the Management and the Board that is necessary for the Board to effectively and reasonably perform their duties, etc.

Stakeholders Relationship Committee:-

The Stakeholders Relationship Committee has been constituted pursuant to the provisions of Section 178 of the Act and Regulation 20 read with Part D of Schedule II of the SEBI LODR Regulations. Dr. Punita Kumar Sinha, Non-Executive Independent Director is the Chairperson of the Committee and Ms. Harshada Pathak, Company Secretary acts as Secretary to the Committee and is the Compliance Officer of the Company.

During the financial year under review, Stakeholders Relationship Committee met 1 (one) time on February 06, 2025 and the details of attendance are given below:

Name of the Members	Category	Date of Meeting held & attended
		06-02-2025
Dr. Punita Kumar Sinha ¹ Chairperson	Independent Director	Yes
Mr. Prateek Roongta, Member	Non-Executive (Nominee) Director	Yes
Mr. Deo Shankar Tripathi, Member	Executive Vice Chairman	Yes
Dr. Nivedita Haran, Member ²	Independent Director	NA

1. Appointed as member of the Committee w.e.f. October 24, 2024
2. Ceased as member of the Committee w.e.f. September 14, 2024

Number of shareholders' complaints received during the financial year/ number of complaints not solved to the satisfaction of shareholders / number of pending complaints:

Complaints received during the financial year	Complaints resolved	Number of complaints not solved to the satisfaction of shareholders	Number of pending complaints
12	12	Nil	Nil

Risk Management Committee :

The Risk Management Committee has been constituted pursuant to the provisions of Regulation 21 read with Part D of Schedule II of the SEBI LODR Regulations and RBI Master Directions issued by RBI to frame, implement and monitor the risk management plan of the Company.

The terms of reference of the Risk Management Committee include:

1. To formulate a detailed risk management policy which shall include:
 - (a) A framework for identification of internal and external risks specifically faced by the Company, in particular including financial, operational, sectoral, sustainability (particularly, ESG related risks), information, cyber security risks or any other risk as may be determined by the Committee.
 - (b) Measures for risk mitigation including systems and processes for internal control of identified risks.
- (c) Business continuity plan.
2. To meet at least quarterly and should review, approve and set companies exposure to various types of risks, risk appetite levels & other limits and take actions as required.
3. To approve significant policies and framework that govern the management of risks.
4. To ensure Executive Risk Management Committee in place, consisting of senior management personnel.
5. To obtain assurance (through internal audit and external reviews) that risk management framework and policies are being adhered.
6. To ensure that appropriate methodology, processes and systems are in place to monitor and evaluate risks associated with the business of the Company;
7. To monitor and oversee implementation of the risk management policy, including evaluating the adequacy of risk management systems;
8. To periodically review the risk management policy, at least once in two years, including by considering the changing industry dynamics and evolving complexity;
9. To keep the Board of directors informed about the nature and content of its discussions, recommendations and actions to be taken;
10. The appointment, removal and terms of remuneration of the Chief Risk Officer (if any) shall be subject to review by the Risk Management Committee.

During the financial year under review, the Committee met 4 (four) times and the details of attendance along with the Composition of the Committee are given below:-

Name of the Member	Category	Date of Risk Management Committee Meeting held & attended				No. of Meetings attended
		29-05-2024	07-08-2024	05-11-2024	06-02-2025	
Mr. O. P. Bhatt, Chairperson	Independent Director	Yes	Yes	Yes	Yes	4
Ms. Sharmila A Karve, Member	Independent Director	Yes	Yes	Yes	Yes	4
Mr. Prateek Roongta, Member	Non-Executive (Nominee) Director	Yes	Yes	Yes	Yes	4
Dr. Punita Kumar Sinha, Member ¹	Independent Director	NA	NA	NA	Yes	1

1. Appointed as member of the Committee w.e.f. November 06, 2024.

Asset Liability Management Committee:

The Company has constituted the Asset Liability Management Committee ("ALCO") under RBI Master Directions issued by the Reserve Bank of India to ensure that liquidity and interest rate risks are contained within the limits laid down by the NHB.

During the financial year under review, the Committee met 4 (four) times and the details of composition and attendance are given below: -

Name of the Members	Category	Date of ALCO Meetings held & attended				No. of Meetings attended
		29-05-2024	07-08-2024	05-11-2024	06-02-2025	
Mr. Deo Shankar Tripathi, Chairperson	Executive Vice Chairman	Yes	Yes	Yes	Yes	4
Mr. O. P. Bhatt, Member	Independent Director	Yes	Yes	Yes	Yes	4
Ms. Sharmila A Karve, Member	Independent Director	Yes	Yes	Yes	Yes	4
Mr. Prateek Roongta, Member	Non-Executive (Nominee) Director	Yes	Yes	Yes	Yes	4

IT Strategy Committee

The Company has duly constituted the IT Strategy Committee in accordance with the Reserve Bank of India - Master Direction – Information Technology Governance, Risk, Controls and Assurance Practices dated November 7, 2023 read with the latest RBI Master Directions.

During the financial year under review, the IT Strategy Committee met 4 (Four) times and the details of composition and attendance are given below:

Name of the Members	Category	Date of Meetings held & attended				No. of Meetings Attended
		29-05-2024	07-08-2024	05-11-2024	06-02-2025	
Mr. O.P. Bhatt, Chairperson ¹	Independent Director	Yes	Yes	Yes	Yes	4
Mr. Mukesh Mehta, Member ²	Non-Executive (Nominee) Director	-	-	N.A.	N.A.	-
Mr. Prateek Roongta, Member	Non-Executive (Nominee) Director	Yes	Yes	Yes	Yes	4
Mr. Deo Shankar Tripathi, Member	Executive Vice Chairman	Yes	Yes	Yes	Yes	4
Mr. Rishi Anand, Member	Managing Director and Chief Executive Officer	Yes	Yes	Yes	Yes	4
Mr. Rajesh Viswanathan, Member	Chief Financial Officer	Yes	Yes	Yes	Yes	4
Mr. Nirav Shah, Member	Chief Risk Officer	Yes	Yes	Yes	Yes	4
Mr. Sharad Jambukar, Member	Chief Information Technology Officer	Yes	Yes	Yes	Yes	4

1. Appointed as Chairperson and Member in place of Ms. Sharmila A Karve w.e.f. April 15, 2024

2. Ceased to be a member of the IT strategy Committee w.e.f. November 06, 2024

Management Committee:

The Company has a duly constituted Management Committee of Directors, which consists of Mr. Prateek Roongta, Non-Executive (Nominee) Director and Chairperson of the Committee, Mr. Mukesh Mehta, Non-Executive (Nominee) Director and Mr. Deo Shankar Tripathi, Executive Vice Chairman, as Members of the Committee as on March 31, 2025. During the financial year under review, various resolutions pertaining to operational and treasury matters were passed by the Management Committee and reported to the Board at meetings held on a quarterly basis.

Corporate Social Responsibility ("CSR") Committee:

As per section 135 of the Act the Company has duly constituted the CSR Committee.

During the financial year under review, 2 (two) Meetings of CSR Committee were held and the details of composition and attendance are given below:

Name of the Members	Category	Date of CSR Meetings held & attended		No. of Meetings Attended
		29-05-2024	17-03-2025	
Dr. Nivedita Haran, Chairperson ¹	Independent Director	Yes	NA	1
Dr. Punita Kumar Sinha, Chairperson ²	Independent Director	NA	Yes	1
Mr. Prateek Roongta	Non-Executive (Nominee) Director	Yes	Yes	2
Mr. Rishi Anand, Member	Managing Director and Chief Executive Officer	Yes	Yes	2

1. Ceased to be a chairperson/member of the Committee w.e.f. September 14, 2024.

2. Appointed as chairperson/member of the Committee w.e.f. November 06, 2024.

Investment Committee

The Company has constituted an Investment Committee for managing liquidity and maximizing return by investing surplus funds in available financial instruments with least risk.

During the financial year under review, the Investment Committee met 4 (Four) times and the details of composition and attendance are given below:

Name of the Member	Category	Date of Investment Committee Meeting held & attended				No. of Meetings attended
		29-05-2024	07-08-2024	05-11-2024	06-02-2025	
Mr. Prateek Roongta, Chairperson	Non-Executive (Nominee) Director	Yes	Yes	Yes	Yes	4
Dr. Nivedita Haran, Member ¹	Independent Director	Yes	Yes	NA	NA	2
Mr. O. P Bhatt, Member ²	Independent Director	NA	NA	NA	Yes	1
Mr. Rishi Anand, Member	Managing Director and Chief Executive Officer	Yes	Yes	Yes	Yes	4

1. Ceased to be a member of the Committee w.e.f. September 14, 2024.

2. Appointed as member of the Committee w.e.f. November 06, 2024.

IPO Committee:

The Company has duly constituted IPO Committee, for the purpose of initial public offer of the equity shares. The Committee consists of Mr. Mukesh Mehta, Non-Executive (Nominee) Director, Chairperson, Mr. Prateek Roongta, Non-Executive (Nominee) Director and Mr. Deo Shankar Tripathi, Executive Vice Chairman as the Members of the Committee. During the financial year under review, there were seven meetings of the IPO Committee held on April 10, 2024, April 22, 2024, April 30, 2024, May 01, 2024, May 07, 2024, May 11, 2024 and May 13, 2024.

Particulars of senior management including the changes therein since the close of the previous financial year:

Name	Designation
Key Managerial Personnel	
Mr. Deo Shankar Tripathi	Executive Vice Chairman
Mr. Rishi Anand	Managing Director and Chief Executive Officer
Mr. Rajesh Viswanathan	Chief Financial Officer
Ms. Harshada Pathak	Company Secretary and Compliance Officer
Senior Management Personnel	
Mr. R Anil Kumar Nair	Chief Business Officer
Mr. Anmol Gupta	Chief Treasury Officer
Mr. Nirav Shah	Chief Risk Officer
Mr. Anil Jain	Chief Credit & Operations Officer

Name	Designation
Mr. Madhur Bhatnagar	Chief Recovery & Collections Officer
Mr. Haryyaksha Ghosh	Chief Data Officer
Mr. Sreekanth V.N.	Chief Compliance Officer
Mr. Pratik Rajendra Jariwala	Head - Internal Audit
Mr. Sharad Jambukar*	Head – Information Technology
Mr. Vinod Nair*	Head - Human Resources
Mr. Noel Mascarenhas	Head - Marketing
Mr. Shrikant Patil	Head – Technical
Mr. Suraj Jayaram Shetty	Head - Legal
Mr. Brijesh Goswami	Head- Administration

*Mr. Vinod Nair has been redesignated as Chief Human Resource Officer, Mr. Sharad Jambukar has been redesignated as Chief Information Technology Officer w.e.f. May 1, 2025.

The changes in the senior management of the Company during the financial year under review are placed in the table below:

Name	Date of Change	Reason
Mr. Vinod Nair	October 01, 2024	Appointment as Head human Resource
Mr. Anil Jain	June 03, 2024	Appointment as Chief Credit and operations Officer
Mr. Madhur Bhatnagar	June 03, 2024	Appointment as Chief recovery and collections Officer
Mr. Vikas Bansal	April 10, 2024	Resigned as Chief Human Resource Officer

Mr. Vinod Nair has been redesignated as Chief Human Resource Officer and Mr. Sharad Jambukar has been redesignated as Chief Information Technology Officer w.e.f. May 01, 2025.

Remuneration of Directors

The Company has adopted a Nomination, Remuneration and Evaluation Policy specifying criteria for determining the remuneration of the Directors (including non-executive directors). The policy is available at the website of your Company on: <https://aadharhousing.com/disclosures-under-regulation-62-of-the-sebi-lodr-regulation-2015-pdf/nomination-remuneration-and-evaluation-policy>. Sitting fees of ₹ 35,000 /- were paid to the Independent Directors of the Company for each Meeting of the Shareholders, Board and the Committees of the Board attended by them. Further, in addition to sitting fees, the Company has paid commission to the Independent Directors as approved by Shareholders at the Annual General Meeting held on September 14, 2024.

The remuneration of the Executive Directors of your Company is as follows:

(₹ in Cr.)							
Name	Designation	Salary	Bonus*	Perquisite	ESOP Perquisite value	Contribution to PF	Total
Mr. Deo Shankar Tripathi	Executive Vice Chairman	2.27	0.68	0.17	24.14	0.12	27.36
Mr. Rishi Anand	Managing Director and Chief Executive Officer	2.03	0.65	0.15	4.10	0.10	7.02

*Mr. Deo Shankar Tripathi and Mr. Rishi Anand were paid performance linked incentive for achievement of targets for the year 2023-24

Further, the appointment of Mr. Deo Shankar Tripathi and Mr. Rishi Anand is subject to termination by three months' notice in writing on either side.

Detailed disclosure in compliance with SEBI (Share Based Employee Benefits & Sweat Equity) Regulations, 2021, is uploaded on the website of the Company at : <https://aadharhousing.com/investor-relations/other-misc-disclosures>

General Body Meetings

During the preceding three years, the Company's Annual General Meetings were held as under:

The date and time of AGMs held during the last three years:

Year	Location	Time	Date of Meeting	Particulars of Special Resolutions passed
2021-2022	Meeting conducted through VC / OAVM pursuant to the MCA Circular	5:00 pm	August 18, 2022	Refer Note 1
2022-2023	Meeting conducted through VC / OAVM pursuant to the MCA Circular	5.30 pm	August 09, 2023	Refer Note 2
2023-2024	Meeting conducted through VC / OAVM pursuant to the MCA Circular	3.00. p.m.	September 14, 2024	Refer Note 3

Notes: 1

- i. Re-appointment of Mr. Om Prakash Bhatt (DIN: 00548091), as an Independent Director and Non-executive Chairman of the Board of the Company for a period of 3 Years i.e. w.e.f September 13, 2022 till September 12, 2025.
- ii. To modify and revalidate the Borrowing powers/limits for the Company and Issuance of Debentures and approval to create charge by way of mortgage and/ or Hypothecation on the assets of the Company.
- iii. Payment of Commission to Independent Directors of the Company

Notes: 2

- i. To consider & revalidate the Borrowing powers/limits for the Company and Issuance of Debentures and approval to create charge by way of mortgages and/ or hypothecation on the assets of the Company
- ii. Payment of Commission to Independent Directors of the Company.
- iii. To consider and approve amendment/ insertion of Article 175A in the existing Articles of Association of the Company, as per the requirement of Regulation 23(6) of the Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021, as amended.

Notes: 3

- i. To consider & revalidate the Borrowing powers/limits for the Company and Issuance of Debentures and approval to create charge by way of mortgages and/or hypothecation on the assets of the Company.
- ii. Payment of Commission to Independent Directors of the Company.
- iii. To approve the appointment of Dr. Punita Kumar Sinha (DIN: 05229262) as an Independent Director of the Company for a period of 5 (five) consecutive years with effect from August 07, 2024 to August 06, 2029.
- iv. Ratification of Aadhar Housing Finance Limited – Employee Stock Option Plan 2020 of the Company.

No resolution was passed through postal ballot during the financial year under review.

Means of Communication

The Company's quarterly/ half yearly/ annual financial results are approved by the Board and submitted to the Stock Exchanges where the Equity Shares and Non- Convertible Debentures of the Company are listed. The financial results summary is published in one English newspaper (all editions), one Marathi newspaper (Mumbai edition) and in one Kannada newspaper (Bangalore edition).

Further, the quarterly/ half yearly/ annual financial results and official press releases are made available on Company's website at <https://aadharhousing.com/investor-relations/newspaper-publications>. During the year under review, quarterly investor calls were scheduled, the transcripts of which are available at <https://aadharhousing.com/investor-relations/investor-meet-presentation>. The Company also participated in various investors conferences and meets during the year.

The Company has complied with all disclosure requirements applicable to equity and high value debt listed entities.

Website Disclosure

The Company's website contains a separate section namely "Investor Relations" at <https://aadharhousing.com/> wherein all shareholder related information is available and can be accessed as and when required.

Other Disclosures:**Related party transactions:**

No materially significant related party transactions have been entered into by the Company that may have a potential conflict with interest of the Company.

Details of non-compliance by the Company, penalties and strictures imposed on the Company by Stock Exchange(s) or SEBI or any other statutory authority, on any matter relating to capital markets, during the last three years:

During the financial year under review, the Company received a fine of ₹ 32,000 from BSE and NSE for September 2024 quarter and ₹ 46,000 by BSE for December 2024 quarter, regarding non-compliance under Regulation 20 of the SEBI LODR Regulations of requirements pertaining to the composition of the Stakeholder Relationship Committee. The Company had applied for waiver of the fine to BSE and NSE since the compliance to the regulation 20 was fulfilled post appointment of Dr. Punita Kumar Sinha as Chairperson of Stakeholders Relationship Committee w.e.f. October 24, 2024. The fine has been waived by NSE vide its letter dated February 21, 2025 and by BSE vide their email dated April 22, 2025

Further the Company received fine notice from BSE dated December 02, 2024 regarding non-compliance under Regulation 60 of SEBI LODR Regulations for one day delay in submission of the notice of Record Date for 1 ISIN pertaining to listed NCD. The Company has duly paid the fine of Rs 10,000 to BSE Ltd for this non compliance.

During the last financial year ended March 31, 2024, the Company had paid a fine of ₹ 5,000 to BSE Ltd, on account of one day delay of filing prior intimation under Regulation 50(1) of the SEBI LODR Regulations.

Apart from the above, there has been no instance of non-compliance by the Company on any matter related to capital markets during the last three years and hence no strictures / penalties have been imposed on the Company by the Stock Exchanges or the Securities and Exchange Board of India or any other Statutory Authority on any matter related to capital markets.

Vigil Mechanism / Whistle Blower Policy

In compliance with the provisions of Section 177(9) of the Act read with Rule 7 of the Companies (Meetings of Board and its Powers) Rules, 2014 and Regulation 22 of the SEBI LODR Regulations, the Company has formulated a vigil mechanism / Whistle blower policy for Directors and employees to report concerns, details of which are covered in the Board's Report. Further, no personnel have been denied access to the audit committee. The policy can be accessed at <https://aadharhousing.com/disclosures-under-regulation-62-of-the-sebi-lodr-regulation-2015-pdf/details-of-establishment-of-vigil-mechanism-whistle-blower-policy>

Details regarding compliance with mandatory requirements and adoption of the non-mandatory requirements:

The Company has complied with regulation 17 to 27 of the SEBI LODR Regulations. Further, your Company has complied

with the disclosure requirements required under clauses (b) to (i) and (t) of sub-regulation (2) of regulation 46. The Company has also complied with all the mandatory requirements of SEBI LODR Regulations as applicable to equity listed entities.

Furthermore, corresponding disclosure requirements applicable to high value debt listed entity as required under Regulation 62 (1A) have also been duly complied with by the Company. The Company has complied with all applicable disclosure requirements applicable to high value debt listed entities.

Policy for determining material subsidiaries

The Company does not have any material subsidiary as per SEBI LODR Regulations. However, the policy to determine material subsidiaries has been approved by the Board on August 12, 2022 and last reviewed at its meeting held on March 26, 2025 and the same is available on the website of the Company at – <https://aadharhousing.com/disclosures-under-regulation-62-of-the-sebi-lodr-regulation-2015-pdf/policy-for-determining-material-subsidiaries>.

Policy on dealing with related party transactions.

Copy of Related Party Transaction Policy of the Company, duly approved by the Board, is enclosed as **Annexure 3** to the Boards report. It is also available on the website of the Company at <https://aadharhousing.com/disclosures-under-regulation-62-of-the-sebi-lodr-regulation-2015-pdf/policy-on-dealing-with-related-party-transactions>

Disclosure of commodity price risks and commodity hedging activities

Your Company does not have any commodity price risk.

Your Company has managed the foreign exchange risk with appropriate hedging activities in accordance with the policies of the Company. The Company uses forward exchange contracts to hedge against its foreign currency exposures. Foreign exchange transactions are covered fully against the foreign exchange risk at any point in time.

Details of utilisation of funds raised through preferential allotment or qualified institutions placement as specified under Regulation 32 (7A)

No funds were raised through preferential allotment or qualified institutions placement as specified under Regulation 32 (7A).

Details of funds raised through initial public offer have been disclosed in the Boards report.

Total fees for all services paid by the Company and its Subsidiary, on a consolidated basis, to the Statutory Auditors of Parent Company.

Total fees for all services paid by the Company, and its Subsidiary, on a consolidated basis to the Statutory Auditors of the Company and all entities in the network firm/network entity of which the Statutory Auditor was a part during the financial year under review is as follows:

1. M/s Kirtane and Pandit LLP- ₹ 49 Lakhs (excluding taxes)
2. M/s S. R. Batliboi & Associates LLP – ₹ 91 Lakhs (excluding taxes)
3. M/s Walker Chandiok & Co LLP - ₹ 20 Lakhs (excluding taxes)

Disclosures in relation to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013

Disclosure in relation to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 forms part of the Boards report.

The Company and its subsidiary has not given any loans and advances in the nature of loans to firms/companies in which the directors are interested.

Disclosure of certain types of agreements binding listed entities :

There are no agreements that require disclosure under clause 5A of paragraph A of Part A of Schedule III of the SEBI LODR Regulations.

Details of material subsidiaries of the Company; including the date and place of incorporation and the name and date of appointment of the statutory auditors of such subsidiaries.

The Company does not have any material subsidiary as per SEBI LODR Regulations.

General Shareholder Information

Annual General Meeting

The 35th Annual General Meeting of your Company will be held on Tuesday, July 29, 2025 at 10.00 a.m. through video conferencing ("VC") / other audio-visual means ("OAVM").

Financial Calendar (Tentative Dates)

Financial year of the Company :	April 01 to March 31
For the quarter ending June 30, 2025 :	On or before August 14, 2025
For the quarter ending September 30, 2025 :	On or before November 14, 2025
For the quarter ending December 31, 2025 :	On or before February 14, 2026
For the quarter/ year ending March 31, 2026 :	On or before May 30, 2026
36th Annual General Meeting for the financial year ending March 31, 2026- On or before September 30, 2026	

Dividend Payment Date: Not applicable

Details of Stock Exchange where the securities of the Company are listed :

The Non- Convertible Debentures issued by the Company by way of public issue and on private placement basis are listed on:

BSE Limited

P.J. Towers, Dalal Street, Fort

Mumbai - 400001, Maharashtra.

Ph. No.: +91 22 22721234

The equity shares of the Company are listed w.e.f. May 15, 2024 on:

BSE Limited

P.J. Towers, Dalal Street, Fort

Mumbai - 400001, Maharashtra.

Ph. No.: +91 22 22721234

Scrip Code: 544176

National Stock Exchange of India Limited

Exchange Plaza, C-1, Block

G, Bandra Kurla Complex,

Bandra (E), Mumbai – 400 051

Ph. No.: +91 26598100

Symbol: AADHARHFC

The Annual Listing Fees for the Financial Year 2025-26 have been duly paid to BSE and NSE.

During the Financial Year none of the securities of the Company were suspended from trading.

Registrar & Transfer Agents:**(For Equity Shares and Non- Convertible Debentures issued by way of public issue)****KFin Technologies Ltd.**

Selenium, Tower B, Plot No- 31& 32,
Financial District, Nanakramguda,
Serilingampally, Hyderabad, Rangareddi,
Telangana, India, 500032.
Ph. No.: +91 40 6716 2222
Email id: einward.ris@kfintech.com
Website: www.kfintech.com

(For Non- Convertible Debentures issued on private placement basis)

3i Infotech Ltd.
Tower # 5, 3rd Floor,
International Infotech Park Vashi,
Navi Mumbai - 400703
Ph. No.: +91 22 7123 8000
Email id: vijaysingh.chauhan@3i-infotech.com
Website: www.3i-infotech.com

Share Transfer System

The Registrar and Share Transfer Agent i.e. KFin Technologies Ltd handles the share transfer system of physical shares of your Company.

Distribution of Shareholding as on March 31, 2025

No. of Equity Shares held	No. of shareholders	% of shareholders	No of Shares held	% of shareholding
1-500	2,04,511	97.68	95,86,125	2.22
501- 1000	2,905	1.39	20,57,308	0.48
1001- 2000	832	0.40	11,98,603	0.28
2001- 3000	265	0.13	6,67,146	0.15
3001- 4000	154	0.07	5,44,344	0.13
4001- 5000	125	0.06	5,83,151	0.14
5001- 10000	236	0.11	16,93,318	0.39
10001& Above	341	0.16	41,50,54,464	96.21
Total	2,09,369	100.00	43,13,84,459	100.00

The detailed shareholding pattern of your Company is mentioned in the Board's report.

Dematerialisation of Shares and Liquidity

99.9994% of equity shares are held in dematerialised form as on March 31, 2025. The Equity Shares of the Company are held in the dematerialised form under both the Depositories viz. National Securities Depository Limited ("NSDL") and Central Depository Services (India) Limited ("CDSL").

Shares held in Demat mode in NSDL: 95.8888%

Shares held in Demat mode in CDSL: 4.1106%

There are 6 individual shareholders holding 2,900 Equity shares (around 0.007%) in physical mode and the Company has sent various intimations/ reminders to them for converting these shares into demat mode. However, the shareholders are yet to dematerialise the same.

Transfer of Unclaimed Equity Shares to Investor Education and Protection Fund ("IEPF") Account

In terms of the provisions of the Act, there were no equity shares due for transfer to Investor Education and Protection Fund ("IEPF") Account during the financial year under review. The total amount lying in the Unpaid Dividend Account of the Company in respect of the last seven years and the date when such unpaid dividend is due for transfer to the IEPF is available on the website of the Company at <https://aadharhousing.com/investor-relations/public-notice-and-intimation>. Investors are requested to claim the unpaid dividend amount in time to avoid transfer to IEPF.

Outstanding Global depository receipts / American depository receipts / Warrants or any Convertible instruments, Conversion date and likely impact on Equity

: Not Applicable

Disclosures with respect to demat suspense account/ unclaimed suspense account:

After sending 3 Reminder letters to the holders of physical shares to dematerialise their existing equity shares held in physical mode and to claim their bonus shares, the Company pursuant to Regulation 39(4) and Schedule VI of the SEBI LODR Regulations, has transferred 26,100 Bonus shares which were issued on January 16, 2021 and which were kept in abeyance, to the "Aadhar Housing Finance Limited – Unclaimed Securities – Suspense Escrow Account".

Following are the disclosures with respect to 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;	Total 6 shareholders for 26,100 equity shares.
(b)	number of shareholders who approached listed entity for transfer of shares from suspense account during the year;	1
(c)	number of shareholders to whom shares were transferred from suspense account during the year;	NIL
(d)	aggregate number of shareholders and the outstanding shares in the suspense account lying at the end of the year;	Total 6 shareholders for 26,100 equity shares.
(e)	the voting rights on these shares shall remain frozen till the rightful owner of such shares claims the shares.	

Plant Location:

The Company is an NBFC engaged in providing home financing solutions to the economically weaker section and lower income groups of society and hence does not have any plant.

The Company has a wide network of 580 branches. The branch locations can be accessed on the Company website at: <https://aadharhousing.com/other/branch-locator>.

Credit Rating:

The Credit ratings for various Borrowings/Fixed deposits of the Company are available in the Board's report.

Address for Correspondences:

Registered office:

2nd Floor, No. 3, JVT Towers, 8th 'A' Main Road, S.R. Nagar, Bengaluru - 560 027, Karnataka, Toll Free No: 1800 3004 2020.

Corporate Office:

Unit no 802, 8th Floor, Natraj by Rustomjee, Junction of Western Express Highway and M. V. Road, Andheri (East), Mumbai-400069.

Debenture Trustees –

- a) Catalyst Trusteeship Limited
GDA House, Plot No. 85, S. No. 94 & 95,
Bhusari Colony (Right), Kothrud,
Pune - 411038, Maharashtra.
Ph. No.: +91 20 2528 0081
Email Id: dt@ctltrustee.com
Website: www.catalysttrustee.com
- b) Beacon Trusteeship Limited
5W, 5th Floor, The Metropolitan, E-Block,
Bandra Kurla Complex, Bandra (E), Mumbai-400051
Phone : 022-26558759
Email Id: compliance@beacontrustee.co.in
Website: <https://beacontrustee.co.in>

Other Discretionary requirements:

A. The Board

The Board of Directors periodically reviewed the compliance of all applicable laws and steps taken by the Company to rectify instances of non-compliance, if any. We have two-woman Non-Executive (Independent) Director on our board.

B. Shareholders' rights

The Company ensures that the disclosure of all the information is made on a non-discretionary basis to all the shareholders. The quarterly results along with investor presentations, audio recordings and transcripts of earnings call are uploaded on the website of the Company at <https://aadharhousing.com/investor-relations/investor-meet-presentation>

C. Modified opinion(s) in audit report

The limited review reports and audit reports submitted along with quarterly and annual financial results respectively are an unmodified opinion from the Statutory Auditors.

D. Separate posts of Chairperson and the Managing Director or the Chief Executive Officer

We have separate people in the post of the Chairperson and the Managing Director & Chief Executive Officer. Further, our Chairman is a Non-Executive Independent Director and is not related to the Managing Director & Chief Executive Officer.

E. Reporting of internal auditor

The internal auditor of the Company reports directly to the Audit Committee of the Board on functional matters and discusses their reports periodically.

FORM No. MR-3

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED MARCH 31, 2025

[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,

Aadhar Housing Finance Limited.

I have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate governance practice by **Aadhar Housing Finance 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, minutes books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorised representatives during the conduct of Secretarial Audit, I hereby report that in my opinion, the Company has, during the audit period covering financial year ended March 31, 2025, except as stated below 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:

1. 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, 2025, 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 and External Commercial Borrowings. Overseas Direct Investment is not applicable to the Company for the year under review.
 - v. The following regulations and guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act') are:
 - a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
 - c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;
 - d) The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021;
 - e) The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021;

- f) 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 – **Not Applicable;**
- g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021 – **Not Applicable;**
- h) The Securities and Exchange Board of India (Buy-back of Securities) Regulations, 2018 – **Not Applicable;**

Further we report that, based on the compliance mechanism established by the Company, which has been verified on test check basis, we are of the opinion that the Company has complied with the provisions of the master directions issued by Reserve Bank of India, National Housing Bank Act, 1987, Circulars, Master circulars, Notifications and Guidelines as prescribed for Housing Finance Companies.

Further, the Company being a registered Corporate Agent with the Insurance Regulatory and Development Authority of India (IRDAI), has complied with IRDAI (Registration of Corporate Agents) Regulations, 2015.

I have examined compliances with applicable clauses of:

- i. Secretarial Standards issued by the Institute of the Company Secretaries of India;
- ii. The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

During the financial year under report, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above except for having minimum number of members in Corporate Social Responsibility Committee September 14, 2024 to November 06, 2024 and Stakeholder Relationship Committee for the period September 14, 2024 to October 24, 2024 and there was a delay in submission of the notice of record date under Regulation 60(2) and in circulation of signed minutes.

I further report that:

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

Adequate notice, agenda and detailed notes have been given to all Directors to schedule the Board Meetings at least seven days in advance and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

The decisions at Board Meetings and Committee Meetings are carried out and recorded in the minutes

of the Board of Directors and Committee of the Board accordingly.

I have relied on the representation made by the Company and its officers for adequate systems and processes in the Company commensurate with its size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

I further report that during the year under review, the Company has undertaken event / action having a major bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc. referred to above viz.

- (i) Approval for payment of Performance Pay for FY 2023-24 and Annual Increment proposal for Key Managerial Persons and Managing Director and CEO for the Financial Year 2024-25;
- (ii) Approval and adoption of the Red Herring Prospectus and Prospectus in relation to the initial public offer by the Company;
- (iii) Approval for exercise of Employee Stock Options by the Key Managerial Persons of the Company;
- (iv) Approval for fresh limit of Information Memorandum/General Information Memorandum to be filed with Stock Exchanges for NCD issuance on a private placement basis in various series/tranches;
- (v) Retirement and Appointment of Director(s);
- (vi) Allotment of equity shares pursuant to initial public offer by the Company and exercise of options under Employee Stock Option Plan, 2018 - Aadhar Housing Finance Limited (ESOP 2018) and "Employee Stock Option Plan, 2020 - Aadhar Housing Finance Limited (ESOP 2020)";
- (vii) Allotment of Non-Convertible Debentures;
- (viii) Approval for issuance of unsecured listed credit rated commercial papers;

- (ix) Approval for availing External Commercial Borrowings;
- (x) The Company has obtained Board and Member's approval for the following businesses:
 - a) Appointment of M/s. S. R. Batliboi and Associates LLP (Firm Registration No 101049W/E300004) as a Joint Statutory Auditor for three financial years;
 - b) Revalidate the Borrowing powers/limits for the Company and Issuance of Debentures and approval to create charge by way of mortgages and/or hypothecation on the assets of the Company;
 - c) Payment of Commission to Independent Directors of the Company for the 2023-24;
 - d) Appointment of Dr. Punita Kumar Sinha (DIN: 05229262) as an Independent Director of the Company for a period of 5 (five) consecutive years with effect from August 07, 2024 to August 06, 2029;
 - e) Ratification of Aadhar Housing Finance Limited – Employee Stock Option Plan 2020 of the Company.

For Aashish K. Bhatt & Associates
Practicing Company Secretaries

Aashish K. Bhatt

Proprietor

ACS No.:19639, COP No.:7023

UDIN: A019639G000274949

ICSI Unique Code S2008MH100200

Place: Mumbai

Date: May 06, 2025

Peer Review Certificate No.: 2959/2023

This Report is to be read with my letter annexed as Appendix A, which forms integral part of this report.

APPENDIX A

To,

The Members,

Aadhar Housing Finance Limited.

My report of even date is to be read along with this letter.

1. The responsibility of maintaining Secretarial record is of the management and based on my audit, I have expressed my opinion on these records.
2. I am of the opinion that the audit practices and process adopted to obtain assurance about the correctness of the secretarial records were reasonable for verification on test check basis.
3. I have not verified the correctness and appropriateness of financial records and books of accounts of the Company.
4. The management is responsible for compliances with corporate and other applicable laws, rules, regulations, standards etc. My examination was limited to the verification of procedure on test basis and wherever required, I have obtained the Management Representation about the compliance of laws, rules and regulations etc.
5. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

For **Aashish K. Bhatt & Associates**
Practicing Company Secretaries

Place: Mumbai
Date: May 06, 2025

Aashish K. Bhatt
Proprietor
ACS No.:19639, COP No.:7023
UDIN: A019639G000274949
ICSI Unique Code S2008MH100200
Peer Review Certificate No.: 2959/2023

CERTIFICATE ON CORPORATE GOVERNANCE

To,

The Members of

Aadhar Housing Finance Limited,

2nd Floor, No. 3, JVT Towers, 8th 'A' Main Road,

Sampangi Rama Nagar, Bengaluru - 560 027, Karnataka.

We have examined the compliance of conditions of Corporate Governance by Aadhar Housing Finance Limited ('the Company') for the year ended March 31, 2025, as per the relevant provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("the SEBI Listing Regulations, 2015") as referred to in Regulation 15(2) of the SEBI Listing Regulations, 2015 for the period from April 01, 2024 to March 31, 2025.

The compliance of conditions of Corporate Governance is the responsibility of the Company's management and our examination was limited to procedures and implementations thereof, adopted by the Company for ensuring the compliance of the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the SEBI Listing Regulations, 2015 except of matters specified in the Secretarial Audit Report.

We further 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.

This Certificate is issued solely for the purposes of complying with the aforesaid Regulations and may not be suitable or for any other purpose.

For **Aashish K. Bhatt & Associates**
Practicing Company Secretaries

Place: Mumbai
Date: May 06, 2025

Aashish K. Bhatt
Proprietor
ACS No.:19639, COP No.:7023
UDIN: A019639G000275169
ICSI Unique Code S2008MH100200
Peer Review Certificate No.: 2959/2023

DECLARATION CONFIRMING COMPLIANCE TO THE CODE OF CONDUCT

To

The Board of Directors

Aadhar Housing Finance Ltd.

Declaration confirming compliance to the Code of Conduct for the Directors, Key Managerial Personnel and Senior Management Personnel of Aadhar Housing Finance Limited ("the Code of Conduct").

Pursuant to the Schedule V (D) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, I, Rishi Anand, Managing Director and Chief Executive Officer of the Company hereby declare that all the Board of Directors, Key Managerial Personnel and Senior Management Personnel of the Company have affirmed compliance with the Code of Conduct for the Directors, Key Managerial Personnel and Senior Management Personnel applicable to them for the year ended March 31, 2025.

For **Aadhar Housing Finance Limited**

Place: Mumbai

Date: April 22, 2025

Rishi Anand
Managing Director and Chief Executive Officer

RELATED PARTY TRANSACTION POLICY

A. PREAMBLE

Aadhar Housing Finance Limited ("Company") is dedicated to the highest standard of ethics and integrity and has successfully applied these standards to the business.

Accordingly, the Company is committed to upholding the highest ethical and legal conduct in fulfilling its responsibilities and recognizes that related party transactions can present a risk of actual or apparent conflicts of interest of the Directors, Key Managerial Personnel, Senior Management, other related parties etc. with the interest of the Company.

The Board of Directors ("Board") of the Company, has adopted the following policy and procedures with regard to Related Party Transactions ("RPT") as defined below, at its meeting held on December 05, 2017 and revised from time to time, in compliance with the requirements of Section 188 of the Companies Act, 2013 and rules made there under and any subsequent amendments thereto ("Companies Act"), read along with Regulation 23 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") as may be applicable in order to ensure the transparency and procedural fairness of such transactions.

B. OBJECTIVE

Section 188 of the Companies Act read along with the Companies (Meetings of Board and its Powers) Rules, 2014 provides the detailed mechanism for dealing with the RPTs of a company by the Audit Committee of the Board ("Audit Committee") including all the approvals required to be passed by the Board and the Shareholders in different circumstances. The objective of this Policy is to ensure proper approvals and reporting of transactions between the Company and its related parties in compliance of provisions of the Companies Act, the Listing Regulations and all other applicable statutory provisions for the time being in force, in this regard.

This policy is designed to govern the transparency of the approval process and disclosure requirements to ensure fairness in the conduct of related party transactions. The Board may amend this policy from time to time as may be required.

Any exceptions to the policy on RPTs must be consistent with the Companies Act, including the rules there under and must be approved in the manner as may be decided by the Board.

C. TRANSACTIONS COVERED UNDER THIS POLICY

Transactions covered under this policy include any contract or arrangement with a related party.

D. DEFINITIONS

1. **"Arm's Length transaction"** means a transaction between two related parties that is conducted as if they are unrelated, so that there is no conflict of interest, as defined in explanation (b) to Section 188 (1) of the Companies Act.
2. **"Associate Company"**, in relation to another company, means any entity which is an associate under sub-section (6) of section 2 of the Companies Act, 2013 or under the applicable accounting standards.

3. **"Audit Committee"** means Audit Committee constituted by the Board of Directors of the Company under the provisions of Listing Regulations and Companies Act, from time to time.

4. **"Board"** means the Board of Directors of the Company.

5. **"Company"** means as defined in the Preamble.

6. **"Control"** includes the right to appoint majority of the directors or to control the management or policy decisions exercisable by a person or persons acting individually or in concert, directly or indirectly, including by virtue of their shareholding or management rights or shareholders agreements or voting agreements or in any other manner:

Provided that a director or officer of the Company shall not be considered to be in control over such company, merely by virtue of holding such position.

7. **"Key Managerial Personnel"** or "KMP" includes:

- i. the Chief Executive Officer or the Managing Director or the Manager;
- ii. the Company Secretary;
- iii. the Whole time Director;
- iv. the Chief Financial Officer;
- v. such other officer, not more than one level below the directors who is in whole-time employment, designated as key managerial personnel by the Board; and
- vi. such other officer as may be prescribed under the Companies Act or SEBI Regulations.

8. **"Material related party transactions"** means those transactions entered into with the Company by a related party, which when individually or taken together with previous transactions during a financial year, exceeds rupees one thousand crore or ten percent of the annual consolidated turnover of the Company as per the last audited financial statements of the Company whichever is lower.

Notwithstanding the above, a transaction involving payments made to a related party with respect to brand usage or royalty shall be considered material if the transaction(s) to be entered into individually or taken together with previous transactions during a financial year, exceed five percent of the annual consolidated turnover of the Company as per the last audited financial statements of the Company.

9. **"Material Modification"** shall mean a 25% or more increase in the original value/ consideration of any Related Party Transaction which was approved by the Audit Committee/Shareholders of the Company, as the case may be.

10. **"Ordinary course of business"** in order to determine whether a transaction is within the ordinary course of business or not, some of the principles that may be adopted to assess are as follows:

- i. whether the transaction is in line with the usual transactions, customs and practices undertaken by the Company to conduct its business operations and activities;
- ii. whether it is permitted by the Memorandum and Articles of Association of the Company; and
- iii. historical practice with a pattern of frequency
- iv. whether the transaction is such that it is required to be undertaken in order to conduct the routine or usual transactions of a company.
- v. meets any other parameters / criteria as decided by the Board/Audit Committee from time to time.

11. "Related Party" means a person or an entity shall be considered as related to the Company if:

- i. such person or entity is a related party as defined under Section 2(76) of the Companies Act;
- ii. such person or entity is a related party under the applicable accounting standard(s); or
- iii. related party as defined under regulation 2(zb) of Listing Regulations of SEBI.

Related Parties under Section 2(76) of the Companies Act:

- (i) A director or his relative;
- (ii) A key managerial personnel or his relative;
- (iii) A firm, in which a director, manager or his relative is a partner;
- (iv) A private Company in which a director or manager or his relative is a member or director;
- (v) A public Company in which a director or manager is a director and holds along with his relatives, more than two per cent of its paid up share capital ;
- (vi) Any body corporate whose board of directors, managing director or manager is accustomed to act in accordance with the advice, directions or instructions of a director or manager;
- (vii) Any person on whose advice, directions or instructions a director or manager is accustomed to act;

Provided that nothing in sub-clauses (vi) and (vii) shall apply to the advice, directions or instructions given in a professional capacity.
- (viii) Any body corporate which is:
 - a. a holding, subsidiary or an associate company of the Company;
 - b. a subsidiary of a holding Company to which it is also a subsidiary; or
 - c. an investing company or the venturer of the Company.

Explanation – For the purpose of this clause, "the investing company or the venturer of a company" means a body corporate whose investment in the Company would result in the Company becoming an associate company of the body corporate.

- (ix) A director other than an independent director or key managerial personnel of the holding company or his relative.

Indian Accounting Standard Ind AS 24 defines related party as :

A related party is a person or entity that is related to the entity that is preparing its financial statements (in this Standard referred to as the 'reporting entity').

- (a) A person or a close member of that person's family is related to a reporting entity if that person:
 - (i) has control or joint control over the reporting entity;
 - (ii) has significant influence over the reporting entity; or
 - (iii) is a member of the key management personnel of the reporting entity or of a parent of the reporting entity.
- (b) An entity is related to a reporting entity if any of the following conditions applies:
 - (i) The entity and the reporting entity are members of the same group (which means that each parent, subsidiary and fellow subsidiary is related to the others).
 - (ii) One entity is an associate or joint venture of the other entity (or an associate or joint venture of a member of a group of which the other entity is a member).
 - (iii) Both entities are joint ventures of the same third party.
 - (iv) One entity is a joint venture of a third entity and the other entity is an associate of the third entity.
 - (v) The entity is a post-employment benefit plan for the benefit of employees of either the reporting entity or an entity related to the reporting entity. If the reporting entity is itself such a plan, the sponsoring employers are also related to the reporting entity.
 - (vi) The entity is controlled or jointly controlled by a person identified in (a).
 - (vii) A person identified in (a)(i) has significant influence over the entity or is a member of the key management personnel of the entity (or of a parent of the entity).
 - (viii) The entity, or any member of a group of which it is a part, provides key management personnel services to the reporting entity or to the parent of the reporting entity.

Related Parties under regulation 2(zb) of Listing Regulations

"related party" means a related party as defined under sub-section (76) of section 2 of the Companies Act, 2013 or under the applicable accounting standards:

"Provided that:

- (a) any person or entity forming a part of the promoter or promoter group of the listed entity; or
- (b) any person or any entity, holding equity shares of ten per cent or more in the listed entity either directly or on a beneficial interest basis as provided under section 89

of the Companies Act, 2013, at any time, during the immediate preceding financial year; shall be deemed to be a related party."

12. **"Related Party Transactions"** or "RPT" means transactions/ contracts/ arrangement between the Company and its related parties which fall under one or more of the following headings:

Related Party Transaction under Section 188 of the Companies Act:

- a) Sale, purchase or supply of any goods or materials;
- b) Selling or otherwise disposing of, or buying, property of any kind;
- c) Leasing of property of any kind;
- d) Availing or rendering of any services,
- e) Appointment of any agent for purchase or sale of goods, materials, services or property;
- f) Such related party's appointment to any office or place of profit in the Company, its subsidiary Company or associate Company; and
- g) Underwriting the subscription of any securities or derivatives thereof, of the Company.

Related party transactions under regulation 2(1) (zc) of Listing Regulations

"related party transaction" means a transaction involving a transfer of resources, services or obligations between:

- (i) a listed entity or any of its subsidiaries on one hand and a related party of the listed entity or any of its subsidiaries on the other hand; or
- (ii) a listed entity or any of its subsidiaries on one hand, and any other person or entity on the other hand, the purpose and effect of which is to benefit a related party of the listed entity or any of its subsidiaries, with effect from April 01, 2023;

regardless of whether a price is charged and a "transaction" with a related party shall be construed to include a single transaction or a group of transactions in a contract:

Provided that the following shall not be a related party transaction:

- (a) the issue of specified securities on a preferential basis, subject to compliance of the requirements under the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;
- (b) the following corporate actions which are uniformly applicable/offered to all shareholders in proportion to their shareholding:
 - i. payment of dividend;
 - ii. subdivision or consolidation of securities;
 - iii. issuance of securities by way of a rights issue or a bonus issue; and
 - iv. buy-back of securities.
- (c) acceptance of fixed deposits by banks/Non-Banking Finance Companies at the terms uniformly applicable/offered to all shareholders/public, subject to disclosure of the same along

with the disclosure of related party transactions every six months to the stock exchange(s), in the format as specified by the SEBI:

- (d) acceptance of current account deposits and saving account deposits by banks in compliance with the directions issued by the Reserve Bank of India or any other central bank in the relevant jurisdiction from time to time:

Explanation: For the purpose of clauses (c) and (d) above, acceptance of deposits includes payment of interest thereon.

- (e) retail purchases from any listed entity or its subsidiary by its directors or its employees, without establishing a business relationship and at the terms which are uniformly applicable/offered to all employees and directors.

13. **"Relatives"**, as stated in Section 2(77) of the Companies Act and rules prescribed there under and as per Regulation 2(1) (zd) of the Listing Regulations as amended from time to time, with reference to any person, means anyone who is related to another, if –

- i. They are members of a Hindu Undivided Family;
- ii. They are husband and wife; or
- iii. A person shall be deemed to be the relative of another, if he or she is related to another in the following manner, namely:-
 - a) Father including step father;
 - b) Mother including step mother;
 - c) Son including step son;
 - d) Son's Wife;
 - e) Daughter;
 - f) Daughter's Husband;
 - g) Brother including step brother; and
 - h) Sister including step sister

14. **"Office or place of profit"** means any office or place:

- a) where such office or place is held by a director, if the director holding it receives from the Company anything by way of remuneration over and above the remuneration to which he is entitled as director, by way of salary, fee, commission, perquisites, any rent-free accommodation, or otherwise; and
- b) where such office or place is held by an individual other than a director or by any firm, private Company or other body corporate, if the individual, firm, private Company or body corporate holding it receives from the Company anything by way of remuneration, salary, fee, commission, perquisites, any rent free accommodation, or otherwise.

15. **"Total Share Capital"** means the aggregate of the paid-up equity share capital and convertible preference share capital of the Company.

E. DETAILS REQUIRED FOR ASCERTAINING RELATED PARTY

The following details shall be required:

1. Declaration/ Disclosure of interest by all the Directors and KMP in Form MBP 1;

2. Declaration of relatives by all Directors and KMPs;
3. Declaration about a firm in which a Director/ Manager or his relative is a partner;
4. Declaration about a private Company in which a Director or Manager or his relative is a member or director;
5. Declaration regarding a public company in which a Director or manager is a Director and holds along with the relatives more than 2% of the paid up share capital;
6. Notices from Directors of any change in particulars of Directorship or in other positions during the year;
7. Details of any body corporate, whose Board of Directors, managing director or manager is accustomed to act in accordance with the advice, directions or instructions of a director or manager of the Company;
8. Details of any person on whose advice, directions or instructions a director or manager is accustomed to act; apart from advice given in professional capacity; and
9. Details of any company which is:
 - i. a holding, subsidiary or an associate company of the Company; or
 - ii. a subsidiary of a holding company to which the Company is also a subsidiary.
 - iii. an investing company or the venturer of the Company.

F. PROCEDURE

The Company shall enter into any contract(s) or arrangement(s) or transaction(s) with a Related Party only after seeking prior approvals from the following :

1. Audit Committee:

All Related Party Transactions and subsequent material modifications whether entered on arm's length basis or not, shall require prior approval of the Audit committee either by circulation or at a meeting. Only those members of the audit committee who are independent directors, shall approve the related party transactions.

Provided further that:

- (a) a related party transaction to which the subsidiary of a listed entity is a party but the listed entity is not a party, shall require prior approval of the audit committee of the listed entity if the value of such transaction whether entered into individually or taken together with previous transactions during a financial year, exceeds ten per cent of the annual standalone turnover, as per the last audited financial statements of the subsidiary;
- b) remuneration and sitting fees paid by the listed entity or its subsidiary to its director, key managerial personnel or senior management, except who is part of promoter or promoter group, shall not require approval of the audit committee provided that the same is not material in terms of the provisions of sub-regulation (1) of this regulation.

The Audit Committee may also grant omnibus approval for Related Party Transactions proposed to be entered into by the Company or its subsidiary during a financial year, subject to the following conditions:

- (i) The Audit Committee shall, after obtaining approval of the Board of Directors, lay down the criteria while granting omnibus approval and such approval shall be applicable in respect of transactions which are repetitive in nature.
- (ii) The Audit Committee shall satisfy itself the need for such omnibus approval for transactions of repetitive nature and that such approval is in the interest of the Company;
- (iii) The Audit Committee shall consider the following factors while specifying the criteria for making omnibus approval, viz:-
 - (a) Repetitiveness of the transactions (in past or in future)
 - (b) Justification for the need of omnibus approval.

Such omnibus approval shall specify:-

- (a) the name(s) of the Related Parties, nature of transaction, period of transaction, maximum amount of transactions that can be entered into in a year and maximum value per transaction which is allowed;
- (b) the indicative base price/current contracted price and the formula for variation in the price if any; and
- (c) such other conditions as the Audit Committee may deem fit.

However, where the need for Related Party Transaction cannot be foreseen and aforesaid details are not available, the Audit Committee may grant omnibus approval for such transactions subject to their value not exceeding ₹1.00 crores per transaction.

Audit Committee shall review, at least on a quarterly basis, the details of Related Party Transactions entered into by the Company or its subsidiary pursuant to each of the omnibus approval given.

Such omnibus approvals shall be valid for a period not exceeding one financial year and shall require fresh approval after the expiry of such financial year.

Omnibus approval shall not be made for transactions in respect of selling or disposing of the undertaking of the Company.

1. Board of Directors:

All Related Party Transactions, which are proposed to be entered by the Company-

- (a) other than in Ordinary Course of Business; and/or
- (b) other than transactions on Arm's Length Basis, shall require prior approval of the Board of Directors of the Company, by means of passing of resolution at a meeting of the Board; and

- (c) Where any Director is interested in any Related Party Transaction, such Director will abstain from discussion and voting on the resolution relating to such transaction.

Details to be provided to the Audit Committee –

With respect to Related Party Transactions requiring approval of the Audit Committee, the following information, to the extent relevant, shall be presented to the Audit Committee:

- a. A general description of the transaction(s), including the material terms and conditions, nature, duration and particulars of the contract.
- b. The name of the Related Party and the basis on which such person or entity is a Related Party.
- c. Name of director or KMP who is related/interested.
- d. Any advance paid or received for the contract or arrangements.
- e. Maximum amount of transaction that can be entered into and the manner of determining the pricing and other commercial terms both included as part of contract and not considered as part of the contract;
- f. The Related Party's interest in the transaction(s), including the Related Party's position or relationship with, or ownership of, any entity that is a party to or has an interest in the transaction(s).
- g. The indicative base price / current contracted price and the formula for variation in the price, if any.(f) confirmation from management that all factors relevant to the contract have been considered, if not, the details of factors not considered with the rationale for not considering those factors; and
- h. Any other material information regarding the transaction(s) or the Related Party's interest in the transaction(s).

If the related party transaction is not exempt under Listing regulations the disclosures to the audit committee shall be in accordance with the SEBI Circular

Arm's Length transactions - Each Director/KMP who is a Related Party with respect to a particular Related

Party Transaction shall disclose all material information to the Audit Committee/Board of Directors concerning such Related Party Transaction and his or her interest in such transaction.

The Audit Committee shall mandatorily review this Policy once in three years and may recommend amendments to this Policy to the Board from time to time as it deems appropriate.

This Policy is intended to augment and work in conjunction with other Company policies having any code of conduct, code of ethics and/or conflict of interest provisions.

G. IDENTIFICATION OF POTENTIAL RELATED PARTY TRANSACTION

The Company Secretary shall at all times maintain a database of Company's Related Parties containing the names of individuals and companies, identified on the basis of the definition set forth above, along with their personal/ company details including any revisions therein.

The Finance & Accounts Team shall be provided with a complete list of related parties in respect of the Company and its subsidiaries. Any proposed transaction with Related Party shall be communicated to the Company Secretary for consideration and approval by the Audit Committee and/or the Board of the Company. If the transactions are regular in nature, the Finance & Accounts Team shall seek enabling approval from the Board with financial limit for such transaction each year.

The Related Party list shall be updated whenever necessary, as per intimation received by the Company Secretary and shall be reviewed on a quarterly basis.

In determining whether to approve or not a Related Party Transaction, the Board will take into account, among other factors, recommendations of the Audit Committee, whether the said Related Party Transaction is in the interest of the Company and its stakeholders and whether there is any actual or potential conflict of interest between the related parties or between the related parties and the Company.

H. APPROVAL OF RELATED PARTY TRANSACTIONS

In accordance with Section 188 of the Companies Act and the Listing Regulations, the Board of Directors and Shareholders of the Company shall accord prior approval for Related Party Transactions, subject to the following:

Board of Directors and Shareholders' approval in terms of Companies Act:

All material Related Party Transactions which are either not on Arm's Length Basis or not in the Ordinary Course of Business shall be recommended by the Audit Committee for the approval of the Board of Directors. The Board of Directors shall further recommend the same for the approval of the Shareholders by way of resolution of the Company, in case the said transactions exceed the value of transactions as provided under Section 188 of the Companies Act, 2013 read with rule 15 of the Companies (Meetings of Board and its Powers) Rules, 2014 and any amendment thereof or the transaction is defined as material related party transaction by the Audit Committee.

Board of Directors and Shareholders' approval in terms of Listing Regulations:

In terms of Regulation 23 of the Listing Regulations, all material Related Party Transaction and subsequent material modifications as defined by Audit Committee shall be recommended by the Board of Directors to the Shareholders for their prior approval by way of a resolution.

Provided further that no related party shall vote to approve such resolutions whether the entity is a related party to the particular transaction or not.

Provided that the requirements of prior approval of shareholders shall not apply in respect of a resolution plan approved under section 31 of the Insolvency Code, subject to the event being disclosed to the recognized stock exchanges within one day of the resolution plan being approved.

Provided further that prior approval of audit committee, Board of Directors and/or shareholders shall not be applicable in the following cases:

- (b) transactions entered into between a holding company and its wholly owned subsidiary whose accounts are consolidated with such holding company and placed before the shareholders at the general meeting for approval.
- (c) transactions entered into between two wholly-owned subsidiaries of the listed holding company, whose accounts are consolidated with such holding company and placed before the shareholders at the general meeting for approval.
- (d) transactions which are in the nature of payment of statutory dues, statutory fees or statutory charges entered into between an entity on one hand and the Central Government or any State Government or any combination thereof on the other hand.

Where an omnibus approval is obtained, the Company Secretary shall obtain details of the Related Party Transactions undertaken by the Company on a quarterly basis, review the value of such transactions and present the same before the Audit Committee for any additional approvals, where the limits laid down under the omnibus approval are likely to be breached.

Individual transactions with Related Parties, which are not in Ordinary Course of Business and not on an Arm's Length Basis, shall be accompanied with management's justification for the same. Before approving such transactions, the Audit Committee will look into the interest of the Company and its Shareholders in carrying out the Related Party Transactions and alternative options, if any, available. The Audit Committee may accordingly approve or modify such transactions, in accordance with this policy and/ or recommend the same to the Board for approval.

The Chairperson of the Audit Committee/Board shall pay sufficient attention and ensure that adequate deliberations are held before approving Related Party Transactions which are not in Ordinary Course of Business and not on Arm's Length Basis and assure themselves that the same is in the interest of the Company and its Shareholders.

Material Related Party Transactions that require prior approval of Shareholders as per Companies Act, 2013:

1. Sale, purchase or supply of any goods or material, directly or through appointment of agent, amounting to ten percent or more of the turnover of the Company;
2. Selling or otherwise disposing of or buying property of any kind, directly or through appointment of agent, amounting to 10% or more of net worth of the Company;
3. Leasing of property any kind amounting to 10% or more of the turnover of Company;
4. Availing or rendering of any services, directly or through appointment of agent, amounting 10% or more of the turnover of the Company;

Explanation: It is hereby clarified that the limits specified in points 1 to 4 above shall apply for transaction or transactions to be entered into either individually or taken together with the previous transactions during a financial year.

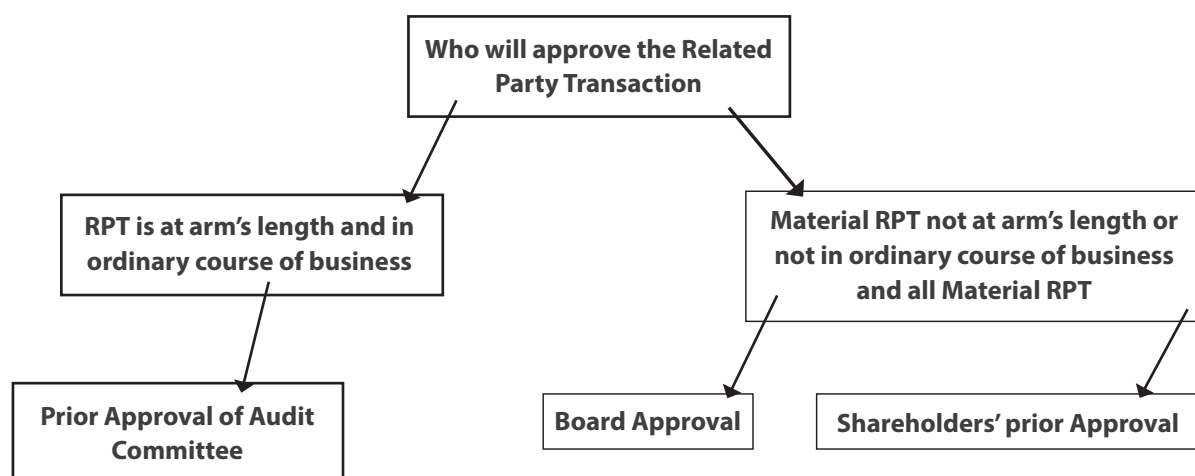
5. Transaction is for appointment related party to any office or place of profit in the Company, its subsidiary company or associate company at a remuneration exceeding ₹2,50,000 (Rupees Two Lakh Fifty Thousand) per month and
6. Remuneration for underwriting the subscription of any securities or derivatives thereof, of the Company exceeding one percent of the net worth.

Explanation: The turnover or net worth referred in the above points shall be computed on the basis of the audited financial statement of the preceding financial year.

OTHER KEY ASPECTS

1. In accordance with Section 188 of the Companies Act read with related rules issued thereon, in case of wholly owned subsidiary, the resolution passed by the holding company shall be sufficient for the purpose of entering into the transactions between wholly owned subsidiary and holding company.

AUDIT COMMITTEE/BOARD/SHAREHOLDER APPROVAL MECHANISM FOR ENTERING INTO RELATED PARTY TRANSACTIONS



RELATED PARTY TRANSACTIONS NOT APPROVED UNDER THIS POLICY

Ratification under Companies Act, 2013: Where any contract or arrangement is entered into by a Director or any other employee of the Company with a Related Party, without obtaining the consent of the Board or approval by a resolution in the general meeting, where required and if it is not ratified by the Board or, as the case may be, by the Shareholders, at a meeting within three months from the date on which such contract or arrangement was entered into, the matter shall be reviewed by the Audit Committee, which may consider all of the relevant facts and circumstances regarding the Related Party Transactions and evaluate all the options available with the Company. Such contract or arrangement shall be voidable at the option of the Board and if the contract or arrangement is with a Related Party to any Director, or is authorized by any other Director, the Directors concerned shall indemnify the Company against any loss incurred by it.

The Company may proceed against a Director or any other employee who had entered into such contract or arrangement in contravention of this Policy for recovery of any loss sustained by it as a result of such contract or arrangement and shall take any such action, it deems appropriate.

Audit Committee may also examine the facts and circumstances pertaining to the failure of reporting such Related Party Transaction to the Audit Committee under this Policy and take any such action it deems appropriate.

Ratification under Listing Regulations: The members of the audit committee, who are independent directors, may ratify related party transactions within three months from the date of the transaction or in the immediate next meeting of the audit committee, whichever is earlier, subject to the following conditions:

- (i) the value of the ratified transaction(s) with a related party, whether entered into individually or taken together, during a financial year shall not exceed rupees one crore;
- (ii) the transaction is not material in terms of the provisions of sub-regulation (1) of this regulation;
- (iii) rationale for inability to seek prior approval for the transaction shall be placed before the audit committee at the time of seeking ratification;

- (iv) the details of ratification shall be disclosed along with the disclosures of related party transactions in terms of the provisions of sub-regulation (9) of this regulation;
- (v) any other condition as specified by the audit committee:

Provided that failure to seek ratification of the audit committee shall render the transaction voidable at the option of the audit committee and if the transaction is with a related party to any director, or is authorised by any other director, the director(s) concerned shall indemnify the listed entity against any loss incurred by it."

I. RECORDS

The Company shall maintain adequate records, either physically or electronically, as required under applicable laws, giving separately the particulars of all contracts or arrangements to which this policy applies.

J. DISCLOSURES

Every Contract or arrangement entered with Related Parties to which sub section (1) of Section 188 of the Companies Act is applicable shall be referred to in the Board's Report to the Shareholders along with the justification for entering into such contract or arrangements. The disclosures should also be made in Form AOC-2 as prescribed under the Companies Act.

The Company shall submit to the stock exchanges disclosures of related party transactions in the format as specified by the Board from time to time, and publish the same on its website:

Provided further that the Company shall make such disclosures every six months on the date of publication of its standalone and consolidated financial results.

Provided further that the remuneration and sitting fees paid by the listed entity or its subsidiary to its director, key managerial personnel or senior management, except who is part of promoter or promoter group, shall not require disclosure under this sub-regulation provided that the same is not material in terms of the provisions of sub-regulation (1) of regulation 23 of Listing Regulations.

The Company shall disclose the contract or arrangements entered into with the Related Party in the Board's Report to the Shareholders along with the justification for entering into such contract or arrangement.

The Company shall disclose this policy relating to Related Party Transactions on its website and a copy of the Related Party Transactions Policy may be annexed to the Board's report forming part of the Annual Report in terms of the SEBI Listing Regulations Master Direction – Non-Banking Financial Company – Housing Finance Company (Reserve Bank) Directions, 2021 and Companies Act, 2013.

The Company shall disclose such details of Related Party Transaction as may be prescribed by the stock exchanges.

K. EXEMPTION FROM APPLICABILITY OF THE POLICY

Notwithstanding the foregoing, but subject to the provisions of the applicable laws from time to time, this policy shall not apply to the following Related Party Transactions, which shall not require approval of Audit Committee, Board of Directors or Shareholders, as per the provisions of Regulation 23(5) of Listing regulations and 5th proviso to section 188(1) and 4th proviso to section 177 (4) of Companies Act, 2013:-

- i. Transactions entered into between the Company and its wholly owned subsidiary whose accounts are consolidated with the Company and placed before the Shareholders at the general meeting for approval.
- ii. Transactions entered into between two wholly owned subsidiaries of the listed holding company, whose accounts are consolidated with such holding company and placed before the shareholders at the general meeting for approval

- iii. Any transaction in which the Related Party's interest arises solely from the ownership of securities issued by the Company and the Related Party receives the same benefits pro rata as all other holders of the same class of securities, other than transactions which are not on an Arm's Length basis.
- iv. Transactions which are in the nature of payment of statutory dues, statutory fees or statutory charges entered into between the Company on the one hand and the Central Government or any State Government or any combination thereof on the other hand.

L. POLICY REVIEW

The Board of Directors of the Company, subject to applicable laws is entitled to review, amend, suspend, or rescind this Policy at any time. However, the Board of Directors shall review the policy mandatorily every three years and update accordingly. Any difficulties or ambiguities in the Policy will be resolved by the Board of Directors in line with the broad intent of the Policy. The Board may also establish further rules and procedures, from time to time, to give effect to the intent of this Policy.

In the event of any conflict between the provisions of this policy and of the provisions of the Companies Act and/or the Listing Regulations and any other applicable law dealing with related party transactions, such applicable regulation/provisions of law in force from time to time shall prevail over this policy.

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

Sl. No.	Particulars	(₹ in Lakh)
1	Name of the subsidiary M/s Aadhar Sales and Services Private Limited	
2	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	N.A.
3	Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries	Not Applicable
4	Share capital	1
5	Reserves & surplus	436
6	Total assets	770
7	Total Liabilities	333
8	Investments	434
9	Turnover	5,919
10	Profit before taxation	(55)
11	Provision for taxation	(27)
12	Profit after taxation	(28)
13	Proposed Dividend	Not Applicable/ NIL
14	% of shareholding	100%

The following information shall be furnished:-

1	Names of subsidiaries which are yet to commence operations	NIL
2	Names of subsidiaries which have been liquidated or sold during the year	NIL

Part "B": Associates and Joint Ventures

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

Note:- Your Company does not hold significant influence in any other Associate Company, as per section 2(87) and 129(3) are disclosed in the Notes to Accounts and Related Party details in the Audited Financials.

For and on behalf of the Board of Directors
Aadhar Housing Finance Limited

Deo Shankar Tripathi
Executive Vice Chairman
DIN 07153794

Rishi Anand
Managing Director & CEO
DIN 02303503

Prateek Roongta
Director
DIN 00622797

Rajesh Viswanathan
Chief Financial Officer

Harshada Pathak
Company Secretary

Place: Mumbai
Date: May 06, 2025

THE ANNUAL REPORT ON CSR ACTIVITIES

(FY 2024-25)

1. Brief outline on CSR Policy of the Company:

The Corporate Social Responsibility (CSR) Policy of Aadhar Housing Finance Limited has been developed in accordance with Section 135 of The Companies Act, 2013 and the Companies (Corporate Social Responsibility) Rules, 2014 and its amendments notified by the Ministry of Corporate Affairs, Government of India.

The CSR vision of the company is to create responsive and empowered communities and to contribute to the socio-economic development of the communities through initiatives designed around sustainability and governance.

The CSR Policy, formulated in alignment with the vision of the Company, lays down the guidelines and mechanisms to be adopted by the Company to carry out CSR Projects/Initiatives.

All CSR initiatives undertaken in FY 2024-25 were conceived and implemented through a focused approach towards target beneficiaries for generating maximum impact and carried out in partnership with credible implementing partners.

CSR Initiatives

The Company has undertaken various CSR initiatives focusing on early childhood education & health of children below 6 years, community preventive health care, gynecological issues of women & menstrual hygiene management, vocational skills & livelihood, support for environment conservation and sports etc. Community participation, sustainability of the projects and employee volunteering are the key elements of the CSR initiatives.

A monitoring & evaluation system has been developed to monitor the progress of all ongoing projects. Reports of implementing partners are reviewed by CSR team and a consolidated report is submitted to CSR committee for their review and inputs.

Our CSR policy is available on our website –

<https://aadharhousing.com/customer-relations/ahfl-policies-codes>

2. Composition of CSR Committee:

Sl. No.	Name of Director	Designation / Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1	Dr. Nivedita Haran ¹	Chairperson/ Independent Director	2	1
2	Dr. Punita Kumar Sinha ²	Chairperson/ Independent Director	2	1
2	Mr. Prateek Roongta	Non-Executive (Nominee) Director	2	2
3	Mr. Rishi Anand	Managing Director and Chief Executive Officer	2	2

1. Ceased to be a chairperson/member of the Committee w.e.f. 14th September 2024.

2. Appointed as chairperson/member of the Committee w.e.f. 06th November 2024.

3. Web-link where Composition of the CSR committee, CSR Policy and CSR projects approved by the board are available on the website of the company:

Web- link for CSR Policy: <https://aadharhousing.com/customer-relations/ahfl-policies-codes>

Web- link for Composition of CSR Committee: Investor Relations | Disclosures under Regulation 62 of the SEBI (LODR) Regulation, 2015 | Aadhar Housing Finance Ltd (AHFL)

Web- link for CSR Projects: Aadhar Housing Finance Ltd (AHFL) | Vision, Mission & Values

4. 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: NA

5. (a) Average net profit of the company as per section 135(5): ₹ 74,062.67 Lakhs
- (b) Two percent of average net profit of the company as per section 135(5): ₹ 1481.25 Lakhs
- (c) Surplus arising out of the CSR projects or programs or activities of the previous financial years: 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): ₹ 1481.25 Lakhs

6. (a) Amount spent on CSR Projects (both Ongoing Project and other than Ongoing Project) – ₹ 969.46 Lakhs
 (b) Amount spent in Administrative overheads – ₹ 38.12 Lakhs
 (c) Amount spent on Impact Assessment, if applicable. – NA
 (d) Total amount spent for the Financial Year [(a)+(b)+(c)] – ₹ 1007.58 Lakhs
 (e) CSR amount spent or unspent for the Financial Year:

Total Amount Spent for the Financial Year. (in ₹)	Amount Unspent				
	Total Amount transferred to Unspent CSR Account as per section 135(6).		Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5).		
	Amount (in ₹)	Date of transfer	Name of the Fund	Amount	Date of transfer
1007.58 Lakhs	473.67 Lakhs	April 24, 2025	NIL	NIL	NIL

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

Sl. No.	Particular	Amount (in ₹ In Lakhs)
(i)	Two percent of average net profit of the company as per section 135(5)	1481.25
(ii)	Total amount spent for the Financial Year	1007.58
(iii)	Excess amount spent for the financial year [(ii)-(i)]	0.00
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	0.00
(v)	Amount available for set off in succeeding financial years [(iii)-(iv)]	0.00

7. Details of Unspent CSR amount for the preceding three financial years:

Sl. No.	Preceding Financial Year(s).	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 Financial Year (in ₹).	Amount transferred to any fund specified as specified under Schedule VII as per second proviso to subsection (5) of section 135, if any		Amount remaining to be spent in succeeding financial years. (in ₹)	Deficiency, if any
					Amount (in ₹).	Date of transfer		
1	FY 21-22	31.92 Lakhs	0.00	0.00	0.00	0.00	0.00	
2	FY 22-23	626.94 Lakhs	34.44 Lakhs	241.11 Lakhs	0.00	0.00	34.44 Lakhs	
3	FY 23-24	584.94 Lakhs	92.89 Lakhs	492.02 Lakhs	0.00	0.00	92.89 Lakhs	

8. Whether any capital assets have been created or acquired through Corporate Social Responsibility amount spent in the Financial Year: Yes

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]	Pincode of the property or asset(s)	Total Amount of CSR amount spent (in ₹)	Details of entity/ Authority/ beneficiary of the registered owner		
				CSR Registration Number, if applicable	Name	Registered address
1	2 Tablet at - NSRTC (Nalcha) and NSRTC (Dharmपुरi) Dhar, Madhya Pradesh 454001 454449	454001 454449	0.24 Lakhs	CSR0001853	Hand in Hand India	No.90 A, Nasarathpettai Village, Little Kancheepuram 631501

Sl. No.	Short particulars of the property or asset(s) [including complete address and location of the property]	Pincode of the property or asset(s)	Total Amount of CSR amount spent (in ₹)	Details of entity/ Authority/ beneficiary of the registered owner		
				CSR Registration Number, if applicable	Name	Registered address
2	2 ETCO2 Monitors 2 ECG Machines 1 Defibrillator 1 OT Lights at – Sanjeevani Mamta Hospital & Research Center 11, Nityanand Nagar CHS, Sahar Road, Railway Colony, Andheri (East), Mumbai Maharashtra – 400 069	400069	26.03 Lakhs	NA	Sanjeevani Mamta Hospital & Research Center	11, Nityanand Nagar CHS, Sahar Road, Railway Colony, Andheri (East), Mumbai – 400 069
3	5 Ventilators 4 ETCO2 Monitors 1 Bronchoscope 1 OT Lights at- BSES Municipal General Hospital, S.V.Road, Opp. Railway Station, Andheri (West), Mumbai, Maharashtra - 400058	400 058	131.47 Lakhs	NA	BSES Municipal General Hospital	S.V.Road, Opp. Railway Station, Andheri (West), Mumbai – 400 058
4	1 Digital Board at – Delhi Police Public Library, Janakpuri Police Delhi -110058	110058	2.20 Lakhs	CSR00013161	Shikhar Organization for Social Development	148/395, Ghaffar Manzil Extn., Jamia Nagar, New Delhi, 110025
5	6 Computers 1 CCTV 1 Hard Drive, Panel Barcode & Scanner 1 Biometric 1 Printer 32 Chairs & 1 Table 1 Mobile Phone 2 Air Conditioners at- Delhi Police Public Library, Mayapuri Police Station, New Delhi - 110064	110064	7.28 Lakhs	CSR00013161	Shikhar Organization for Social Development	148/395, Ghaffar Manzil Extn., Jamia Nagar, New Delhi, 110025
6	Solar panels installation at - Jeevan Samvardhan Foundation, Village Chon Pachon, Tal- Ambernath, Thane, Maharashtra - 421501	421501	4.50 Lakhs	CSR00020485	Jeevan Samvardhan Foundation	B-101, Chandrabhaga Phase 2, Jail Road, Behind Shree Complex, Kalyan (West), Thane, Maharashtra - 421301
7	3 Industrial Sewing Machines at- SOS Vocational Training Centre, Anangpur, Faridabad, Haryana -121003	121003	0.90 Lakhs	CSR00000692	SOS Childrens' Villages of India	A-7, Nizamuddin West, New Delhi - 110013
8	Solar Panel Installation at - SOS Childrens' Villages of India & Hermann Gmeiner School, Khajuro Kalan Road, Sukh Sagar Phase III, Gopal Nagar, Piplani, Bhopal, Madhya Pradesh – 462022	462022	23.73 Lakhs	CSR00000692	SOS Childrens' Villages of India	A-7, Nizamuddin West, New Delhi - 110013
9	Ward Set Up – General, Labour & NICU at- Dr. Suraj Prakash Arogya Kendra, Site No. 2, Sector-8, Faridabad - 121006	121006	31.50 Lakhs	CSR00001000	Bharat Vikas Parishad Social Welfare Trust	Site No. 2, Sector-8, Faridabad - 121006

Sl. No.	Short particulars of the property or asset(s) [including complete address and location of the property]	Pincode of the property or asset(s)	Total Amount of CSR amount spent (in ₹)	Details of entity/ Authority/ beneficiary of the registered owner		
				CSR Registration Number, if applicable	Name	Registered address
10	Solar Panel Installation Library Set Up Science Lab Set Up at- Guru Nanak English High School & Junior College of Commerce, Near Gurudwara Singh Sabha, Parksite, Vikhroli (West), Mumbai – 400079	400079	23.11 Lakhs	NA	Guru Nanak English High School & Junior College of Commerce	Near Gurudwara Singh Sabha, Parksite, Vikhroli (West), Mumbai – 400079
11	Computer Lab Set Up Renovation of Girls Washrooms 2 Water Coolers at- Shri Amichand Inter College, Kasna, Gautam Buddha Nagar, Greater Noida, Uttar Pradesh – 201306	201306	20.14 Lakhs	NA	Shri Amichand Inter College	Kasna, Gautam Buddha Nagar, Greater Noida, Uttar Pradesh – 201306
12	1 Eco Van as Patient Transport Vehicle at- Shree Om Foundation, 37, Sewak Ashram Road, Near Vaish Nursing Home, Dehradun, Uttarakhand – 248001	248001	6.34 Lakhs		Shree Om Foundation	37, Sewak Ashram Road, Near Vaish Nursing Home, Dehradun, Uttarakhand – 248001
13	2 Sewing Machines 3 Computers 1 Webcam 1 Wooden Computer Table 2 Digital UPS 2 360 Degree CCTV cameras with Memory Card 10 Chairs 5 Dell Laptops 1 SS Cabinet at- Chhanv Foundation 10, Sreerampur Road (North), Garia, Kolkata – 700084	700084	2.19 Lakhs	CSR00007898	Chhanv Foundation	Kushal House, 39, Nehru Place, New Delhi - 110019
14	1 Laptop with Licensed version of Microsoft Office software and Quick Heal antivirus at - Pleqsus India Foundation, 1/C/1, Ramlal Agarwala Lane, Baranagar, North 24, Parganas, West Bengal – 700050	700050	0.54 Lakhs	CSR00023171	Pleqsus India	Pleqsus India Foundation, 1/C/1, Ramlal Agarwala Lane, Baranagar, North 24, Parganas, West Bengal - 700050
15	2 Groundwater Recharge Structure 2 Overhead Tank at- Nayakhet & Kalanada Village, Rajasthan- 313204	313204	12.86 Lakhs	CSR0001853	Hand In Hand India	No.90 A, Nasarathpettai Village, Little Kancheepuram 631501
16	1 Construction of Point of Utilization at- Mavli, Rajasthan – 313204	313204	0.90 Lakhs	CSR0001853	Hand In Hand India	No.90 A, Nasarathpettai Village, Little Kancheepuram 631501
17	1 Installation of Solar Panel at- Thamla Village, Rajasthan - 313204	313204	2.97 Lakhs	CSR0001853	Hand In Hand India	No.90 A, Nasarathpettai Village, Little Kancheepuram 631501

9. Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per Section 135(5).

The long-term vision and mission of AHFL's CSR interventions is to create a sustainable qualitative impact. As a result, funds have been committed into multi-year projects. Depending on the focus area and project design, the duration has been appropriately allocated. With an aim to making a meaningful difference & contribute towards building a stronger community for better tomorrow, AHFL is focused to ensure the continuity of the impact and spread awareness amongst masses.

Managing Director & CEO

May 06, 2025

Chairperson CSR Committee

May 06, 2025

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

(pursuant to Regulation 34(3) and Schedule V Para C Sub clause (10)(i) of the SEBI
(Listing Obligations and Disclosure Requirements) Regulations, 2015)

To,

The Members of

Aadhar Housing Finance Limited,

2nd Floor, No. 3, JVT Towers, 8th 'A' Main Road,

Sampangi Rama Nagar, Bengaluru - 560 027, Karnataka.

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of **Aadhar Housing Finance Limited** having CIN L66010KA1990PLC011409 and having registered office at 2nd Floor, No. 3, JVT Towers, 8th 'A' Main Road, Sampangi Rama Nagar, Bengaluru - 560 027, Karnataka (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 Directors 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 ending on March 31, 2025 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 other Statutory Authority.

Sr. No.	Name of Director	DIN	Date of appointment in Company
1.	Deo Tripathi	07153794	January 03, 2023
2.	Amit Dixit	01798942	August 02, 2019
3.	Mukesh Gulraj Mehta	08319159	August 02, 2019
4.	Sharmila Abhay Karve	05018751	December 15, 2020
5.	Om Prakash Bhatt	00548091	September 13, 2019
6.	Rishi Anand	02303503	January 03, 2023
7.	Prateek Roongta	00622797	January 20, 2023
8.	Punita Kumar Sinha	05229262	August 07, 2024

Ensuring the eligibility for the appointment / continuity of every Director on the Board is the responsibility of the management of the Company. My responsibility is to express an opinion on these based on my 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.

For **Aashish K. Bhatt & Associates**
Practicing Company Secretaries

Aashish K. Bhatt

Proprietor

ACS No.:19639, COP No.:7023

UDIN: A019639G000274993

ICSI Unique Code S2008MH100200

Peer Review Certificate No.: 2959/2023

Place: Mumbai

Date: May 06, 2025

FINANCIAL STATEMENTS

Standalone : 102 - 105

Consolidated : 186 - 254

INDEPENDENT AUDITORS' REPORT

To the Members of Aadhar Housing Finance Limited

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the standalone financial statements of Aadhar Housing Finance Limited ("the Company"), which comprise the Balance sheet as at March 31, 2025, the Statement of Profit and Loss, including the statement of Other Comprehensive Income, the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and notes to the standalone financial statements, including a summary of material accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013, as amended ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2025, its profit including other comprehensive loss, its cash flows and the changes in equity for the year ended on that date.

Basis for Opinion

We conducted our audit of the standalone financial statements in accordance with the Standards on Auditing (SAs), as specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the 'Auditor's Responsibilities for the Audit of the Standalone Financial Statements' section of our

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

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 for the financial year ended March 31, 2025. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

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

Key audit matters	How our audit addressed the key audit matter
(a) Impairment of loans (expected credit losses) (refer note 6 and note 38 to the financial statements)	
Indian Accounting Standard (Ind AS) 109 Financial Instruments requires the Company to provide for impairment of its loans using the expected credit loss (ECL) approach. ECL involves an estimation of probability weighted loss on financial assets over their life, considering reasonable and supportable information about past events, current conditions, and forecasts of future economic conditions and other factors which could impact the credit quality of the Company's loans. In the process, a significant degree of judgement and estimates have been applied by the management for: - Grouping of borrowers (retail loan portfolio) based on homogeneity for estimating probability of default (PD), loss given default (LGD) and exposure at default (EAD); - Staging of loans (i.e. classification as "significant increase in credit risk" (SICR) or "credit impaired" categories) based on overdue status and/or qualitative assessment; - Application of an appropriate statistical/ quantitative model for determining the PD, LGD and EAD estimates; - Determining relevant macro-economic and other factors impacting credit quality of loans. The Company has also recorded a management overlay as part of its ECL, to reflect among other things an increased risk of deterioration in relevant macro-economic factors. In view of the high degree of management's judgement involved in estimation of ECL and the overall significance of the impairment loss allowance to the standalone financial statements, it is considered as a key audit matter.	Our audit procedures included the following: - Considered the Company's accounting policies for impairment of loans and assessed compliance with Ind AS 109 and the governance framework approved by the Board of Directors pursuant to applicable Reserve Bank of India guidelines ("the RBI Guidelines"). - Evaluated the reasonableness of the management estimates by understanding the process of ECL estimation and related assumptions. Tested the internal controls around extraction, validation and computation of the input data used in such estimation. - Assessed the criteria for staging of loans based on their overdue status to check compliance with requirement of Ind AS 109. Tested a sample of performing (stage 1) loans to assess whether any SICR or impairment indicators were present requiring them to be classified under stage 2 or stage 3. - Involved internal specialist for testing of the ECL estimates, including factors that affect the PD, LGD and EAD considering various forward looking macro-economic and other factors. - Tested assumptions used by the management in respect of post-model adjustments. - Tested the arithmetical accuracy of computation of ECL provision performed by the Company. - Assessed adequacy of disclosures included in the standalone financial statements in respect of expected credit losses.

Key audit matters	How our audit addressed the key audit matter
(b) IT systems and controls related to the financial reporting process	
The financial accounting and reporting systems of the Company are fundamentally reliant on IT systems and IT controls to process significant transaction volumes. Automated accounting procedures and IT environment controls, which include IT governance, general IT controls over program development and changes, access to programs and data and IT operations, are required to be designed and to operate effectively to ensure accurate financial reporting. Any gaps in the IT control environment could result in a material misstatement of the financial accounting and reporting records. Therefore, in view of the pervasive nature and complexity of the IT environment, the assessment of the general IT controls and the application controls specific to the accounting and preparation of the financial information is considered to be a key audit matter.	Our audit procedures, assisted by our IT experts, on the IT infrastructure and applications relevant to financial reporting included the following: • The aspects covered in the assessment of IT general controls comprised: (i) User Access Management; (ii) Program Change Management; (iii) Other related ITGCs - to understand the design and test the operating effectiveness of such controls in respect of information systems that are important to financial reporting ("in-scope applications"). • Tested the changes that were made to the in-scope applications during the audit period to assess changes that have impact on financial reporting. • Tested the Company's periodic review of access rights. We also inspected requests for changes to systems for appropriate approval and authorization. • Tested the configuration of the audit trail feature in the accounting software and maintenance of back-up as per extant regulatory requirements. • Performed tests of controls (including other compensatory controls, wherever applicable) on the IT application controls and IT dependent manual controls in the system. • Tested the design and operating effectiveness of the compensating controls in case deficiencies were identified and, where necessary, extended the scope of our substantive audit procedures.

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

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

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

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

Responsibilities of Management and Those Charged with Governance for the Standalone Financial Statements

The Company's 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, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection

and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

Those charged with governance are also responsible for overseeing the Company's financial reporting process.

Auditors' 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 auditors' 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 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 financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' 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.

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone financial statements for the financial year ended March 31, 2025 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.

Other Matters

The standalone financial statements of the Company for the year ended March 31, 2024, included in these standalone financial statements, have been audited by one of the joint auditors i.e. Kirtane & Pandit LLP jointly with the predecessor auditor i.e. Walker Chandiok & Co LLP, who expressed an unmodified opinion on those financial statement on May 29, 2024.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the "Annexure 1" a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by Section 143(3) of the Act, we report, to the extent applicable, that:
 - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the 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 except that, for the accounting software used by the Company to maintain payroll records, we have not been able to obtain sufficient and appropriate audit evidence that the backup of books of account maintained in electronic mode was maintained on servers physically located in India on a daily basis, as explained in note 58 to the standalone financial statements, and the matters stated in the paragraph 2(i)(vi) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014, as amended;
 - (c) The Balance Sheet, the Statement of Profit and Loss including the Statement of Other Comprehensive Income, the Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account;
 - (d) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended;
 - (e) On the basis of the written representations received from the directors as on March 31, 2025 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2025 from being appointed as a director in terms of Section 164 (2) of the Act;
 - (f) The modification relating to the maintenance of accounts and other matters connected therewith are as stated in paragraph (b) above on reporting under Section 143(3)(b) of the Act and paragraph 2(i)(vi) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014, as amended;
 - (g) With respect to the adequacy of the internal financial controls with reference to these standalone financial statements and the operating effectiveness of such controls, refer to our separate Report in "Annexure 2" to this report;
 - (h) In our opinion, the managerial remuneration for the year ended March 31, 2025 has been paid/provided by the Company to its directors in accordance with the provisions of section 197 read with Schedule V to the Act;
 - (i) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company has disclosed the impact of pending litigations on its financial position in its standalone financial statements – Refer Note 33 to the standalone financial statements;

- ii. The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts. Refer Note 13 to the standalone financial statements;
- iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company;
- iv. a) The management has represented that, to the best of its knowledge and belief, as disclosed in the note 55 to the standalone financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(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, as disclosed in the note 56 to the standalone financial statements, no funds 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 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 such audit procedures performed that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (a) and (b) contain any material misstatement.
- v. No dividend has been declared or paid during the year by the Company.
- vi. Based on our examination which included test checks, the Company has used accounting software for maintaining its books of account which have a feature of recording audit trail (edit log) facility, and the same has operated throughout the year for all relevant transactions recorded in the software except that, in respect of one software for loan management, the audit trail feature was enabled for direct changes to database from May 24, 2024 and in respect of certain other software (operated by a third-party software service providers) for general ledger and payroll record maintenance and processing, in the absence of an appropriate Service Organization Controls report, we are unable to comment on whether the audit trail feature was enabled and operated throughout the year for all relevant transactions recorded in such software or whether there were any instances of the audit trail feature being tampered with, as described in note 58 to the standalone financial statements. Further, during the course of our audit we did not come across any instance of audit trail feature being tampered with, where the audit trail was enabled. Additionally, the audit trail of relevant prior years has been preserved by the Company as per the statutory requirements for record retention, to the extent it was enabled and recorded in those respective years, as stated in Note 58 to the financial statements.

For S. R. Batliboi & Associates LLP

Chartered Accountants

ICAI Firm Registration No:101049W/E300004

per **Amit Lahoti**

Partner

Membership No.: 132990

UDIN: 25132990BMORTH7923

Mumbai

May 06, 2025

For Kirtane & Pandit LLP

Chartered Accountants

ICAI Firm Registration No: 105215W/W100057

Pinky Nagdev

Partner

Membership No.: 130815

UDIN: 25130815BNFXOD4920

Mumbai

May 06, 2025

Annexure 1 referred to in paragraph 1 under the heading “Report on Other Legal and Regulatory Requirements” of our Independent Auditors’ Report of even date on the Standalone Financial Statements of Aadhar Housing Finance Limited (“the Company”)

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

- (i) (a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment and Investment Property.
- (B) The Company has maintained proper records showing full particulars of the intangible assets recognized in the standalone financial statements.

- (b) The management of the Company has physically verified property, plant and equipment (including right of use assets) during the year and no material discrepancies were identified on such verification.
- (c) The title deeds of all the immovable properties held by the Company (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee), disclosed in Note 10 to the standalone financial statements, are held in the name of the Company, except for the following properties:

Description of property	Gross carrying value (INR Lakhs)	Held in name of	Whether promoter, director or their relative or employee	Period held	Reason for not being held in name of company
Land: Plot no.11, Mangala Nagar alias Sri Arunachala Nagar situated in No. 68, Athur Village, Chengalpet Taluk, Kanchipuram District, Tamil Nadu	20	DHFL Vysya Housing Finance Limited	No	Since 20 November 2017	The title deeds are in the name of DHFL Vysya Housing Finance Limited, currently known as Aadhar Housing Finance Limited.
Land: Plot no 14, Mangala Nagar alias Sri Arunachala Nagar situated in No. 68, Athur Village, Chengalpet Taluk, Kanchipuram District, Tamil Nadu	7	Erstwhile Aadhar Housing Finance Limited	No	Since 20 November 2017	The title deeds are in the name of erstwhile Aadhar Housing Finance Limited that was merged with the Company under Section 230 to 232 of the Companies Act 2013.
Building: Unit No. 5, Row 07, 2013. Block B, Garden City, Coimbatore	13	Erstwhile Aadhar Housing Finance Limited	No	Since 20 November 2017	

- (d) The Company has not revalued its property, plant and equipment (including Right of use assets) or intangible assets during the year ended March 31, 2025.
- (e) There are no proceedings initiated during the year or are pending against the Company as at March 31, 2025 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended) and rules made thereunder.
- (ii) (a) The Company's business does not require maintenance of inventories and, accordingly, the requirement to report on clause 3(ii)(a) of the Order is not applicable to the Company.
- (b) As disclosed in Note 49 to the standalone financial statements, the Company has been sanctioned working capital limits in excess of Rs. five crores in aggregate from banks and/or financial institutions during the year on the basis of security of current assets of the Company. Based on the records examined by us in the normal course of audit of the standalone financial statements, the quarterly returns/statements filed by the Company with such banks and financial institutions are in agreement with the books of accounts of the Company.
- (iii) (a) The Company's principal business is to give loans and is a registered housing finance company. Accordingly, the requirement to report on clause 3(iii)(a) of the Order is not applicable to the Company.
- (b) During the year the investments made, guarantees provided, security given and the terms and conditions of the grant of all loans and advances in the nature of loans and guarantees to companies or any other parties are not prejudicial to the Company's interest.
- (c) In respect of loans and advances in the nature of loans, granted by the Company as part of its business of providing housing finance and loans against property to individual customers, the schedule of repayment of principal and payment of interest has been stipulated by the Company. Having regard to the voluminous nature of loan transactions, it is not practicable to furnish entity-wise details of amount, due date for repayment or receipt and the extent of delay in this report (as suggested in the Guidance Note on CARO 2020, issued by the Institute of Chartered Accountants of India for reporting under this clause), in respect of loans and advances which were not repaid/paid when they were due or were repaid/paid with a delay, in the normal course of lending business.

Further, except for 3,754 loans classified as credit impaired ('stage 3') with aggregate exposure of principal and interest of Rs.22,284 lakhs, 12,192 loans where credit risk has increased significantly since initial recognition ('stage 2') with aggregate exposure of principal and interest of Rs.82,690 lakhs and 6,466 loans where the credit risk has not increased significantly since initial recognition but have some overdue of up to 30 days ('stage 1') with aggregate exposure of principal and interest of Rs. 40,543 lakhs as at March 31, 2025, in respect of which the Company has disclosed staging in note 38 to the standalone financial statements in accordance with Indian Accounting Standards (Ind AS) and the guidelines issued by the Reserve Bank of India, the parties in respect of 2,76,642 loans with aggregate exposure of principal and interest of Rs.1,930,873 lakhs are repaying the principal amounts, as stipulated, and are also regular in payment of interest, as applicable.

(d) In respect of loans and advances in the nature of loans, as disclosed in note 38 to the standalone financial statements, the total amount outstanding of loans classified as credit impaired ('stage 3') (including loans overdue for more than ninety days) as at March 31, 2025 is Rs.22,284 lakhs (3,754 loans). In such instances, in our opinion, reasonable steps have been taken by the Company for recovery of the overdue amount of principal and interest.

(e) The Company's principal business is to give loans and is a registered housing finance company. Accordingly, the requirement to report on clause 3(iii)(e) of the Order is not applicable to the Company.

(b) The dues of goods and services tax, provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of custom, duty of excise, value added tax, cess, and other statutory dues as applicable to the Company have not been deposited on account of any dispute, are as follows:

Name of the statute	Nature of disputed dues	Amount under dispute (Rs. in lakhs)	Amount paid * (Rs. in lakhs)	Period to which the amount relates	Forum where the dispute is pending
Income Tax Act, 1961	Income Tax	909.96	42.91	FY 2013-14, 2017-18 and 2020-21	Commissioner of Income Tax (Appeals)
Goods and Services Tax Act, 2017	GST (Gujarat)	146.94	5.53	FY 2019-20 and 2020-21	First Appellate Tribunal
Goods and Services Tax Act, 2017	GST (Tamil Nadu)	385.31	13.65	FY 2017-18 to 2019-20	First Appellate Tribunal
Goods and Services Tax Act, 2017	GST (Bihar)	0.72	-	FY 2020-21	First Appellate Tribunal
Goods and Services Tax Act, 2017	GST (West Bengal)	11.23	3.13	FY 2018-19	First Appellate Tribunal

*paid under protest

(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 to companies, firms, Limited Liability Partnerships or any other parties. Accordingly, the requirement to report on clause 3(iii)(f) of the Order is not applicable to the Company.

(iv) There are no loans, investments, guarantees and security in respect of which provisions of sections 185 and 186 of the Act are applicable and hence not commented upon.

(v) The Company has neither accepted any deposits from the public nor accepted any amounts which are deemed to be deposits within the meaning of sections 73 to 76 of the Act and the rules made thereunder, to the extent applicable. Accordingly, the requirement to report on clause 3(v) of the Order is not applicable to the Company.

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

(vii) (a) Undisputed statutory dues including goods and services tax, provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of custom, duty of excise, value added tax, cess and other statutory dues as applicable to the Company have generally been regularly deposited with the appropriate authorities though there has been a slight delay in a few cases. According to the information and explanations given to us and based on audit procedures performed by us, no undisputed amounts payable in respect of these statutory dues were outstanding, at the year end, for a period of more than six months from the date they became payable.

(viii) The Company has not surrendered or disclosed any transaction, previously unrecorded in the books of account, in the tax assessments under the Income-tax Act, 1961 as income during the year. Accordingly, the requirement to report on clause 3(viii) of the Order is not applicable to the Company.

(ix) (a) The Company has not defaulted in repayment of loans or other borrowings or in the payment of interest thereon to any lender during the year.

(b) The Company has not been declared as a wilful defaulter by any bank or financial institution or other lender during the year.

(c) Monies raised during the year by the Company by way of term loans has been applied for the purpose for which they were raised other than temporary deployment pending application of proceeds.

(d) On an overall examination of the standalone financial statements of the Company, no funds raised on short-term basis have been used for long-term purposes during the year by the Company.

(e) On an overall examination of the standalone financial statements of the Company, the Company has not taken any funds from any entity or person on account of

or to meet the obligations of its subsidiaries, associates or joint ventures during the year.

- (f) The Company has not raised loans during the year on the pledge of securities held in its subsidiary. The Company does not have any associate or joint venture. Accordingly, the requirement to report on Clause 3(ix)(f) of the Order is not applicable to the Company.
- (x) (a) Monies raised during the year by the Company by way of initial public offer (including debt instruments) were applied for the purpose for which they were raised, though idle/surplus funds which were not required for immediate utilization have been invested in liquid investments payable on demand. The maximum amount of idle/surplus funds invested during the year was Rs.95,233 lakhs, of which nil was outstanding at the end of the year.
- (b) The Company has not made any preferential allotment or private placement of shares/ fully or partially or optionally convertible debentures during the year under audit and hence, the requirement to report on clause 3(x)(b) of the Order is not applicable to the Company.
- (xi) (a) No fraud by the Company or no material fraud on the Company has been noticed or reported during the year.
- (b) During the year and up to the date of this report, no report under section 143 (12) of the Act has been filed by secretarial auditor or by us in Form ADT – 4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.
- (c) As represented to us by the management, there are no whistle blower complaints received by the Company during the year.
- (xii) The Company is not a nidhi company as per the provisions of the Act. Therefore, the requirement to report on clause 3(xii) of the Order is not applicable to the Company.
- (xiii) Transactions with the related parties are in compliance with sections 177 and 188 of the Act where applicable and the details of such transactions have been disclosed in the notes to the standalone financial statements, as required by the applicable accounting standards.
- (xiv) (a) The Company has an internal audit system commensurate with the size and nature of its business.
- (b) The internal audit reports of the Company issued till the date of the audit report, for the period under audit have been considered by us.
- (xv) The Company has not entered into any non-cash transactions with its directors or persons connected with its directors and hence requirement to report on clause 3(xv) of the Order is not applicable to the Company.
- (xvi) (a) The provisions of section 45-IA of the Reserve Bank of India Act, 1934 (2 of 1934) are not applicable to the

Company. Accordingly, the requirement to report on clause 3(xvi)(a) of the Order is not applicable to the Company.

- (b) The Company is a housing finance company registered with the National Housing Bank and is not required to obtain a Certificate of Registration (CoR) from the Reserve Bank of India as per the Reserve Bank of India Act, 1934.
 - (c) The Company is not a Core Investment Company as defined in the regulations made by Reserve Bank of India. Accordingly, the requirement to report on clause 3(xvi) of the Order is not applicable to the Company.
 - (d) There is no Core Investment Company as a part of the Group, hence, the requirement to report on clause 3(xvi) of the Order is not applicable to the Company.
 - (xvii) The Company has not incurred cash losses in the current year or the immediately preceding financial year.
 - (xviii) There has been no resignation of the statutory auditors during the year and accordingly requirement to report on clause 3(xviii) of the Order is not applicable to the Company.
 - (xix) 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 standalone 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) (a) In respect of other than ongoing projects, there are no unspent amounts that are required to be transferred to a fund specified in Schedule VII of the Act, in compliance with the second proviso to sub section 5 of section 135 of the Act. This matter has been disclosed in note 30.1 to the standalone financial statements.
 - (b) All amounts that are unspent under section (5) of section 135 of the Act, pursuant to any ongoing project, has been transferred to the special account in compliance of with provisions of sub section (6) of section 135 of the said Act. This matter has been disclosed in note 30.1 to the standalone financial statements.
 - (xxi) The reporting under clause 3(xxi) of the Order is not applicable in respect of audit of standalone financial statements of the Company. Accordingly, no comment has been included in respect of said clause under this report.

For **S. R. Batliboi & Associates LLP**
Chartered Accountants
ICAI Firm Registration No:101049W/E300004

per **Amit Lahoti**
Partner
Membership No.: 132990

UDIN: 25132990BMORTH7923

Mumbai
May 06, 2025

For **Kirtane & Pandit LLP**
Chartered Accountants
ICAI Firm Registration No: 105215W/W100057

Pinky Nagdev
Partner
Membership No.: 130815

UDIN: 25130815BNFXOD4920

Mumbai
May 06, 2025

Annexure 2 referred to in paragraph 2(g) under the heading “Report on Other Legal and Regulatory Requirements” of our Independent Auditors’ Report of even date on the Standalone Financial Statements of Aadhar Housing Finance Limited

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

We have audited the internal financial controls with reference to standalone financial statements of Aadhar Housing Finance Limited as of March 31, 2025 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management’s Responsibility for Internal Financial Controls

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

Auditors’ Responsibility

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

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

including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

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

Meaning of Internal Financial Controls with reference to these Standalone Financial Statements

A company’s internal financial controls with reference to standalone 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 controls with reference to standalone financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company’s assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls with reference to Standalone Financial Statements

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

Opinion

In our opinion, the Company has, in all material respects, adequate internal financial controls with reference to standalone financial statements and such internal financial controls with reference to standalone financial statements were operating effectively as at March 31, 2025, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

For **S. R. Batliboi & Associates LLP**
Chartered Accountants
ICAI Firm Registration No:101049W/E300004

per **Amit Lahoti**
Partner
Membership No.: 132990

UDIN: 25132990BMORTH7923

Mumbai
May 06, 2025

For **Kirtane & Pandit LLP**
Chartered Accountants
ICAI Firm Registration No: 105215W/W100057

Pinky Nagdev
Partner
Membership No.: 130815

UDIN: 25130815BNFXOD4920

Mumbai
May 06, 2025

Standalone Balance Sheet

as at March 31, 2025

(₹ in Lakhs)

Particulars	Note	As at March 31, 2025	As at March 31, 2024
Assets			
1. Financial assets			
a) Cash and cash equivalents	4	87,682	35,421
b) Bank balances other than cash and cash equivalents	4	84,501	91,717
c) Receivables	5	2,528	1,953
d) Housing and other loans	6	20,48,410	16,90,294
e) Investments	7	50,885	45,784
f) Other financial assets	8	34,749	26,560
		23,08,755	18,91,729
2. Non-financial assets			
a) Current tax assets (net)	9	1,105	1,024
b) Property, plant and equipment	10	3,151	2,999
c) Right of use assets	35	5,781	4,856
d) Other intangible assets	11	255	127
e) Other non-financial assets	12	2,580	7,836
		12,872	16,842
Total assets		23,21,627	19,08,571
Liabilities and equity			
Liabilities			
1. Financial liabilities			
a) Derivative financial instruments	13	1,467	-
b) Trade payables	14		
(i) Total outstanding dues to micro enterprises and small enterprises		17	35
(ii) Total outstanding dues of creditors other than micro enterprises and small enterprises		12,570	10,819
c) Debt securities	15	3,38,882	2,73,883
d) Borrowings (other than debt securities)	16	12,87,329	11,16,002
e) Deposits	17	54	118
f) Subordinated liabilities	18	5,977	5,959
g) Other financial liabilities	19	32,930	52,428
		16,79,226	14,59,244
2. Non-financial liabilities			
a) Provisions	20	2,983	2,211
b) Deferred tax liabilities (net)	21	213	215
c) Other non-financial liabilities	22	2,409	2,300
		5,605	4,726
3. Equity			
a) Equity share capital	23	43,138	39,476
b) Other equity	24	5,93,658	4,05,125
		6,36,796	4,44,601
Total liabilities and equity		23,21,627	19,08,571

The accompanying material accounting policy information and notes form an integral part of the standalone financial statements
In terms of our report of even date attached.

For **S. R. Batliboi & Associates LLP**
Chartered Accountants
ICAI Firm Registration No: 101049W/E300004

per Amit Lahoti
Partner
Membership No.: 132990

For **Kirtane & Pandit LLP**
Chartered Accountants
ICAI Firm Registration No: 105215W/W100057

Pinky Nagdev
Partner
Membership No.: 130815

For and on behalf of the Board of Directors
of **Aadhar Housing Finance Limited**

Deo Shankar Tripathi **Rishi Anand**
Executive Vice-Chairman Managing Director & CEO
DIN 07153794 DIN 02303503

Prateek Roongta
Director
DIN 00622797

Place: Mumbai
Date: May 06, 2025

Place: Mumbai
Date: May 06, 2025

Rajesh Viswanathan **Harshada Pathak**
Chief Financial Officer Company Secretary

Standalone Statement of Profit and Loss

for the year ended March 31, 2025

(₹ in Lakhs)

Particulars	Note	For the year ended March 31, 2025	For the year ended March 31, 2024
1 Income			
Revenue from operations			
a) Interest income	25	2,71,899	2,27,516
b) Fees and commission income	25	19,935	16,839
c) Net gain on fair value changes	25	2,196	2,214
d) Net gain on derecognition of financial instruments under amortised cost category	25	16,705	12,090
Total revenue from operations		3,10,735	2,58,659
Other income	26	127	6
Total income		3,10,862	2,58,665
2 Expenses			
Finance costs	27	1,17,377	98,669
Impairment on financial instruments	28	5,707	4,123
Employee benefits expense	29	40,718	34,567
Depreciation and amortisation	10, 11 & 35	2,524	2,098
Other expenses	30	27,155	23,285
Total expenses		1,93,481	1,62,742
3 Profit before tax (2-3)		1,17,381	95,923
4 Tax expense			
Current tax	31	24,920	21,798
Deferred tax charge/(credit)	31	1,250	(726)
		26,170	21,072
5 Profit for the year (3-4)		91,211	74,851
6 Other comprehensive income			
(A) Items that will not be reclassified to profit or loss			
i Remeasurements of the defined employee benefit plans		(94)	(13)
ii Income tax relating to items that will not be reclassified to profit or loss		24	3
Subtotal (A)		(70)	(10)
(B) Items that will be reclassified to profit or loss			
i The effective portion of gains and loss on hedging instruments in a cash flow hedge		(530)	-
ii Income tax relating to items that will be reclassified to profit or loss		133	-
Subtotal (B)		(397)	-
Total other comprehensive income for the year (A + B)		(467)	(10)
7 Total comprehensive income (7+8)		90,744	74,841
8 Earnings per equity share (Face Value per share: ₹ 10)			
Basic earnings per share (₹)	32	21.44	18.96
Diluted earnings per share (₹)	32	20.85	18.32

The accompanying material accounting policy information and notes form an integral part of the standalone financial statements
In terms of our report of even date attached.

For **S. R. Batliboi & Associates LLP**
Chartered Accountants
ICAI Firm Registration No: 101049W/E300004

For **Kirtane & Pandit LLP**
Chartered Accountants
ICAI Firm Registration No: 105215W/W100057

For and on behalf of the Board of Directors
of **Aadhar Housing Finance Limited**

per Amit Lahoti
Partner
Membership No.: 132990

Pinky Nagdev
Partner
Membership No.: 130815

Deo Shankar Tripathi
Executive Vice-Chairman
DIN 07153794

Rishi Anand
Managing Director & CEO
DIN 02303503

Prateek Roongta
Director
DIN 00622797

Place: Mumbai
Date: May 06, 2025

Place: Mumbai
Date: May 06, 2025

Rajesh Viswanathan
Chief Financial Officer

Harshada Pathak
Company Secretary

Standalone Statement of Cash flow

for the year ended March 31, 2025

(₹ in Lakhs)

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
A. Cash flow from operating activities		
Profit before tax	1,17,381	95,923
Adjustments for:		
Depreciation and amortisation expense	2,524	2,098
Loss on sale of fixed assets (Net)	27	34
Interest on loans	(2,71,899)	(2,27,516)
Interest on finance cost	1,17,377	98,669
Impairment on financial instruments	5,707	4,123
Profit on sale of investment in mutual fund and other investments	(2,196)	(2,214)
Provision for Employee share based payments	1,102	203
Operating profit before working capital changes	(29,977)	(28,680)
Adjustments for:		
Decrease in other financial and non-financial liabilities and provisions	(19,794)	(8,946)
Increase in trade receivables	(575)	(1,156)
Increase in other financial and non-financial assets	(8,491)	(5,605)
Cash generated from operations during the year	(58,837)	(44,387)
Tax paid (Net of refund)	(25,001)	(22,080)
Net cash flow generated from operations before movement in housing and other loans	(83,838)	(66,467)
Housing and other property loans disbursed	(8,19,213)	(7,07,247)
Proceeds from assignment and co-lending of portfolio	1,72,526	1,63,063
Housing and other property loans repayments	2,82,475	2,34,829
Interest received on loans	2,62,190	2,18,759
Interest paid on borrowings and debt	(1,16,747)	(98,244)
Net cash used in operating activities [A]	(3,02,607)	(2,55,307)
B. Cash flow from investing activities		
Proceeds received on sale/redemption of investments	6,30,496	5,31,917
Payment towards purchase of investments	(6,34,469)	(5,27,676)
Investment in fixed deposits (net of maturities)	8,589	59,569
Payment towards purchase of property, plant and equipment and other intangible assets	(1,480)	(1,544)
Proceeds received on sale of property, plant and equipment and other intangible assets	21	20
Interest received on investments	12,788	10,302
Net cash flow generated from investing activities [B]	15,945	72,588
C. Cash flow from financing activities		
Proceeds from issue of equity shares	1,03,607	-
Share issue expenses/expenses towards offer for sale of shares (net off recoveries from selling shareholder)	(374)	(1,419)
Proceeds from loans from banks/institutions	3,49,902	2,94,153
Proceeds from loans from NHB	1,10,000	1,40,500
Proceeds from Commercial Papers	24,884	-
Proceeds from Non-convertible debentures	1,05,180	1,32,000
Repayment of loans to banks/institutions	(1,98,561)	(1,85,514)
Repayment of loans to NHB	(88,868)	(87,599)
Repayment of Commercial Papers	(25,000)	-
Repayment of Non-convertible debentures	(40,100)	(1,12,777)
Repayment of deposits	(110)	(203)
Payment of lease liabilities	(1,123)	(907)
Payment of interest on lease liabilities	(514)	(425)
Net cash flow generated from financing activities [C]	3,38,923	1,77,809
Net increase/(decrease) in cash and cash equivalents [A+B+C]	52,261	(4,910)
Cash and cash equivalents at the beginning of the year	35,421	40,331
Cash and cash equivalents at the end of the year	87,682	35,421
Components of cash and cash equivalents		
Cash on hand	510	246
Balances with banks in current accounts	9,514	5,016
Balances with banks in deposits accounts with original maturity of less than 3 months	77,658	30,159
	87,682	35,421

The accompanying material accounting policy information and notes form an integral part of the standalone financial statements
In terms of our report of even date attached.

For **S. R. Batliboi & Associates LLP**
Chartered Accountants
ICAI Firm Registration No: 101049W/E300004

For **Kirtane & Pandit LLP**
Chartered Accountants
ICAI Firm Registration No: 105215W/W100057

For and on behalf of the Board of Directors
of **Aadhar Housing Finance Limited**

per Amit Lahoti
Partner
Membership No.: 132990

Pinky Nagdev
Partner
Membership No.: 130815

Deo Shankar Tripathi
Executive Vice-Chairman
DIN 07153794

Rishi Anand
Managing Director & CEO
DIN 02303503

Prateek Roongta
Director
DIN 00622797

Place: Mumbai
Date: May 06, 2025

Place: Mumbai
Date: May 06, 2025

Rajesh Viswanathan
Chief Financial Officer

Harshada Pathak
Company Secretary

Standalone Statement of Changes in Equity

for the year ended March 31, 2025

(₹ in Lakhs)

a) Equity Share Capital

For the year ended March 31, 2024

Particulars	Amount
Balance as at April 01, 2023	39,476
Changes in equity share capital during the year	-
Balance as at March 31, 2024	39,476

For the year ended March 31, 2025

Particulars	Amount
Balance as at April 01, 2024	39,476
Changes in equity share capital during the year	3,662
Balance as at March 31, 2025	43,138

b) Other Equity

For the year ended March 31, 2024

Particulars	Reserves and Surplus						Items of other comprehensive income			Total
	Capital reserve on amalgamation	Securities premium	Statutory reserve	Debt redemption reserve	General Reserve	Employee Stock Option Outstanding	Retained earnings	Effective portion of cash flow hedge reserve	Remeasurement of defined benefit liability/ asset	
Balance as at April 01, 2023	6	1,33,700	45,895	16,910	19,069	2,050	1,12,640	-	(189)	3,30,081
Profit for the year	-	-	-	-	-	-	74,851	-	-	74,851
Other comprehensive income	-	-	-	-	-	-	-	-	(10)	(10)
Transferred to general reserve	-	-	-	-	7,485	-	(7,485)	-	-	-
Transferred to statutory reserve	-	-	14,970	-	-	-	(14,970)	-	-	-
Employee Stock Option Outstanding	-	-	-	-	-	203	-	-	-	203
Balance as at March 31, 2024	6	1,33,700	60,865	16,910	26,554	2,253	1,65,036	-	(199)	4,05,125

Standalone Statement of Changes in Equity

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

For the year ended March 31, 2025

Particulars	Reserves and Surplus						Items of other comprehensive income			Total
	Capital reserve on amalgamation	Securities premium	Statutory reserve	Debt redemption reserve	General Reserve	Employee Stock Option Outstanding	Retained earnings	Effective portion of cash flow hedge reserve	Remeasurement of defined benefit liability/ asset	
Balance as at April 01, 2024	6	1,33,700	60,865	16,910	26,554	2,253	1,65,036	-	(199)	4,05,125
Profit for the year	-	-	-	-	-	-	91,211	-	-	91,211
Other comprehensive income	-	-	-	-	-	-	-	(397)	(70)	(467)
Issue of equity shares	-	1,00,634	-	-	-	(690)	-	-	-	99,944
Share issue expenses (net of tax)	-	(3,257)	-	-	-	-	-	-	-	(3,257)
Transferred to general reserve	-	-	-	(16,379)	16,379	-	-	-	-	-
Transferred to statutory reserve	-	-	18,243	-	-	-	(18,243)	-	-	-
Transferred to debt redemption reserve	-	-	-	-	-	-	-	-	-	-
Employee Stock Option Outstanding	-	-	-	-	-	1,102	-	-	-	1,102
Balance as at March 31, 2025	6	2,31,077	79,108	531	42,933	2,665	2,38,004	(397)	(269)	5,93,658

The accompanying material accounting policy information and notes form an integral part of the standalone financial statements

In terms of our report of even date attached.

For **S. R. Batliboi & Associates LLP**
Chartered Accountants
ICAI Firm Registration No: 101049W/E300004

per Amit Lahoti
Partner
Membership No.: 132990

Place: Mumbai
Date: May 06, 2025

For **Kirtane & Pandit LLP**
Chartered Accountants
ICAI Firm Registration No: 105215W/W100057

Pinky Nagdev
Partner
Membership No.: 130815

Place: Mumbai
Date: May 06, 2025

For and on behalf of the Board of Directors
of **Aadhar Housing Finance Limited**

Deo Shankar Tripathi
Executive Vice-Chairman
DIN 07153794

Prateek Roongta
Director
DIN 00622797

Rajesh Viswanathan
Chief Financial Officer

Rishi Anand
Managing Director & CEO
DIN 02303503

Harshada Pathak
Company Secretary

Summary of material accounting policy information and other explanatory information to the standalone financial statements as at and for the year ended March 31, 2025

1. Corporate information

Aadhar Housing Finance Limited (formerly known as DHFL Vysya Housing Finance Limited) (the "Company") was incorporated in India in the name of Vysya Bank Housing Finance Limited ("VBHFL") on November 26, 1990. VBHFL was taken over by Dewan Housing Finance Corporation Limited in 2003 and renamed as DHFL Vysya Housing Finance Ltd ("DVHFL"). The erstwhile Aadhar Housing Finance Ltd which was established in 2010 and commenced operation in February, 2011 was merged into DVHFL on November 20, 2017 and renamed as Aadhar Housing Finance Limited on December 04, 2017 with permission of National Housing Bank ("NHB") and Registrar of Companies ("ROC"). The Company is carrying business of providing loans to customers including individuals, companies, corporations, societies or association of persons for purchase/construction/repair and renovation of residential property, loans against property and provide other property related services. The Company is registered with National Housing Bank under section 29A of the National Housing Bank Act, 1987. The Company is a subsidiary of BCP Topco VII Pte. Ltd. ("Holding Company").

During the financial year 2019-20, the Wadhawan Global Capital Ltd. and Dewan Housing Finance Corporation Limited, along with promoter shareholders and International Finance Corporation (collectively "sellers") transferred their entire shareholding to BCP Topco VII Pte. Ltd., which is held through intermediary companies by private equity funds managed by wholly owned subsidiaries of The Blackstone Group L.P. (collectively "Blackstone").

The Company is a Public Limited Company and has listed Equity shares on May 15, 2024 on National Stock Exchange (NSE) and Bombay Stock Exchange (BSE). Company's Non-Convertible Debentures (NCDs) are listed on the Bombay Stock Exchange (BSE).

The financials were approved for issue by the Company's Board of Directors on May 06, 2025.

2. Material accounting policy information

2.1 Basis of preparation and presentation

The Standalone Financial Statements of the Company comprises the Standalone Balance Sheet as at March 31, 2025, and the Standalone statement of profit and loss (including Other Comprehensive Income), the Standalone Statement of Cash Flows and the Standalone Statement of Changes in Equity for the year ended March 31, 2025 and a summary of material accounting policy information and other explanatory information (together referred to as the "Standalone Financial Statements").

The Standalone Financial Statements have been prepared in accordance with the recognition and measurement principle of Indian Accounting Standards ("Ind AS") prescribed under Section 133 of the Companies Act, 2013 (the "Act"), read with relevant rules issued thereunder and other accounting principles generally accepted in India, requirements prescribed under the Schedule III - Division III of the Act, as amended, the circulars, the guidelines and the master directions issued by the Reserve Bank of India (the "RBI") and National Housing Bank (the "NHB") from time to time to the extent applicable.

2.2 Going concern

These financial statements have been prepared on a going concern basis.

2.3 Historical cost convention

Historical cost is generally based on the fair value of the consideration given in exchange for goods and services. The financial statements have been prepared on the historical cost basis except for certain financial instruments that are measured at fair values at the end of each reporting period.

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. The measurement and/ or disclosure in these financial statements has been accordingly determined except for share based payment transactions, leasing transactions and certain other transactions that are required to be valued in accordance with Ind AS 102, Ind AS 116 and Ind AS 36, respectively.

2.4 Presentation of financial statements

Amounts in the financial statements are presented in Indian Rupees in Lakhs and all values are rounded to the nearest Lakhs, except when otherwise indicated. Per share data is presented in Indian Rupee.

2.5 Revenue recognition

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured and there exists reasonable certainty of its recovery. Revenue towards satisfaction of a performance obligation is measured at the amount of transaction price (net of variable consideration) allocated to that performance obligation.

a. Interest income

The main source of revenue for the Company is Income from Housing and Other loans. Repayment of housing and other loans is by way of Equated Monthly Instalments (EMIs) comprising of principal and interest. EMIs generally commence once the loan is disbursed. Pending commencement of EMIs, pre-EMI interest is payable every month on the loan that has been disbursed. Interest is calculated either on annual rest or on monthly rest basis in terms of the financing scheme opted by the borrower.

Interest income on housing and other loans and other financial instruments carried at amortised cost is recognised on a time proportion basis taking into account the amount outstanding and the effective interest rate ("EIR") applicable.

The EIR considers all fees, charges, transaction costs, and other premiums or discounts that are incremental and directly attributable to the specific financial instrument at the time of its origination. The financial assets that are classified at fair value through statement of profit and loss

Summary of material accounting policy information and other explanatory information to the standalone financial statements as at and for the year ended March 31, 2025

("FVTPL"), transaction costs are recognised in statement of profit and loss at initial recognition.

The interest income on non-credit impaired financial assets is calculated by applying the EIR to the gross carrying amount (i.e. at the amortised cost of the financial asset before adjusting for any expected credit loss allowance).

b. Fee and commission income:

Fee and commission, other than the fee that forms an integral part of EIR, are accounted on accrual basis.

c. Dividend income

Dividend income is recognised when the Company's right to receive dividend is established by the reporting date.

d. Investment income

The gains/losses on sale of investments are recognised in the statement of profit and loss on trade date. Gain or loss on sale of investments is determined on the basis of weighted average cost.

e. Net gain on derecognition of financial instruments under amortised cost category

Net gain on derecognition of financial instruments under amortised cost category are recognised in the statement of profit and loss on date of sale and is determined as difference between the carrying amount allocated towards the derecognised asset (towards part of derecognised asset in case of a part of cash flows towards the same asset is retained) and the consideration received for the part derecognised. Carrying amount allocated towards the part derecognised is identified on the basis of relative fair values of part derecognised and part continued to be recognised.

f. Other operating revenue:

Prepayment charges, delayed payment interest and other such incomes where recovery is uncertain are recognised on receipt basis.

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

PPEs not ready for the intended use on the date of the Balance Sheet are disclosed as "capital work-in-progress".

Depreciation is recognised using straight line method so as to write off the cost of the assets (other than freehold land which is not depreciated) less their residual values over their useful lives specified in Schedule II to the Act, or in case of assets where the useful life was determined by technical evaluation, over the useful life so determined. Depreciation method is reviewed at each financial year end to reflect expected pattern of consumption of the future economic benefits embodied in the asset. The estimated useful life and residual values are also reviewed at each financial year end with the effect of any change in the estimates of useful life/residual value is accounted on prospective basis.

Estimated useful life considered by the Company are:

Asset	Estimated Useful Life
Office equipment & computer	5 – 10 Years
Furniture and fixtures	10 Years
Vehicles	8 Years
Leasehold improvements	Lease Period
Buildings	60 Years

Intangible assets

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

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

Intangible assets are amortised on straight line basis over the estimated useful life of 3 years. The method of amortisation and useful life are reviewed at the end of each accounting year with the effect of any changes in the estimate being accounted for on a prospective basis.

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

2.6 Property, plant and equipment and Intangible Assets

Property, plant and equipment (PPE)

PPE is recognised when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. PPE is stated at cost less accumulated depreciation/ amortisation and impairment losses, if any. The cost of PPE is its purchase price net of any trade discounts and rebates, any import duties and other taxes (other than those subsequently recoverable from the tax authorities), any directly attributable expenditure on making the PPE ready for its intended use, other incidental expenses and interest on borrowing attributable to acquisition of qualifying PPE upto the date the asset is ready for its intended use.

Summary of material accounting policy information and other explanatory information to the standalone financial statements as at and for the year ended March 31, 2025

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

Impairment of assets

As at the end of each financial year, the Company reviews the carrying amounts of its PPE and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If such indication exists, the PPE and intangible assets are tested for impairment so as to determine the impairment loss, if any.

Impairment loss is recognised when the carrying amount of an asset exceeds its recoverable amount. Recoverable amount is the higher of fair value less costs of disposal and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If recoverable amount of an asset is estimated to be less than its carrying amount, such deficit is recognised immediately in the statement of profit and loss as impairment loss and the carrying amount of the asset is reduced to its recoverable amount.

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

2.7 Employee benefits

i. Defined contribution plan

The contribution to provident fund, pension fund, National Pension Scheme and employee state insurance scheme are considered as defined contribution plans and are charged as an expense in the statement of profit and loss based on the amount of contribution required to be made as and when services are rendered by the employees.

ii. Defined benefits plan

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

The Company's net obligation in respect of defined benefit plans is calculated by estimating the amount of future benefit that employees have earned in the current and prior periods, discounting that amount and deducting the fair value of any plan assets.

The calculation of defined benefit obligations is performed periodically by a qualified actuary using the projected unit credit method. When the calculation results in a potential asset for the Company, the recognition of the asset is limited to the present value of economic benefits available in the form of any future refunds from the plan or reductions in future contributions to the plan.

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

iii. Short-term employee benefits

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

The cost of short-term compensated absences is accounted as under:

- (a) in case of accumulated compensated absences, when employees render the services that increase their entitlement of future compensated absences; and
- (b) in case of non-accumulating compensated absences, when the absences occur.

iv. Compensated absences

Compensated absences which are not expected to occur within twelve months after the end of the period in which the employee renders the related service are recognised as a liability at the present value of the defined benefit obligation as at the balance sheet date less the fair value of the plan assets out of which the obligations are expected to be settled.

v. Share-based payment arrangements

The share appreciation rights/stock options granted to employees pursuant to the Company's Stock appreciation rights scheme/stock options policy are measured at the fair value of the rights at the grant date. The fair value of the rights/options is treated as discount and accounted as

Summary of material accounting policy information and other explanatory information to the standalone financial statements as at and for the year ended March 31, 2025

employee compensation cost over the vesting period on a straight line basis. The amount recognised as expense in each year is based on the number of grants expected to vest. If a grant lapses after the vesting period, the cumulative discount recognised as expense in respect of such grant is transferred to the general reserve within other equity.

2.8 Leases

The Company evaluates if an arrangement qualifies to be a lease as per the requirements of Ind AS 116. Identification of a lease requires significant judgment. The Company uses significant judgement in assessing the lease term (including anticipated renewals) and the applicable discount rate. The Company determines the lease term as the non-cancellable period of a lease, together with both periods covered by an option to extend the lease if the Company is reasonably certain to exercise that option; and periods covered by an option to terminate the lease if the Company is reasonably certain not to exercise that option. In assessing whether the Company is reasonably certain to exercise an option to extend a lease, or not to exercise an option to terminate a lease, it considers all relevant facts and circumstances that create an economic incentive for the Company to exercise the option to extend the lease, or not to exercise the option to terminate the lease. The Company revises the lease term if there is a change in the non-cancellable period of a lease. The discount rate is generally based on the incremental borrowing rate.

The right-of-use assets are subsequently measured at cost less any accumulated depreciation, accumulated impairment losses, if any and adjusted for any remeasurement of the lease liability.

The right-of-use assets are depreciated using the straight-line method from the commencement date over the shorter of lease term or useful life of right-of-use asset. Right-of-use assets are tested for impairment whenever there is any indication that their carrying amounts may not be recoverable. Impairment loss, if any, is recognised in the statement of profit and loss.

The Company recognises the amount of the re-measurement of lease liability due to modification as an adjustment to the right-of-use asset and statement of profit and loss depending upon the nature of modification. Where the carrying amount of the right-of-use asset is reduced to zero and there is a further reduction in the measurement of the lease liability, the Company recognises any remaining amount of the re-measurement in statement of profit and loss.

The Company has elected not to apply the requirements of Ind AS 116 Leases to short-term leases of all assets that have a lease term of 12 months or less and leases for which the underlying asset is of low value. The lease payments associated with these leases are recognised as an expense on a straight-line basis over the lease term.

2.9 Financial instruments

Recognition of financial instruments

Financial instruments comprise of financial assets and financial liabilities. Financial assets and financial liabilities are recognised in the Company's balance sheet when the Company becomes a party to the contractual provisions of the instrument. Financial assets primarily comprise of loans and advances, deposits, trade receivables and cash and cash equivalents. Financial liabilities primarily comprise of deposits, borrowings (other than debt securities), debt securities, subordinate liabilities and trade payables.

Initial measurement of financial instruments

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

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

- if fair value is evidenced by a quoted price in an active market for an identical asset or liability or based on a valuation technique that uses only data from observable markets, then the difference is recognised in the statement of profit and loss on initial recognition (i.e. day 1 profit or loss);
- in all other cases, the fair value will be adjusted to bring it in line with the transaction price (i.e. day 1 profit or loss will be deferred by including it in the initial carrying amount of the asset or liability).

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

Financial assets

Classification of financial assets

- debt instruments that are held within a business model whose objective is to collect the contractual cash flows, and that have contractual cash flows that are solely payments of principal and interest on the principal amount outstanding (SPPI), are subsequently measured at amortised cost;

Summary of material accounting policy information and other explanatory information to the standalone financial statements as at and for the year ended March 31, 2025

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

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

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

A financial asset is held for trading if:

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

Investment in equity instruments at Fair Value Through Other Comprehensive Income (FVTOCI)

The Company subsequently measures all equity investments at fair value through profit or loss, unless the Company's management has elected to classify irrevocably some of its equity investments as equity instruments at FVTOCI.

The Company has not elected to classify any equity investment at FVTOCI.

Debt instruments at amortised cost or at FVTOCI

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

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

For the purpose of SPPI test, principal is the fair value of the financial asset at initial recognition. That principal amount may change over the life of the financial asset (e.g. if there are repayments of principal). Interest consists

of consideration for the time value of money, for the credit risk associated with the principal amount outstanding during a particular period of time and for other basic lending risks and costs, as well as a profit margin.

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

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

For an asset to be classified and measured at FVTOCI, its contractual terms should give rise to cash flows that are meeting SPPI test and the intention is to collect the contractual cash flows till maturity or dispose off the asset before maturity.

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

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

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

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

Debt instruments that do not meet the amortised cost criteria or FVTOCI criteria are measured at FVTPL. In addition, debt instruments that meet the amortised cost criteria or the FVTOCI criteria but are designated as at FVTPL are measured at FVTPL upon initial recognition if such designation eliminates or significantly reduces a measurement or recognition inconsistency that would arise from measuring assets or liabilities or recognising the gains and losses on them on different bases.

Financial assets at FVTPL are measured at fair value at the end of each reporting period, with any gains or losses arising on remeasurement recognised in statement of profit or loss.

Subsequent measurement of financial assets

All recognised financial assets that are within the scope of Ind AS 109 are required to be subsequently measured at amortised cost or fair value on the basis of the entity's

Summary of material accounting policy information and other explanatory information to the standalone financial statements as at and for the year ended March 31, 2025

business model for managing the financial assets and the contractual cash flow characteristics of the financial assets.

The Company business model objective is to hold financial assets in order to collect contractual cash flows. The contractual terms of the financial asset give rise to cash flows that are solely payments of principal and interest on the principal amount outstanding on specified dates.

Reclassifications

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

Impairment

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

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

The Company measures ECL based on category of loans at a collective level. The measurement of the loss allowance is based on the present value of the asset's expected cash flows using the asset's original EIR.

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

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

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

- Stage 1 - Performing assets with zero to thirty days past due (DPD). Stage 1 loans also include facilities where the credit risk has improved and the loan has been reclassified from Stage 2 and Stage 3.
- Stage 2 - Under-performing assets having 31 to 90 DPD. Stage 2 loans also include facilities, where the credit risk has improved and the loan has been reclassified from Stage 3.
- Stage 3 - Non-performing assets with overdue more than 90 DPD

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

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

Derecognition of financial assets

A financial asset is derecognised only when:

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

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

The Company transfers loans through assignment transactions. In accordance with the Ind AS 109, on derecognition of a financial asset under assignment transactions, the difference between the carrying amount and the consideration received shall be recognised in statement of profit and loss.

Write-off

Loans and investment in debt securities are written off when the Company has no reasonable expectations of recovering the financial asset (either in its entirety or a portion of it). This is the case when the Company determines that the borrower does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the write-off. A write-off constitutes a derecognition event. The Company may apply enforcement activities to financial assets written off. Recoveries resulting from the Company's enforcement activities shall be recognised in statement of profit and loss.

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Financial liabilities and equity

Classification as debt or equity

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.

Equity instruments

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

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

Financial liabilities

A financial liability is

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

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

Financial liabilities at FVTPL

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

A financial liability is classified as held for trading if:

- it has been incurred principally for the purpose of repurchasing it in the near term; or
- on initial recognition it is part of a portfolio of identified financial instruments that the Group

manages together and has a recent actual pattern of short-term profit-taking; or

- it is a derivative that is not designated and effective as a hedging instrument.

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

Financial liabilities subsequently measured at amortised cost

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

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

Derecognition of financial liabilities

The Company derecognises financial liabilities when, and only when, the Company's obligations are discharged, cancelled or have expired. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in the statement of profit and loss.

Derivative financial instruments

The Company enters into derivative financial instruments to manage its exposure to interest rate risk and foreign exchange rate risk. Derivatives held by the Company are Cross Currency Interest Rate Swaps (CCIRS) and foreign currency forward contracts. Derivative contracts are initially recognised at fair value on the date of entering into contract and are subsequently remeasured to their fair value at each Balance Sheet date. Any gains or losses arising from changes in the fair value of derivatives are taken directly to the statement of profit and loss, except for the effective portion of cash flow hedges, which is recognised in OCI and later reclassified to the statement of profit and loss when the hedge item cash flows affects the statement of profit and loss. For hedging instrument, the timing of the recognition in the Statement of Profit and Loss depends on the nature of the hedge relationship. The Company designates its CCIRS and foreign currency forward contracts derivatives as cash flow hedges of a recognised liability. The Company recognises derivatives with a positive fair value as a financial asset and derivatives with a negative fair value as a financial liability.

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Hedge Accounting

The Company makes use of derivative financial instruments to manage exposures to interest rate risk and foreign currency risk. In order to manage particular risks, the Company applies hedge accounting for transactions that meet specified criteria.

At the inception of a hedge relationship, the Company formally designates and documents the hedge relationship to which the Company wishes to apply hedge accounting and the risk management objective and strategy for undertaking the hedge. The documentation includes the Company's risk management objective and strategy for undertaking hedge, the hedging/economic relationship, the hedged item or transaction, the nature of the risk being hedged, hedge ratio and how the Company would assess the effectiveness of changes in the hedging instrument's fair value in offsetting the exposure to changes in the hedged item's cash flows attributable to the hedged risk. Such hedges are expected to be highly effective in achieving offsetting changes in cash flows and are assessed on an on-going basis to determine that they actually have been highly effective throughout the financial reporting periods for which they were designated.

Cash Flow Hedge:

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

A cash flow hedge is a hedge of the exposure to variability in cash flows that is attributable to a particular risk associated with a recognised asset or liability and could affect profit or loss.

For designated and qualifying cash flow hedges, the effective portion of the cumulative gain or loss on the hedging instrument is initially recognised directly in OCI within equity (cash flow hedge reserve). The ineffective portion (if any) of gain or loss on the hedging instrument is recognised immediately in the Statement of Profit and Loss.

When the hedged cash flow affects the Statement of Profit and Loss, the effective portion of the gain or loss on the hedging instrument is recorded in the corresponding income or expense line of the Statement of Profit and Loss.

When a hedging instrument expires, is sold, terminated, exercised, or when a hedge no longer meets the criteria for hedge accounting, any cumulative gain or loss recognised in OCI is subsequently transferred to the Statement of Profit and Loss on ultimate recognition of the underlying hedged forecast transaction. When a forecast transaction is no longer expected to occur, the cumulative gain or loss that was reported in OCI is immediately transferred to the Statement of Profit and Loss.

2.10 Cash and cash equivalents

Cash and cash equivalents includes cash on hand, balance in current account and Balances with banks in deposits accounts with original maturity of less than 3 months. Short term and liquid investments being

subject to more than insignificant risk of change in value, are not included as part of cash and cash equivalents.

2.11 Borrowing costs

Interest expenses are calculated using EIR and all other borrowing costs are recognised in the statement of profit and loss when they are incurred.

2.12 Foreign currencies

- a. The functional currency and presentation currency of the Company is Indian Rupee. Functional currency of the Company has been determined based on the primary economic environment in which the Company operates considering the currency in which funds are generated, spent and retained.
- b. Transactions in currencies other than the Company's functional currency are recorded on initial recognition using the exchange rate at the transaction date. At each Balance Sheet date, foreign currency monetary items are reported at the rates prevailing at the period-end. Non-monetary items that are measured in terms of historical cost in foreign currency are not retranslated.

Exchange differences that arise on settlement of monetary items or on reporting of monetary items at each Balance Sheet date at the closing spot rate are recognised in the statement of profit and loss in the period in which they arise except for exchange differences on transactions entered into in order to hedge certain foreign currency risks.

2.13 Segments

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

2.14 Investments in subsidiary

Investments in subsidiary is measured at cost as per Ind AS 27 – Separate Financial Statements.

2.15 Earnings per share

Basic earnings per share has been computed by dividing net income by the weighted average number of shares outstanding during the year. Partly paid up shares are included as fully paid equivalents according to the fraction paid up. Diluted earnings per share has been computed by dividing net income by the weighted average number of shares and dilutive potential shares, except where the result would be anti-dilutive.

Summary of material accounting policy information and other explanatory information to the standalone financial statements as at and for the year ended March 31, 2025

2.16 Taxes on income

Income tax expense represents the sum of the tax currently payable and deferred tax. Income tax expense comprises current and deferred taxes. Income tax expense is recognised in the statement of profit and loss except when they relate to items that are recognised outside profit or loss (whether in other comprehensive income or directly in equity), in which case tax is also recognised outside profit or loss.

Current tax

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

Deferred tax

Deferred tax assets and liabilities are recognised for the future tax consequences of temporary differences between the carrying values of assets and liabilities and their respective tax bases, and unutilised business loss and depreciation carry-forwards and tax credits. Such deferred tax assets and liabilities are computed separately for each taxable entity. Deferred tax assets are recognised to the extent that it is probable that future taxable income will be available against which the deductible temporary differences, unused tax losses, depreciation carry-forwards and unused tax credits could be utilised.

Deferred tax assets and liabilities are measured based on the tax rates that are expected to apply in the period when the asset is realised or the liability is settled, based on tax rates and tax laws that have been enacted or substantively enacted by the balance sheet date.

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

2.17 Statutory reserve

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

2.18 Impairment reserve

As per the RBI Circular RBI/2019-20/170 DOR (NBFC). CC.PD.No.109/22.10.106/2019-20 dated March 13, 2020, in the event of the aggregate impairment provision under Ind AS 109 is lower than that required under the Income Recognition, Asset Classification and Provisioning Norms, then the difference shall be appropriated from the Net Profit or loss after tax to a separate "Impairment Reserve".

2.19 Provisions, contingent liabilities and contingent assets

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

Provision is measured using the cash flows estimated to settle the present obligation and when the effect of time value of money is material, the carrying amount of the provision is the present value of those cash flows. Reimbursement expected in respect of expenditure required to settle a provision is recognised only when it is virtually certain that the reimbursement will be received.

Contingent liability is disclosed in case of:

- a present obligation arising from past events, when it is not probable that an outflow of resources will be required to settle the obligation; and
- a present obligation arising from past events, when no reliable estimate is possible.

Where the unavoidable costs of meeting the obligations under the contract exceed the economic benefits expected to be received under such contract, the present obligation under the contract is recognised and measured as a provision.

Contingent assets:

Contingent assets are not recognised. A contingent asset is disclosed, as required by Ind AS 37, where an inflow of economic benefits is probable.

Provisions, contingent liabilities and contingent assets are reviewed at each Balance Sheet date.

2.20 Commitments

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

- estimated amount of contracts remaining to be executed on capital account and not provided for;
- other non-cancellable commitments, if any, to the extent they are considered material and relevant in the opinion of management.

2.21 Non-current assets held for sale

Non-current assets are classified as held for sale if their carrying amount is intended to be recovered principally through a sale (rather than through continuing use) when the asset is available for immediate sale in its present condition subject only to terms that are usual and customary for sale of such asset and the sale is highly probable and is expected to qualify for recognition as a completed sale within one year from the date of classification.

Summary of material accounting policy information and other explanatory information to the standalone financial statements as at and for the year ended March 31, 2025

Non-current assets classified as held for sale are measured at lower of their carrying amount and fair value less costs to sell.

2.22 Exceptional items

An item of income or expense which its size, type or incidence requires disclosure in order to improve an understanding of the performance of the Company is treated as an exceptional item and the same is disclosed in the notes to accounts.

2.23 Statement of cash flows

Statement of cash flows is prepared segregating the cash flows into operating, investing and financing activities. Cash flow from operating activities is reported using indirect method.

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

3. Critical accounting judgements and key sources of estimation uncertainties

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

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

Expected credit loss

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

The inputs used and process followed by the Company in determining the increase in credit risk have been detailed in note 38.

Effective Interest Rate (EIR)

The Company's EIR methodology, recognises interest income using a rate of return that represents the best estimate of a constant rate of return over the expected behavioural life of loans given.

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

Share-based payments

Estimating fair value for share-based payment transactions requires use of an appropriate valuation model. The Company measures the cost of equity-settled transactions with employees using Black-Scholes Model to determine the fair value of the options on the grant date.

Inputs into the valuation model, includes assumption such as the expected life of the share option, volatility and dividend yield.

Further details used for estimating fair value for share-based payment transactions are disclosed in note 42.

Following abbreviation to be read as:

"ESOP" - Employee Stock Option Plan

"ESAR" - Employee Stock Appreciation Rights

Business model assessment

The Company's business model objective is to hold financial assets in order to collect contractual cash flows. The contractual terms of the financial asset give rise to cash flows that are solely payments of principal and interest on the principal amount outstanding on specified dates, accordingly entire Loan Portfolio is classified at amortised cost.

Net gain on derecognition of financial instruments under amortised cost category

The Company sells/transfers the portfolio through direct assignment and co-lending. As per para 3.2.13 of Ind AS 109, if the transferred asset is part of a larger financial asset (e.g., when an entity transfers interest cash flows that are part of a debt instrument, see paragraph 3.2.2(a)) and the part transferred qualifies for derecognition in its entirety, the previous carrying amount of the larger financial asset shall be allocated between the part that continues to be recognised and the part that is derecognised, on the basis of the relative fair values of those parts on the date of the transfer. For this purpose, a retained servicing asset shall be treated as a part that continues to be recognised. The difference between:

- the carrying amount (measured at the date of derecognition) allocated to the part derecognised and
- the consideration received for the part derecognised (including any new asset obtained less any new liability assumed) shall be recognised in profit or loss.

While calculating the fair value of the part continued to be recognised, the Company makes estimates of net present value of future cash flows of spreads it will earn. That estimate includes the assumption around expected life, servicing liabilities and net yield it expects to earn in future.

Summary of material accounting policy information and other explanatory information to the standalone financial statements as at and for the year ended March 31, 2025

4 Cash and bank balances

(₹ in Lakhs)

Particulars	As at March 31, 2025	As at March 31, 2024
Cash and cash equivalents		
a) Cash on hand	510	246
b) Balances with banks in current accounts	9,514	5,016
c) Balances with banks in deposits accounts with original maturity of less than 3 months (refer note (i) below)	77,658	30,159
	87,682	35,421
Bank balances other than cash and cash equivalents		
a) In other deposit accounts		
- Original maturity of more than three months (refer note (ii) & (iv) below)	83,127	91,715
b) Margin money towards derivative financial instrument with Bank (refer note (iii) below)	1,373	-
c) Earmarked balances with banks		
- Unclaimed dividend account	1	2
	84,501	91,717
Total	1,72,183	1,27,138

- i) Short-term deposits are made for varying periods of between one day and three months, depending on the immediate cash requirements of the Company, and earn interest at the respective short-term deposit rates.
- ii) Fixed deposit and other balances with banks earns interest at fixed rate.
- iii) Margin money towards derivative financial instrument with bank earns interest rate linked to MIBOR.
- iv) Cash and bank balances includes deposits of ₹ 25,447 Lakh for March 31, 2025 which are under lien including lien towards unutilized bank overdraft. (March 31, 2024: ₹ 17,426 Lakh).

5 Receivables

(₹ in Lakhs)

	As at March 31, 2025	As at March 31, 2024
Trade receivables		
Unsecured, considered good	2,528	1,953
Total	2,528	1,953

- i) Trade receivables includes amounts due from the related parties amounting to Nil (March 31, 2024: Nil) [Refer Note 44].
- ii) No trade or other receivable are due from directors or other officers of the Company either severally or jointly with any other person. Nor any trade or other receivable are due from firms or private companies respectively in which any director is a partner, a director or a member.
- iii) Trade receivables are non-interest bearing and are generally on terms of 30 to 90 days.
- iv) Trade Receivables ageing schedule

Summary of material accounting policy information and other explanatory information to the standalone financial statements as at and for the year ended March 31, 2025

As at March 31, 2025

(₹ in Lakhs)

Particulars	Outstanding for following periods from due date of payment						Total
	Unbilled Revenue	Less than 6 months	6 months -1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Trade receivables – considered good	74	2,453	1	-	-	-	2,528
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
(iii) Undisputed Trade Receivables – credit impaired	-	-	-	-	-	-	-
(iv) Disputed Trade Receivables–considered good	-	-	-	-	-	-	-
(v) Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
(vi) Disputed Trade Receivables – credit impaired	-	-	-	-	-	-	-

As at March 31, 2024

(₹ in Lakhs)

Particulars	Outstanding for following periods from due date of payment						Total
	Unbilled Revenue	Less than 6 months	6 months -1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Trade receivables – considered good	(532)	2,475	1	-	9	-	1,953
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
(iii) Undisputed Trade Receivables – credit impaired	-	-	-	-	-	-	-
(iv) Disputed Trade Receivables–considered good	-	-	-	-	-	-	-
(v) Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
(vi) Disputed Trade Receivables – credit impaired	-	-	-	-	-	-	-

Note: Date of the transaction considered as due date of payment

v) Impairment allowance for trade receivable is Nil and therefore related disclosures are not given in the financial statement.

6 Housing and other loans

(₹ in Lakhs)

Particulars	As at March 31, 2025	As at March 31, 2024
At amortised cost		
i) Housing and other property loans	20,54,016	16,94,425
ii) Interest accrued on above loans	18,697	16,690
Total gross	20,72,713	17,11,115
Less: Impairment loss allowance	24,303	20,821
Total net	20,48,410	16,90,294

- All Housing and other loans are originated in India.
- Loans granted by the Company are secured by equitable mortgage/ registered mortgage of the property and assets financed and/or undertaking to create a security and/or assignment of Life Insurance Policies and/or personal guarantees and/or hypothecation of assets and are considered appropriate and good.
- The Company has assigned and colent pool of certain housing and property loans and managed servicing of such loan accounts. The balance outstanding in the pool, as at the reporting date aggregates ₹ 495,374 Lakh (March 31, 2024: ₹ 4,14,046 Lakh). The carrying value of these assets have been de-recognised in the books of the Company.
- There is no outstanding loan to Public Sector.

Summary of material accounting policy information and other explanatory information to the standalone financial statements as at and for the year ended March 31, 2025

- v) 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 (March 31, 2024: Nil).
- vi) Housing loan and other property loan includes ₹ 26,300 Lakh (March 31, 2024: ₹ 18,888 Lakh) given to employees of the Company under the staff loan.
- vii) Housing loan and other property loan includes ₹ 5,718 Lakh (March 31, 2024: ₹ 5,806 Lakh) in respect of properties held for disposal under Securitisation and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002.
- viii) Impairment loss allowance includes a management overlay of ₹ 5,851 Lakh (March 31, 2024: ₹ 6,397 Lakh) based on a qualitative assessment of the loan portfolio.

7 Investments

Particulars	As at March 31, 2025	As at March 31, 2024	As at March 31, 2025	As at March 31, 2024
	No. of Units/Shares		(₹ in Lakhs)	
At cost				
Investments in equity instruments (Subsidiary)				
Investment in Aadhar Sales and Services Private Limited (Face Value of ₹ 10 each)	10,000	10,000	1	1
			1	1
At amortised cost				
Investments in Government Securities				
6.54% GOI Bonds 2032 (Face Value of ₹ 100 each)	1,25,00,000	1,25,00,000	12,034	11,966
6.10% GOI Bonds 2031 (Face Value of ₹ 100 each)	2,75,00,000	2,75,00,000	27,077	26,981
6.57% GOI Bonds 2033 (Face Value of ₹ 100 each)	5,00,000	5,00,000	497	496
7.26% GOI Bonds 2032 (Face Value of ₹ 100 each)	50,00,000	50,00,000	4,973	4,985
7.18% GOI Bonds 2033 (Face Value of ₹ 100 each)	50,00,000	-	5,138	-
9.80% NCD Jaipur Vidyut Vitran Nigam Ltd (Face Value of ₹ 60,000 each) (Face Value of ₹ 70,000 each for March 31, 2024) (refer note iii below)	2,000	2,000	1,165	1,355
			50,884	45,783
At fair value through profit and loss				
Investments in quoted equity instruments (other than subsidiary)				
Sharmrao Vithal Co-operative Bank Equity Shares (Face value of ₹ 10 each)	100	100	0	0
			0	-
Total			50,885	45,784

Notes:

- i) Amount "0" represent value less than ₹ 50,000.
- ii) All investments are made within India.
- iii) Investment in bonds aggregating to ₹ 1,165 Lakh (March 31, 2024: ₹ 1,355 Lakh) carry a floating charge in favour of fixed deposits holder read with note no 17.

Summary of material accounting policy information and other explanatory information to the standalone financial statements as at and for the year ended March 31, 2025

8 Other financial assets

(₹ in Lakhs)

Particulars	As at March 31, 2025	As at March 31, 2024
Unsecured, Considered Good		
Receivable from related parties		
Others		
Receivable from assigned and colent portfolio	33,581	25,529
Security deposits	1,168	1,031
Total	34,749	26,560

9 Current tax assets (net)

(₹ in Lakhs)

Particulars	As at March 31, 2025	As at March 31, 2024
Income tax paid in advance (net of provisions)	1,105	1,024
Total	1,105	1,024

10. Property, plant and equipment

(₹ in Lakhs)

Particulars	Freehold Land	Building - Owned	Furniture & Fixture	Office Equipments	Vehicles	Computer	Total
Balance as at April 01, 2023	27	13	1,846	973	25	1,957	4,841
Additions during the year	-	-	443	188	-	793	1,424
Deduction/adjustments	-	-	(119)	(103)	-	(182)	(404)
Balance as at March 31, 2024	27	13	2,170	1,058	25	2,568	5,861
Balance as at April 01, 2024	27	13	2,170	1,058	25	2,568	5,861
Additions during the year	-	-	228	150	-	780	1,158
Deduction/adjustments	-	-	(38)	(32)	(25)	(337)	(432)
Balance as at March 31, 2025	27	13	2,360	1,176	-	3,011	6,587
Accumulated depreciation							
Balance as at April 01, 2023	-	6	694	491	14	1,160	2,365
Depreciation for the year	-	3	216	97	4	527	847
Deduction/adjustments	-	-	(87)	(84)	-	(179)	(350)
Balance as at March 31, 2024	-	9	823	504	18	1,508	2,862
Balance as at April 01, 2024	-	9	823	504	18	1,508	2,862
Depreciation for the year	-	3	226	101	9	619	958
Deduction/adjustments	-	-	(28)	(28)	(27)	(301)	(384)
Balance as at March 31, 2025	-	12	1,021	577	-	1,826	3,436
Net book value							
As at March 31, 2024	27	4	1,347	554	7	1,060	2,999
As at March 31, 2025	27	1	1,339	599	-	1,185	3,151

Summary of material accounting policy information and other explanatory information to the standalone financial statements as at and for the year ended March 31, 2025

Title deeds of Immovable Properties not held in name of the Company:-

Particulars of the land and building	Gross block as at March 31, 2025	Property Held since which date	Reason for not being held in the name of Company
Plot no.11, Mangala Nagar alias Sri Arunachala Nagar situated in No. 68, Athur Village, Chengalpet Taluk, Kanchipuram District, Tamil Nadu	20	November 20, 2017 (date of Amalgamation)	The title deeds are in the name of DHFL Vysya Housing Finance Limited, currently known as Aadhar Housing Finance Limited.
Plot no 14, Mangala Nagar alias Sri Arunachala Nagar situated in No. 68, Athur Village, Chengalpet Taluk, Kanchipuram District, Tamil Nadu	7	November 20, 2017 (date of Amalgamation)	The title deeds are in the name of erstwhile Aadhar Housing Finance Limited that was merged with the Company under Section 230 to 232 of the Companies Act 2013.
Unit No. 5, Row 07, Block B, Garden City, Coimbatore	13	November 20, 2017 (date of Amalgamation)	

1. In respect of immovable properties of land and buildings that have been taken on lease, the lease agreements are in the name of the Company, where the Company is the lessee in the agreement
2. In None of the title deed mentioned above Promoter, Director, or relative of promoter/director or employee of promoter/director is holder of title deed

11. Other intangible asset

(₹ in Lakhs)

Particulars	Amount
Balance as at April 01, 2023	337
Additions during the year	156
Deduction/adjustments	-
Balance as at March 31, 2024	493
Balance as at April 01, 2024	493
Additions during the year	279
Deduction/adjustments	-
Balance as at March 31, 2025	772
Accumulated depreciation	
Balance as at April 01, 2023	308
Depreciation for the year	58
Deduction/adjustments	-
Balance as at March 31, 2024	366
Balance as at April 01, 2024	366
Depreciation for the year	151
Deduction/adjustments	-
Balance as at March 31, 2025	517
Net book value	
As at March 31, 2024	127
As at March 31, 2025	255

Note: Other Intangible Assets includes Computer Software

Summary of material accounting policy information and other explanatory information to the standalone financial statements as at and for the year ended March 31, 2025

12 Other non-financial assets

(₹ in Lakhs)

Particulars	As at March 31, 2025	As at March 31, 2024
Asset held for sale	396	396
Less: Provision for diminution in the value of asset held for sale	(185)	(185)
	211	211
Prepaid expenses	752	1,092
Capital advance	52	9
Advance for expenses and other advances	1,141	2,207
Unamortised share issue expenses [Refer Note i below]	-	3,978
Balance with government authorities	424	339
Total	2,580	7,836

Notes:

- i) The Company had incurred certain expenses towards proposed Initial public offering of its equity shares. The Company expected to recover certain amounts from the selling shareholders and the balance amount has been charged-off to securities premium account in accordance with Section 52 of the Companies Act, 2013 upon share issued.

13 Derivative financial instruments

(₹ in Lakhs)

Particulars	As at March 31, 2025	As at March 31, 2024	As at March 31, 2025	As at March 31, 2024
	Nominal amounts		Fair value liabilities	
Cash flow hedge				
Foreign currency forward (refer note 38e)	47,781	-	1,133	-
Cross Currency Interest rate swaps	-	-	334	-
Total	47,781	-	1,467	-

14 Trade payables

(₹ in Lakhs)

Particulars	As at March 31, 2025	As at March 31, 2024
Total outstanding dues to micro enterprises and small enterprises (Refer Note a and b below)	17	35
Total outstanding dues of creditors other than micro enterprises and small enterprises (Refer Note b and c below)	12,570	10,819
Total	12,587	10,854

- a) Based on and to the extent of information received by the Company from the suppliers regarding their status under the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act) and relied upon by the auditors.
- There are no overdue amounts to Micro, Small and Medium Enterprises as at March 31, 2025 and March 31, 2024 for which disclosure requirements under Micro, Small and Medium Enterprises Development Act, 2006 are applicable.
- b) Trade Payables ageing schedule

Summary of material accounting policy information and other explanatory information to the standalone financial statements as at and for the year ended March 31, 2025

As at March 31, 2025

(₹ in Lakhs)

Particulars	Outstanding for following periods from due date of payment					Total
	Unbilled dues	Less than 1 year	1-2 years	2-3 years	More than 3 years	
MSME*	-	17	-	-	-	17
Others	12,541	22	2	4	1	12,570
Disputed dues - MSME	-	-	-	-	-	-
Disputed dues - Others	-	-	-	-	-	-
Total	12,541	39	2	4	1	12,587

*GST credit disputed Cases

As at March 31, 2024

(₹ in Lakhs)

Particulars	Outstanding for following periods from due date of payment					Total
	Unbilled dues	Less than 1 year	1-2 years	2-3 years	More than 3 years	
MSME	-	35	-	-	-	35
Others	10,772	39	8	-	-	10,819
Disputed dues - MSME	-	-	-	-	-	-
Disputed dues - Others	-	-	-	-	-	-
Total	10,772	74	8	-	-	10,854

Note: Date of the transaction considered as due date of payment

- c) Trade Payables includes ₹ 160 Lakh (March 31, 2024: ₹ 147 Lakh) due to related parties [Refer Note 44].

15 Debt securities

(₹ in Lakhs)

Particulars	As at March 31, 2025	As at March 31, 2024
At amortised cost		
Secured		
Redeemable non convertible debentures	3,38,882	2,73,883
Total	3,38,882	2,73,883

- i) All debt securities are issued in India
 ii) Terms of repayment and rate of interest in case of debt securities:

As at March 31, 2025

Particulars	Interest Rate	0-3 Years	3-5 Years	>5 Years	Total
Secured					
Redeemable non convertible debentures	6.90% to 9.80%	251,775	68,789	19,300	339,864

As at March 31, 2024

Particulars	Interest Rate	0-3 Years	3-5 Years	>5 Years	Total
Secured					
Redeemable non convertible debentures	6.90% to 9.80%	184,684	81,325	8,775	274,784

Maturity profile disclosed above excludes discount/premium and EIR adjustments amounting to ₹ 982 Lakh (March 31, 2024: ₹ 901 Lakh).

Summary of material accounting policy information and other explanatory information to the standalone financial statements as at and for the year ended March 31, 2025

List of Redeemable debentures

Sr No.	ISIN	Rate of interest	Date of Redemption	As at March 31, 2025	As at March 31, 2024
1	INE538L07056	9.80%	23-Mar-2025	-	2,500
2	INE538L07163	9.60%	6-Jan-2026	1,000	1,000
3	INE538L07163	9.60%	6-Jan-2026	1,000	1,000
4	INE538L07163	9.60%	6-Jan-2026	1,000	1,000
5	INE538L07189	9.60%	19-Jan-2026	1,000	1,000
6	INE538L07197	9.60%	19-Jan-2026	100	100
7	INE538L07197	9.60%	19-Jan-2026	170	170
8	INE538L07205	9.60%	25-Jan-2026	1,000	1,000
9	INE538L07205	9.60%	25-Jan-2026	1,000	1,000
10	INE538L07213	9.55%	29-Jan-2026	500	500
11	INE538L07213	9.55%	29-Jan-2026	100	100
12	INE538L07213	9.55%	29-Jan-2026	500	500
13	INE538L07213	9.55%	29-Jan-2026	100	100
14	INE538L07221	9.55%	1-Mar-2026	1,000	1,000
15	INE538L07254	9.55%	22-Mar-2026	2,000	2,000
16	INE538L07270	9.55%	31-Mar-2026	1,000	1,000
17	INE538L07270	9.55%	31-Mar-2026	250	250
18	INE883F07025	9.40%	5-May-2026	2,000	2,000
19	INE883F07041	9.35%	8-Jul-2026	200	200
20	INE883F07058	9.40%	13-Jul-2026	120	120
21	INE883F07066	9.28%	18-Jul-2026	200	200
22	INE883F07074	9.15%	5-Aug-2026	120	120
23	INE538L07379	9.00%	16-Nov-2026	500	500
24	INE538L07528#	9.35%	29-Sep-2028	955	955
25	INE538L07536#	9.75%	29-Sep-2028	1,169	1,169
26	INE883F07215	8.10%	20-Oct-2025	5,000	5,000
27	INE883F07223	7.10%	7-Oct-2024	-	9,900
28	INE883F07231	6.90%	29-Oct-2024	-	6,000
29	INE883F07249	7.15%	9-Dec-2026	-	10,000
30	INE883F07256	9.55%*	24-Feb-2026	2,500	5,000
31	INE883F07264	8.1%*	15-Jun-2029	35,100	35,100
32	INE883F07272	8.05%*	15-Jun-2029	35,100	35,100
33	INE883F07298	8.55%*	6-Feb-2028	6,000	8,000
34	INE883F07280	8.55%*	6-Jan-2028	6,900	9,200
35	INE883F07306	8.50%	26-May-2026	27,500	27,500
36	INE883F07314	8.50%	17-Aug-2026	50,000	50,000
37	INE883F07322	8.75%*	31-Oct-2028	8,000	10,000
38	INE883F07330	8.65%	21-Aug-2027	30,000	30,000
39	INE883F07348	8.25%*	28-Mar-2029	11,600	14,500
40	INE883F07355	8.56%*	25-Jun-2032	25,020	-
41	INE883F07363	8.50%	2-Dec-2027	35,000	-
42	INE883F07371	8.31%*	20-Mar-2032	25,160	-
43	INE883F07389	8.37%	29-May-2028	20,000	-
				339,864	274,784

*Floating rate linked to RBI repo

#Publicly issued NCD

Summary of material accounting policy information and other explanatory information to the standalone financial statements as at and for the year ended March 31, 2025

- iii) The Company has raised ₹ 1,05,180 Lakh (March 31, 2024: ₹ 1,32,000 Lakh) from Secured Redeemable Non Convertible Debentures (NCDs) during the year ended March 31, 2025. NCDs are long term and are secured by way of pari passu first charge by way of (present & future obligations) hypothecation on standard book debts/receivables/ outstanding moneys, current assets, Cash & Bank balances & Investments as per contracted terms except for those book debts/ receivables charged or to be charged in favour of NHB for refinance availed or to be availed from them and the Company has provided Security on specific immovable property on certain series of NCDs private placement (excluding IPO Series). NCDs including current maturities are redeemable at par in various periods.
- iv) There has been no deviation in the utilisation of issue proceeds of publically issued secured redeemable NCD, from the Objects as stated in the Shelf prospectus document dated September 03, 2018.

16 Borrowings (other than debt securities)

(₹ in Lakhs)		
Particulars	As at March 31, 2025	As at March 31, 2024
Secured		
At amortised cost		
In India		
Term Loans from banks	8,70,434	7,62,895
Term Loans from National Housing Bank	3,74,239	3,53,107
Outside India		
External Commercial Borrowings (refer note vi below)	42,656	-
Total	12,87,329	11,16,002

- i) Borrowings in India is ₹ 12,44,673 Lakhs and outside India is ₹ 42,656 Lakhs.
- ii) Terms of repayment and rate of interest in case of Borrowings:

As at March 31, 2025

Particulars	Interest Rate	0-3 Years	3-5 Years	>5 Years	Total
Secured					
Term loan from banks	Floating*	4,43,115	2,46,298	1,82,204	8,71,617
Term Loan from National Housing Bank	2.80% to 8.50%	2,06,185	92,884	75,170	3,74,239
External Commercial Borrowings	Linked with Term SOFR	25,674	17,116	-	42,790

As at March 31, 2024

Particulars	Interest Rate	0-3 Years	3-5 Years	>5 Years	Total
Secured					
Term loan from banks	Floating*	3,63,563	2,10,418	1,90,024	7,64,005
Term Loan from National Housing Bank	2.80% to 8.40%	1,87,814	97,483	67,810	3,53,107

*(Linked with MCLR/Base Rate of respective banks)

Maturity profile disclosed above excludes EIR adjustments amounting to ₹ 1,317 Lakh (March 31, 2024: ₹ 1,110 Lakh).

- iii) The secured term loans from banks are availed from various scheduled banks. These loans are repayable as per the individual contracted terms in one or more instalments between April 2025 and January 2040. These loans are secured/to be secured by way of jointly ranking pari passu inter-se charge, along with NHB and NCD holders, on the Company's book debts, housing loans and the whole of the present and future movable assets of the Company as applicable.
- iv) Secured term loan from National Housing Bank are repayable as per the contracted terms in one or more instalments between April 2025 and January 2035. These loans from National Housing Bank are secured/to be secured by way of first charge to and in favour of NHB, other banks and NCD holders and jointly ranking pari passu inter-se, on the Company's book debts, housing loans and the whole of the present and future movable and immovable assets wherever situated excluding SLR assets.

Summary of material accounting policy information and other explanatory information to the standalone financial statements as at and for the year ended March 31, 2025

- v) Cash credit facilities from banks are secured by way of jointly ranking pari passu inter-se charge, along with NHB and NCD holders, on the Company's book debts, housing loans and the whole of the present and future movable assets of the Company as applicable. All cash credit facilities are repayable as per the contracted/rollover term.
- vi) External Commercial Borrowings from bank is availed from GIFT City which is considered outside India for reporting purposes. These loans are repayable as per the individual contracted terms in one or more instalments between March 2027 and March 2030. These loans are secured/to be secured by way of jointly ranking pari passu inter-se charge, along with NHB and NCD holders, on the Company's book debts, housing loans and the whole of the present and future movable assets of the Company as applicable.

17 Deposits

(₹ in Lakhs)

Particulars	As at March 31, 2025	As at March 31, 2024
Deposit		
At amortised cost		
Public deposits	54	118
Total	54	118

The National Housing Bank Directives requires all HFCs, accepting public deposits, to create a floating charge on the statutory liquid assets maintained in favour of the depositors through the mechanism of a Trust Deed. The Company has accordingly appointed SEBI approved Trustee Company as a Trustee for the above by executing a trust deed.

The public deposits of the Company as defined in paragraph 2(1)(y) of the Housing Finance Companies (NHB) Directions, 2010, are secured by floating charge on the Statutory Liquid Assets maintained in terms of sub-sections (1) and (2) of Section 29B of the National Housing Bank Act, 1987.

18 Subordinated liabilities

(₹ in Lakhs)

Particulars	As at March 31, 2025	As at March 31, 2024
Unsecured at amortised cost		
Redeemable non convertible debentures	5,977	5,959
Total	5,977	5,959

- i) All subordinated liabilities are issued in India
- ii) Terms of repayment and rate of interest in case of Subordinated Liabilities:

As at March 31, 2025

Particulars	Interest Rate	0-3 Years	3-5 Years	>5 Years	Total
Redeemable non convertible debentures	9.75% to 10.00%	6,000	-	-	6,000

As at March 31, 2024

Particulars	Interest Rate	0-3 Years	3-5 Years	>5 Years	Total
Redeemable non convertible debentures	9.75% to 10.00%	6,000	-	-	6,000

Maturity profile disclosed above excludes EIR adjustments amounting to ₹ 23 Lakh (March 31, 2024: ₹ 41 Lakh).

- iii) Unsecured Redeemable Non-Convertible Debentures are subordinated to present and future senior indebtedness of the Company. These Unsecured Redeemable Non-Convertible Debentures qualifies as Tier II capital in accordance with National Housing Bank (NHB) guidelines for assessing capital adequacy based on balance term to maturity. These debentures are redeemable at par on maturity at the end of various periods.

Summary of material accounting policy information and other explanatory information to the standalone financial statements as at and for the year ended March 31, 2025

19 Other financial liabilities

(₹ in Lakhs)

Particulars	As at March 31, 2025	As at March 31, 2024
Book overdraft	45	22,943
Lease liabilities (refer note 35)	6,326	5,109
Accrued employee benefits	5,525	5,150
Interest accrued but not due - Deposits	0	4
Interest accrued but not due - Others	12,098	10,020
Amount payable under assignment of receivables	8,912	9,131
Unpaid dividend (refer note (ii) below)	1	2
Unpaid matured deposits and interest accrued thereon	23	69
Security Deposit Refundable	0	-
Total	32,930	52,428

Notes:

- Amount "0" represent value less than ₹ 50,000.
- The Company has transferred a sum of ₹ 0.79 Lakh during the year ended March 31, 2025 (March 31, 2024: ₹ 0.67 Lakh) being Unclaimed Dividend to Investor Education and Protection Fund under section 124 of the Companies Act, 2013.

20 Provisions

(₹ in Lakhs)

Particulars	As at March 31, 2025	As at March 31, 2024
Provision for employee benefits		
Provision for compensated absences	1,313	1,101
Provision for gratuity (refer note 41)	1,670	1,110
Total	2,983	2,211

21 Deferred tax liabilities (net)

(₹ in Lakhs)

Particulars	As at March 31, 2025	As at March 31, 2024
Deferred tax liabilities		
Deferred tax liabilities	8,251	6,224
Deferred Tax Assets	8,038	6,009
Deferred tax liabilities (net)	213	215

Deferred tax assets and liabilities in relation to:

(₹ in Lakhs)

Particulars	As at April 1, 2024	Charged to Profit and Loss	Charged to Other Comprehensive Income	Charged to Securities Premium	As at March 31, 2025
Deferred tax liabilities					
Net gain on derecognition of financial instruments under amortised cost category	6,224	2,027	-	-	8,251
	6,224	2,027	-	-	8,251
Deferred tax assets					
On difference between book balance and tax balance of assets	127	14	-	-	141

Summary of material accounting policy information and other explanatory information to the standalone financial statements as at and for the year ended March 31, 2025

(₹ in Lakhs)

Particulars	As at April 1, 2024	Charged to Profit and Loss	Charged to Other Comprehensive Income	Charged to Securities Premium	As at March 31, 2025
On account of impairment on financial instruments	4,530	710	-	-	5,240
On account of provision for employee benefits	556	194	24	-	774
Cash flow hedge reserve	-	-	133	-	133
Others	796	(141)	-	1,095	1,750
	6,009	777	157	1,095	8,038
Net Deferred tax (assets)/ liabilities	215	1,250	(157)	(1,095)	213

Deferred tax assets and liabilities in relation to:

(₹ in Lakhs)

Particulars	As at April 1, 2023	Charged to Profit and Loss	Charged to Other Comprehensive Income	Charged to Securities Premium	As at March 31, 2024
Deferred tax liabilities					
Fair value on Amalgamation	390	(390)	-	-	-
Net gain on derecognition of financial instruments under amortised cost category	6,095	129	-	-	6,224
	6,485	(261)	-	-	6,224
Deferred tax assets					
On difference between book balance and tax balance of assets	115	12	-	-	127
On account of impairment on financial instruments	4,280	250	-	-	4,530
On account of provision for employee benefits	414	139	3	-	556
Others	732	64	-	-	796
	5,541	465	3	-	6,009
Net Deferred tax (assets)/ liabilities	944	(726)	(3)	-	215

22 Other non-financial liabilities

(₹ in Lakhs)

Particulars	As at March 31, 2025	As at March 31, 2024
Advance from Customers	63	205
Statutory dues	1,565	1,012
Others	781	1,083
Total	2,409	2,300

Summary of material accounting policy information and other explanatory information to the standalone financial statements as at and for the year ended March 31, 2025

23 Equity share capital

Particulars	As at March 31, 2025	As at March 31, 2024	As at March 31, 2025	As at March 31, 2024
	Number of shares		(₹ in Lakhs)	
Authorised share capital				
Equity shares of ₹ 10 each	50,00,00,000	50,00,00,000	50,000	50,000
Issued share capital				
Equity shares of ₹ 10 each	43,13,84,459	39,47,54,970	43,138	39,476
Subscribed and paid up capital				
Equity shares of ₹ 10 each	43,13,84,459	39,47,54,970	43,138	39,476
Total			43,138	39,476

- a) Reconciliation of the shares outstanding at the beginning and at the end of the reporting year:

Particulars	As at March 31, 2025	As at March 31, 2024
Equity shares at the beginning of the year	39,47,54,970	39,47,54,970
Add: Shares issued during the year	3,66,29,489	-
Equity shares at the end of the year	43,13,84,459	39,47,54,970

Note: Includes allotment of 26,100 bonus shares pertaining to existing share holder holding shares in physical mode, allotment of same is pending on account of conversion of physical shares into demat mode.

- b) Terms/Rights attached to equity shares

The Company has only one class of equity shares having a par value of ₹ 10 per share. Each holder of equity shares is entitled to one vote per share. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive the remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the share holders. Dividend declared towards equity shares will be subject to the approval of shareholder in the ensuing Annual General Meeting.

- c) The Company has made an Initial Public Offer (IPO) for 9,52,55,598 equity shares aggregating to ₹ 300,000 Lakh of which 6,34,92,063 equity share aggregating to 2,00,000 Lakh were offered by selling shareholder and 3,17,63,535 equity shares aggregating to ₹ 100,000 Lakh at the face value of ₹ 10 each at a premium of ₹ 305 per equity share (excluding discount of ₹ 23 per share on employee reservation portion of 2,39,726 equity shares) by way of fresh issue of the equity shares on May 13, 2024. The Company's equity share got listed on National Stock Exchange of India Limited (NSE) and BSE Limited (BSE) on May 15, 2024.
- d) The shareholders vide a special resolution have approved bonus issue of 35,52,79,473 equity shares of the Company in the ratio of nine shares of face value of ₹ 10 each for each existing equity share of the face value of ₹ 10 each on January 16, 2021 in extraordinary general meeting (EGM).
- e) The Company has not bought back any class of shares.
- f) The Company has not allotted any class of shares as fully paid up pursuant to contract without payment being received in cash.
- g) The Company has not proposed any dividend during the year ended March 31, 2025 and March 31, 2024.
- h) Details of shareholders holding more than five percent equity shares in the Company are as under:

Particulars	As at March 31, 2025			As at March 31, 2024		
	% of Total Shares	Number of shares	% of Change during the year ended	% of Total Shares	Number of shares	% of Change during the year ended
BCP Topco VII Pte. Ltd (Holding Company)	75.61%	32,61,91,357	(23.11%)	98.72%	38,96,83,420	-

- i) Shareholding of promoters

Particulars	As at March 31, 2025			As at March 31, 2024		
	% of Total Shares	Number of shares	% of Change during the year ended	% of Total Shares	Number of shares	% of Change during the year ended
BCP Topco VII Pte. Ltd (Holding Company)	75.61%	32,61,91,357	(23.11%)	98.72%	38,96,83,420	-

Summary of material accounting policy information and other explanatory information to the standalone financial statements as at and for the year ended March 31, 2025

24 Other equity

(₹ in Lakhs)

Particulars	As at March 31, 2025	As at March 31, 2024
Capital reserve on amalgamation	6	6
Securities premium	231,077	133,700
Statutory reserve (Statutory reserve as per Section 29C of National Housing Bank Act, 1987 and Special reserve as per Section 36(1)(viii) of the Income Tax Act, 1961) (refer note (i) below)	79,108	60,865
Debenture redemption reserve (refer note (ii) below)	531	16,910
General reserve	42,933	26,554
Employee Stock Option Outstanding	2,665	2,253
Retained earnings	238,004	165,036
Items of other comprehensive income		
(i) Remeasurement of defined benefit liability/ asset	(269)	(199)
(ii) Effective portion of cash flow hedge reserve	(397)	-
Total	593,658	405,125

Notes:

- i) Statement for Disclosure on Statutory/Special Reserves, as prescribed by NHB vide its circular no NHB(ND)/DRS/Pol. Circular.61/2013-14, dated: 7th April, 2014 and NHB.HFC.CG-DIR.1/MD&CEO/2016 dated February 9, 2017

(₹ in Lakhs)

Particulars	As at March 31, 2025	As at March 31, 2024
Balance at the beginning of the year		
a) Statutory Reserve u/s 29C of the National Housing Bank Act, 1987	708	708
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	60,157	45,187
c) Total	60,865	45,895
Additions during the year		
a) Statutory Reserve u/s 29C of the National Housing Bank Act, 1987	-	-
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	18,243	14,970
c) Total	18,243	14,970
Utilised during the year		
a) Statutory Reserve u/s 29C of the National Housing Bank Act, 1987	-	-
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	-	-
c) Total	-	-
Balance at the end of the year		
a) Statutory Reserve u/s 29C of the National Housing Bank Act, 1987	708	708
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	78,400	60,157
c) Total	79,108	60,865

- ii) The Company has created Debenture redemption reserve as at March 31, 2025 aggregating of ₹ 531 Lakh (March 31, 2024: ₹ 16,910 Lakh) required towards its public issue of Secured Redeemable Non-Convertible Debentures.

Summary of material accounting policy information and other explanatory information to the standalone financial statements as at and for the year ended March 31, 2025

24(a). Nature and Purpose of Reserves:

- i. Capital reserve on Amalgamation - This reserve is created on account of merger of Aadhar Housing Finance Limited into DHFL Vysya Housing Finance Limited.
- ii. Securities Premium - Securities premium account is used to record premium on issue of shares. The reserve is utilised in accordance with the provisions of Companies Act, 2013.
- iii. Statutory Reserve - Section 29C (i) of the National Housing Act, 1987 defines that every housing finance institution which is a Company shall create a reserve fund and transfer therein a sum not less than twenty percent of its net profit every year as disclosed in the statement of profit and loss before any dividend is declared. For this purpose any special reserve created by the Company under Section 36(1)(viii) of the Income Tax Act 1961, is considered to be an eligible transfer. During the year ended March 31, 2025, the Company has transferred an amount of ₹ 18,243 Lakh [P.Y. ₹ 14,970 Lakh] to special reserve in terms of Section 36(1)(viii) of the Income Tax Act 1961 and has been considered eligible for special reserve u/s 29C of the National Housing Bank Act, 1987.
- iv. Debenture Redemption reserve - This reserve is created while issuing Debentures with an objective to reduce the risk of default in repayments of debentures. The Company has created debenture redemption reserve towards its public issue of Secured Redeemable Non-convertible Debentures.
- v. Employee Stock Option Outstanding - This reserve relates to stock option granted by the Company to employees under various ESOP schemes.
- vi. Items of other comprehensive income:-
 - a) Remeasurement of defined benefit liability/ asset - This represents the actuarial gain/(loss) on employee benefit plans.
 - b) Effective portion of cash flow hedge reserve - It represents the cumulative gains/(losses) arising on revaluation of the derivative instruments designated as cash flow hedges through OCI.

25 Revenue from operations

Particulars	(₹ in Lakhs)	
	For the year ended March 31, 2025	For the year ended March 31, 2024
a) Interest income		
On financial assets measured at amortised cost		
Interest on loans	2,60,183	2,15,390
Interest on fixed deposits	8,317	8,932
Interest on bonds and debentures	3,399	3,194
	2,71,899	2,27,516
b) Fees and commission Income		
Loan processing fee and other charges	8,514	7,973
Intermediary services (refer note ii below)	11,421	8,866
	19,935	16,839
c) Net gain on fair value changes		
Measured at FVTPL		
Equity investment measured at FVTPL		
Realised	-	5
Unrealised	-	-
	-	5
Investment in mutual fund measured at FVTPL		
Realised	2,196	2,209
Unrealised	-	-
	2,196	2,209
Net gain on fair value changes	2,196	2,214
d) Net gain on derecognition of financial instruments under amortised cost category		
On assignment of portfolio	16,705	12,090
Total	3,10,735	2,58,659

- i) Amount "0" represent value less than ₹ 50,000.
- ii) Disclosure in respect of fees and commission income on insurance business undertaken by the Company

Summary of material accounting policy information and other explanatory information to the standalone financial statements as at and for the year ended March 31, 2025

(₹ in Lakhs)

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Life Insurance Business	5,165	4,064
Non - Life Insurance Business	5,292	3,270
Total	10,457	7,334

26 Other income

(₹ in Lakhs)

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Rent income	3	2
Miscellaneous income	124	4
Total	127	6

27 Finance costs

(₹ in Lakhs)

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Interest expenses on financial liabilities measured at amortised cost		
Interest on borrowings (other than debt securities)	87,584	75,481
Interest on deposits	6	22
Interest on non convertible debentures	26,953	20,572
Interest on subordinated liabilities	590	613
Interest on others	161	37
Interest on lease liabilities (refer note 35)	514	425
Finance charges	1,569	1,519
Total	1,17,377	98,669

28 Impairment on financial instruments

(₹ in Lakhs)

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
On financial instruments measured at amortised cost		
Impairment allowance on Loans	3,482	2,211
Recoveries from loans written off (Refer note below)	(995)	(1,773)
Bad-debts written off	3,220	3,685
Total	5,707	4,123

Note: Includes recoveries of ₹ 272 Lakh during the year ended March 31, 2025 (March 31, 2024: includes recoveries of ₹ 627 Lakh) towards loans to developers. The net carrying value of loans to developers after impairment provision is Nil as at March 31, 2025 (Nil as at March 31, 2024). The Company has not made any fresh loan sanctions under loans to developers during the year ended March 31, 2025 (for the year ended March 31, 2024: Nil).

Summary of material accounting policy information and other explanatory information to the standalone financial statements as at and for the year ended March 31, 2025

29 Employee benefits expense

(₹ in Lakhs)

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Salaries, bonus and other allowances	36,624	30,195
Contribution to provident fund and other funds (refer note 41)	2,404	2,151
Share based payments to employees (refer note 42)	1,102	203
Staff welfare expenses	588	2,018
Total	40,718	34,567

30 Other expenses

(₹ in Lakhs)

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Rent (refer note 35)	1,073	885
Travelling expenses	2,641	2,378
Outsourcing Expenses	5,888	6,305
Printing and stationery	294	327
Advertisement and business promotion	3,272	2,060
Insurance	1,060	1,028
Legal and professional charges	1,860	1,344
Auditors remuneration (refer note below 30.2)	155	148
Postage, telephone and other communication expenses	806	667
General repairs and maintenance	3,884	3,276
Electricity charges	527	428
Directors sitting fees and commission (refer note 44)	181	149
Corporate social responsibility expenses (refer note below 30.1)	1,481	1,130
Goods and service tax	3,265	2,396
Loss on sale of fixed assets (net)	27	34
Other expenses	741	730
Total	27,155	23,285

30.1 Details of Corporate Social Responsibility

(₹ in Lakhs)

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
a) Amount required to be spent during the year	1,481	1,130
b) Amount spent during the year	1,741	899
c) Amount provided as at year end	601	861
d) Amount of shortfall at the end of the year	601	861
e) Total amount of previous period shortfall	861	630

f) Reason for shortfall: The unspent amount has been identified for projects expected to be completed in coming year.

g) Nature CSR activities:- Donation of ambulances & support equipment, early child care & education, skill development & livelihood enhancement, skilling for specially challenged, skilling for kids of destitute homes, computer lab set up for government schools, skilling of women, health camps, donation of oxygen concentrators, donation of ration kits.

Amount mentioned above were paid in cash during the respective financial year and were incurred for the purpose other than construction/purchase of assets.

Summary of material accounting policy information and other explanatory information to the standalone financial statements as at and for the year ended March 31, 2025

30.2 Details of auditors remuneration:

(₹ in Lakhs)

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Audit fee	115	104
Tax audit fee	15	22
Others	25	22
Total	155	148

31 Tax expenses

a) Income tax expenses

The major components of income tax expenses

i) Profit and loss section

(₹ in Lakhs)

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Current tax expenses	24,920	21,798
Deferred tax charge/(credit)	1,250	(726)
Total	26,170	21,072

ii) Other comprehensive income section

(₹ in Lakhs)

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Current tax expenses	-	-
Deferred tax	(157)	(3)
Total	(157)	(3)

b) Reconciliation of tax expenses

(₹ in Lakhs)

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
(A) Profit before income taxes (including other comprehensive income)	1,16,757	95,910
(B) Enacted tax rate in India (including surcharge and cess)	25.168%	25.168%
(C) Expected tax expenses	29,385	24,139
(D) Other than temporary difference		
Special reserve	3,743	3,345
Difference in Tax expense of earlier years	(13)	(29)
Expenses disallowed/(allowed)	(358)	(246)
(E) Tax expense recognised in profit and loss	26,170	21,072
(F) Tax expense recognised in other comprehensive income	(157)	(3)

Summary of material accounting policy information and other explanatory information to the standalone financial statements as at and for the year ended March 31, 2025

32. Earnings per equity share

The following is the computation of earnings per equity share on basic and diluted earnings per equity share:

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Net profit after tax attributable to equity shareholders (₹ in Lakhs)	91,211	74,851
Weighted average number of equity shares outstanding during the year (Nos)	42,53,93,412	39,47,54,970
Add: Effect of potential issue of shares/stock rights outstanding during the year*	1,19,71,790	1,38,45,940
Weighted average number of equity shares outstanding during the year including potential shares outstanding (Nos)	43,73,65,202	40,86,00,910
Face value per equity share (₹)	10	10
Basic earnings per equity share (₹)	21.44	18.96
Diluted earnings per equity share (₹)	20.85	18.32

*not considered when anti-dilutive

33. Contingent liabilities

Claims against the Company not acknowledged as debt:

(₹ in Lakhs)

Particulars	As at March 31, 2025	As at March 31, 2024
Income tax matters of earlier years	296	300
Indirect tax matters of earlier years	574	1,267
Total	870	1,567

The Company is also involved in other law suits, claims, investigations and proceedings, including collection and repossession related matters, which arise in the ordinary course of business. However, there are no significant claims on such cases. Future cash outflows in respect of the above, if any, is determinable only on receipt of judgement/decisions pending with the relevant authorities.

Part of the aforementioned contingent liabilities towards income tax and indirect tax have been paid under protest.

34. Commitments

- Estimated amount of contracts remaining to be executed on capital account including intangible asset (net of advances) and not provided for as at March 31, 2025 ₹ 735 Lakh (March 31, 2024 ₹ 394 Lakh).
- Undisbursed amount of loans sanctioned and partly disbursed as at March 31, 2025 is ₹ 1,90,015 Lakh (March 31, 2024 ₹ 94,882 Lakh).
- Undisbursed amount of loans sanctioned but not disbursed as at March 31, 2025 is ₹ 1,45,442 Lakh (March 31, 2024 ₹ 1,06,702 Lakh).

35. Lease

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

(₹ in Lakhs)

Particulars	Building	Intangible Asset	Total
Balance as of April 01, 2024	4,474	382	4,856
Addition during the year	2,340	-	2,340
Deletion during the year	-	-	-
Depreciation charge for the year	(1,262)	(153)	(1,415)
Balance as of March 31, 2025	5,552	229	5,781
Balance as of April 01, 2023	3,294	534	3,828
Addition during the year	2,221	-	2,221
Deletion during the year	-	-	-
Depreciation charge for the year	(1,041)	(152)	(1,193)
Balance as of March 31, 2024	4,474	382	4,856

Summary of material accounting policy information and other explanatory information to the standalone financial statements as at and for the year ended March 31, 2025

The following is the movement in lease liabilities:

Particulars	Building	Intangible Asset	Total
Balance as of April 01, 2024	5,109	-	5,109
Addition during the year	2,340	-	2,340
Finance cost accrued during the year	514	-	514
Deletion during the year	-	-	-
Payment made during the year	(1,637)	-	(1,637)
Balance as of March 31, 2025	6,326	-	6,326
Balance as of April 01, 2023	3,795	-	3,795
Addition during the year	2,221	-	2,221
Finance cost accrued during the year	424	-	424
Deletion during the year	-	-	-
Payment made during the year	(1,331)	-	(1,331)
Balance as of March 31, 2024	5,109	-	5,109

The table below provides details regarding the contractual maturities of lease liabilities as at March 31, 2025 on an undiscounted basis:

Particulars	(₹ in Lakhs)
Less than one year	1,661
One to five years	4,701
More than five years	1,862
Total	8,224

The table below provides details regarding the contractual maturities of lease liabilities as at March 31, 2024 on an undiscounted basis:

Particulars	(₹ in Lakhs)
Less than one year	1,474
One to five years	3,645
More than five years	1,589
Total	6,708

Rental expense recorded for short-term leases was ₹ 1,073 Lakh for the year ended March 31, 2025 (March 31, 2024 ₹ 885 Lakh).

The aggregate depreciation on Right to use assets has been included under depreciation and amortisation expense in the Statement of Profit and Loss.

36. Financial instruments

(i) Fair value hierarchy

The Company uses the following hierarchy to determine the fair values of its financial instruments that are (a) recognised and measured at fair value and (b) measured at amortised cost and for which fair values are disclosed in the financial statements:

Level 1: Level 1 hierarchy includes financial instruments measured using quoted prices. This includes listed equity instruments and mutual funds that have quoted price. The fair value of all equity instruments which are traded in the stock exchanges is valued using the closing price as at the reporting period. The mutual funds are valued using the closing NAV.

Level 2: The fair value of financial instruments that are not traded in an active market (for example, traded bonds, over-the-counter derivatives) is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. This is the case for unlisted equity securities, contingent consideration and indemnification asset included in level 3.

There were no transfers between levels 1, 2 and 3 during the year.

The Company recognises transfers in and transfers out of fair value hierarchy levels as at the end of the reporting period.

Summary of material accounting policy information and other explanatory information to the standalone financial statements as at and for the year ended March 31, 2025

(ii) Valuation process

The management of the Company performs the valuations of financial assets and liabilities required for financial reporting purposes.

The carrying amounts of trade receivables, trade payables, capital creditors and cash and cash equivalents are considered to be the same as their fair values, due to their short-term nature.

The fair values for loans are calculated based on cash flows discounted using a current lending rate. They are classified as level 3 fair values in the fair value hierarchy due to the inclusion of unobservable inputs including counterparty credit risk.

The fair values of borrowings are based on discounted cash flows using a current borrowing rate. They are classified as level 3 fair values in the fair value hierarchy due to the use of unobservable inputs, including own credit risk.

For financial assets and liabilities that are measured at fair value, the carrying amounts are equal to the fair values.

Valuation processes and Technique

Type of Instrument	Reference Price
Investment in Mutual Funds	NAV as on the reporting date.
Investment in Equity Shares	Quoted price on exchange as on the reporting date.

As at March 31, 2025

(₹ in Lakhs)

Particulars	Fair Value Hierarchy	Fair Value			Carrying Value		
		FVTPL	FVTOCI	Amortised cost	FVTPL	FVTOCI	Amortised cost
Financial assets							
Investments							
- Government securities	Level 2	-	-	50,911	-	-	49,719
9.80% NCD Jaipur Vidyut Vitran Nigam Ltd Face Value of ₹ 60,000/- each	Level 1	-	-	1,221	-	-	1,165
Financial liabilities							
Derivative financial instruments	Level 2	-	1,467	-	-	1,467	-
Debt securities	Level 1	-	-	2,238	-	-	2,102
Debt securities	Level 3	-	-	3,37,867	-	-	3,36,780

As at March 31, 2024

(₹ in Lakhs)

Particulars	Fair Value Hierarchy	Fair Value			Carrying Value		
		FVTPL	FVTOCI	Amortised cost	FVTPL	FVTOCI	Amortised cost
Financial assets							
Investments							
- Government securities	Level 2	-	-	44,183	-	-	44,428
9.80% NCD Jaipur Vidyut Vitran Nigam Ltd Face Value of ₹ 70,000/- each	Level 1	-	-	1,424	-	-	1,355
Financial liabilities							
Debt securities	Level 1	-	-	2,195	-	-	2,097
Debt securities	Level 3	-	-	2,72,857	-	-	2,71,786

The Company considers that the carrying amounts recognised in the financial statements for housing and other loans, debt securities (other than disclosed above), deposits, subordinated liabilities, borrowings (other than debt securities), trade receivables, payables and other financial assets and liabilities whose fair value is not disclosed approximate their fair values. The Company is carrying the investment in subsidiary at Cost.

Summary of material accounting policy information and other explanatory information to the standalone financial statements as at and for the year ended March 31, 2025

37. Maturity analysis of assets and liabilities

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

(₹ in Lakhs)

Particulars	March 31, 2025			March 31, 2024		
	Within 12 months	After 12 months	Total	Within 12 months	After 12 months	Total
ASSETS						
Cash and cash equivalents	87,682	-	87,682	35,421	-	35,421
Other bank balances	72,238	12,263	84,501	71,419	20,298	91,717
Receivables	2,528	-	2,528	1,953	-	1,953
Housing and other loans	3,35,835	17,12,575	20,48,410	2,72,442	14,17,852	16,90,294
Investments	200	50,685	50,885	200	45,584	45,784
Other financial assets	16,037	18,712	34,749	10,592	15,968	26,560
Non-financial assets						
Current tax assets (Net)	1,105	-	1,105	1,024	-	1,024
Property, plant and equipment	-	3,151	3,151	-	2,999	2,999
Right of use assets	-	5,781	5,781	-	4,856	4,856
Other intangible assets	-	255	255	-	127	127
Other non-financial assets	2,519	61	2,580	7,824	12	7,836
Total Assets	5,18,144	18,03,483	23,21,627	4,00,875	15,07,696	19,08,571
LIABILITIES						
Financial Liabilities						
Derivative financial instruments	-	1,467	1,467	-	-	-
Trade Payables	12,587	-	12,587	10,854	-	10,854
Debt Securities	37,195	3,01,687	3,38,882	40,100	2,33,783	2,73,883
Borrowings (Other than debt securities)	1,77,014	11,10,315	12,87,329	1,48,084	9,67,918	11,16,002
Deposits	10	44	54	67	51	118
Subordinated liabilities	-	5,977	5,977	-	5,959	5,959
Other financial liabilities	27,755	5,175	32,930	48,365	4,063	52,428
Non-Financial Liabilities						
Provisions	1,670	1,313	2,983	2,211	-	2,211
Deferred tax liabilities (Net)	-	213	213	-	215	215
Other non-financial liabilities	2,409	-	2,409	2,300	-	2,300
Total liabilities	2,58,640	14,26,191	16,84,831	2,51,981	12,11,989	14,63,970
Net	2,59,504	3,77,292	6,36,796	1,48,894	2,95,707	4,44,601

Note: The maturity analysis is prepared considering the prepayments on housing and other loans in line with historical trend. Classification of assets and liabilities under the different maturity buckets is based on the same estimates and assumptions as used by the Company for compiling the return submitted to the RBI/NHB, which has been relied upon by the auditors.

Summary of material accounting policy information and other explanatory information to the standalone financial statements as at and for the year ended March 31, 2025

38. Financial risk management

a. Liquidity Risk

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

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

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

Maturity analysis of financial assets and financial liabilities

As at March 31, 2025

(₹ in Lakhs)

Particulars	Carrying Value	Due within 1 year	Due within 1 to 3 year	Due within 3 to 5 year	More than 5 year
Financial Assets					
Cash and cash equivalents	87,682	87,682	-	-	-
Other bank balances	84,501	72,238	10,583	1,680	-
Housing and other loans	20,48,410	3,35,835	5,45,160	4,62,005	7,05,410
Investments	50,885	200	400	400	49,885
Receivables & Other financial assets	37,277	18,565	13,701	2,996	2,015
Total	23,08,755	5,14,520	5,69,844	4,67,081	7,57,310
Financial Liabilities					
Derivative financial instruments	1,467	-	643	824	-
Trade payables	12,587	12,587	-	-	-
Debt securities	3,38,882	37,195	2,14,580	68,789	18,318
Borrowings (other than debt securities)	12,87,329	1,77,014	4,99,576	3,57,199	2,53,540
Deposits	54	10	34	10	-
Subordinated liabilities	5,977	-	5,977	-	-
Other financial liabilities	32,930	27,755	1,857	1,668	1,650
Total	16,79,226	2,54,561	7,22,667	4,28,490	2,73,508
Net	6,29,529	2,59,959	(1,52,823)	38,591	4,83,802
Cumulative Net		2,59,959	1,07,136	1,45,727	6,29,529

Summary of material accounting policy information and other explanatory information to the standalone financial statements as at and for the year ended March 31, 2025

As at March 31, 2024

(₹ in Lakhs)

Particulars	Carrying Value	Due within 1 year	Due within 1 to 3 year	Due within 3 to 5 year	More than 5 year
Financial Assets					
Cash and cash equivalents	35,421	35,421	-	-	-
Other bank balances	91,717	71,419	20,008	-	290
Housing and other loans	16,90,294	2,72,442	4,46,087	3,86,288	5,85,477
Investments	45,784	200	400	400	44,784
Receivables & Other financial assets	28,513	12,545	10,604	3,242	2,122
Total	18,91,729	3,92,027	4,77,099	3,89,930	6,32,673
Financial Liabilities					
Trade payables	10,854	10,854	-	-	-
Debt securities	2,73,883	40,100	1,44,626	81,324	7,833
Borrowings (other than debt securities)	11,16,002	1,48,084	4,03,293	3,07,901	2,56,724
Deposits	118	67	42	9	-
Subordinated liabilities	5,959	-	5,959	-	-
Other financial liabilities	52,428	48,365	1,552	1,131	1,380
Total	14,59,244	2,47,470	5,55,472	3,90,365	2,65,937
Net	4,32,485	1,44,557	(78,373)	(435)	3,66,736
Cumulative Net		1,44,557	66,184	65,749	4,32,485

Note: The maturity analysis is prepared considering the prepayments on housing and other loans in line with historical trend.

Classification of assets and liabilities under the different maturity buckets is based on the same estimates and assumptions as used by the Company for compiling the return submitted to the NHB, which has been relied upon by the auditors.

b. Interest Risk

The core business of the Company is providing housing and other mortgage loans. The Company borrows through various financial instruments to finance its core lending activity. These activities expose the Company to interest rate risk.

Interest rate risk is measured through earnings at risk from an earnings perspective and through duration of equity from an economic value perspective. Further, exposure to fluctuations in interest rates is also measured by way of gap analysis, providing a static view of the maturity and re-pricing characteristic of Balance sheet positions. An interest rate sensitivity gap report is prepared by classifying all rate sensitive assets and rate sensitive liabilities into various time period categories according to contracted/behavioural maturities or anticipated re-pricing date. The difference in the amount of rate sensitive assets and rate sensitive liabilities maturing or being re-priced in any time period category, gives an indication of the extent of exposure to the risk of potential changes in the margins on new or re-priced assets and liabilities. The interest rate risk is monitored through above measures on a quarterly basis.

The Company has USD denominated liability (External commercial borrowings) at floating rate of interest causing volatility in the cash flow arising on principal and interest repayment. Management aims to hedge the volatility with appropriate derivative instruments. Accordingly, the Company entered into foreign currency forwards and cross currency interest rate swaps with tenor and maturity matching with the underlying cashflow.

Interest Rate Sensitivity

The following table demonstrates the net sensitivity to a reasonably possible change in interest rate (all other variables being constant) of the Company's statement of profit and loss (before taxes) and equity

(₹ in Lakhs)

Particulars	Basis Points	For the year ended March 31, 2025	For the year ended March 31, 2024
Increase by basis points	+50	1,608	1,449
Decrease by basis points	-50	(1,608)	(1,449)

Summary of material accounting policy information and other explanatory information to the standalone financial statements as at and for the year ended March 31, 2025

c. Price risk

The Company's exposure to price risk is not material and it is primarily on account of investment of temporary treasury surplus in the highly liquid debt funds for very short durations. The Company has a board approved policy of investing its surplus funds in highly rated debt mutual funds and other instruments having insignificant price risk, not being equity funds/ risk bearing instruments.

d. Market risk

Market risk arises from fluctuation in the fair value of future cash flow of financial instruments due to changes in the market variables such as interest rates, foreign exchange rates and equity prices. Market risk for the Company encompasses exposures to equity investments, changes in exchange rates, interest rate risks on investment portfolios as well as the floating rate assets and liabilities with differing maturity profiles. Generally the borrowing are denominated in currencies that match the cash flows generated by the underlying operations of the Company – primarily (₹). In case where borrowings are denominated in foreign currency, the Company uses derivative to manage the risk. All such transactions are carried out within guidelines set out Asset & liability committee (ALCO). The Company has applied hedge accounting to manage volatility in profit and loss.

e. Currency risk

The Company is exposed to foreign currency fluctuation risk for its external commercial borrowing (ECB). The Company has hedged the entire ECB exposure for the full tenure as per Board approved Foreign Exchange Risk Management policy. The Company has entered into foreign currency forwards and cross currency interest rate swaps with strategy which aims to hedge a defined portion of the exposure to USD - INR exchange rate volatility on borrowings and interest repayable in USD. The Company evaluates the foreign currency exchange rates, tenure of ECB and its fully hedged costs for raising ECB. The Company manages its currency risks by entering into over the counter (OTC) derivatives contracts as hedge positions and the same are being governed through the Board approved Foreign Exchange Risk Management Policy.

The Company's exposure of foreign currency risk at the end of the reporting period expressed in ₹ are as follows:

(₹ in Lakhs)

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
	USD	USD
Hedged		
ECB	(47,781)	-
Derivative Financial Instrument*	47,781	-
Unhedged	-	-

*Represents the notional value of the derivative financial instrument

Hedging policy

The Company's hedging policy only allows for the effective hedging relationships to be considered as hedges as per the relevant Ind AS. Hedge effectiveness is determined at the inception of the hedge relationship and through the periodic prospective effectiveness assessments to ensure that the economic relationship exists between the hedged item and hedging instrument. The Company enters into hedge relationships where the critical terms of the hedging instrument match with the terms of hedged item and so a qualitative and quantitative assessment of effectiveness is performed.

Impact of hedge on the Balance Sheet:

As at March 31, 2025

(₹ in Lakhs)

Particulars	Notional Amount	Carrying amount of hedge instrument asset	Carrying amount of hedge instrument liability	Amount recognised in Profit and Loss – ineffective portion	Amount recognised in OCI for effective portion	Amount outstanding in Cash Flow Hedge Reserve (before tax)
INR - USD Foreign Currency Forward	47,781	-	1,133	-	196	196
INR - USD Cross Currency Interest rate swaps	-	-	334	-	334	334

For maturity, refer note no. 38

Summary of material accounting policy information and other explanatory information to the standalone financial statements as at and for the year ended March 31, 2025

As at March 31, 2024

Nil

Movements in Cash flow hedge reserve are as follows:-

(₹ in Lakhs)		
Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Opening Balance	-	-
Effective portion of change in fair value		
- Foreign Currency Forward	1,133	-
- Cross Currency Interest Rate Swaps	334	-
Foreign currency translation differences	(937)	-
Tax on movements	(133)	-
Closing Balance	397	-

Hedge Ratio:

There is an economic relationship between the hedged item and the hedging instrument as the terms of the foreign currency forward contracts and cross currency interest rate swaps contracts match that of the foreign currency borrowings. The Company has established a hedge ratio of 1:1 for the hedging relationships as the underlying risk of the foreign currency forward and cross currency interest rate swaps are identical to the hedged risk components. The Company has entered into 100% cash flow contracts towards principal and interest denominated in USD into fixed amount of INR. Accordingly, hedge relationship is effective. The hedge ineffectiveness can arise mainly if there is a change in the credit risk of the Company or the counterparty.

f. 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 the Credit Policy approved by the Board of Directors. The Credit Policy outlines 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 and at the group exposure level for corporate borrowers. The credit risk for retail borrowers is being managed at portfolio level for both Home loans and other property loans. The Company has a structured and standardised credit approval process, which includes a well-established procedure of comprehensive credit appraisal. The Risk Management Policy addresses the recognition, measurement, monitoring and reporting of the Credit risk.

Credit Risk Assessment Methodology

Company's customers for retail loans are primarily lower and middle income, salaried and self-employed individuals. The loans are secured by the mortgage of the borrowers' property.

The Company's credit officers evaluate credit proposals on the basis of operating policies approved by the Board of Directors. The criteria typically include factors such as the borrower's income, the loan-to-value ratio and demographic parameters. Any deviations need to be approved at the designated levels.

External agencies such as field investigation agencies facilitate a comprehensive due diligence process including visits to offices and homes in the case of loans made to retail borrowers.

Company monitor's borrower account behaviour as well as static data regularly to monitor the portfolio performance of each product segment regularly, and use these as inputs in revising its product programs, target market definitions and credit assessment criteria to meet the twin objectives of combining volume growth and maintenance of asset quality.

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

Category	Description	Basis for recognising expected credit losses (ECL)
Stage 1	High quality assets	12-month ECL
Stage 2	Assets for which there is significant increase in credit risk	Lifetime ECL
Stage 3	Credit-impaired assets	Lifetime ECL – credit-impaired

Summary of material accounting policy information and other explanatory information to the standalone financial statements as at and for the year ended March 31, 2025

The key elements in calculation of ECL are as follows:

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

EAD - The Exposure at Default includes repayments scheduled by contract or otherwise, expected drawdowns on committed facilities, accrued interest from missed payments and loan commitments.

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

The customers who have availed the benefit of one-time restructuring have been disclosed in stage 2 assets.

An analysis of changes in the gross carrying amount (excluding adjustment to carrying value on account of application of effective interest rate) and the corresponding ECL allowances in relation to lending is, as follows:

a) Housing and Other Loans

The table below shows the credit quality and the exposure to credit risk based on the year-end stage classification. The amounts presented are gross of impairment allowances.

As at March 31, 2025

(₹ in Lakhs)

Particulars	Asset category	Gross Carrying Amount	Expected Credit Loss (refer note 1 and 2 below)	Net Carrying Amount
Stage 1 – High quality assets	Loan	19,67,739	5,943	19,61,796
Stage 2 – Assets for which there is significant increase in credit risk	Loan	82,690	10,681	72,009
Stage 3 - Credit-impaired assets	Loan	22,284	7,679	14,605

- Above includes Expected Credit Loss provision on Loan commitment amount to ₹ 410 Lakh (Stage1- included in ₹ 5,943 Lakh).
- Stage 3 assets includes loan assets more than 90 DPD and less than equal to 90 DPD, the breakup is as under:-

(₹ in Lakhs)

Particulars	Asset category	Gross Carrying Amount	Expected Credit Loss	Net Carrying Amount
Stage 3a – Assets Less than equal to 90 DPD	Loan	156	36	120
Stage 3b – Assets more than 90 DPD	Loan	22,128	7,643	14,485
Total Stage 3 - Credit-impaired assets	Loan	22,284	7,679	14,605

As at March 31, 2024

(₹ in Lakhs)

Particulars	Asset category	Gross Carrying Amount	Expected Credit Loss (refer note 1 and 2 below)	Net Carrying Amount
Stage 1 – High quality assets	Loan	16,30,537	5,384	16,25,153
Stage 2 – Assets for which there is significant increase in credit risk	Loan	61,888	7,724	54,164
Stage 3 - Credit-impaired assets	Loan	18,690	7,713	10,977

- Above includes Expected Credit Loss provision on Loan commitment amount to ₹ 195 Lakh (Stage1- included in ₹ 5,384 Lakh).

Summary of material accounting policy information and other explanatory information to the standalone financial statements as at and for the year ended March 31, 2025

2. Stage 3 assets includes loan assets more than 90 DPD and less than equal to 90 DPD, the breakup is as under:-

(₹ in Lakhs)

Particulars	Asset category	Gross Carrying Amount	Expected Credit Loss	Net Carrying Amount
Stage 3a – Assets Less than equal to 90 DPD	Loan	167	51	116
Stage 3b – Assets more than 90 DPD	Loan	18,523	7,662	10,861
Total Stage 3 - Credit-impaired assets	Loan	18,690	7,713	10,977

Reconciliation of Loan balances is given below:

(₹ in Lakhs)

Particulars	March 31, 2025			
	Stage 1	Stage 2	Stage 3	Total
Gross carrying amount opening balance	16,30,537	61,888	18,690	17,11,115
New assets added during the year	8,19,213	-	-	8,19,213
Assets derecognised under direct assignment and Co-lending	(1,72,526)	-	-	(1,72,526)
Repayment of Loans (excluding write offs)	(2,68,032)	(8,966)	(5,592)	(2,82,590)
Transfers to/from Stage 1	9,581	(8,818)	(763)	-
Transfers to/from Stage 2	(43,362)	44,142	(780)	-
Transfers to/from Stage 3	(7,623)	(5,180)	12,803	-
Amounts written off (refer note)	(49)	(376)	(2,074)	(2,499)
Gross carrying amount closing balance	19,67,739	82,690	22,284	20,72,713

Note: Net of recoveries of ₹ 721 Lakhs.

No. of loan accounts with principal and/or interest overdue (incl. loans classified as SICR and credit impaired) as at March 31, 2025 is 6,466 (Stage 1), 12,192 (Stage 2) and 3,754 (Stage 3).

(₹ in Lakhs)

Particulars	March 31, 2024			
	Stage 1	Stage 2	Stage 3	Total
Gross carrying amount opening balance	13,29,439	58,057	16,259	14,03,755
New assets added during the year	7,07,247	-	-	7,07,247
Assets derecognised under direct assignment	(1,63,063)	-	-	(1,63,063)
Repayment of Loans (excluding write offs)	(2,22,182)	(9,683)	(2,420)	(2,34,285)
Transfers to/from Stage 1	8,549	(7,595)	(954)	-
Transfers to/from Stage 2	(24,446)	25,774	(1,328)	-
Transfers to/from Stage 3	(4,500)	(4,601)	9,101	-
Amounts written off (refer note)	(507)	(64)	(1,968)	(2,539)
Gross carrying amount closing balance	16,30,537	61,888	18,690	17,11,115

Note: Net of recoveries of ₹ 1,146 Lakhs.

Reconciliation of ECL balance is given below:

(₹ in Lakhs)

Particulars	March 31, 2025			
	Stage 1	Stage 2	Stage 3	Total
Gross carrying amount opening balance	5,384	7,724	7,713	20,821
New assets added during the year	2,458	-	-	2,458
Assets derecognised under direct assignment	(518)	-	-	(518)
Repayment of Loans (excluding write offs)	(885)	(1,119)	(2,308)	(4,312)

Summary of material accounting policy information and other explanatory information to the standalone financial statements as at and for the year ended March 31, 2025

(₹ in Lakhs)

Particulars	March 31, 2025			
	Stage 1	Stage 2	Stage 3	Total
Transfers to/from Stage 1	29	(26)	(3)	-
Transfers to/from Stage 2	(5,602)	5,703	(101)	-
Transfers to/from Stage 3	(2,627)	(1,785)	4,412	-
Impact on year end ECL of exposures transferred between stages during the year	7,753	560	40	8,353
Amounts written off (refer note 1)	(49)	(376)	(2,074)	(2,499)
Gross carrying amount closing balance	5,943	10,681	7,679	24,303

Note:

1. Net of recoveries of ₹ 721 Lakhs.
2. Above includes Expected Credit Loss provision on Loan commitment amounting to ₹ 410 Lakh.

(₹ in Lakhs)

Particulars	March 31, 2024			
	Stage 1	Stage 2	Stage 3	Total
Gross carrying amount opening balance	5,294	7,748	5,568	18,610
New assets added during the year	2,334	-	-	2,334
Assets derecognised under direct assignment	(538)	-	-	(538)
Repayment of Loans (excluding write offs)	(889)	(1,293)	(829)	(3,011)
Transfers to/from Stage 1	28	(25)	(3)	-
Transfers to/from Stage 2	(3,051)	3,217	(166)	-
Transfers to/from Stage 3	(1,857)	(1,899)	3,756	-
Impact on year end ECL of exposures transferred between stages during the year	4,570	40	1,355	5,965
Amounts written off (refer note 1)	(507)	(64)	(1,968)	(2,539)
Gross carrying amount closing balance	5,384	7,724	7,713	20,821

Note:

1. Net of recoveries of ₹ 1,146 Lakhs.
2. Above includes Expected Credit Loss provision on Loan commitment amounting to ₹ 195 Lakh.

b) Loans to Developers

The table below shows the credit quality and the exposure to credit risk based on the year-end stage classification. The amounts presented are gross of impairment allowances.

As at March 31, 2025

(₹ in Lakhs)

Particulars	Asset category	Gross Carrying Amount	Expected Credit Loss	Net Carrying Amount
Stage 1 – High quality assets	Loan	-	-	-
Stage 2 – Assets for which there is significant increase in credit risk	Loan	-	-	-
Stage 3 - Credit-impaired assets	Loan	-	-	-

Summary of material accounting policy information and other explanatory information to the standalone financial statements as at and for the year ended March 31, 2025

As at March 31, 2024

(₹ in Lakhs)

Particulars	Asset category	Gross Carrying Amount	Expected Credit Loss	Net Carrying Amount
Stage 1 – High quality assets	Loan	-	-	-
Stage 2 – Assets for which there is significant increase in credit risk	Loan	-	-	-
Stage 3 - Credit-impaired assets	Loan	-	-	-

Reconciliation of Loan balances is given below:

(₹ in Lakhs)

Particulars	March 31, 2025			
	Stage 1	Stage 2	Stage 3	Total
Gross carrying amount opening balance	-	-	-	-
New assets added during the year	-	-	-	-
Repayment of Loans (excluding write offs)	-	-	(272)	(272)
Transfers to/from Stage 1	-	-	-	-
Transfers to/from Stage 2	-	-	-	-
Transfers to/from Stage 3	-	-	-	-
Amounts (written off)/recovery from write offs	-	-	272	272
Gross carrying amount closing balance	-	-	-	-

(₹ in Lakhs)

Particulars	March 31, 2024			
	Stage 1	Stage 2	Stage 3	Total
Gross carrying amount opening balance	-	-	-	-
New assets added during the year	-	-	-	-
Repayment of Loans (excluding write offs)	-	-	(627)	(627)
Transfers to/from Stage 1	-	-	-	-
Transfers to/from Stage 2	-	-	-	-
Transfers to/from Stage 3	-	-	-	-
Amounts written off	-	-	627	627
Gross carrying amount closing balance	-	-	-	-

Reconciliation of ECL balance is given below:

(₹ in Lakhs)

Particulars	March 31, 2025			
	Stage 1	Stage 2	Stage 3	Total
Gross carrying amount opening balance	-	-	-	-
New assets added during the year	-	-	-	-
Repayment of Loans (excluding write offs)	-	-	(272)	(272)
Transfers to/from Stage 1	-	-	-	-
Transfers to/from Stage 2	-	-	-	-
Transfers to/from Stage 3	-	-	-	-
Impact on year end ECL of exposures transferred between stages during the year	-	-	272	272
Amounts (written off)/recovery from write offs	-	-	-	-
Gross carrying amount closing balance	-	-	-	-

Note: Above includes Expected Credit Loss provision on Loan commitment amounting to Nil Lakh.

Summary of material accounting policy information and other explanatory information to the standalone financial statements as at and for the year ended March 31, 2025

(₹ in Lakhs)

Particulars	March 31, 2024			
	Stage 1	Stage 2	Stage 3	Total
Gross carrying amount opening balance	-	-	-	-
New assets added during the year	-	-	-	-
Repayment of Loans (excluding write offs)	-	-	(627)	(627)
Transfers to/from Stage 1	-	-	-	-
Transfers to/from Stage 2	-	-	-	-
Transfers to/from Stage 3	-	-	-	-
Impact on year end ECL of exposures transferred between stages during the year	-	-	627	627
Amounts written off	-	-	-	-
Gross carrying amount closing balance	-	-	-	-

Note: Above includes Expected Credit Loss provision on Loan commitment amounting to Nil Lakh.

- c) Company monitors Gross NPAs on Assets under Company's management ("AUM") and Own Book at retail and overall basis.

(₹ in Lakhs)

Particulars	As at March 31, 2025	As at March 31, 2024
AUM	25,53,068	21,12,086
GNPA on AUM*	26,715	22,765
GNPA on AUM (%)*	1.05%	1.08%
Retail AUM	25,53,068	21,12,086
GNPA on Retail AUM*	26,715	22,765
GNPA on Retail AUM (%)*	1.05%	1.08%
Own Book	20,57,694	16,98,040
GNPA on Own Book**	22,284	18,690
GNPA on Own Book (%)**	1.08%	1.10%
Retail Own Book	20,57,694	16,98,040
GNPA on Retail Own Book**	22,284	18,690
GNPA on Retail Own Book (%)**	1.08%	1.10%

Note: The amount mentioned above of 'Own Book' excludes EIR, Interest accrued.

*Includes loan assets of ₹ 172 Lakhs (0.01%) not more than 90 DPD which have been classified as NPA as per the RBI circular dated November 12, 2021. [March 31, 2024: ₹ 191 Lakhs (0.01%)].

**Includes loan assets of ₹ 156 Lakhs (0.01%) not more than 90 DPD which have been classified as NPA as per the RBI circular dated November 12, 2021. [March 31, 2024: ₹ 167 Lakhs (0.01%)]

39. Capital Management

The Company's objectives when managing capital are to

- safeguard their ability to continue as a going concern, so that they can continue to provide returns for shareholders and benefits for other stakeholders, and
- Maintain an optimal capital structure to reduce the cost of capital.

In order to maintain or adjust the capital structure, the Company may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt. The Company monitors capital on the basis of the following gearing ratio: Net debt (total borrowings net of cash and cash equivalents and Liquid investments) divided by Total 'equity' (as shown in the balance sheet) and Capital adequacy ratio.

Summary of material accounting policy information and other explanatory information to the standalone financial statements as at and for the year ended March 31, 2025

(₹ in Lakhs)

Particulars	As at March 31, 2025	As at March 31, 2024
Total Borrowings (₹ in Lakhs)	16,44,340	14,05,986
Total Net Borrowings (₹ in Lakhs)	14,73,576	13,01,793
Total Equity (₹ in Lakhs)	6,36,796	4,44,601
Gross Debt Equity Ratio	2.58	3.16
Net Debt Equity Ratio	2.31	2.93

Total net borrowing = Total borrowings + Accrued Interest + Book overdraft – Cash and bank balances – Investment in Liquid Mutual fund – Receivable from Mutual Fund

The Company is required to maintain the CRAR of 15% as required by RBI and NHB. Further company is required to maintain borrowing not exceeding 12 times of Net Owned Fund.

Below are the details of CRAR and other ratios maintained by the Company.

Particulars	As at March 31, 2025	As at March 31, 2024
Risk weighted Assets (₹ in Lakhs)	13,13,885	10,77,936
Net owned funds (Tier I Capital) (₹ in Lakhs)	5,78,983	4,06,760
Tier II Capital (₹ in Lakhs)	7,143	7,784
CRAR	44.61%	38.46%
Variance in CRAR	6.15%	(4.27%)
CRAR-Tier I Capital	44.07%	37.74%
Variance in CRAR-Tier I Capital	6.33%	(3.92%)
CRAR- Tier II Capital	0.54%	0.72%
Variance in CRAR-Tier II Capital	(0.18%)	(0.35%)
Amount of subordinated debt raised as Tier-II Capital (₹ in Lakhs)	1,200	2,400
Amount raised by issue of perpetual debt instruments	Nil	Nil
Liquidity Coverage Ratio as on reporting date*	308.26%	122.82%
Variance in Liquidity Coverage Ratio	185.44%	(43.60%)

Reason for Variance in LCR: LCR is increased in the current year due to lower net cash outflow required in next 30 calendar days.

1. CRAR (Capital Risk Adjusted Ratio) = [Net owned fund and Tier II Capital/Risk Weighted Assets]
2. CRAR (Capital Risk Adjusted Ratio) -Tier I Capital = [Net owned fund/Risk Weighted Assets]
3. CRAR (Capital Risk Adjusted Ratio) -Tier II Capital = [Tier II Capital/Risk Weighted Assets]
4. Liquidity Coverage Ratio = [Stock of High Quality Liquid Assets/Total net cash outflow required in next 30 calendar days]

Liquidity Coverage Ratio requirement applicable from December 01, 2021 to the Company as per Master Direction – Non-Banking Financial Company – Housing Finance Company (Reserve Bank) Directions, 2021 circular no RBI/2020-21/73 DOR.FIN.HFC. CC.No.120/03.10.136/2020-21 dated February 17, 2021.

40. Segment reporting

The Company operates only in one Operating Segment i.e Housing Finance business - Financial Services and all other activities are incidental to the main business activity, hence have only one reportable Segment as per Indian Accounting Standard 108 "Operating Segments". The reportable business segments are in line with the segment wise information which is being presented to the CODM. The Company has identified Managing Director and CEO as CODM.

The Company has its operations within India and all revenue is generated within India.

41. Employee benefits

41.1 Defined contribution plan

The Company makes contributions to provident fund for qualifying employees to Regional Provident Fund Commissioner under defined contribution plan under the Provident Fund Act.

Summary of material accounting policy information and other explanatory information to the standalone financial statements as at and for the year ended March 31, 2025

Amount recognised as an expense and included under the head “Contribution to Provident and Other Funds” of Statement of Profit and Loss are as follows:

(₹ in Lakhs)

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Contribution to provident fund	732	599
Contribution to pension fund	585	535
Contribution to new pension scheme	77	54
Contribution to ESIC	1	1

41.2 Defined obligation benefit

The Company provides gratuity to its employees which are defined benefit plan. The present value of obligation is determined based on actuarial valuation using the Projected Unit Credit Method, which recognises each period of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation.

The gratuity plan typically exposes the Company to actuarial risks such as: investment risk, interest risk, longevity risk and salary risk.

Investment risk:

The present value of the defined benefit plan liability is calculated using a discount rate which is determined by reference to market yields at the end of the reporting period on government bonds. For other defined benefit plans, the discount rate is determined by reference to market yield at the end of reporting period on high quality corporate bonds when there is a deep market for such bonds; if the return on plan asset is below this rate, it will create a plan deficit.

Interest risk:

A decrease in the bond interest rate will increase the plan liability; however, this will be partially offset by an increase in the return on the plan debt investments.

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 plan liability is calculated by reference to the future salaries of plan participants. As such, an increase in the salary of the plan participants will increase the plan's liability.

The following table sets out the funded status of the Gratuity and the amount recognised in the Financial Statements:

i. Changes in Defined Benefit Obligation

(₹ in Lakhs)

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Liability at the beginning of the year	1,884	1,484
Current service cost	459	391
Interest cost	129	103
Plan Amendment Cost	-	-
Actuarial (gain)/loss – experience	(11)	(17)
Actuarial (gain)/loss - demographic assumptions	-	-
Actuarial (gain)/loss - financial assumptions	115	34
Benefits paid	(68)	(111)
Liability at the end of the year	2,508	1,884

Summary of material accounting policy information and other explanatory information to the standalone financial statements as at and for the year ended March 31, 2025

ii. Changes in Fair Value of Plan Assets

(₹ in Lakhs)

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Plan Assets at the beginning of the year	774	718
Expected return on plan assets	54	52
Actuarial Gain/(Loss)	10	4
Employer Contribution	-	-
Plan Assets at the end of the year	838	774

iii. Reconciliation of Fair Value of Assets and Obligations

(₹ in Lakhs)

Particulars	As at March 31, 2025	As at March 31, 2024
Fair value of Plan Assets	838	774
Present Value of Obligation	2,508	1,884
Amount Recognised in Balance Sheet	(1,670)	(1,110)

iv. Expenses recognised in Statement of Profit and Loss

(₹ in Lakhs)

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Current Service Cost	459	391
Net interest on net defined benefit liability/(asset)	75	51
Plan Amendment cost/Direct Payment	-	-
Expenses recognised in the statement of profit and loss under employee benefits expenses	534	442

v. Expenses recognised in Statement of Other Comprehensive Income

(₹ in Lakhs)

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Actuarial (gain)/loss arising during year	94	13
(Income)/Expenses recognised in the other comprehensive income	94	13

vi. Expected benefit payments

(₹ in Lakhs)

Particulars	As at March 31, 2025
March 31, 2026	180
March 31, 2027	176
March 31, 2028	234
March 31, 2029	296
March 31, 2030	351
March 31, 2031 to March 31, 2035	2,666

vii. Expected Employer Contributions in next 12 months is ₹ 1,670 Lakhs.

viii. Weighted average duration of defined benefit obligation is 9 years.

ix. Actuarial Assumptions

Summary of material accounting policy information and other explanatory information to the standalone financial statements as at and for the year ended March 31, 2025

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Mortality Table	Indian Assured Lives Mortality (2006-08) Ult.	Indian Assured Lives Mortality (2006-08) Ult.
Discount Rate	6.50%	7.00%
Salary Escalation Rate	9.50%	9.50%

The estimates of rate of escalation in salary considered in actuarial valuation, take into account inflation, seniority, promotion and other relevant factor including supply and demand in the employment market. The above information is certified by actuary and this has been relied upon by the auditors.

The expected rate of return on plan asset is determined considering several applicable factors, mainly the composition of plan asset held, assessed risks, historical result of return on plan assets and the Company's policy for plan assets management.

Effect of change in assumptions as at March 31, 2025

(₹ in Lakhs)

Particulars	Plan Liabilities
Discount Rate (increase by 0.5%)	(115)
Discount Rate (decrease by 0.5%)	124
Salary Escalation Rate (increase by 0.5%)	105
Salary Escalation Rate (decrease by 0.5%)	(100)

- x. Amount recognised in current year and previous years

Gratuity:

(₹ in Lakhs)

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024	For the year ended March 31, 2023	For the year ended March 31, 2022	For the year ended March 31, 2021
Defined benefit obligation	2,508	1,884	1,484	1,224	1,046
Fair value of plan asset	838	774	718	695	663
(Surplus)/ Deficit in the plan	1,670	1,110	766	529	383
Actuarial (gain)/loss on plan obligation	104	17	(23)	(83)	(43)
Actuarial gain/(loss) on plan asset	10	4	(26)	(12)	6

Plan Assets as at March 31, 2025

Plan asset composition	As at March 31, 2025	As at March 31, 2024
Schemes of Insurance –conventional products	2.61%	2.64%
Schemes of Insurance –ULIP Product	97.39%	97.36%

Summary of material accounting policy information and other explanatory information to the standalone financial statements as at and for the year ended March 31, 2025

42. Employee stock appreciation rights and Employees Stock Option

a) Employee Stock Option Plan 2018 (ESOP 2018) [Erstwhile 'Employee Stock Appreciation Rights Plan 2018 ("ESAR 2018" / "Plan")]

ESAR 2018 was approved by the shareholders of the Company and subsequently the Grant was approved by the Board and the Nomination and Remuneration Committee at its meeting held on March 26, 2018.

Movement in ESARs

Particulars	For the year ended March 31, 2025 (No's)	For the year ended March 31, 2024 (No's)
Opening	18,65,545	19,69,286.25
Granted during the year	-	-
Lapsed during the year	-	(1,03,741.13)
Exercised during the year	(17,91,967)	-
Rounding off	-	(0.12)
Closing	73,578	18,65,545
Vested as at year end	73,578	18,65,545
Unvested as at year end	-	-

ESAR were granted at the Price of ₹ 291.70 which was the fair value on the grant date before bonus adjustment.

The key assumptions used to estimate the fair value of ESARs are:

Particulars	ESAR 2018
Dividend yield	2.40%
Expected Life	3 years
Risk free interest rate	7.45%
Volatility	0.01%
Model Used	Black & Scholes

The expense arises from equity settled ESARs amounting to ₹ Nil (March 31, 2024: Nil) for the year ended March 31, 2025.

ESAR 2018 was renamed to Employee Stock Option Plan 2018 (ESOP 2018) and the ESARs outstanding as at January 18, 2024 were converted to ESOPs, with no change in terms and conditions related to exercise price and vesting conditions. The above change was approved by the Nomination and Remuneration Committee at its meeting held on January 18, 2024, Board at its meeting held on January 21, 2024 and is approved by the shareholders' at the extra-ordinary general meeting held on January 24, 2024.

b) Employee stock option plans (ESOPS)

Employee Stock Option Plan 2020 ("ESOP Plan 2020")

ESOP Plan 2020 was approved by the shareholders of the Company and subsequently the Grant was approved by the Board and the Nomination and Remuneration Committee at its meeting held on May 05, 2020 with the grant date of December 31, 2020 and meeting held on January 16, 2021 with the grant date of January 16, 2021. Details of ESOP Plan 2020 granted are as follows:

Particulars	ESOP Plan 2020 – March 2020	ESOP Plan 2020 – January 2021	ESOP Plan 2020 – September 2021
Scheme Name	Employee Stock Option Plan 2020	Employee Stock Option Plan 2020	Employee Stock Option Plan 2020
No. of options approved	12,00,000	6,15,460	18,79,549
Date of Grant	March 31, 2020	January 16, 2021	September 22, 2021
No of options granted	10,44,395	6,15,460	18,79,549
Exercise Price (₹)	908.05	90.805	90.805
Method of Settlement	Equity	Equity	Equity
Time Based Eligibility	20% each year in next Five years.	20% each year in next Five years.	20% each year in next Five years.

Summary of material accounting policy information and other explanatory information to the standalone financial statements as at and for the year ended March 31, 2025

Particulars	ESOP Plan 2020 – March 2020	ESOP Plan 2020 – January 2021	ESOP Plan 2020 – September 2021
Vesting Schedule	Eligible options will vest in 60%, 40% in on Eligibility date, 1st year from eligibility date	Eligible options will vest in 60%, 40% in on Eligibility date, 1st year from eligibility date	Eligible options will vest in 60%, 40% in on Eligibility date, 1st year from eligibility date
Condition	1. All eligible options will vest subject to BCP Topco VII Pte. Ltd. Realising minimum net consideration cumulatively from the sale of the Shares held 2. Proportion of eligible option vesting to extent of sale by BCP Topco VII Pte. Ltd.	1. All eligible options will vest subject to BCP Topco VII Pte. Ltd. Realising minimum net consideration cumulatively from the sale of the Shares held 2. Proportion of eligible option vesting to extent of sale by BCP Topco VII Pte. Ltd.	1. All eligible options will vest subject to BCP Topco VII Pte. Ltd. Realising minimum net consideration cumulatively from the sale of the Shares held 2. Proportion of eligible option vesting to extent of sale by BCP Topco VII Pte. Ltd.
Exercise period	2 years from Vesting	2 years from Vesting	2 years from Vesting
Weighted Average Share Price	908.05	90.805	90.805

Particulars	ESOP Plan 2020 – August 2023	ESOP Plan 2020 –November 2023
Scheme Name	Employee Stock Option Plan 2020	Employee Stock Option Plan 2020
No. of options approved	16,35,035	2,00,000
Date of Grant	August 09, 2023	November 07, 2023
No of options granted	15,57,692	2,00,000
Exercise Price (₹)	147.5	147.5
Method of Settlement	Equity	Equity
Time Based Eligibility	20% each year in next Five years.	20% each year in next Five years.
Vesting Schedule	Eligible options will vest in 60%, 40% in on Eligibility date, 1st year from eligibility date	Eligible options will vest in 60%, 40% in on Eligibility date, 1st year from eligibility date
Condition	1. All eligible options will vest subject to BCP Topco VII Pte. Ltd. Realising minimum net consideration cumulatively from the sale of the Shares held 2. Proportion of eligible option vesting to extent of sale by BCP Topco VII Pte. Ltd.	1. All eligible options will vest subject to BCP Topco VII Pte. Ltd. Realising minimum net consideration cumulatively from the sale of the Shares held 2. Proportion of eligible option vesting to extent of sale by BCP Topco VII Pte. Ltd.
Exercise period	2 years from Vesting	2 years from Vesting
Weighted Average Share Price	147.5	147.5

Particulars	ESOP Plan 2020 – January 2024	ESOP Plan 2020 – February 2025
Scheme Name	Employee Stock Option Plan 2020	Employee Stock Option Plan 2020
No. of options approved	65,32,024	1,00,000
Date of Grant	January 21, 2024	February 06, 2025
No of options granted	65,32,024	1,00,000
Exercise Price (₹)	147.5	391.3
Method of Settlement	Equity	Equity
Time Based Eligibility	20% each year in next Five years.	20% each year in next Five years.
Vesting Schedule	Eligible options will vest in 60%, 40% in on Eligibility date, 1st year from eligibility date	Eligible options will vest in 60%, 40% in on Eligibility date, 1st year from eligibility date

Summary of material accounting policy information and other explanatory information to the standalone financial statements as at and for the year ended March 31, 2025

Particulars	ESOP Plan 2020 – January 2024	ESOP Plan 2020 – February 2025
Condition	- All eligible options will vest subject to BCP Topco VII Pte. Ltd. Realising minimum net consideration cumulatively from the sale of the Shares held - Proportion of eligible option vesting to extent of sale by BCP Topco VII Pte. Ltd.	- All eligible options will vest subject to BCP Topco VII Pte. Ltd. Realising minimum net consideration cumulatively from the sale of the Shares held - Proportion of eligible option vesting to extent of sale by BCP Topco VII Pte. Ltd.
Exercise period	2 years from Vesting	2 years from Vesting
Weighted Average Share Price	147.5	391.3

*ESOP Plan 2020 – March 2020 disclosure doesn't include the impact of bonus issue of equity shares of the Company in the ratio of nine shares of face value of ₹ 10 each for each existing equity share of the face value of ₹ 10 each on January 16, 2021 in extraordinary general meeting (EGM).

Computation of fair value of options

The Black-Scholes Model has been used for computing the weighted average fair value considering the following:

Particulars	ESOP Plan 2020 (December 31, 2020)	ESOP Plan 2020 (January 16, 2021)	ESOP Plan 2020 (September 22, 2021)
Fair value of the option (₹)	₹ 96 to ₹ 333	₹ 28.15 to ₹ 51.92	₹ 28.8 to ₹ 51.6
Fair value of share on the date of grant (₹)	908.05	110.00	111.10
Exercise Price(₹)	908.05	90.805	90.805
Expected Life	3 years to 9 years	3 years to 9 years	3 years to 9 years
Expected Volatility (%)	9.7% to 12.7%	15.6% to 22.1%	15.2% to 22.0%
Life of the Option (years)	3 years to 9 years	3 years to 9 years	3 years to 9 years
Risk Free rate of return (%)	5.2% to 6.7%	4.0% to 6.6%	3.9% to 6.3%
Expected dividend rate (%)	0.8%	0.6%	0.6%

Particulars	ESOP Plan 2020 (August 09, 2023)	ESOP Plan 2020 (November 07, 2023)
Fair value of the option (₹)	₹ 22 to ₹ 66.7	₹ 22 to ₹ 66.7
Fair value of share on the date of grant (₹)	147.50	147.50
Exercise Price(₹)	147.50	147.50
Expected Life	3 years to 9 years	3 years to 9 years
Expected Volatility (%)	11.8% to 14.9%	11.8% to 14.9%
Life of the Option (years)	3 years to 9 years	3 years to 9 years
Risk Free rate of return (%)	7.1% to 7.3%	7.1% to 7.3%
Expected dividend rate (%)	0.0%	0.0%

Particulars	ESOP Plan 2020 (January 21, 2024)	ESOP Plan 2020 (February 2025)
Fair value of the option (₹)	₹ 21.6 to ₹ 59.8	₹ 109.4 to ₹ 212
Fair value of share on the date of grant (₹)	147.50	391.3
Exercise Price(₹)	147.50	391.3
Expected Life	3 years to 9 years	3 years to 9 years
Expected Volatility (%)	11.8% to 14.8%	40.7%
Life of the Option (years)	3 years to 9 years	3 years to 9 years
Risk Free rate of return (%)	7.0% to 7.1%	7.0% to 7.1%
Expected dividend rate (%)	0.0%	0.0%

The expected life of the share options is based on current expectations and is not necessarily indicative of exercise patterns that may actually occur. Further, the condition of specified sale of the shares held by the investor is estimated to be fulfilled on the relevant eligibility dates.

Summary of material accounting policy information and other explanatory information to the standalone financial statements as at and for the year ended March 31, 2025

Movement in ESOPs

Particulars	For the year ended March 31, 2025 (No's)	For the year ended March 31, 2024 (No's)
Opening	1,75,84,658	1,01,98,847
Granted during the year	1,00,000	82,89,716
Lapsed during the year	(5,58,569)	(9,03,905)
Exercised during the year	(30,73,987)	-
Closing	1,40,52,102	1,75,84,658
Vested as at year end	27,34,892	-
Unvested as at year end	1,13,17,210	1,75,84,658

The expense arises from equity settled ESOPs transaction amounted to ₹ 1,102 Lakh (March 31, 2024: ₹ 203 Lakh).

43. Foreign currency transactions

The Foreign currency transactions are as follows:-

(₹ in Lakhs)		
Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Foreign Exchange outgo	605	37
Foreign Exchange inflow	43,728	-

44. Related party transactions

List of related parties with whom transactions have taken place during the year are at arm's length and relationship:

S. No	Relationship	Name of Related Party
1.	Holding Company	BCP Topco VII Pte. Ltd.
2.	Wholly owned subsidiary	Aadhar Sales and Services Private Limited
3.	Key Management Personnel	Mr. Om Prakash Bhatt - Independent Director & Non-Executive Chairman of the Board
		Mr. Deo Shankar Tripathi - Executive Vice Chairman
		Mr. Rishi Anand - Managing Director and CEO
		Mr. Amit Dixit - Non-Executive Director
		Mr. Mukesh G Mehta - Non-Executive Director
		Mr. Prateek Roongta - Non-Executive Director
		Mrs. Sharmila Abhay Karve - Independent Director
		Mrs. Dr. Nivedita Haran - Independent Director (upto September 13, 2024)
		Dr. Punita Kumar Sinha - Independent Director (w.e.f. August 07, 2024)
		Mr. Rajesh Viswanathan - Chief Financial Officer
		Mr. Sreekanth VN - Company Secretary (upto September 30, 2023)
		Mrs. Harshada Pathak - Company Secretary (w.e.f. October 01, 2023)

Summary of material accounting policy information and other explanatory information to the standalone financial statements as at and for the year ended March 31, 2025

Transactions with Related Parties:

(₹ in Lakhs)

Name	Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Income:			
Aadhar Sales and Services Private Limited	Rent Income	2	2
Aadhar Sales and Services Private Limited	Recovery of expenses	1	-
Rishi Anand – Managing Director and CEO (From January 03, 2023)	Interest Income on Secured Loan	11	6
Rajesh Viswanathan – CFO	Interest Income on Secured Loan	11	6
Expenditure:			
Aadhar Sales and Services Private Limited	Business sourcing services	5,888	6,423
Deo Shankar Tripathi - Executive Vice Chairman	Remuneration	2,736	331
Rishi Anand – Managing Director and CEO	Remuneration	703	304
Rajesh Viswanathan – Chief Financial Officer	Remuneration	945	291
Sreekanth VN – Company Secretary (upto September 30, 2023)	Remuneration	-	57
Harshada Pathak – Company Secretary (w.e.f. October 01, 2023)	Remuneration	105	20
Others:			
Deo Shankar Tripathi - Executive Vice Chairman	Equity share allotment (including premium)	295	-
Rishi Anand – Managing Director and CEO	Equity share allotment (including premium)	40	-
Rajesh Viswanathan – Chief Financial Officer	Equity share allotment (including premium)	186	-
Harshada Pathak – Company Secretary	Equity share allotment (including premium)	17	-
Rishi Anand – Managing Director and CEO	Secured loan given	360	-
Rishi Anand – Managing Director and CEO	Repayment of secured loan	194	5
Rajesh Viswanathan – Chief Financial Officer	Secured loan given	-	300
Rajesh Viswanathan – Chief Financial Officer	Repayment of secured loan	33	16

Compensation of key management personnel of the Company

(₹ in Lakhs)

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Short-term employee benefits	915	973
Perquisite value of ESOPs	3,540	-
Post-employment pension (defined contribution)	34	30
Sitting fee and commission	181	149
Total	4,670	1,152

Balances with Related Parties:

(₹ in Lakhs)

Name	Particulars	As at March 31, 2025	As at March 31, 2024
Aadhar Sales and Services Private Limited	Investment	1	1
Rishi Anand – Managing Director and CEO	Secured Loan	281	115
Rajesh Viswanathan- CFO	Secured Loan	251	284
Directors Commission & sitting fee	Payable	160	147

Summary of material accounting policy information and other explanatory information to the standalone financial statements as at and for the year ended March 31, 2025

(₹ in Lakhs)

Name	Particulars	As at March 31, 2025	As at March 31, 2024
Deo Shankar Tripathi - Executive Vice Chairman	Equity Share Capital (at Face value)	36	-
Rishi Anand – Managing Director and CEO	Equity Share Capital (at Face value)	10	-
Rajesh Viswanathan- CFO	Equity Share Capital (at Face value)	15	-
Harshada Pathak – Company Secretary	Equity Share Capital (at Face value)	2	-

45. A comparison between provisions required under Income Recognition, Asset classification and provision norms and impairment allowances made under Ind AS 109 as at March 31, 2025

(₹ in Lakhs)

Asset Classification as per RBI Norms	Asset classification as per Ind AS 109	Gross Carrying Amount as per Ind AS	Loss Allowances (Provisions) as required under Ind AS 109	Net Carrying Amount	Provisions required as per IRACP norms	Difference between Ind AS 109 provisions and IRACP norms
1	2	3	4	(5)=(3)-(4)	6	(7) = (4)-(6)
Performing Assets						
Standard	Stage 1	19,67,739	5,533	19,62,206	8,488	(2,955)
	Stage 2 (Refer Note 2)	82,690	10,681	72,009	2,353	8,328
Subtotal		20,50,429	16,214	20,34,215	10,841	5,373
Non-Performing Assets (NPA)						
Substandard	Stage 3	12,935	3,403	9,532	2,203	1,200
Doubtful - up to 1 year	Stage 3	4,386	1,979	2,407	1,197	782
1 to 3 years	Stage 3	4,814	2,235	2,579	2,003	232
More than 3 years	Stage 3	149	62	87.00	149	(87)
Subtotal for doubtful		9,349	4,276	5,073	3,349	927
Other items such as guarantees, loan commitments, etc. which are in the scope of Ind AS 109 but not covered under current Income Recognition, Asset Classification and Provisioning (IRACP) norms	Stage 1	1,90,015	410	1,89,605	-	410
Subtotal		1,90,015	410	1,89,605	-	410
	Stage 1	21,57,754	5,943	21,51,811	8,488	(2,545)
	Stage 2	82,690	10,681	72,009	2,353	8,328
Total	Stage 3	22,284	7,679	14,605	5,552	2,127
	Total	22,62,728	24,303	22,38,425	16,393	7,910

Notes:

- The provision under Expected Credit Loss Model is higher than Income Recognition and Prudential Norms.
- Customers who have availed the benefit of One-time restructuring as per RBI Circular RBI/2020-21/16 DOR.No.BP.BC/3/21.04.048/2020-21 dated August 2020 and RBI/2020-21/17 DOR.No.BP.BC/4/21.04.048/2020-21 dated August 2020 (for restructuring of accounts of Micro, small and Medium Enterprises (MSME) sector – Restructuring of Advances having exposure less than or equal to ₹ 25 crores) and RBI Notification – RBI/2021-22/31 DOR.STR.REC.11/21.04.048/2021-22 dated May 05, 2021 (Resolution Framework – 2.0: Resolution of Covid-19 related stress of Individuals and Small Businesses) have been disclosed as Stage 2 assets under Ind AS with gross outstanding value of ₹ 20,234 Lakh. Impairment provision and provision required under IRACP is maintained at 10% as required by RBI circular.

Summary of material accounting policy information and other explanatory information to the standalone financial statements as at and for the year ended March 31, 2025

46. Disclosures pursuant to RBI Notification RBI/2020-21/16

DOR.No.BP.BC/3/21.04.048/2020-21 date August 6, 2020 and – RBI/2021-22/31 DOR.STR.REC.11/21.04.048/2021-22 dated May 05, 2021 (Resolution Framework – 2.0: Resolution of Covid-19 related stress of Individuals and Small Businesses)

(₹ in Lakhs)

Type of borrower	Exposure to accounts classified as Standard consequent to implementation of resolution plan – Position as at September 30, 2024 (A)	Of (A), aggregate debt that slipped into NPA during the half-year ended March 31, 2025	Of (A) amount written off during the half-year ended March 31, 2025	Of (A) amount paid by the borrowers during the half-year ended March 31, 2025	Exposure to accounts classified as Standard consequent to implementation of resolution plan – Position as at March 31, 2025
Personal Loans (refer note below)	21,597	599	23	1,341	20,234**
Corporate persons	-	-	-	-	-
Of which MSMEs	-	-	-	-	-
Others	-	-	-	-	-
Total	21,597	599	23	1,341	20,234**

As defined in Section 3(7) of the Insolvency and Bankruptcy Code, 2016

**Includes ₹ 600 Lakhs of NPA accounts which has become standard during the half year ended March 31, 2025.

47. Disclosures pursuant to RBI Notification-RBI/DOR/2021-22/86 DOR.STR.REC.51/21.04.048/2021-22 dated September 24, 2021.

a.) Details of transfer through assignment in respect of loans not in default during the year ended March 31, 2025

Particulars	For the year ended March 31, 2025
Entity	NBFC (Housing Finance Company)
Count of Loan Accounts Assigned	17,163
Amount of Loan Accounts Assigned (₹ in Lakhs)	1,58,224
Weighted average maturity (in Months)	178
Weighted average holding period (in Months)	18
Retention of beneficial economic interest (MRR)	10%
Coverage of tangible security coverage	100%

The Loans transferred are not rated as same are non-corporate borrowers.

b.) The Company has not transferred or acquired, any stressed/default loans during the year ended March 31, 2025.

c.) Details of transfer through Co-lending in respect of loans not in default during the year ended March 31, 2025

Particulars	For the year ended March 31, 2025
Entity	NBFC (Housing Finance Company)
Count of Loan Accounts Assigned	1,252
Amount of Loan Accounts Assigned (₹ in Lakhs)	14,302
Weighted average maturity (in Months)	214
Weighted average holding period (in Months)	4
Retention of beneficial economic interest (MRR)	20%
Coverage of tangible security coverage	100%

Summary of material accounting policy information and other explanatory information to the standalone financial statements as at and for the year ended March 31, 2025

48. Changes in liabilities arising from financing activities:-

(₹ in Lakhs)

Particulars	As at March 31, 2024	Cash flows (+)	Non Cash Adjustments (-)	As at March 31, 2025
Debt securities	2,73,883	65,080	(81)	3,38,882
Borrowings (other than debt securities)	11,16,002	1,72,473	(1,146)	12,87,329
Deposits	191	(110)	(4)	77
Subordinated liabilities	5,959	-	18	5,977
Lease liabilities	5,109	(1,123)	2,340	6,326
Total	14,01,144	2,36,320	1,127	16,38,591

(₹ in Lakhs)

Particulars	As at March 31, 2023	Cash flows (+)	Non Cash Adjustments (-)	As at March 31, 2024
Debt securities	2,54,213	19,823	153	2,73,883
Borrowings (other than debt securities)	9,54,273	1,61,540	(189)	11,16,002
Deposits	394	(203)	-	191
Subordinated liabilities	6,547	(600)	(12)	5,959
Lease liabilities	3,795	(907)	(2,646)	5,109
Total	12,19,222	1,79,653	(2,694)	14,01,144

49. The Company periodically files returns/statements with banks and financial institution as per the agreed terms and they are in agreement with books of accounts of the Company. This information has been relied upon by the auditors.
50. Registration of charges or satisfaction with Registrar of Companies are filed and paid within the statutory period for debt and borrowings issued during the year.
51. Money raised by way of debt instruments and the term loans have been applied by the Company for the purposes for which they were raised, other than temporary deployment pending application of proceeds.
52. No proceedings have been initiated on or are pending against the Company for holding benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and Rules made thereunder.
53. The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.
54. The Company has no transactions with the companies struck off under Companies Act, 2013 or Companies Act, 1956.
55. The Company has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:
- directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (Ultimate Beneficiaries) or
 - provide any guarantee, security or the like to or on behalf of the ultimate beneficiaries.
56. The Company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:
- 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
57. There is no income surrendered or disclosed as income during the current or previous year in the tax assessments under the Income Tax Act, 1961, that has not been recorded in the books of account.
58. **Daily back up:** Proper books of account as required by law have been kept by the Company. Back-up of the books of account and papers maintained in electronic mode is maintained on servers physically located in India on a daily basis, except in case of two applications (used for payroll processing and record maintenance) which are operated by third party service providers, the management is not in possession of an appropriate Service Organisation Controls report to determine whether the back-up of books was maintained on servers physically located in India on a daily basis.

Summary of material accounting policy information and other explanatory information to the standalone financial statements as at and for the year ended March 31, 2025

Audit trail: The Company uses accounting software TCS iON (General Ledger), TCS BaNCS LOS (Loan origination), TCS BaNCS LMS (Loan management), Workline (HRMS) and HGS (Payroll) for maintaining its books of account which have a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software, except that for:

- TCS BaNCS LMS – the audit trail feature was enabled at database level from May 24, 2024;
- TCS iON (operated by third party service provider) – the management is not in the possession of the Service Organisation Controls report or other relevant evidence to determine whether the audit trail feature was enabled and operated at database level through the year; and
- Workline and HGS (operated by third party service providers) – the management is not in the possession of an appropriate Service Organisation Controls report to determine whether audit trail feature of the said software was enabled and operated throughout the year for all relevant transactions recorded in the software.

Further, audit trail feature has not been tampered with in respect of accounting software where the audit trail has been enabled. Additionally, the Company has preserved audit trail in respect of the financial years ended March 31, 2024 and March 31, 2025 to the extent it was enabled and recorded in respect of those years.

59. The Company has not revalued its property, plant and equipment (including right-of-use assets) or intangible assets or both during the current or previous year.
60. There have been no instances of breach of covenants of loan availed or debt securities issued during the year ended March 31, 2025 and March 31, 2024.

61. Divergence in the asset classification and provisioning

There is no divergence in asset classification and provisioning as assessed by NHB where:

- The additional provisioning requirements assessed by National Housing Bank (NHB) exceeds 5% of the reported profits before tax and impairment loss on financial instruments as on March 31, 2025, or
- The additional Gross NPAs identified by NHB exceeds 5% of the reported Gross NPAs as on March 31, 2025.

62. Disclosure of details required as per Master Direction – Non-Banking Financial Company – Housing Finance Company (Reserve Bank) Directions, 2021 dated February 17, 2021 - RBI/2020-21/73 DOR.FIN.HFC.CC.No.120/03.10.136/2020-21 and Master Direction – Reserve Bank of India (Non-Banking Financial Company – Scale Based Regulation) Directions, 2023 dated October 19, 2023 - RBI/DoR/2023-24/106 DoR.FIN.REC.No.45/03.10.119/2023-24:

62.1 Disclosure as per Annexure III of the Circular

(₹ in Lakhs)

Particulars	March 31, 2025	
	Amount outstanding	Amount overdue
Liabilities side		
(1) Loans and advances availed by the HFC inclusive of interest accrued thereon but not paid:		
(a) Debentures: Secured	3,48,078	-
Unsecured	6,260	-
(other than falling within the meaning of public deposits)		
(b) Deferred Credits	-	-
(c) Term Loans	12,89,948	-
(d) Inter-corporate loans and borrowing	-	-
(e) Commercial Paper	-	-
(f) Public Deposits	77	-
(g) Other Loans (specify nature)	-	-
(2) Break-up of (1)(f) above (Outstanding public deposits inclusive of interest accrued there on 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	77	-

Summary of material accounting policy information and other explanatory information to the standalone financial statements as at and for the year ended March 31, 2025

(₹ in Lakhs)

Particulars	March 31, 2025
Assets side	Amount outstanding
(3) Break-up of Loans and Advances including bills receivables [other than those included in (4) below]:	
(a) Secured	20,72,713
(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) Assets on hire	-
(b) Repossessed Assets	-
(iii) Other loans counting towards asset financing activities	-
(a) Loans where assets have been repossessed	-
(b) Loans other than (a) above	-
(5) Break-up of Investments	
Current Investments	
1. Quoted	-
(i) Shares	-
(a) Equity	-
(b) Preference	-
(ii) Debentures and Bonds	-
(iii) Units of mutual funds	-
(iv) Government Securities	-
(v) Others (please specify)	-
2. Unquoted	
(i) Shares	-
(a) Equity	-
(b) Preference	-
(ii) Debentures and Bonds	-
(iii) Units of mutual funds	-
(iv) Government Securities	-
(v) Others (please specify)	-

Particulars	March 31, 2025
Long Term investments	
1. Quoted	
(i) Share	
(a) Equity	-
(b) Preference	-
(ii) Debentures and Bonds	1,165
(iii) Units of mutual funds	-
(iv) Government Securities	49,719
(v) Others (please specify)	-

Summary of material accounting policy information and other explanatory information to the standalone financial statements as at and for the year ended March 31, 2025

Particulars	March 31, 2025		
Long Term investments			
Unquoted			
(i) Shares			
(a) Equity			1
(b) Preference			-
(ii) Debentures and Bonds			-
(iii) Units of mutual funds			-
(iv) Government Securities			-
(v) Others (please specify)			-
(6) Borrower group-wise classification of assets financed as in (3) and (4) above:			
Category	Amount net of provisions		
	Secured	Unsecured	Total
1. Related Parties			
(a) Subsidiaries	-	-	-
(b) Companies in the same group	-	-	-
(c) Other related parties	531	-	531
2. Other than related parties	20,47,879	-	20,47,879
Total	20,48,410	-	20,48,410
(7) Investor group-wise classification of all investments (current and long term) in shares and securities (both quoted and unquoted):			
Category	Market Value/Break up or fair value or NAV	Book Value (Net of Provisions)	
1. Related Parties			
(a) Subsidiaries	1		1
(b) Companies in the same group	-		-
(c) Other related parties	-		-
2. Other than related parties	52,132		50,884
Total	52,133		50,885
As per notified Indian Accounting Standard			
(8) Other information			
Particulars	Amount		
(i) Gross Non-Performing Assets			
(a) Related parties			-
(b) Other than related parties			22,284
(ii) Net Non-Performing Assets			
(a) Related parties			-
(b) Other than related parties			14,605
(iii) Assets acquired in satisfaction of debt		-	

*"0" represent value less than ₹ 50,000.

Summary of material accounting policy information and other explanatory information to the standalone financial statements as at and for the year ended March 31, 2025

62.2 Summary of Material accounting policy information

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

62.3 Capital to Risk Asset Ratio (CRAR)

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
CRAR	44.61%	38.46%
CRAR-Tier I Capital	44.07%	37.74%
CRAR- Tier II Capital	0.54%	0.72%
Amount of subordinated debt raised as Tier-II Capital (₹ in Lakhs)	1,200	2,400
Amount raised by issue of perpetual debt instruments	Nil	Nil

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

Statement for Reserve Fund is disclosed in Note No. 24 of the Standalone Financial Statement for the year ended March 31, 2025.

62.5 Investment

(₹ in Lakhs)		
Particulars	As at March 31, 2025	As at March 31, 2024
1. Value of Investments		
(i) Gross value of investments		
(a) In India	50,885	45,784
(b) Outside India	-	-
(ii) Provisions for Depreciation		
(a) In India	-	-
(b) Outside India	-	-
(iii) Net value of investments		
(a) In India	50,885	45,784
(b) Outside India	-	-
2. Movement of provisions held towards depreciation on investments		
(i) Opening balance	-	-
(ii) Add: Provisions made during the year	-	-
(iii) Less: Write-off/ Written-back of excess provisions during the year	-	-
(iv) Closing balance	-	-

62.6 Derivatives

- i. Forward Rate Agreement (FRA)/ Interest Rate Swap

(₹ in Lakhs)		
Particulars	As at March 31, 2025	As at March 31, 2024
(i) The notional principal of swap agreements	47,781	-
(ii) Losses which would be incurred if counterparties failed to fulfil their obligations under the agreements	-	-
(iii) Collateral required by the HFC upon entering into swaps	NA	NA
(iv) Concentration of credit risk arising from the swaps	NA	NA
(v) The fair value of the swap book	(1,467)	-

Summary of material accounting policy information and other explanatory information to the standalone financial statements as at and for the year ended March 31, 2025

- ii. Exchange Traded Interest Rate (IR) Derivative
Nil during the year ended March 31, 2025 (March 31, 2024: Nil)
- iii. Disclosures on Risk Exposure in Derivatives

Qualitative Disclosure

Details for qualitative disclosure are part of accounting policy as per financial statements. (Refer note 2.9 and 38)

Quantitative Disclosure

Particulars	As at March 31, 2025	As at March 31, 2024
(i) Derivative (notional principal amount) for hedging*	47,781	-
(ii) Mark to Market positions		
a) Asset	-	-
b) Liability	1,467	
(iii) Credit exposure	-	-
(iv) Unhedged exposure	-	-

*The Company has hedged its foreign currency borrowings through CCIRS and foreign currency forwards

62.7 Securitisation

- i. Securitised assets as per books of the SPVs sponsored by the HFC
Nil during the year ended March 31, 2025 (March 31, 2024: Nil)
- ii. Details of Financial Assets sold to Securitisation/Reconstruction Company for Asset Reconstruction - Nil during the year ended March 31, 2025 (March 31, 2024: Nil)
- iii. Detail of Assignment transactions undertaken:

(₹ in Lakhs)

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
1 No of Pools/Accounts	16	12
2 Aggregate value (Net of Provisions) of accounts assigned	1,58,224	1,18,204
3 Aggregate consideration	1,58,224	1,18,204
4 Additional consideration realised in respect of accounts transferred in earlier years	-	-
5 Aggregate gain over net book value	15,880	12,090

- iv. Detail of Colending transactions undertaken:

(₹ in Lakhs)

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
1 No of Pools/Accounts	7	20
2 Aggregate value (Net of Provisions) of accounts assigned	14,302	44,859
3 Aggregate consideration	14,302	44,859
4 Additional consideration realised in respect of accounts transferred in earlier years	-	-
5 Aggregate gain over net book value	825	-

- v. Details of non-performing financial assets purchased/sold
 - A. Details of non-performing financial assets purchased:
Nil during the year ended March 31, 2025 (March 31, 2024: Nil)
 - B. Details of non-performing financial assets sold:
Nil during the year ended March 31, 2025 (March 31, 2024: Nil)

Summary of material accounting policy information and other explanatory information to the standalone financial statements as at and for the year ended March 31, 2025

62.8 Maturity pattern of certain items of assets and liabilities as per Asset Liability Management system of the Company is as under:

As at March 31, 2025

(₹ in Lakhs)

Particulars	1 day to 7 days	8 to 14 days	15 days to 30/31 days	Over 1 month upto 2 months	Over 2 months upto 3 months	Over 3 months to 6 months	Over 6 months to 1 year	Over 1 year to 3 years	Over 3 to 5 years	Over 5 years	Total
Liabilities											
Deposits	23	-	-	-	-	-	9	34	10	-	77
Borrowings from banks	279	-	8,171	1,470	11,026	50,231	1,05,837	4,73,983	3,40,137	2,53,540	12,44,673
Market Borrowings	-	-	1,000	-	-	2,250	33,945	2,20,580	68,789	18,295	3,44,859
Foreign Currency Liabilities	-	-	-	-	-	-	-	25,594	17,062	-	42,656
Assets											
Advances	2,482	21,595	22,397	27,520	27,267	80,315	1,54,261	5,45,160	4,62,005	7,05,410	20,48,410
Investments	-	-	-	-	-	-	200	400	400	49,855	50,885
Foreign Currency Assets	-	-	-	-	-	-	-	-	-	-	-

As at March 31 2024

(₹ in Lakhs)

Particulars	1 day to 7 days	8 to 14 days	15 days to 30/31 days	Over 1 month upto 2 months	Over 2 months upto 3 months	Over 3 months to 6 months	Over 6 months to 1 year	Over 1 year to 3 years	Over 3 to 5 years	Over 5 years	Total
Liabilities											
Deposits	84	0	23	11	1	13	6	42	11	-	191
Borrowings from banks	279	-	7,574	1,531	13,455	39,696	85,550	4,03,293	3,07,901	2,56,724	11,16,002
Market Borrowings	0	0	1,000	0	0	2,250	36,850	1,50,585	81,324	7,833	2,79,842
Foreign Currency Liabilities	-	-	-	-	-	-	-	-	-	-	-
Assets											
Advances	23,793	12,912	1,061	22,735	22,547	64,697	1,24,697	4,46,087	3,86,288	5,85,477	16,90,294
Investments	-	-	-	-	-	-	200	400	400	44,784	45,784
Foreign Currency Assets	-	-	-	-	-	-	-	-	-	-	-

Note:

- The maturity analysis is prepared considering the prepayments on housing and other loans in line with historical trend. Classification of assets and liabilities under the different maturity buckets is based on the same estimates and assumptions as used by the Company for compiling the return submitted to the RBI/NHB, which has been relied upon by the auditors.
- The above-mentioned amount of Advances excludes interest accrued on loans, fair value of loans, ECL provision on stage 3 loans and EIR.

Summary of material accounting policy information and other explanatory information to the standalone financial statements as at and for the year ended March 31, 2025

62.9 Exposure to Real Estate Sector

(₹ in Lakhs)

Particulars	As at March 31, 2025	As at March 31, 2024
A. DIRECT EXPOSURE		
(i) Residential Mortgages –		
Lending fully secured by mortgages on residential property that is or will be occupied by the borrower or that is rented.	15,13,372	12,57,918
(ii) Commercial Real Estate		
Lending secured by mortgages on commercial real estates (office buildings, retail space, multi-purpose commercial premises, multi-family residential buildings, multi-tenanted commercial premises, industrial or warehouse space, hotels, land acquisition, development and construction, etc.). Exposure shall also include non-fund based limits	5,63,019	4,56,812
(iii) Investments in Mortgage Backed Securities (MBS) and other securitized exposures		
. Residential	-	-
. Commercial Real Estate	-	-
B. INDIRECT EXPOSURE		
Fund based and non-fund based exposures on National Housing Bank (NHB) and Housing Finance Companies (HFCs)	-	-
Total Exposure to Real Estate Sector	20,76,391	17,14,730

Note:

1. Amount disclosed under Commercial Real Estate includes non-housing loan which are provided against residential property.
2. The amount mentioned above for Total Exposure excludes EIR.

62.10 Exposure to Capital Market

(₹ in Lakhs)

Particulars	As at March 31, 2025	As at March 31, 2024
(i) Direct investment in equity shares, convertible bonds, convertible debentures and units of equity-oriented mutual funds the corpus of which is not exclusively invested in corporate debt	-	-
(ii) Advances against shares/bonds/debentures or other securities or on clean basis to individuals for investment in shares (including IPOs/ESOPs), convertible bonds, convertible debentures, and units of equity-oriented mutual funds	-	-
(iii) Advances for any other purposes where shares or convertible bonds or convertible debentures or units of equity oriented mutual funds are taken as primary security	-	-
(iv) Advances for any other purposes to the extent secured by the collateral security of shares or convertible bonds or convertible debentures or units of equity oriented mutual funds i.e. where the primary security other than shares/convertible bonds/convertible debentures/units of equity oriented mutual funds 'does not fully cover the advances'	-	-
(v) Secured and unsecured advances to stock brokers and guarantees issued on behalf of stockbrokers and market makers	-	-
(vi) Loans sanctioned to corporates against the security of shares/bonds/debentures or other securities or on clean basis for meeting promoter's contribution to the equity of new companies in anticipation of raising resources	-	-
(vii) Bridge loans to companies against expected equity flows/issues	-	-

Summary of material accounting policy information and other explanatory information to the standalone financial statements as at and for the year ended March 31, 2025

(₹ in Lakhs)		
Particulars	As at March 31, 2025	As at March 31, 2024
(viii) Underwriting commitments taken up by the NBFCs in respect of primary issue of shares or convertible bonds or convertible debentures or units of equity oriented mutual funds.	-	-
(ix) Financing to stockbrokers for margin trading	-	-
(x) All exposures to Alternative Investment Funds:	-	-
(a) Category I		
(b) Category II		
(c) Category III		
Total Exposure to Capital Market	-	-

Note: As mentioned in para 23.2.2 of RBI master direction –NBFC –HFC dated 17.02.2021 the computation of exposure to capital markets has been done considering cost price of the investment.

62.11 Details of financing parent company products

Nil during the year ended March 31, 2025 (March 31, 2024: Nil)

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

Nil during the year ended March 31, 2025 (March 31, 2024: Nil)

62.13 Unsecured Advances

Nil during the year ended March 31, 2025 (March 31, 2024: Nil)

62.14 Advances against Intangible Collateral

Nil during the year ended March 31, 2025 (March 31, 2024: Nil)

62.15 Exposure to group companies engaged in real estate business

Nil during the year ended March 31, 2025 (March 31, 2024: Nil)

The Exposure to a single borrower and group of borrower does not exceed the limit stipulated by the NHB prudential norms applicable to Housing Finance Companies.

62.16 There were no loans given against the collateral of gold jewellery.

62.17 Registration obtained from other financial sector regulators

Regulator	Registration Number
IRDA Registration as Corporate Agent (Composite)	Registration Code:- CA0012
LEI	335800JQMNJOX3W7LY96
SEBI	BSE Company Code- 10844/ 11302
RBI	RBI Registration Number: FC 11 BYR 0068
NHB	NHB Registration No.- 04.0168.18

62.18 Disclosure of penalties imposed by RBI, NHB and other regulators

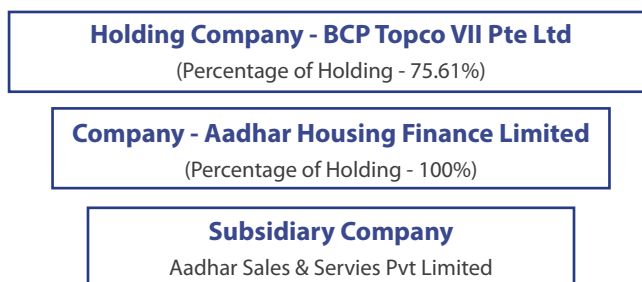
₹ 5 Lakhs paid during the year ended March 31, 2025 (Nil in March 31, 2024)

62.19 Related party Transactions

Details of all material transactions with related parties are disclosed in note 44.

Summary of material accounting policy information and other explanatory information to the standalone financial statements as at and for the year ended March 31, 2025

62.20 Group Structure



62.21 Rating assigned by Credit Rating Agencies and migration of rating during the year:

Name of the Rating Agency	Type	Rating as at March 31, 2025	Rating as at March 31, 2024
CARE	Long Term Bank Facilities	CARE AA (Stable)	CARE AA (Stable)
CARE	Non-Convertible Debentures	CARE AA (Stable)	CARE AA (Stable)
CARE	Subordinated Debt	CARE AA (Stable)	CARE AA (Stable)
CARE	Fixed Deposits	CARE AA (Stable)	CARE AA (Stable)
BRICKWORKS	Non-Convertible Debentures	BWR AA (Stable)	BWR AA (Stable)
ICRA	Long Term Bank Facilities	ICRA AA (Stable)	ICRA AA (Stable)
ICRA	Non-Convertible Debentures	ICRA AA (Stable)	ICRA AA (Stable)
ICRA	Subordinated Debt	ICRA AA (Stable)	ICRA AA (Stable)
ICRA	Commercial Paper	ICRA A1+	ICRA A1+
India Rating	Long Term Borrowings	IND AA (Stable)	IND AA (Stable)
India Rating	Non-Convertible Debentures	IND AA (Stable)	IND AA (Stable)

62.22 Remuneration of Non-Executive Directors for the year ended March 31, 2025:

(In ₹)

Name of the Director	Sitting Fee	Commission	Total
Shri. O P Bhatt	12,60,000	99,85,000	1,12,45,000
Smt. Sharmila Karve	11,20,000	25,20,000	36,40,000
Dr. Nivedita Haran	5,60,000	9,85,000	15,45,000
Dr. Punita Kumar Sinha	3,15,000	-	3,15,000

Note: Above does not include the provision for commission amounting to ₹ 160 Lakh (excluding disallowance of GST) for the year ended March 31, 2025 which will be paid subject to approval in the ensuing Annual General Meeting. Commission paid during the year (FY 24-25) pertains to previous year (FY 23-24).

62.23 Net profit or Loss for the year, prior period items and changes in accounting policies

The financial statements have been prepared under historical cost convention on an accrual basis in accordance with the Indian Accounting Standards ("Ind AS") and the relevant provisions of the Companies Act, 2013 (the "Act") (to the extent notified). Same accounting policies have been followed for all period presented in these financial statements.

62.24 Revenue Recognition

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

62.25 Consolidated Financial Statements (CFS)

Refer to the Consolidated Financial Statements for the relevant disclosures.

Summary of material accounting policy information and other explanatory information to the standalone financial statements as at and for the year ended March 31, 2025

62.26 Disclosure as per Loan Portfolio

(₹ in Lakhs)

Particulars	As at March 31, 2025	As at March 31, 2024
Secured		
Housing loans		
Standard loans	14,89,888	12,34,681
Sub-Standard loans	7,403	5,984
Doubtful loans	5,285	5,614
Loss assets	-	-
Total Housing Loans	15,02,576	12,46,279
Other property loan		
Standard loans	5,45,521	4,44,670
Sub-Standard loans	5,531	3,431
Doubtful loans	4,066	3,660
Loss assets	-	-
Total Other Property Loans	5,55,118	4,51,761
Total Own Loan Book	20,57,694	16,98,040
Assigned Book	4,95,374	4,14,046
Total Asset Under Management	25,53,068	21,12,086

Note: The amount mentioned above of Total own loan book amount excludes EIR and interest accrued on loans.

62.27 Insurance portion of Housing Loan is excluded from Housing Loan and regrouped in Other Property Loans (Refer Note 62.9, 62.26, 62.32, 62.38). The Insurance portion amounting to ₹ 68,258 Lakh (March 31, 2024: ₹ 59,094 Lakh) helps in mitigating the risk and secures the Company's Loan portfolio against any eventuality.

62.28 The Company has prepared the financial statements taking into consideration 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 including the prevailing RBI/NHB regulations.

The Company has complied with the extant provisions of the applicable Ind AS for the purpose of asset classification based on credit risks and provisioning as per expected credit loss requirements during the financial year ended March 31, 2025. In respect of asset classification and provisioning requirements, the Company has complied with RBI Circulars dated March 13, 2020 on implementation of Indian Accounting Standards and have considered the impact of the RBI circulars during the year.

Refer for Note 45 – (comparison between provisions required under Income Recognition, Asset classification and provision norms and impairment allowances made under Ind AS 109)

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

Particular	As on March 2025 (₹ in Lakhs)
Total Assets	23,21,627
Less: Intangible assets	34,817
Net total assets	22,86,810
Housing Finance	15,15,684
Housing Finance for Individuals	15,15,684
Percentage of housing finance to total assets (netted off intangible assets)	66.28%
Percentage of individual housing finance to total assets (netted off intangible assets)	66.28%
Percentage of individual housing finance to housing finance	100%

62.30 The Company operates in 21 States and Union Territories in India. The Company does not have any branch/offices outside India.

Summary of material accounting policy information and other explanatory information to the standalone financial statements as at and for the year ended March 31, 2025

Additional Disclosures

62.31 Provisions and Contingencies

Break up of provisions and contingencies shown under the head Expenditure in Profit and Loss Account

(₹ in Lakhs)

S. No.	Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
1.	Provisions for depreciation on Investment		-
2.	Provision made towards Income Tax	24,920	21,798
3.	Provision towards NPA	(34)	2,145
4.	Provision for Standard Assets	3,516	66
5.	Other Provision (Expenses) and Contingencies		
5a.	(a) Provision for Expenses	12,545	10,772
5b.	(b) Provision for asset held for sale	-	-

62.32 Break up of Loan and Advances and Provisions thereon

(₹ in Lakhs)

Particulars	Housing		Non-Housing	
	As at March 31, 2025	As at March 31, 2024	As at March 31, 2025	As at March 31, 2024
Standard Assets				
a) Total Outstanding Amount	15,02,997	12,46,320	5,51,110	4,49,720
b) Provisions made	11,393	9,075	5,231	4,033
Sub-Standard Assets				
a) Total Outstanding Amount	7,403	5,984	5,532	3,431
b) Provisions made	2,171	2,298	1,232	1,069
Doubtful Assets - Category - I				
a) Total Outstanding Amount	2,605	3,428	1,781	2,145
b) Provisions made	1,278	1,672	701	884
Doubtful Assets - Category - II				
a) Total Outstanding Amount	2,588	2,136	2,226	1,454
b) Provisions made	1,320	1,035	915	654
Doubtful Assets - Category - III				
a) Total Outstanding Amount	91	50	58	62
b) Provisions made	41	41	21	60
Loss Assets				
a) Total Outstanding Amount	-	-	-	-
b) Provisions made	-	-	-	-
TOTAL				
a) Total Outstanding Amount	15,15,684	12,57,918	5,60,707	4,56,812
b) Provisions made	16,203	14,121	8,100	6,700

Note: The above mentioned total outstanding amount excludes EIR.

62.33 Draw Down from Reserves

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

Summary of material accounting policy information and other explanatory information to the standalone financial statements as at and for the year ended March 31, 2025

62.34 Concentration of Public Deposits

(₹ in Lakhs)

Particulars	As at March 31, 2025	As at March 31, 2024
Total Deposits of twenty largest depositors	49	93
Percentage of Deposits of twenty largest deposits to Total Deposits of the HFC	63.41%	48.69%

62.35 Concentration of Loans and Advances

(₹ in Lakhs)

Particulars	As at March 31, 2025	As at March 31, 2024
Total Loans and Advances to twenty largest borrowers	3,991	3,289
Percentage of Loans and Advances to twenty largest borrowers to Total Advances of the HFC	0.19%	0.19%

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

(₹ in Lakhs)

Particulars	As at March 31, 2025	As at March 31, 2024
Total Loans and Advances to twenty largest borrowers	4,336	3,289
Percentage of Loans and Advances to twenty largest borrowers/customers to Total exposure of the HFC on borrowers/customers.	0.19%	0.18%

62.37 Concentration of NPAs

(₹ in Lakhs)

Particulars	As at March 31, 2025	As at March 31, 2024
Total Exposure to top ten NPA accounts	352	333

62.38 Sector-wise NPAs

S. No.	Particulars	Percentage of NPAs to Total Advances in that Sector
A.	Housing Loan:	
1.	Individuals	0.85%
2.	Builders/Project Loans	-
3.	Corporate	-
4.	Others	-
B.	Non Housing Loans:	
1.	Individuals	1.79%
2.	Builders/Project Loans	-
3.	Corporate	-
4.	Others	-

Summary of material accounting policy information and other explanatory information to the standalone financial statements as at and for the year ended March 31, 2025

62.39 Movement of NPAs

(₹ in Lakhs)

S. No.	Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
i)	Net NPAs to Net Advances (%)	0.71%	0.65%
ii)	Movement of NPAs (Gross)		
a)	Opening Balance	18,690	16,259
b)	Additions during the year	12,803	9,101
c)	Reductions during the year	9,209	6,670
d)	Closing Balance	22,284	18,690
iii)	Movement of Net NPAs		
a)	Opening Balance	10,977	10,691
b)	Additions during the year	9,412	3,990
c)	Reductions during the year	5,784	3,704
d)	Closing Balance	14,605	10,977
iv)	Movement of provisions for NPAs (excluding provision on standard assets)		
a)	Opening Balance	7,713	5,568
b)	Additions during the year	3,391	5,111
c)	Reductions during the year	3,425	2,966
d)	Closing Balance	7,679	7,713

Includes write off.

62.40 Overseas Assets

Nil as at March 31, 2025 (March 31, 2024: Nil)

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

Overseas: Nil

Domestic: Nil

62.42 Loan accounts which became doubtful due to fraudulent misrepresentation by the borrowers and has been written off during the year.

8 Accounts with outstanding value of ₹ 157 Lakhs (March 31, 2024: 17 Accounts with outstanding value of ₹ 271 Lakhs)

62.43 Disclosure of Complaints

- i. Summary information on complaints received by the Company from customers and from the Offices of Ombudsman

S. No.	Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Complaints received by the Company from its customers			
1)	No. of complaints pending at the beginning of the year	-	17
2)	No. of complaints received during the year	1,126	1,642
3)	No. of complaints redressed/disposed during the year	1,118	1,659
2.1	Of which, No. of complaints rejected by the Company	3	-
4)	No. of complaints pending at the end of the year	5	0
Maintainable complaints received by the Company from Office of Ombudsman			
5)	Number of maintainable complaints received by the NBFC from Office of Ombudsman	-	-
5.1	Of which, number of complaints resolved in favour of the Company by Office of Ombudsman	-	-

Summary of material accounting policy information and other explanatory information to the standalone financial statements as at and for the year ended March 31, 2025

S. No.	Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
5.2	Of which, number of complaints resolved through conciliation/mediation/advisories issued by Office of Ombudsman	-	-
5.3	Of which, number of complaints resolved after passing of Awards by Office of Ombudsman against the Company	-	-
6)	Number of Awards unimplemented within the stipulated time (other than those appealed)	-	-

ii. Top five grounds of complaints received by the Company 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
For the year ended March 31, 2025					
Collection/Legal	-	202	10% increase	1	Nil
Credit Report – Credit Bureau	-	167	NA *	-	Nil
Loan Disbursement	-	102	59% decrease	-	Nil
Deliverables [FCL/LOD]	-	87	53% decrease	-	Nil
Foreclosure Related	-	66	67% decrease	-	Nil
*Credit Bureau related effective from 26.04.2024 onwards as per RBI circular.					
For the year ended March 31, 2024					
Loan Disbursement	1	251	19% decrease	-	Nil
Foreclosure Related	1	201	10% decrease	-	Nil
Deliverables [FCL/LOD]	-	186	98% increase	-	Nil
Collection/Legal	2	183	53% increase	-	Nil
Loan Account Related	2	156	11% decrease	-	Nil

62.44 Intra- group Exposure

The Company does not have any intra group exposure during the year ended March 31, 2025, and the year ended March 31, 2024.

62.45 Unhedged foreign currency exposures

The Company does not have any unhedged foreign currency exposure during the year ended March 31, 2025, and the year ended March 31, 2024.

62.46 Sectoral Exposure

(₹ in Lakhs)

Sectors	As at March 31, 2025			As at March 31, 2024		
	Total Exposure (including off balance sheet exposure)	Gross NPA	% of GNPA to Total exposure	Total Exposure (including off balance sheet exposure)	Gross NPA	% of GNPA to Total exposure
1. Agriculture and Allied Activities	-	-	-	-	-	-
2. Industry						
i. Housing and Other property related loans	22,62,728	22,284	0.98%	18,05,997	18,690	1.03%
ii. Others	-	-	-	-	-	-

Summary of material accounting policy information and other explanatory information to the standalone financial statements as at and for the year ended March 31, 2025

(₹ in Lakhs)

Sectors	As at March 31, 2025			As at March 31, 2024		
	Total Exposure (including off balance sheet exposure)	Gross NPA	% of GNPA to Total exposure	Total Exposure (including off balance sheet exposure)	Gross NPA	% of GNPA to Total exposure
Total of Industry	22,62,728	22,284	0.98%	18,05,997	18,690	1.03%
3. Services	-	-	-	-	-	-
4. Personal Loans	-	-	-	-	-	-
5. Others, if any	-	-	-	-	-	-

Above information does not include banks/other NBFC's share on loans assigned/co-lent.

62.47 Related party Disclosure as per the Scale Based regulation.

(₹ in Lakhs)

Related Party	Parent (as per the Ownership or Control)		Subsidiaries		Key Management Personnel		Relatives of the Key Management Personnel		Total	
	Current year	Previous year	Current year	Previous year	Current year	Previous year	Current year	Previous year	Current year	Previous year
Borrowings	-	-	-	-	-	-	-	-	-	-
Deposits	-	-	-	-	-	-	-	-	-	-
Placement of Deposits	-	-	-	-	-	-	-	-	-	-
Commission Payable	-	-	-	-	160	147	-	-	160	147
Advances	-	-	-	-	532	399	-	-	532	399
Investments	-	-	1	1	-	-	-	-	1	1
Equity Share Capital (at Face value)	-	-	-	-	63	-	-	-	63	-
Rent Income	-	-	2	2	-	-	-	-	2	2
Business Sourcing Expenses	-	-	5,888	6,423	-	-	-	-	5,888	6,423
Remuneration	-	-	-	-	4,489	1,003	-	-	4,489	1,003
Interest Income	-	-	-	-	22	12	-	-	22	12
Interest Expense	-	-	-	-	-	-	-	-	-	-
Recovery of the Expense	-	-	1	-	-	-	-	-	1	-
Director Sitting fees and Commission	-	-	-	-	181	149	-	-	181	149
Equity share allotment	-	-	-	-	538	-	-	-	538	-
Loan given	-	-	-	-	360	300	-	-	360	300
Repayment of loan	-	-	-	-	227	21	-	-	227	21

*less than ₹ 50,000

Summary of material accounting policy information and other explanatory information to the standalone financial statements as at and for the year ended March 31, 2025

62.48 Loans to Directors, Senior Officers and Relatives of Directors

(₹ in Lakhs)

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Directors and their relatives	360	-
Entities associated with directors and their relatives	-	-
Senior Officers (KMPs other than directors) and their relatives	-	300

63. Disclosure of Liquidity Risk

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

S. No	Number of Significant Parties	Amount (₹ in Lakhs)	% of Total deposits	% of Total Liabilities
1	2	5,59,714	726901.30%	32.39%

ii. Top 20 large deposits

(₹ in Lakhs)

Particulars	As at March 31, 2025
Total Deposits of twenty largest depositors	49
Percentage of Deposits of twenty largest deposits to Total Deposits of the HFC	63.41%

iii. Top 10 borrowings

(₹ in Lakhs)

Particulars	As at March 31, 2025
Top 10 Borrowings	11,79,527
Percentage of Borrowings of Ten largest Borrowings to Total Borrowing of the HFC	72.26%

iv. Funding Concentration based on significant instrument/product

Name of Instrument	₹ in Lakhs	% of Total Borrowing
Debt securities	3,38,882	20.76%
Term Loan	8,70,434	53.33%
NHB	3,74,239	22.93%
External Commercial Borrowings	42,656	2.61%
Deposits	77	0.00%
Subordinated liabilities	5,977	0.37%

v. Stock Ratios:

a) Commercial papers as a % of total public funds, total liabilities and total assets

Nil

b) Non-convertible debentures (original maturity of less than one year) as a % of total public funds, total liabilities and total assets

Nil

Summary of material accounting policy information and other explanatory information to the standalone financial statements as at and for the year ended March 31, 2025

- c) Other short-term liabilities, if any as a % of total public funds, total liabilities and total assets

(₹ in Lakhs)

Particulars	As at March 31, 2025
Total Liabilities of less than 12 months	2,58,640
% of total public funds	15.85%
% of total liabilities	14.97%
% of total assets	11.14%

64. Disclosure of LCR

(₹ in Lakhs)

Particulars		Q4 2024-25		Q3 2024-25		Q2 2024-25		Q1 2024-25	
		Total Unweighted Value (average)	Total Weighted Value (average)	Total Unweighted Value (average)	Total Weighted Value (average)	Total Unweighted Value (average)	Total Weighted Value (average)	Total Unweighted Value (average)	Total Weighted Value (average)
High Quality Liquid Assets									
1	Total High Quality Liquid Assets (HQLA)	51,137	50,855	51,438	51,162	47,190	46,909	46,156	45,882
Cash Outflows									
2	Deposits (for deposit taking companies)	32	37	45	51	63	72	94	108
3	Unsecured wholesale funding	-	-	-	-	-	-	-	-
4	Secured wholesale funding	21,535	24,765	24,668	28,368	23,156	26,629	17,592	20,231
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	19,599	25,276	19,185	25,596	20,196	25,999	17,121	21,322
7	Other contingent funding obligations	8,569	9,854	9,057	10,416	76,735	88,246	94,395	1,08,554
8	TOTAL CASH OUTFLOWS	59,932		64,431		1,40,946		1,50,215	
Cash Inflows									
9	Secured lending	-		-		-		-	
10	Inflows from fully performing exposures	28,584	21,438	27,762	20,822	26,479	19,859	25,192	18,894
11	Other cash inflows	2,16,633	1,62,475	1,47,129	1,10,347	1,69,505	1,27,129	1,99,942	1,49,957
12	TOTAL CASH INFLOWS	1,83,913		1,31,169		1,46,988		1,68,851	
		Total Adjusted Value		Total Adjusted Value		Total Adjusted Value		Total Adjusted Value	
13	TOTAL HQLA	50,855		51,162		46,909		45,882	
14	TOTAL NET CASH OUTFLOWS	14,983		16,108		35,237		37,554	
15	LIQUIDITY COVERAGE RATIO (%)	339.42%		317.62%		133.12%		122.18%	

Total High Quality Liquid Assets (HQLA) includes Investments made in Government securities & NCD issued by State Government companies.

Note: The above unweighted average is calculated basis 90 days daily average.

Summary of material accounting policy information and other explanatory information to the standalone financial statements as at and for the year ended March 31, 2025

- 65.** There have been no events after the reporting date that require adjustments in these financial statements.
- 66.** Previous year figures have been regrouped/re-classified wherever necessary to confirm to current year's classification. The impact of such regrouping/ re-classification are not material to the Financial Statements.

For **S. R. Batliboi & Associates LLP**

Chartered Accountants

ICAI Firm Registration No: 101049W/E300004

For **Kirtane & Pandit LLP**

Chartered Accountants

ICAI Firm Registration No: 105215W/W100057

For and on behalf of the Board of Directors
of **Aadhar Housing Finance Limited**

per Amit Lahoti

Partner

Membership No.: 132990

Pinky Nagdev

Partner

Membership No.: 130815

Deo Shankar Tripathi

Executive Vice-Chairman

DIN 07153794

Rishi Anand

Managing Director & CEO

DIN 02303503

Prateek Roongta

Director

DIN 00622797

Place: Mumbai

Date: May 06, 2025

Place: Mumbai

Date: May 06, 2025

Rajesh Viswanathan

Chief Financial Officer

Harshada Pathak

Company Secretary

INDEPENDENT AUDITORS' REPORT

To the Members of Aadhar Housing Finance Limited

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the accompanying consolidated financial statements of Aadhar Housing Finance Limited (hereinafter referred to as "the Holding Company") and its subsidiary (the Holding Company and its subsidiary together referred to as "the Group") comprising of the consolidated Balance sheet as at March 31, 2025, the consolidated Statement of Profit and Loss, including other comprehensive income, the consolidated Cash Flow Statement and the consolidated Statement of Changes in Equity for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the Consolidated Financial Statements").

In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of reports of other auditors on separate financial statements and on the other financial information of the subsidiary, the aforesaid Consolidated Financial Statements give the information required by the Companies Act, 2013, as amended ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at March 31, 2025, their consolidated profit including other comprehensive loss, their consolidated cash flows and the consolidated statement of changes in equity for the year ended on that date.

Basis for Opinion

We conducted our audit of the Consolidated Financial Statements in accordance with the Standards on Auditing (SAs), as specified

under section 143(10) of the Act. Our responsibilities under those Standards are further described in the 'Auditors' 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 together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Consolidated Financial Statements.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the Consolidated Financial Statements for the financial year ended March 31, 2025. These matters were addressed in the context of our audit of the Consolidated Financial Statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

We have determined the matters described below to be the key audit matters to be communicated in our report. We have fulfilled the responsibilities described in the 'Auditor's responsibilities for the audit of the Consolidated Financial Statements' section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the consolidated financial statements. The results of audit procedures performed by us and by other auditors of component not audited by us, as reported by them in their audit report furnished to us by the management, including those procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying Consolidated Financial Statements.

Key audit matters	How our audit addressed the key audit matter
(a) Impairment of loans (expected credit losses) (refer note 6 and note 38 to the consolidated financial statements)	
Indian Accounting Standard (Ind AS) 109 Financial Instruments requires the Holding Company to provide for impairment of its loans using the expected credit loss (ECL) approach. ECL involves an estimation of probability weighted loss on financial assets over their life, considering reasonable and supportable information about past events, current conditions, and forecasts of future economic conditions and other factors which could impact the credit quality of the Holding Company's loans. In the process, a significant degree of judgement and estimates have been applied by the Holding Company's management for: - Grouping of borrowers (retail loan portfolio) based on homogeneity for estimating probability of default (PD), loss given default (LGD) and exposure at default (EAD); - Staging of loans (i.e. classification as "significant increase in credit risk" (SICR) or "credit impaired" categories) based on overdue status and/or qualitative assessment; - Application of an appropriate statistical/ quantitative model for determining the PD, LGD and EAD estimates;	Our audit procedures included the following: - Considered the Holding Company's accounting policies for impairment of loans and assessed compliance with Ind AS 109 and the governance framework approved by the Holding Company's Board of Directors pursuant to applicable Reserve Bank of India guidelines ("the RBI Guidelines"). - Evaluated the reasonableness of the Holding Company's management estimates by understanding the process of ECL estimation and related assumptions. Tested the internal controls around extraction, validation and computation of the input data used in such estimation. - Assessed the criteria for staging of loans based on their overdue status to check compliance with requirement of Ind AS 109. Tested a sample of performing (stage 1) loans to assess whether any SICR or impairment indicators were present requiring them to be classified under stage 2 or stage 3. - Involved internal specialist for testing of the ECL estimates, including factors that affect the PD, LGD and EAD considering various forward looking macro-economic and other factors.

Key audit matters	How our audit addressed the key audit matter
Determining relevant macro-economic and other factors impacting credit quality of loans. The Holding Company has also recorded a management overlay as part of its ECL, to reflect among other things an increased risk of deterioration in relevant macro-economic factors. In view of the high degree of Holding Company's management's judgement involved in estimation of ECL and the overall significance of the impairment loss allowance to the consolidated financial statements, it is considered as a key audit matter.	- Tested assumptions used by the Holding Company's management in respect of post-model adjustments. - Tested the arithmetical accuracy of computation of ECL provision performed by the Holding Company. - Assessed adequacy of disclosures included in the consolidated financial statements in respect of expected credit losses.
(b) IT systems and controls related to the financial reporting process	
The financial accounting and reporting systems of the Holding Company are fundamentally reliant on IT systems and IT controls to process significant transaction volumes. Automated accounting procedures and IT environment controls, which include IT governance, general IT controls over program development and changes, access to programs and data and IT operations, are required to be designed and to operate effectively to ensure accurate financial reporting. Any gaps in the IT control environment could result in a material misstatement of the financial accounting and reporting records. Therefore, in view of the pervasive nature and complexity of the IT environment, the assessment of the general IT controls and the application controls specific to the accounting and preparation of the financial information is considered to be a key audit matter.	Our audit procedures, assisted by our IT experts, on the IT infrastructure and applications relevant to financial reporting included the following: - The aspects covered in the assessment of IT general controls comprised: (i) User Access Management; (ii) Program Change Management; (iii) Other related ITGCs - to understand the design and test the operating effectiveness of such controls in respect of information systems that are important to financial reporting ("in-scope applications"). - Tested the changes that were made to the in-scope applications during the audit period to assess changes that have impact on financial reporting. - Tested the Holding Company's periodic review of access rights. We also inspected requests for changes to systems for appropriate approval and authorization. - Tested the configuration of the audit trail feature in the accounting software and maintenance of back-up as per extant regulatory requirements. - Performed tests of controls (including other compensatory controls, wherever applicable) on the IT application controls and IT dependent manual controls in the system. - Tested the design and operating effectiveness of the compensating controls in case deficiencies were identified and, where necessary, extended the scope of our substantive audit procedures.

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

The Holding Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Annual report, but does not include the Consolidated Financial Statements and our auditor's 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 such other information is materially inconsistent with the Consolidated Financial Statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

The Holding Company's Board of Directors is responsible for the preparation and presentation of these Consolidated Financial Statements in terms of the requirements of the Act that give a true

and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, consolidated cash flows and consolidated statement of changes in equity of the Group including in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding 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 the 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, which have been used for the purpose of preparation of the Consolidated Financial Statements by the Directors of the Holding Company, as aforesaid.

In preparing the Consolidated Financial Statements, the respective Board of Directors of the companies included in the Group are responsible for assessing the ability of the Group 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.

Those respective Board of Directors of the companies included in the Group are also responsible for overseeing the financial reporting process of the Group.

Auditors' 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 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 Holding Company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group 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 of which we are the independent auditors and whose financial information we have audited, 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 of which we are the independent auditors. For the other entities included in the Consolidated Financial Statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

We communicate with those charged with governance of the Holding Company and such other entities included in the Consolidated Financial Statements of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the Consolidated Financial Statements for the financial year ended March 31, 2025 and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Other Matter

We did not audit the financial statements and other financial information in respect of one subsidiary whose financial statements include total assets of Rs.770 lakhs as at March 31, 2025, total revenues of Rs.5,919 lakhs and net cash outflows of Rs.50 lakhs for the year ended on that date. These financial statements and other financial information have been audited by other auditor, which financial statements, other financial information and auditor's reports have been furnished to us by the management.

Our opinion on the Consolidated Financial Statements, in so far as it relates to the amounts and disclosures included in respect of this subsidiary, and our report in terms of sub-sections (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiary, is based solely on the reports of such other auditor.

The consolidated financial statements of the Holding Company for the year ended March 31, 2024, included in these consolidated financial statements, have been audited by one of the joint auditors i.e. Kirtane & Pandit LLP jointly with the predecessor auditor i.e. Walker Chandio & Co LLP, who expressed an unmodified opinion on those financial statement on May 29, 2024.

Our opinion above on the Consolidated Financial Statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the report of the other auditor.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, based on our audit and on the consideration of report of the other auditor on separate financial statements and the other financial information of the subsidiary, incorporated in India and to the extent applicable, as noted in the 'Other Matter' paragraph we give in the "Annexure 1" a statement on the matters specified in paragraph 3(xxi) of the Order.

2. As required by Section 143(3) of the Act, based on our audit and on the consideration of report of the other auditor on separate financial statements and the other financial information of the subsidiary, as noted in the 'Other Matter' paragraph we report, to the extent applicable, that:
- (a) We/the other auditor whose report we have relied upon have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid Consolidated Financial Statements;
 - (b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and reports of the other auditors except that, for the accounting software used by the Holding Company to maintain payroll records, we have not been able to obtain sufficient and appropriate audit evidence that the backup of books of account maintained in electronic mode, was maintained on servers physically located in India on a daily basis, as explained in note 58 to the Consolidated Financial Statements, and the matters stated in the paragraph 2(i)(vi) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014, as amended;
 - (c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss including the Statement of Other Comprehensive Income, the Consolidated Cash Flow Statement and Consolidated Statement of Changes in Equity dealt with by this report are in agreement with the books of account maintained for the purpose of preparation of the Consolidated Financial Statements;
 - (d) In our opinion, the aforesaid Consolidated Financial Statements comply with the Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended;
 - (e) On the basis of the written representations received from the directors of the Holding Company as on March 31, 2025 taken on record by the Board of Directors of the Holding Company and the report of the statutory auditors who are appointed under Section 139 of the Act, of its subsidiary company, none of the directors of the Group's companies incorporated in India, is disqualified as on March 31, 2025 from being appointed as a director in terms of Section 164 (2) of the Act;
 - (f) The modifications relating to the maintenance of accounts and other matters connected therewith are as stated in paragraph 2(b) above on reporting under Section 143(3)(b) of the Act and paragraph 2(i)(vi) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014;
 - (g) With respect to the adequacy of the internal financial controls with reference to Consolidated Financial Statements of the Holding Company and its subsidiary company incorporated in India, and the operating effectiveness of such controls, refer to our separate report in "Annexure 2" to this report;
 - (h) In our opinion and based on the consideration of report of other statutory auditor of the subsidiary, the managerial remuneration for the year ended March 31, 2025 has been paid/provided by the Holding Company and its subsidiary to their directors in accordance with the provisions of section 197 read with Schedule V to the Act;
 - (i) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the report of the other auditor on separate financial statements as also the other financial information of the subsidiary, as noted in the 'Other matter' paragraph:
 - i. The Consolidated Financial Statements disclose the impact of pending litigations on the consolidated financial position of the Group in its Consolidated Financial Statements – Refer note 33 to the Consolidated Financial Statements;
 - ii. The Group has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts. Refer Note 13 to the consolidated financial statements;
 - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Holding Company during the year ended March 31, 2025;
 - iv.
 - a) The respective managements of the Holding Company and its subsidiary which is a company incorporated in India whose financial statements have been audited under the Act, have represented to us and the other auditor of such subsidiary respectively that, to the best of its knowledge and belief, as disclosed in the note 55 to the consolidated financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Holding Company or such subsidiary 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 respective Holding Company or such subsidiary ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
 - b) The respective managements of the Holding Company and its subsidiary which is a company incorporated in India whose financial statements have been audited under the Act, have represented to us and the other auditor of such subsidiary respectively that, to the best of its knowledge and belief, as disclosed in the note 56 to the consolidated financial statements, no funds have been received by the respective Holding Company or such subsidiary from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Holding Company or such subsidiary 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 the audit procedures that have been considered reasonable and appropriate in the circumstances performed by us and that performed by the auditors of the subsidiary which is a company incorporated in India whose financial statements have been audited under the Act, nothing has come to our or other auditor's notice that has caused us or the other auditor to believe that the representations under sub-clause (a) and (b) contain any material mis-statement.
- v. No dividend has been declared or paid during the year by the Holding Company and its subsidiary.
- vi. Based on our examination which included test checks and that performed by the auditor of the subsidiary, which is a company incorporated in India and whose financial statements have been

audited under the Act, except for the instances discussed in note 58 to the Consolidated Financial Statements, the Holding Company and its subsidiary have used accounting software for maintaining its books of account which have a feature of recording audit trail (edit log) facility, and the same has operated throughout the year for all relevant transactions recorded in the software.

Further, during the course of our audit, we and respective auditor of the above referred subsidiary did not come across any instance of audit trail feature being tampered with, where the audit trail was enabled. Additionally, the audit trail of relevant prior years has been preserved by the Holding Company as per the statutory requirements for record retention, to the extent it was enabled and recorded in those respective years, as stated in Note 58 to the Consolidated Financial Statements.

For **S. R. Batliboi & Associates LLP**

Chartered Accountants

ICAI Firm Registration No:101049W/E300004

per **Amit Lahoti**

Partner

Membership No.: 132990

UDIN: 25132990BMORTI4307

Mumbai

May 06, 2025

For **Kirtane & Pandit LLP**

Chartered Accountants

ICAI Firm Registration No: 105215W/W100057

Pinky Nagdev

Partner

Membership No.: 130815

UDIN: 25130815BNFXOE2288

Mumbai

May 06, 2025

Annexure 1 referred to in paragraph 1 under the heading “Report on Other Legal and Regulatory Requirements” of our Independent Auditors’ Report of even date on the Consolidated Financial Statements of Aadhar Housing Finance Limited

In terms of the information and explanations sought by us and given by the Holding Company and the books of account and records examined by us in the normal course of audit and to the best of our knowledge and belief, and based on the consideration of report of the auditor in respect of the subsidiary, we state that the qualifications or adverse remarks by the respective auditors in their reports on Companies (Auditor’s Report) Order, 2020 of the companies included in the Consolidated Financial Statements are:

Sr.	Name	CIN	Holding Company/ Subsidiary/ Associate	Clause number of the CARO report which is qualified or is adverse
1	Aadhar Housing Finance Limited	L66010KA1990PLC011409	Holding	3(i)(c) 3(iii)(c) 3(vii)(a)
2	Aadhar Sales & Services Private Limited	U74999MH2017PTC297139	Subsidiary	3(vii)(a) 3(xvii)

For **S. R. Batliboi & Associates LLP**

Chartered Accountants

ICAI Firm Registration No:101049W/E300004

per **Amit Lahoti**

Partner

Membership No.: 132990

UDIN: 25132990BMORTI4307

Mumbai

May 06, 2025

For **Kirtane & Pandit LLP**

Chartered Accountants

ICAI Firm Registration No: 105215W/W100057

Pinky Nagdev

Partner

Membership No.: 130815

UDIN: 25130815BNFXOE2288

Mumbai

May 06, 2025

Annexure 2 referred to in paragraph 2(g) under the heading “Report on Other Legal and Regulatory Requirements” of our Independent Auditors’ Report of even date on the Consolidated Financial Statements of Aadhar Housing Finance Limited

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

In conjunction with our audit of the Consolidated Financial Statements of Aadhar Housing Finance Limited (hereinafter referred to as the “Holding Company”) as of and for the year ended March 31, 2025, we have audited the internal financial controls with reference to Consolidated Financial Statements of the Holding Company and its subsidiary (the Holding Company and its subsidiary together referred to as “the Group”), which are companies incorporated in India, as of that date.

Management’s Responsibility for Internal Financial Controls

The respective Board of Directors of the companies included in the Group, which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Holding Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (ICAI). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the respective company’s policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors’ Responsibility

Our responsibility is to express an opinion on the Holding Company’s internal financial controls with reference to Consolidated Financial Statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the “Guidance Note”) and the Standards on Auditing, specified under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls, both, issued by ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to Consolidated Financial Statements was established and maintained and if such controls operated effectively in all material respects.

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

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

We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors in terms of their reports referred to in the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls with reference to Consolidated Financial Statements.

Meaning of Internal Financial Controls with Reference to Consolidated Financial Statements

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

Inherent Limitations of Internal Financial Controls with Reference to 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 internal financial controls with reference to consolidated financial statements to future periods are subject to the risk that the internal financial controls 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, the Group has maintained in all material respects, adequate internal financial controls with reference to Consolidated Financial Statements and such internal financial controls with reference to Consolidated Financial Statements were operating effectively as at March 31, 2025, based on the internal control over financial reporting criteria established by the Holding Company considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

Other Matters

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

For **S. R. Batliboi & Associates LLP**

Chartered Accountants

ICAI Firm Registration No:101049W/E300004

per **Amit Lahoti**

Partner

Membership No.: 132990

UDIN: 25132990BMORTI4307

Mumbai

May 06, 2025

For **Kirtane & Pandit LLP**

Chartered Accountants

ICAI Firm Registration No: 105215W/W100057

Pinky Nagdev

Partner

Membership No.: 130815

UDIN: 25130815BNFXOE2288

Mumbai

May 06, 2025

Consolidated Balance Sheet

as at March 31, 2025

(₹ in Lakhs)

Particulars	Note	As at March 31, 2025	As at March 31, 2024
Assets			
1. Financial assets			
a) Cash and cash equivalents	4	87,837	35,626
b) Bank balances other than cash and cash equivalents	4	84,501	91,717
c) Receivables	5	2,528	1,953
d) Housing and other loans	6	20,48,410	16,90,294
e) Investments	7	51,318	46,197
f) Other financial assets	8	34,749	26,560
		23,09,343	18,92,347
2. Non-financial assets			
a) Current tax assets (net)	9	1,244	1,102
b) Property, plant and equipment	10	3,151	2,999
c) Right of use assets	35	5,781	4,856
d) Other intangible assets	11	255	127
e) Deferred tax assets (net)	20	42	39
f) Other non-financial assets	12	2,580	7,836
		13,053	16,959
Total assets		23,22,396	19,09,306
Liabilities and equity			
Liabilities			
1. Financial liabilities			
a) Derivative financial instruments	13	1,467	-
b) Trade payables	14		
(i) Total outstanding dues to micro enterprises and small enterprises		21	35
(ii) Total outstanding dues of creditors other than micro enterprises and small enterprises		12,572	10,829
c) Debt securities	15	3,38,882	2,73,883
d) Borrowings (other than debt securities)	16	12,87,329	11,16,002
e) Deposits	17	54	118
f) Subordinated liabilities	18	5,977	5,959
g) Other financial liabilities	19	32,930	52,435
		16,79,232	14,59,261
2. Non-financial liabilities			
a) Provisions	20	3,157	2,356
b) Deferred tax liabilities (net)	21	213	215
c) Other non-financial liabilities	22	2,565	2,499
		5,935	5,070
3. Equity			
a) Equity share capital	23	43,138	39,476
b) Other equity	24	5,94,091	4,05,499
		6,37,229	4,44,975
Total liabilities and equity		23,22,396	19,09,306

The accompanying material accounting policy information and notes form an integral part of the consolidated financial statements
In terms of our report of even date attached.

For **S. R. Batliboi & Associates LLP**
Chartered Accountants
ICAI Firm Registration No: 101049W/E300004

For **Kirtane & Pandit LLP**
Chartered Accountants
ICAI Firm Registration No: 105215W/W100057

For and on behalf of the Board of Directors
of **Aadhar Housing Finance Limited**

per Amit Lahoti
Partner
Membership No.: 132990

Pinky Nagdev
Partner
Membership No.: 130815

Deo Shankar Tripathi
Executive Vice-Chairman
DIN 07153794

Rishi Anand
Managing Director & CEO
DIN 02303503

Prateek Roongta
Director
DIN 00622797

Place: Mumbai
Date: May 06, 2025

Place: Mumbai
Date: May 06, 2025

Rajesh Viswanathan
Chief Financial Officer

Harshada Pathak
Company Secretary

Consolidated Statement of Profit and Loss

for the year ended March 31, 2025

(₹ in Lakhs)

Particulars	Note	For the year ended March 31, 2025	For the year ended March 31, 2024
1 Income			
Revenue from operations			
a) Interest income	25	2,71,899	2,27,516
b) Fees and commission income	25	19,935	16,839
c) Net gain on fair value changes	25	2,224	2,237
d) Net gain on derecognition of financial instruments under amortised cost category	25	16,705	12,090
Total revenue from operations		3,10,763	2,58,682
Other income	26	128	17
Total income		3,10,891	2,58,699
2 Expenses			
Finance costs	27	1,17,377	98,669
Impairment on financial instruments	28	5,707	4,123
Employee benefits expense	29	46,449	40,348
Depreciation and amortisation	10, 11 & 35	2,524	2,098
Other expenses	30	21,508	17,502
Total expenses		1,93,565	1,62,740
3 Profit before tax (1-2)		1,17,326	95,959
4 Tax expense			
Current tax	31	24,925	21,751
Deferred tax charge/(credit)	31	1,218	(756)
		26,143	20,995
5 Profit for the year (3-4)		91,183	74,964
6 Other comprehensive income			
(A) Items that will not be reclassified to profit or loss			
i Remeasurements of the defined employee benefit plans		22	56
ii Income tax relating to items that will not be reclassified to profit or loss		(5)	(14)
Subtotal (A)		17	42
(B) Items that will be reclassified to profit or loss			
i The effective portion of gains and loss on hedging instruments in a cash flow hedge		(530)	-
ii Income tax relating to items that will be reclassified to profit or loss		133	-
Subtotal (B)		(397)	-
Total other comprehensive income for the year (A + B)		(380)	42
7 Total comprehensive income (5+6)		90,803	75,006
8 Earnings per equity share (Face Value per share : ₹ 10)			
Basic earnings per share (₹)	32	21.43	18.99
Diluted earnings per share (₹)	32	20.85	18.35

The accompanying material accounting policy information and notes form an integral part of the consolidated financial statements
In terms of our report of even date attached.

For **S. R. Batliboi & Associates LLP**
Chartered Accountants
ICAI Firm Registration No: 101049W/E300004

For **Kirtane & Pandit LLP**
Chartered Accountants
ICAI Firm Registration No: 105215W/W100057

For and on behalf of the Board of Directors
of **Aadhar Housing Finance Limited**

per Amit Lahoti
Partner
Membership No: 132990

Pinky Nagdev
Partner
Membership No: 130815

Deo Shankar Tripathi
Executive Vice-Chairman
DIN 07153794

Rishi Anand
Managing Director & CEO
DIN 02303503

Prateek Roongta
Director
DIN 00622797

Place: Mumbai
Date: May 06, 2025

Place: Mumbai
Date: May 06, 2025

Rajesh Viswanathan
Chief Financial Officer

Harshada Pathak
Company Secretary

Consolidated Statement of Cash flow

for the year ended March 31, 2025

(₹ in Lakhs)

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
A. Cash flow from operating activities		
Profit before tax	1,17,326	95,959
Adjustments for:		
Depreciation and amortisation expense	2,524	2,098
Loss on sale of fixed assets (Net)	27	34
Interest on loans & investments	(2,71,899)	(2,27,516)
Interest on finance cost	1,17,377	98,669
Impairment on financial instruments	5,707	4,123
Profit on sale of investment in mutual fund and other investments	(2,224)	(2,237)
Provision for Employee share based payments	1,102	203
Operating profit before working capital changes	(30,060)	(28,667)
Adjustments for:		
Decrease in other financial and non-financial liabilities and provisions	(19,703)	(8,779)
Increase in trade receivables	(575)	(1,156)
Increase in other financial and non-financial assets	(8,491)	(5,597)
Cash generated from operations during the year	(58,829)	(44,199)
Tax paid (Net of refund)	(25,067)	(21,971)
Net cash flow generated from operations before movement in housing and other loans	(83,896)	(66,170)
Housing and other property loans disbursed	(8,19,213)	(7,07,247)
Proceeds from assignment and co-lending of portfolio	1,72,526	1,63,063
Housing and other property loans repayments	2,82,475	2,34,829
Interest received on loans	2,62,190	2,18,759
Interest paid on borrowings and debt	(1,16,747)	(98,244)
Net cash used in operating activities [A]	(3,02,665)	(2,55,010)
B. Cash flow from investing activities		
Proceeds received on sale/redemption of investments	6,32,356	5,33,789
Payment towards purchase of investments	(6,36,321)	(5,29,823)
Investment in fixed deposits (net of maturities)	8,589	59,569
Payment towards purchase of fixed assets	(1,480)	(1,544)
Proceeds received on sale of fixed assets	21	20
Interest received on investments	12,788	10,302
Net cash generated from/(used in) investing activities [B]	15,953	72,313
C. Cash flow from financing activities		
Proceeds from issue of equity shares	1,03,607	-
Expenses related to allotment of equity shares	(374)	(1,419)
Proceeds from loans from banks/institutions	3,49,902	2,94,153
Proceeds from loans from NHB	1,10,000	1,40,500
Proceeds from Commercial Papers	24,884	-
Proceeds from Non-convertible debentures	1,05,180	1,32,000
Repayment of loans to banks/institutions	(1,98,561)	(1,85,514)
Repayment of loans to NHB	(88,868)	(87,599)
Repayment of Commercial Papers	(25,000)	-
Repayment of Non-convertible debentures	(40,100)	(1,12,777)
Repayment of deposits	(110)	(203)
Payment of lease liabilities	(1,123)	(907)
Payment of interest on lease liabilities	(514)	(425)
Net cash generated from financing activities [C]	3,38,923	1,77,809
Net decrease in cash and cash equivalents [A+B+C]	52,211	(4,888)
Cash and cash equivalents at the beginning of the year	35,626	40,514
Cash and cash equivalents at the end of the year	87,837	35,626
Components of cash and cash equivalents		
Cash on hand	510	246
Balances with banks in current accounts	9,669	5,221
Balances with banks in deposits accounts with original maturity of less than 3 months	77,658	30,159
	87,837	35,626

The accompanying material accounting policy information and notes form an integral part of the consolidated financial statements
In terms of our report of even date attached.

For **S. R. Batliboi & Associates LLP**
Chartered Accountants
ICAI Firm Registration No: 101049W/E300004

For **Kirtane & Pandit LLP**
Chartered Accountants
ICAI Firm Registration No: 105215W/W100057

For and on behalf of the Board of Directors
of **Aadhar Housing Finance Limited**

per Amit Lahoti
Partner
Membership No: 132990

Pinky Nagdev
Partner
Membership No.: 130815

Deo Shankar Tripathi
Executive Vice-Chairman
DIN 07153794

Rishi Anand
Managing Director & CEO
DIN 02303503

Prateek Roongta
Director
DIN 00622797

Place: Mumbai
Date: May 06, 2025

Place: Mumbai
Date: May 06, 2025

Rajesh Viswanathan
Chief Financial Officer

Harshada Pathak
Company Secretary

Consolidated Statement of Changes in Equity

for the year ended March 31, 2025

(₹ in Lakhs)

a) Equity Share Capital

For the year ended March 31, 2025

Particulars	Amount
Balance as at April 01, 2024	39,476
Changes in equity share capital during the period	3,662
Balance as at March 31, 2025	43,138

For the year ended March 31, 2024

Particulars	Amount
Balance as at April 01, 2023	39,476
Changes in equity share capital during the year	-
Balance as at March 31, 2024	39,476

b) Other Equity

For the year ended March 31, 2024

Particulars	Reserves and Surplus						Items of other comprehensive income			Total
	Capital reserve on amalgamation	Securities premium	Statutory reserve	Debenture redemption reserve	General Reserve	Employee Stock Option Outstanding	Retained earnings	Effective portion of cash flow hedge reserve	Remeasurement of defined benefit liability/ asset	
Balance as at April 01, 2023	6	1,33,700	45,895	16,910	19,069	2,050	1,12,695	-	(35)	3,30,290
Profit for the year	-	-	-	-	-	-	74,964	-	-	74,964
Other comprehensive income	-	-	-	-	-	-	-	-	42	42
Transferred to general reserve	-	-	-	-	7,485	-	(7,485)	-	-	-
Transferred to statutory reserve	-	-	14,970	-	-	-	(14,970)	-	-	-
Employee Stock Option Outstanding	-	-	-	-	-	203	-	-	-	203
Balance as at March 31, 2024	6	1,33,700	60,865	16,910	26,554	2,253	1,65,204	-	7	4,05,499

Consolidated Statement of Changes in Equity

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

For the year ended March 31, 2025

Particulars	Reserves and Surplus						Items of other comprehensive income			Total
	Capital reserve on amalgamation	Securities premium	Statutory reserve	Debenture redemption reserve	General Reserve	Employee Stock Option Outstanding	Retained earnings	Effective portion of cash flow hedge reserve	Remeasurement of defined benefit liability/ asset	
Balance as at April 01, 2024	6	1,33,700	60,865	16,910	26,554	2,253	1,65,204	-	7	4,05,499
Profit for the year	-	-	-	-	-	-	91,183	-	-	91,183
Other comprehensive income	-	-	-	-	-	-	-	(397)	17	(380)
Issue of equity shares	-	1,00,634	-	-	-	(690)	-	-	-	99,944
Share issue expenses	-	(3,257)	-	-	-	-	-	-	-	(3,257)
Transferred to general reserve	-	-	-	(16,379)	16,379	-	-	-	-	-
Transferred to statutory reserve	-	-	18,243	-	-	-	(18,243)	-	-	-
Transferred to debenture redemption reserve	-	-	-	-	-	-	-	-	-	-
Employee Stock Option Outstanding	-	-	-	-	-	1,102	-	-	-	1,102
Balance as at March 31, 2025	6	2,31,077	79,108	531	42,933	2,665	2,38,144	(397)	24	5,94,091

The accompanying material accounting policy information and notes form an integral part of the consolidated financial statements

In terms of our report of even date attached.

For **S. R. Batliboi & Associates LLP**
Chartered Accountants
ICAI Firm Registration No: 101049W/E300004

per **Amit Lahoti**
Partner
Membership No.: 132990

Place: Mumbai
Date: May 06, 2025

For **Kirtane & Pandit LLP**
Chartered Accountants
ICAI Firm Registration No: 105215W/W100057

Pinky Nagdev
Partner
Membership No.: 130815

Place: Mumbai
Date: May 06, 2025

For and on behalf of the Board of Directors
of **Aadhar Housing Finance Limited**

Deo Shankar Tripathi
Executive Vice-Chairman
DIN 07153794

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Director
DIN 00622797

Rajesh Viswanathan
Chief Financial Officer

Rishi Anand
Managing Director & CEO
DIN 02303503

Harshada Pathak
Company Secretary

Summary of material accounting policy information and other explanatory information to the consolidated financial statements as at and for the year ended March 31, 2025

1. Corporate information

Aadhar Housing Finance Limited (formerly known as DHFL Vysya Housing Finance Limited) (the "Parent Company") was incorporated in India in the name of Vysya Bank Housing Finance Limited ("VBHFL") on November 26, 1990. The Parent Company has one subsidiary, Aadhar Sales and Services Private Limited, which is incorporated in India (the Parent Company and the subsidiary collectively referred to as "the Group" or "the Company"). VBHFL was taken over by Dewan Housing Finance Corporation Limited in 2003 and renamed as DHFL Vysya Housing Finance Ltd ("DVHFL"). The erstwhile Aadhar Housing Finance Ltd which was established in 2010 and commenced operation in February, 2011 was merged into DVHFL on November 20, 2017 and renamed as Aadhar Housing Finance Limited on December 04, 2017 with permission of National Housing Bank ("NHB") and Registrar of Companies ("ROC"). The Company is carrying business of providing loans to customers including individuals, companies, corporations, societies or association of persons for purchase/construction/repair and renovation of residential property, loans against property and provide other property related services. The Parent Company is registered with National Housing Bank under section 29A of the National Housing Bank Act, 1987. The Parent Company is a subsidiary of BCP Topco VII Pte. Ltd. ("Holding Company").

During the financial year 2019-20, the Wadhawan Global Capital Ltd. and Dewan Housing Finance Corporation Limited, along with promoter shareholders and International Finance Corporation (collectively "sellers") transferred their entire shareholding to BCP Topco VII Pte. Ltd., which is held through intermediary companies by private equity funds managed by wholly owned subsidiaries of The Blackstone Group L.P. (collectively "Blackstone").

The Parent Company is a Public Limited Company and has listed Equity shares on May 15, 2024 on National Stock Exchange (NSE) and Bombay Stock Exchange (BSE). Company's Non-Convertible Debentures (NCDs) are listed on the Bombay Stock Exchange (BSE).

The financials were approved for issue by the Company's Board of Directors on May 06, 2025.

2. Material accounting policy information

2.1 Basis of preparation and presentation

The Consolidated Financial Statements of the Company comprises the Consolidated Balance Sheet as at March 31, 2025, and the Consolidated statement of profit and loss (including Other Comprehensive Income), the Consolidated Statement of Cash Flows and the Consolidated Statement of Changes in Equity for the year ended March 31, 2025 and a summary of material accounting policy information and other explanatory information (together referred to as the "Consolidated Financial Statements").

The Consolidated Financial Statements have been prepared in accordance with the recognition and measurement principle of Indian Accounting Standards

("Ind AS") prescribed under Section 133 of the Companies Act, 2013 (the "Act"), read with relevant rules issued thereunder and other accounting principles generally accepted in India, requirements prescribed under the Schedule III - Division III of the Act, as amended, the circulars, the guidelines and the master directions issued by the Reserve Bank of India (the "RBI") and National Housing Bank (the "NHB") from time to time to the extent applicable.

2.2 Going concern

These financial statements have been prepared on a going concern basis.

2.3 Historical cost convention

Historical cost is generally based on the fair value of the consideration given in exchange for goods and services. The financial statements have been prepared on the historical cost basis except for certain financial instruments that are measured at fair values at the end of each reporting period.

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. The measurement and/or disclosure in these financial statements has been accordingly determined except for share based payment transactions, leasing transactions and certain other transactions that are required to be valued in accordance with Ind AS 102, Ind AS 116 and Ind AS 36, respectively.

2.4 Basis of Consolidation

The Group consolidates all entities which are controlled by it.

The Group establishes control when; it has power over the entity, is exposed, or has rights, to variable returns from its involvement with the entity and has the ability to affect the entity's returns by using its power over relevant activities of the entity.

Entities controlled by the Group are consolidated from the date control commences until the date control ceases.

All inter-company transactions, balances and income and expenses are eliminated in full on consolidation.

Changes in the Group's interests in subsidiaries that do not result in a loss of control are accounted for as equity transactions. The carrying amount of the Group's interests and the non-controlling interests are adjusted to reflect the changes in their relative interests in the subsidiaries. Any difference between the amount by which the non-controlling interests are adjusted and the fair value of the consideration paid or received is recognised directly in equity and attributed to shareholders of the Parent Company.

Summary of material accounting policy information and other explanatory information to the consolidated financial statements as at and for the year ended March 31, 2025

Details of Companies Consolidated in these consolidated financial statements

Name of the Company	Type	Country of Incorporation	Holding As at March 31, 2025	Holding As at March 31, 2024
Aadhar Housing Finance Limited	Parent Company	India	Parent Company	Parent Company
Aadhar Sales and Services Private Limited	Subsidiary Company	India	100%	100%

2.5 Presentation of financial statements

Amounts in the financial statements are presented in Indian Rupees in Lakhs and all values are rounded to the nearest Lakhs, except when otherwise indicated. Per share data is presented in Indian Rupee.

2.6 Revenue recognition

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Group and the revenue can be reliably measured and there exists reasonable certainty of its recovery. Revenue towards satisfaction of a performance obligation is measured at the amount of transaction price (net of variable consideration) allocated to that performance obligation.

a. Interest income

The main source of revenue for the Group is Income from Housing and Other loans. Repayment of housing and other loans is by way of Equated Monthly Instalments (EMIs) comprising of principal and interest. EMIs generally commence once the loan is disbursed. Pending commencement of EMIs, pre-EMI interest is payable every month on the loan that has been disbursed. Interest is calculated either on annual rest or on monthly rest basis in terms of the financing scheme opted by the borrower.

Interest income on housing and other loans and other financial instruments carried at amortised cost is recognised on a time proportion basis taking into account the amount outstanding and the effective interest rate ("EIR") applicable.

The EIR considers all fees, charges, transaction costs, and other premiums or discounts that are incremental and directly attributable to the specific financial instrument at the time of its origination. The financial assets that are classified at fair value through statement of profit and loss ("FVTPL"), transaction costs are recognised in statement of profit and loss at initial recognition.

The interest income on non-credit impaired financial assets is calculated by applying the EIR to the gross carrying amount (i.e. at the amortised cost of the financial asset before adjusting for any expected credit loss allowance).

b. Fee and commission income:

Fee and commission, other than the fee that forms an integral part of EIR, are accounted on accrual basis.

c. Dividend income

Dividend income is recognised when the Group's right to receive dividend is established by the reporting date.

d. Investment income

The gains/losses on sale of investments are recognised in the statement of profit and loss on trade date. Gain or loss on sale of investments is determined on the basis of weighted average cost.

f. Net gain on derecognition of financial instruments under amortised cost category

Net gain on derecognition of financial instruments under amortised cost category are recognised in the statement of profit and loss on date of sale and is determined as difference between the carrying amount allocated towards the derecognised asset (towards part of derecognised asset in case of a part of cash flows towards the same asset is retained) and the consideration received for the part derecognised. Carrying amount allocated towards the part derecognised is identified on the basis of relative fair values of part derecognised and part continued to be recognised.

g. Other operating revenue:

Prepayment charges, delayed payment interest and other such incomes where recovery is uncertain are recognised on receipt basis.

2.7 Property, plant and equipment and Intangible Assets

Property, plant and equipment (PPE)

PPE is recognised 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. PPE is stated at cost less accumulated depreciation/ amortisation and impairment losses, if any. The cost of PPE is its purchase price net of any trade discounts and rebates, any import duties and other taxes (other than those subsequently recoverable from the tax authorities), any directly attributable expenditure on making the PPE ready for its intended use, other incidental expenses and interest on borrowing attributable to acquisition of qualifying PPE upto the date the asset is ready for its intended use.

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

Summary of material accounting policy information and other explanatory information to the consolidated financial statements as at and for the year ended March 31, 2025

PPEs not ready for the intended use on the date of the Balance Sheet are disclosed as “capital work-in-progress”.

Depreciation is recognised using straight line method so as to write off the cost of the assets (other than freehold land which is not depreciated) less their residual values over their useful lives specified in Schedule II to the Act, or in case of assets where the useful life was determined by technical evaluation, over the useful life so determined. Depreciation method is reviewed at each financial year end to reflect expected pattern of consumption of the future economic benefits embodied in the asset. The estimated useful life and residual values are also reviewed at each financial year end with the effect of any change in the estimates of useful life/residual value is accounted on prospective basis.

Estimated useful life considered by the Group are:

Asset	Estimated Useful Life
Office equipment & computer	5 – 10 Years
Furniture and fixtures	10 Years
Vehicles	8 Years
Leasehold improvements	Lease Period
Buildings	60 Years

Intangible assets

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

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

Intangible assets are amortised on straight line basis over the estimated useful life of 3 years. The method of amortisation and useful life are reviewed at the end of each accounting year with the effect of any changes in the estimate being accounted for on a prospective basis.

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

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

Impairment of assets

As at the end of each financial year, the Group reviews the carrying amounts of its PPE and intangible assets

to determine whether there is any indication that those assets have suffered an impairment loss. If such indication exists, the PPE and intangible assets are tested for impairment so as to determine the impairment loss, if any.

Impairment loss is recognised when the carrying amount of an asset exceeds its recoverable amount. Recoverable amount is the higher of fair value less costs of disposal and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If recoverable amount of an asset is estimated to be less than its carrying amount, such deficit is recognised immediately in the statement of profit and loss as impairment loss and the carrying amount of the asset is reduced to its recoverable amount.

When an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss was recognised for the asset in prior years. A reversal of an impairment loss is recognised immediately in the statement of profit and loss.

2.8 Employee benefits

i. Defined contribution plan

The contribution to provident fund, pension fund, National Pension Scheme and employee state insurance scheme are considered as defined contribution plans and are charged as an expense in the statement of profit and loss based on the amount of contribution required to be made as and when services are rendered by the employees.

ii. Defined benefits plan

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

The Group's net obligation in respect of defined benefit plans is calculated by estimating the amount of future benefit that employees have earned in the current and prior periods, discounting that amount and deducting the fair value of any plan assets.

The calculation of defined benefit obligations is performed periodically by a qualified actuary using the projected unit credit method. When the calculation results in a potential asset for the Group, the recognition of the asset is limited to the present value of economic benefits available in the form of any future refunds from the plan or reductions in future contributions to the plan.

Remeasurement of the net defined benefit liability, which comprise actuarial gains and losses, the return on plan assets (excluding

Summary of material accounting policy information and other explanatory information to the consolidated financial statements as at and for the year ended March 31, 2025

interest) and the effect of the asset ceiling (if any, excluding interest), are recognised immediately in Other Comprehensive Income (OCI). Net interest expense (income) on the net defined liability (assets) is computed by applying the discount rate, used to measure the net defined liability (asset), to the net defined liability (asset) at the start of the financial year after taking into account any changes as a result of contribution and benefit payments during the year. Net interest expense and other expenses related to defined benefit plans are recognised in statement of profit and loss.

iii. Short-term employee benefits

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

The cost of short-term compensated absences is accounted as under:

- (a) in case of accumulated compensated absences, when employees render the services that increase their entitlement of future compensated absences; and
- (b) in case of non-accumulating compensated absences, when the absences occur.

iv. Compensated absences

Compensated absences which are not expected to occur within twelve months after the end of the period in which the employee renders the related service are recognised as a liability at the present value of the defined benefit obligation as at the balance sheet date less the fair value of the plan assets out of which the obligations are expected to be settled.

v. Share-based payment arrangements

The share appreciation rights/stock options granted to employees pursuant to the Group's Stock appreciation rights scheme/stock options policy are measured at the fair value of the rights at the grant date. The fair value of the rights/options is treated as discount and accounted as employee compensation cost over the vesting period on a straight line basis. The amount recognised as expense in each year is based on the number of grants expected to vest. If a grant lapses after the vesting period, the cumulative discount recognised as expense in respect of such grant is transferred to the general reserve within other equity.

Identification of a lease requires significant judgment. The Group uses significant judgement in assessing the lease term (including anticipated renewals) and the applicable discount rate. The Group determines the lease term as the non-cancellable period of a lease, together with both periods covered by an option to extend the lease if the Group is reasonably certain to exercise that option; and periods covered by an option to terminate the lease if the Group is reasonably certain not to exercise that option. In assessing whether the Group is reasonably certain to exercise an option to extend a lease, or not to exercise an option to terminate a lease, it considers all relevant facts and circumstances that create an economic incentive for the Group to exercise the option to extend the lease, or not to exercise the option to terminate the lease. The Group revises the lease term if there is a change in the non-cancellable period of a lease. The discount rate is generally based on the incremental borrowing rate.

The right-of-use assets are subsequently measured at cost less any accumulated depreciation, accumulated impairment losses, if any and adjusted for any remeasurement of the lease liability.

The right-of-use assets are depreciated using the straight-line method from the commencement date over the shorter of lease term or useful life of right-of-use asset. Right-of-use assets are tested for impairment whenever there is any indication that their carrying amounts may not be recoverable. Impairment loss, if any, is recognised in the statement of profit and loss.

The Group recognises the amount of the re-measurement of lease liability due to modification as an adjustment to the right-of-use asset and statement of profit and loss depending upon the nature of modification. Where the carrying amount of the right-of-use asset is reduced to zero and there is a further reduction in the measurement of the lease liability, the Group recognises any remaining amount of the re-measurement in statement of profit and loss.

The Group has elected not to apply the requirements of Ind AS 116 Leases to short-term leases of all assets that have a lease term of 12 months or less and leases for which the underlying asset is of low value. The lease payments associated with these leases are recognised as an expense on a straight-line basis over the lease term.

2.10 Financial instruments

Recognition of financial instruments

Financial instruments comprise of financial assets and financial liabilities. Financial assets and financial liabilities are recognised in the Group's balance sheet when the Group becomes a party to the contractual provisions of the instrument. Financial assets primarily comprise of loans and advances, deposits, trade receivables and cash and cash equivalents. Financial liabilities primarily comprise of deposits, borrowings (other than debt securities), debt securities, subordinate liabilities and trade payables.

2.9 Leases

The Group evaluates if an arrangement qualifies to be a lease as per the requirements of Ind AS 116.

Summary of material accounting policy information and other explanatory information to the consolidated financial statements as at and for the year ended March 31, 2025

Initial measurement of financial instruments

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

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

- if fair value is evidenced by a quoted price in an active market for an identical asset or liability or based on a valuation technique that uses only data from observable markets, then the difference is recognised in the statement of profit and loss on initial recognition (i.e. day 1 profit or loss);
- in all other cases, the fair value will be adjusted to bring it in line with the transaction price (i.e. day 1 profit or loss will be deferred by including it in the initial carrying amount of the asset or liability).

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

Financial assets

Classification of financial assets

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

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

- the Group may irrevocably elect to present subsequent changes in fair value of an equity investment that is neither held for trading nor contingent consideration recognised by an acquirer in a business combination to which Ind

AS 103 – Business Combination applies, in OCI; and

- the Group may irrevocably designate a debt instrument that meets the amortised cost or FVTOCI criteria as measured at FVTPL if doing so eliminates or significantly reduces an accounting mismatch (referred to as the fair value option).

A financial asset is held for trading if:

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

Investment in equity instruments at Fair Value Through Other Comprehensive Income (FVTOCI)

The Group subsequently measures all equity investments at fair value through profit or loss, unless the Group's management has elected to classify irrevocably some of its equity investments as equity instruments at FVTOCI.

The Group has not elected to classify any equity investment at FVTOCI.

Debt instruments at amortised cost or at FVTOCI

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

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

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

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

An assessment of business models for managing financial assets is fundamental to the classification of a financial asset. The Group determines the business models at a level that reflects how financial assets

Summary of material accounting policy information and other explanatory information to the consolidated financial statements as at and for the year ended March 31, 2025

are managed individually and together to achieve a particular business objective.

For an asset to be classified and measured at FVTOCI, its contractual terms should give rise to cash flows that are meeting SPPI test and the intention is to collect the contraction cash flows till maturity or dispose off the asset before maturity.

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

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

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

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

Debt instruments that do not meet the amortised cost criteria or FVTOCI criteria are measured at FVTPL. In addition, debt instruments that meet the amortised cost criteria or the FVTOCI criteria but are designated as at FVTPL are measured at FVTPL upon initial recognition if such designation eliminates or significantly reduces a measurement or recognition inconsistency that would arise from measuring assets or liabilities or recognising the gains and losses on them on different bases.

Financial assets at FVTPL are measured at fair value at the end of each reporting period, with any gains or losses arising on remeasurement recognised in statement of profit or loss.

Subsequent measurement of financial assets

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

The Group's business model objective is to hold financial assets in order to collect contractual cash flows. The contractual terms of the financial asset give rise to cash flows that are solely payments of principal and interest on the principal amount outstanding on specified dates.

Reclassifications

If the business model under which the Group holds financial assets changes, the financial assets affected are reclassified. The classification and measurement requirements related to the new category apply prospectively from the first day of the first reporting period following the change in business model that result in reclassifying the Group's financial assets. During the current financial year and previous financial

year there was no change in the business model under which the Group holds financial assets and therefore no reclassifications were made.

Impairment

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

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

The Group measures ECL based on category of loans at a collective level. The measurement of the loss allowance is based on the present value of the asset's expected cash flows using the asset's original EIR.

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

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

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

- Stage 1 - Performing assets with zero to thirty days past due (DPD). Stage 1 loans also include facilities where the credit risk has improved and the loan has been reclassified from Stage 2 and Stage 3.
- Stage 2 - Under-performing assets having 31 to 90 DPD. Stage 2 loans also include facilities, where the credit risk has improved and the loan has been reclassified from Stage 3.
- Stage 3 - Non-performing assets with overdue more than 90 DPD

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

The financial assets for which the Group has no

Summary of material accounting policy information and other explanatory information to the consolidated financial statements as at and for the year ended March 31, 2025

reasonable expectations of recovering either the entire outstanding amount, or a proportion thereof, the gross carrying amount of the financial asset is reduced. This is considered a (partial) derecognition of the financial asset.

Derecognition of financial assets

A financial asset is derecognised only when:

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

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

The Group transfers loans through assignment transactions. In accordance with the Ind AS 109, on derecognition of a financial asset under assignment transactions, the difference between the carrying amount and the consideration received shall be recognised in statement of profit and loss.

Write-off

Loans and investment in debt securities are written off when the Group has no reasonable expectations of recovering the financial asset (either in its entirety or a portion of it). This is the case when the Group determines that the borrower does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the write-off. A write-off constitutes a derecognition event. The Group may apply enforcement activities to financial assets written off. Recoveries resulting from the Group's enforcement activities shall be recognised in statement of profit and loss.

Financial liabilities and equity

Classification as debt or equity

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.

Equity instruments

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

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

Financial liabilities

A financial liability is

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

All financial liabilities are subsequently measured at amortised cost using the effective interest method or at FVTPL. However, financial liabilities that arise when a transfer of a financial asset does not qualify for derecognition or when the continuing involvement approach applies, financial guarantee contracts issued by the Group, and commitments issued by the Group to provide a loan at below-market interest rate are measured in accordance with the specific accounting policies.

Financial liabilities at FVTPL

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

A financial liability is classified as held for trading if:

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

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

Financial liabilities subsequently measured at amortised cost

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

Summary of material accounting policy information and other explanatory information to the consolidated financial statements as at and for the year ended March 31, 2025

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

Derecognition of financial liabilities

The Group derecognises financial liabilities when, and only when, the Group's obligations are discharged, cancelled or have expired. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in the statement of profit and loss.

Derivative financial instruments

The Company enters into derivative financial instruments to manage its exposure to interest rate risk and foreign exchange rate risk. Derivatives held by the Company are Cross Currency Interest Rate Swaps (CCIRS) and foreign currency forward contracts. Derivative contracts are initially recognised at fair value on the date of entering into contract and are subsequently remeasured to their fair value at each Balance Sheet date. Any gains or losses arising from changes in the fair value of derivatives are taken directly to the statement of profit and loss, except for the effective portion of cash flow hedges, which is recognised in OCI and later reclassified to the statement of profit and loss when the hedge item cash flows affects the statement of profit and loss. For hedging instrument, the timing of the recognition in the Statement of Profit and Loss depends on the nature of the hedge relationship. The Company designates its CCIRS and foreign currency forward contracts derivatives as cash flow hedges of a recognised liability. The Company recognises derivatives with a positive fair value as a financial asset and derivatives with a negative fair value as a financial liability.

Hedge Accounting

The Company makes use of derivative financial instruments to manage exposures to interest rate risk and foreign currency risk. In order to manage particular risks, the Company applies hedge accounting for transactions that meet specified criteria.

At the inception of a hedge relationship, the Company formally designates and documents the hedge relationship to which the Company wishes to apply hedge accounting and the risk management objective and strategy for undertaking the hedge. The documentation includes the Company's risk management objective and strategy for undertaking hedge, the hedging/economic relationship, the hedged item or transaction, the nature of the risk being hedged, hedge ratio and how the Company would assess the effectiveness of changes in the hedging instrument's fair value in offsetting the exposure to changes in the hedged item's cash flows attributable to the hedged risk. Such hedges are expected to be highly effective in achieving offsetting changes in cash flows and

are assessed on an on-going basis to determine that they actually have been highly effective throughout the financial reporting periods for which they were designated.

Cash Flow Hedge :

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

A cash flow hedge is a hedge of the exposure to variability in cash flows that is attributable to a particular risk associated with a recognised asset or liability and could affect profit or loss.

For designated and qualifying cash flow hedges, the effective portion of the cumulative gain or loss on the hedging instrument is initially recognised directly in OCI within equity (cash flow hedge reserve). The ineffective portion (if any) of gain or loss on the hedging instrument is recognised immediately in the Statement of Profit and Loss.

When the hedged cash flow affects the Statement of Profit and Loss, the effective portion of the gain or loss on the hedging instrument is recorded in the corresponding income or expense line of the Statement of Profit and Loss.

When a hedging instrument expires, is sold, terminated, exercised, or when a hedge no longer meets the criteria for hedge accounting, any cumulative gain or loss recognised in OCI is subsequently transferred to the Statement of Profit and Loss on ultimate recognition of the underlying hedged forecast transaction. When a forecast transaction is no longer expected to occur, the cumulative gain or loss that was reported in OCI is immediately transferred to the Statement of Profit and Loss.

2.11 Cash and cash equivalents

Cash and cash equivalents includes cash on hand, balance in current account and Balances with banks in deposits accounts with original maturity of less than 3 months. Short term and liquid investments being subject to more than insignificant risk of change in value, are not included as part of cash and cash equivalents.

2.12 Borrowing costs

Interest expenses are calculated using EIR and all other borrowing costs are recognised in the statement of profit and loss when they are incurred.

2.13 Foreign currencies

- The functional currency and presentation currency of the Group is Indian Rupee. Functional currency of the Group has been determined based on the primary economic environment in which the Group operates considering the currency in which funds are generated, spent and retained.
- Transactions in currencies other than the Group's functional currency are recorded on initial recognition using the exchange rate at the transaction date. At each Balance Sheet date, foreign currency monetary items are reported at the rates prevailing at the period-end.

Summary of material accounting policy information and other explanatory information to the consolidated financial statements as at and for the year ended March 31, 2025

Non-monetary items that are measured in terms of historical cost in foreign currency are not retranslated.

Exchange differences that arise on settlement of monetary items or on reporting of monetary items at each Balance Sheet date at the closing spot rate are recognised in the statement of profit and loss in the period in which they arise except for exchange differences on transactions entered into in order to hedge certain foreign currency risks.

2.14 Segments

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

2.15 Earnings per share

Basic earnings per share has been computed by dividing net income by the weighted average number of shares outstanding during the year. Partly paid up shares are included as fully paid equivalents according to the fraction paid up. Diluted earnings per share has been computed by dividing net income by the weighted average number of shares and dilutive potential shares, except where the result would be anti-dilutive.

2.16 Taxes on income

Income tax expense represents the sum of the tax currently payable and deferred tax. Income tax expense comprises current and deferred taxes. Income tax expense is recognised in the statement of profit and loss except when they relate to items that are recognised outside profit or loss (whether in other comprehensive income or directly in equity), in which case tax is also recognised outside profit or loss.

Current tax

The tax currently payable is based on the estimated taxable profit for the year for each entity of the Group and is calculated using applicable tax rates and tax laws that have been enacted or substantively enacted. Taxable profit differs from 'profit before tax' as reported in the statement of profit and loss because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. The current tax is calculated using applicable tax rates that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax

Deferred tax assets and liabilities are recognised for the future tax consequences of temporary differences between the carrying values of assets and liabilities and their respective tax bases, and unutilised business loss and depreciation carry-forwards and tax credits. Such deferred tax assets and liabilities are computed separately for each taxable entity. Deferred tax assets are recognised to the extent that it is probable that future taxable income will be available against which the deductible temporary differences, unused tax losses, depreciation carry-forwards and unused tax credits could be utilised.

Deferred tax assets and liabilities are measured based on the tax rates that are expected to apply in the period when the asset is realised or the liability is settled, based on tax rates and tax laws that have been enacted or substantively enacted by the balance sheet date.

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

2.17 Statutory reserve

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

2.18 Impairment reserve

As per the RBI Circular RBI/2019-20/170 DOR (NBFC). CC.PD.No.109/22.10.106/2019-20 dated March 13, 2020, in the event of the aggregate impairment provision under Ind AS 109 is lower than that required under the Income Recognition, Asset Classification and Provisioning Norms, then the difference shall be appropriated from the Net Profit or loss after tax to a separate "Impairment Reserve".

2.19 Provisions, contingent liabilities and contingent assets

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

Provision is measured using the cash flows estimated to settle the present obligation and when the effect of time value of money is material, the carrying amount of the provision is the present value of those cash flows. Reimbursement expected in respect of expenditure required to settle a provision is recognised only when it is virtually certain that the reimbursement will be received.

Summary of material accounting policy information and other explanatory information to the consolidated financial statements as at and for the year ended March 31, 2025

Contingent liability is disclosed in case of:

- a present obligation arising from past events, when it is not probable that an outflow of resources will be required to settle the obligation; and
- a present obligation arising from past events, when no reliable estimate is possible.

Where the unavoidable costs of meeting the obligations under the contract exceed the economic benefits expected to be received under such contract, the present obligation under the contract is recognised and measured as a provision.

Contingent assets:

Contingent assets are not recognised. A contingent asset is disclosed, as required by Ind AS 37, where an inflow of economic benefits is probable.

Provisions, contingent liabilities and contingent assets are reviewed at each Balance Sheet date.

2.20 Commitments

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

- estimated amount of contracts remaining to be executed on capital account and not provided for;
- other non-cancellable commitments, if any, to the extent they are considered material and relevant in the opinion of management.

2.21 Non-current assets held for sale

Non-current assets are classified as held for sale if their carrying amount is intended to be recovered principally through a sale (rather than through continuing use) when the asset is available for immediate sale in its present condition subject only to terms that are usual and customary for sale of such asset and the sale is highly probable and is expected to qualify for recognition as a completed sale within one year from the date of classification.

Non-current assets classified as held for sale are measured at lower of their carrying amount and fair value less costs to sell.

2.22 Exceptional items

An item of income or expense which its size, type or incidence requires disclosure in order to improve an understanding of the performance of the Group is treated as an exceptional item and the same is disclosed in the notes to accounts.

2.23 Statement of cash flows

Statement of cash flows is prepared segregating the cash flows into operating, investing and financing activities. Cash flow from operating activities is reported using indirect method.

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

3. Critical accounting judgements and key sources of estimation uncertainties

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

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

Expected credit loss

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

The inputs used and process followed by the Group in determining the increase in credit risk have been detailed in note 38.

Effective Interest Rate (EIR)

The Group's EIR methodology, recognises interest income using a rate of return that represents the best estimate of a constant rate of return over the expected behavioural life of loans given.

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

Share-based payments

Estimating fair value for share-based payment transactions requires use of an appropriate valuation model. The Group measures the cost of equity-settled transactions with employees using Black-Scholes Model to determine the fair value of the options on the grant date.

Inputs into the valuation model, includes assumption such as the expected life of the share option, volatility and dividend yield.

Summary of material accounting policy information and other explanatory information to the consolidated financial statements as at and for the year ended March 31, 2025

Further details used for estimating fair value for share-based payment transactions are disclosed in note 42.

Following abbreviation to be read as :

"ESOP" - Employee Stock Option Plan

"ESAR" - Employee Stock Appreciation Rights

Business model assessment

The Parent Company's business model objective is to hold financial assets in order to collect contractual cash flows. The contractual terms of the financial asset give rise to cash flows that are solely payments of principal and interest on the principal amount outstanding on specified dates, accordingly entire Loan Portfolio is classified at amortised cost.

Net gain on derecognition of financial instruments under amortised cost category

The Group sells/transfers the portfolio through direct assignment and co-lending. As per para 3.2.13 of Ind AS 109, if the transferred asset is part of a larger financial asset

(e.g., when an entity transfers interest cash flows that are part of a debt instrument, see paragraph 3.2.2(a)) and the part transferred qualifies for derecognition in its entirety, the previous carrying amount of the larger financial asset shall be allocated between the part that continues to be recognised and the part that is derecognised, on the basis of the relative fair values of those parts on the date of the transfer. For this purpose, a retained servicing asset shall be treated as a part that continues to be recognised. The difference between:

- (a) the carrying amount (measured at the date of derecognition) allocated to the part derecognised and
- (b) the consideration received for the part derecognised (including any new asset obtained less any new liability assumed) shall be recognised in profit or loss.

While calculating the fair value of the part continued to be recognised, the Group makes estimates of net present value of future cash flows of spreads it will earn. That estimate includes the assumption around expected life, servicing liabilities and net yield it expects to earn in future.

Summary of material accounting policies and other explanatory information to the consolidated financial statements as at and for the year ended March 31, 2025

4 Cash and bank balances

(₹ in Lakhs)

Particulars	As at March 31, 2025	As at March 31, 2024
Cash and cash equivalents		
a) Cash on hand	510	246
b) Balances with banks in current accounts	9,669	5,221
c) Balances with banks in deposits accounts with original maturity of less than 3 months (refer note (i) below)	77,658	30,159
	87,837	35,626
Bank balances other than cash and cash equivalents		
a) In other deposit accounts		
- Original maturity of more than three months (refer note (ii) & (iv) below)	83,127	91,715
b) Margin money towards derivative financial instrument with Bank (refer note (iii) below)	1,373	-
c) Earmarked balances with banks		
- Unclaimed dividend account	1	2
	84,501	91,717
Total	1,72,338	1,27,343

- Short-term deposits are made for varying periods of between one day and three months, depending on the immediate cash requirements of the Company, and earn interest at the respective short-term deposit rates.
- Fixed deposit and other balances with banks earns interest at fixed rate.
- Margin money towards derivative financial instrument with bank earns interest rate linked to MIBOR.
- Cash and bank balances includes deposits of ₹ 25,447 Lakh for March 31, 2025 which are under lien including lien towards unutilized bank overdraft. (March 31, 2024: Rs 17,426 Lakh).

5 Receivables

(₹ in Lakhs)

	As at March 31, 2025	As at March 31, 2024
Trade receivables		
Unsecured, considered good	2,528	1,953
Total	2,528	1,953

- Trade receivables includes amounts due from the related parties amounting to Nil (March 31, 2024 : Nil) [Refer Note 44].
- No trade or other receivable are due from directors or other officers of the Company either severally or jointly with any other person. Nor any trade or other receivable are due from firms or private companies respectively in which any director is a partner, a director or a member.
- Trade receivables are non-interest bearing and are generally on terms of 30 to 90 days.
- Trade Receivables ageing schedule

Summary of material accounting policies and other explanatory information to the consolidated financial statements as at and for the year ended March 31, 2025

As at March 31, 2025

(₹ in Lakhs)

Particulars	Outstanding for following periods from due date of payment						Total
	Unbilled Revenue	Less than 6 months	6 months -1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Trade receivables – considered good	74	2,453	1	-	-	-	2,528
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
(iii) Undisputed Trade Receivables – credit impaired	-	-	-	-	-	-	-
(iv) Disputed Trade Receivables–considered good	-	-	-	-	-	-	-
(v) Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
(vi) Disputed Trade Receivables – credit impaired	-	-	-	-	-	-	-

As at March 31, 2024

(₹ in Lakhs)

Particulars	Outstanding for following periods from due date of payment						Total
	Unbilled Revenue	Less than 6 months	6 months -1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Trade receivables – considered good	(532)	2,475	1	-	9	-	1,953
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
(iii) Undisputed Trade Receivables – credit impaired	-	-	-	-	-	-	-
(iv) Disputed Trade Receivables–considered good	-	-	-	-	-	-	-
(v) Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
(vi) Disputed Trade Receivables – credit impaired	-	-	-	-	-	-	-

Note: Date of the transaction considered as due date of payment

v) Impairment allowance for trade receivable is Nil and therefore related disclosures are not given in the financial statement.

6 Housing and other loans

(₹ in Lakhs)

Particulars	As at March 31, 2025	As at March 31, 2024
At amortised cost		
i) Housing and other property loans	20,54,016	16,94,425
ii) Interest accrued on above loans	18,697	16,690
Total gross	20,72,713	17,11,115
Less: Impairment loss allowance	24,303	20,821
Total net	20,48,410	16,90,294

- All Housing and other loans are originated in India.
- Loans granted by the Company are secured by equitable mortgage/ registered mortgage of the property and assets financed and/or undertaking to create a security and/or assignment of Life Insurance Policies and/or personal guarantees and/or hypothecation of assets and are considered appropriate and good.
- The Company has assigned pool of certain housing and property loans and managed servicing of such loan accounts. The balance outstanding in the pool, as at the reporting date aggregates ₹ 4,95,374 Lakh (March 31, 2024: ₹ 4,14,046 Lakh). The carrying value of these assets have been de-recognised in the books of the Company.
- There is no outstanding loan to Public Sector.

Summary of material accounting policies and other explanatory information to the consolidated financial statements as at and for the year ended March 31, 2025

- v) 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 (March 31, 2024 : Nil).
- vi) Housing loan and other property loan includes ₹ 26,300 Lakh (March 31, 2024: ₹ 18,888 Lakh) given to employees of the Company under the staff loan.
- vii) Housing loan and other property loan includes ₹ 5,718 Lakh (March 31, 2024: ₹ 5,806 Lakh) in respect of properties held for disposal under Securitisation and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002.
- viii) Impairment loss allowance includes a management overlay of ₹ 5,851 Lakh (March 31, 2024: ₹ 6,397 Lakh) based on a qualitative assessment of the loan portfolio.

7 Investments

Particulars	As at March 31, 2025	As at March 31, 2024	As at March 31, 2025	As at March 31, 2024
	No. of Units/Shares		(₹ in Lakhs)	
At amortised cost				
Investments in Government Securities				
6.54% GOI Bonds 2032 (Face Value of ₹ 100 each)	1,25,00,000	1,25,00,000	12,034	11,966
6.10% GOI Bonds 2031 (Face Value of ₹ 100 each)	2,75,00,000	2,75,00,000	27,077	26,981
6.57% GOI Bonds 2033 (Face Value of Rs 100 each)	5,00,000	5,00,000	497	496
7.26% GOI Bonds 2032 (Face Value of Rs 100 each)	50,00,000	50,00,000	4,973	4,985
7.18% GOI Bonds 2033 (Face Value of ₹ 100 each)	50,00,000	-	5,138	-
9.80% NCD Jaipur Vidyut Vitran Nigam Ltd (Face Value of ₹ 60,000 each) (Face Value of ₹ 70,000 each for March 31, 2024) (refer note iii below)	2,000	2,000	1,165	1,355
			50,884	45,783
At fair value through profit and loss				
Investments in mutual funds				
Axis Overnight Fund Direct Plan Growth	9,813	14,041	172	178
ICICI Prudential Overnight Fund Direct Plan Growth	32,848	18,316	262	236
Investments in mutual funds			434	414
At fair value through profit and loss				
Investments in quoted equity instruments (other than subsidiary)				
Sharmrao Vithal Co-operative Bank Equity Shares (Face value of ₹ 10 each)	100	100	0	0
			0	-
Total			51,318	46,197

Notes :

- i) Amount "0" represent value less than ₹ 50,000.
- ii) All investments are made within India.
- iii) Investment in bonds aggregating to ₹ 1,165 Lakh (March 31, 2024: ₹ 1,355 Lakh) carry a floating charge in favour of fixed deposits holder read with note no 17.

Summary of material accounting policies and other explanatory information to the consolidated financial statements as at and for the year ended March 31, 2025

8 Other financial assets

(₹ in Lakhs)

Particulars	As at March 31, 2025	As at March 31, 2024
Unsecured, Considered Good		
Receivable from related parties		
Others		
Receivable from assigned and colent portfolio	33,581	25,529
Security deposits	1,168	1,031
Total	34,749	26,560

9 Current tax assets (net)

(₹ in Lakhs)

Particulars	As at March 31, 2025	As at March 31, 2024
Income tax paid in advance (net of provisions)	1,244	1,102
Total	1,244	1,102

10. Property, plant and equipment

(₹ in Lakhs)

Particulars	Freehold Land	Building - Owned	Furniture & Fixture	Office Equipments	Vehicles	Computer	Total
Balance as at April 01, 2023	27	13	1,846	973	25	1,957	4,841
Additions during the year	-	-	443	188	-	793	1,424
Deduction/adjustments	-	-	(119)	(103)	-	(182)	(404)
Balance as at March 31, 2024	27	13	2,170	1,058	25	2,568	5,861
Balance as at April 01, 2024	27	13	2,170	1,058	25	2,568	5,861
Additions during the year	-	-	228	150	-	780	1,158
Deduction/adjustments	-	-	(38)	(32)	(25)	(337)	(432)
Balance as at March 31, 2025	27	13	2,360	1,176	-	3,011	6,587
Accumulated depreciation							
Balance as at April 01, 2023	-	6	694	491	14	1,160	2,365
Depreciation for the year	-	3	216	97	4	527	847
Deduction/adjustments	-	-	(87)	(84)	-	(179)	(350)
Balance as at March 31, 2024	-	9	823	504	18	1,508	2,862
Balance as at April 01, 2024	-	9	823	504	18	1,508	2,862
Depreciation for the year	-	3	226	101	9	619	958
Deduction/adjustments	-	-	(28)	(28)	(27)	(301)	(384)
Balance as at March 31, 2025	-	12	1,021	577	-	1,826	3,436
Net book value							
As at March 31, 2024	27	4	1,347	554	7	1,060	2,999
As at March 31, 2025	27	1	1,339	599	-	1,185	3,151

Summary of material accounting policies and other explanatory information to the consolidated financial statements as at and for the year ended March 31, 2025

Title deeds of Immovable Properties not held in name of the Company:-

Particulars of the land and building	Gross block as at March 31, 2025	Property Held since which date	Reason for not being held in the name of Company
Plot no.11, Mangala Nagar alias Sri Arunachala Nagar situated in No. 68, Athur Village, Chengalpet Taluk, Kanchipuram District, Tamil Nadu	20	November 20, 2017 (date of Amalgamation)	The title deeds are in the name of DHFL Vysya Housing Finance Limited, currently known as Aadhar Housing Finance Limited.
Plot no 14, Mangala Nagar alias Sri Arunachala Nagar situated in No. 68, Athur Village, Chengalpet Taluk, Kanchipuram District, Tamil Nadu	7	November 20, 2017 (date of Amalgamation)	The title deeds are in the name of erstwhile Aadhar Housing Finance Limited that was merged with the Company under Section 230 to 232 of the Companies Act 2013.
Unit No. 5, Row 07, Block B, Garden City, Coimbatore	13	November 20, 2017 (date of Amalgamation)	

1. In respect of immovable properties of land and buildings that have been taken on lease, the lease agreements are in the name of the Company, where the Company is the lessee in the agreement
2. In None of the title deed mentioned above Promoter , Director, or relative of promoter/director or employee of promoter/director is holder of title deed.

11. Other intangible asset

(₹ in Lakhs)

Particulars	Amount
Balance as at April 01, 2023	337
Additions during the year	156
Deduction/adjustments	-
Balance as at March 31, 2024	493
Balance as at April 01, 2024	493
Additions during the year	279
Deduction/adjustments	-
Balance as at March 31, 2025	772
Accumulated depreciation	
Balance as at April 01, 2023	308
Depreciation for the year	58
Deduction/adjustments	-
Balance as at March 31, 2024	366
Balance as at April 01, 2024	366
Depreciation for the year	151
Deduction/adjustments	-
Balance as at March 31, 2025	517
Net book value	
As at March 31, 2024	127
As at March 31, 2025	255

Note: Other Intangible Assets includes Computer Software

Summary of material accounting policies and other explanatory information to the consolidated financial statements as at and for the year ended March 31, 2025

12 Other non-financial assets

(₹ in Lakhs)

Particulars	As at March 31, 2025	As at March 31, 2024
Asset held for sale	396	396
Less : Provision for diminution in the value of asset held for sale	(185)	(185)
	211	211
Prepaid expenses	752	1,092
Capital advance	52	9
Advance for expenses and other advances	1,141	2,207
Unamortised share issue expenses [Refer Note i below]	-	3,978
Balance with government authorities	424	339
Total	2,580	7,836

Notes :

- i). The Company had incurred certain expenses towards proposed Initial public offering of its equity shares. The Company expected to recover certain amounts from the selling shareholders and the balance amount has been charged-off to securities premium account in accordance with Section 52 of the Companies Act, 2013 upon share issued.

13 Derivative financial instruments

(₹ in Lakhs)

Particulars	As at March 31, 2025	As at March 31, 2024	As at March 31, 2025	As at March 31, 2024
	Nominal amounts		Fair value liabilities	
Cash flow hedge				
Foreign currency forward (refer note 38e)	47,781	-	1,133	-
Cross Currency Interest rate swaps	-	-	334	-
Total	47,781	-	1,467	-

14 Trade payables

(₹ in Lakhs)

Particulars	As at March 31, 2025	As at March 31, 2024
Total outstanding dues to micro enterprises and small enterprises (Refer Note a and b below)	21	35
Total outstanding dues of creditors other than micro enterprises and small enterprises (Refer Note b and c below)	12,572	10,829
Total	12,593	10,864

- a) Based on and to the extent of information received by the Company from the suppliers regarding their status under the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act) and relied upon by the auditors. There are no overdue amounts to Micro, Small and Medium Enterprises as at March 31, 2024 for which disclosure requirements under Micro, Small and Medium Enterprises Development Act, 2006 are applicable."
- b) Trade Payables ageing schedule

Summary of material accounting policies and other explanatory information to the consolidated financial statements as at and for the year ended March 31, 2025

As at March 31, 2025

(₹ in Lakhs)

Particulars	Outstanding for following periods from due date of payment					Total
	Unbilled dues	Less than 1 year	1-2 years	2-3 years	More than 3 years	
MSME*	-	21	-	-	-	21
Others	12,541	24	2	4	1	12,572
Disputed dues - MSME	-	-	-	-	-	-
Disputed dues - Others	-	-	-	-	-	-
Total	12,541	45	2	4	1	12,593

*GST credit disputed Cases

As at March 31, 2024

(₹ in Lakhs)

Particulars	Outstanding for following periods from due date of payment					Total
	Unbilled dues	Less than 1 year	1-2 years	2-3 years	More than 3 years	
MSME	-	21	-	-	-	21
Others	10,772	53	8	-	-	10,833
Disputed dues - MSME	-	-	-	-	-	-
Disputed dues - Others	-	-	-	-	-	-
Total	10,772	74	8	-	-	10,854

Note: Date of the transaction considered as due date of payment

- c) Trade Payables includes ₹ 160 Lakh (March 31, 2024: ₹ 147 Lakh) due to related parties [Refer Note 44].

15 Debt securities

(₹ in Lakhs)

Particulars	As at March 31, 2025	As at March 31, 2024
At amortised cost		
Secured		
Redeemable non convertible debentures	3,38,882	2,73,883
Total	3,38,882	2,73,883

- i) All debt securities are issued in India
 ii) Terms of repayment and rate of interest in case of debt securities:

As at March 31, 2025

Particulars	Interest Rate	0-3 Years	3-5 Years	>5 Years	Total
Secured					
Redeemable non convertible debentures	6.90% to 9.80%	2,51,775	68,789	19,300	3,39,864

As at March 31, 2024

Particulars	Interest Rate	0-3 Years	3-5 Years	>5 Years	Total
Secured					
Redeemable non convertible debentures	6.90% to 9.80%	1,84,684	81,325	8,775	2,74,784

Maturity profile disclosed above excludes discount/premium and EIR adjustments amounting to ₹ 982 Lakh (March 31, 2024: ₹ 901 Lakh).

Summary of material accounting policies and other explanatory information to the consolidated financial statements as at and for the year ended March 31, 2025

List of Redeemable debentures

Sr No.	ISIN	Rate of interest	Date of Redemption	As at March 31, 2025	As at March 31, 2024
1	INE538L07056	9.80%	23-Mar-2025	-	2,500
2	INE538L07163	9.60%	6-Jan-2026	1,000	1,000
3	INE538L07163	9.60%	6-Jan-2026	1,000	1,000
4	INE538L07163	9.60%	6-Jan-2026	1,000	1,000
5	INE538L07189	9.60%	19-Jan-2026	1,000	1,000
6	INE538L07197	9.60%	19-Jan-2026	100	100
7	INE538L07197	9.60%	19-Jan-2026	170	170
8	INE538L07205	9.60%	25-Jan-2026	1,000	1,000
9	INE538L07205	9.60%	25-Jan-2026	1,000	1,000
10	INE538L07213	9.55%	29-Jan-2026	500	500
11	INE538L07213	9.55%	29-Jan-2026	100	100
12	INE538L07213	9.55%	29-Jan-2026	500	500
13	INE538L07213	9.55%	29-Jan-2026	100	100
14	INE538L07221	9.55%	1-Mar-2026	1,000	1,000
15	INE538L07254	9.55%	22-Mar-2026	2,000	2,000
16	INE538L07270	9.55%	31-Mar-2026	1,000	1,000
17	INE538L07270	9.55%	31-Mar-2026	250	250
18	INE883F07025	9.40%	5-May-2026	2,000	2,000
19	INE883F07041	9.35%	8-Jul-2026	200	200
20	INE883F07058	9.40%	13-Jul-2026	120	120
21	INE883F07066	9.28%	18-Jul-2026	200	200
22	INE883F07074	9.15%	5-Aug-2026	120	120
23	INE538L07379	9.00%	16-Nov-2026	500	500
24	INE538L07528#	9.35%	29-Sep-2028	955	955
25	INE538L07536#	9.75%	29-Sep-2028	1,169	1,169
26	INE883F07215	8.10%	20-Oct-2025	5,000	5,000
27	INE883F07223	7.10%	7-Oct-2024	-	9,900
28	INE883F07231	6.90%	29-Oct-2024	-	6,000
29	INE883F07249	7.15%	9-Dec-2026	-	10,000
30	INE883F07256	9.55%*	24-Feb-2026	2,500	5,000
31	INE883F07264	8.1%*	15-Jun-2029	35,100	35,100
32	INE883F07272	8.05%*	15-Jun-2029	35,100	35,100
33	INE883F07298	8.55%*	6-Feb-2028	6,000	8,000
34	INE883F07280	8.55%*	6-Jan-2028	6,900	9,200
35	INE883F07306	8.50%	26-May-2026	27,500	27,500
36	INE883F07314	8.50%	17-Aug-2026	50,000	50,000
37	INE883F07322	8.75%*	31-Oct-2028	8,000	10,000
38	INE883F07330	8.65%	21-Aug-2027	30,000	30,000
39	INE883F07348	8.25%*	28-Mar-2029	11,600	14,500
40	INE883F07355	8.56%*	25-Jun-2032	25,020	-
41	INE883F07363	8.50%	2-Dec-2027	35,000	-
42	INE883F07371	8.31%*	20-Mar-2032	25,160	-
43	INE883F07389	8.37%	29-May-2028	20,000	-
				3,39,864	2,74,784

*Floating rate linked to RBI repo

#Publicly issued NCD

Summary of material accounting policies and other explanatory information to the consolidated financial statements as at and for the year ended March 31, 2025

- iii) The Company has raised ₹ 1,05,180 Lakh (March 31, 2024 : ₹ 1,32,000 Lakh) from Secured Redeemable Non Convertible Debentures (NCDs) during the year ended March 31, 2025. NCDs are long term and are secured by way of pari passu first charge by way of (present & future obligations) hypothecation on standard book debts/receivables/ outstanding moneys, current assets, Cash & Bank balances & Investments as per contracted terms except for those book debts/ receivables charged or to be charged in favour of NHB for refinance availed or to be availed from them and the Company has provided Security on specific immovable property on certain series of NCDs private placement (excluding IPO Series). NCDs including current maturities are redeemable at par in various periods.
- iv) There has been no deviation in the utilisation of issue proceeds of publically issued secured redeemable NCD, from the Objects as stated in the Shelf prospectus document dated September 03, 2018.

16 Borrowings (other than debt securities)

(₹ in Lakhs)		
Particulars	As at March 31, 2025	As at March 31, 2024
Secured		
At amortised cost		
In India		
Term Loans		
from banks	8,70,434	7,62,895
from National Housing Bank	3,74,239	3,53,107
Outside India		
External Commercial Borrowings (refer note vi below)	42,656	-
Total	12,87,329	11,16,002

- i) Borrowings in India is ₹ 12,44,673 Lakhs and outside India is ₹ 42,656 Lakhs.
- ii) Terms of repayment and rate of interest in case of Borrowings:

As at March 31, 2025

Particulars	Interest Rate	0-3 Years	3-5 Years	>5 Years	Total
Secured					
Term loan from banks	Floating*	4,43,115	2,46,298	1,82,204	8,71,617
Term Loan from National Housing Bank	2.80% to 8.50%	2,06,185	92,884	75,170	3,74,239
External Commercial Borrowings	Linked with Term SOFR	25,674	17,116	-	42,790

As at March 31, 2024

Particulars	Interest Rate	0-3 Years	3-5 Years	>5 Years	Total
Secured					
Term loan from banks	Floating*	3,63,563	2,10,418	1,90,024	7,64,005
Term Loan from National Housing Bank	2.80% to 8.40%	1,87,814	97,483	67,810	3,53,107

*(Linked with MCLR/Base Rate of respective banks)

Maturity profile disclosed above excludes EIR adjustments amounting to ₹ 1,317 Lakh (March 31, 2024 : ₹ 1,110 Lakh).

- iii) The secured term loans from banks are availed from various scheduled banks. These loans are repayable as per the individual contracted terms in one or more instalments between April 2025 and January 2040. These loans are secured/to be secured by way of jointly ranking pari passu inter-se charge, along with NHB and NCD holders, on the Company's book debts, housing loans and the whole of the present and future movable assets of the Company as applicable.
- iv) Secured term loan from National Housing Bank are repayable as per the contracted terms in one or more instalments between April 2025 and January 2035. These loans from National Housing Bank are secured/to be secured by way of first charge to and in favour of NHB, other banks and NCD holders and jointly ranking pari passu inter-se, on the Company's book debts, housing loans and the whole of the present and future movable and immovable assets wherever situated excluding SLR assets.

Summary of material accounting policies and other explanatory information to the consolidated financial statements as at and for the year ended March 31, 2025

- v) Cash credit facilities from banks are secured by way of jointly ranking pari passu inter-se charge, along with NHB and NCD holders, on the Company's book debts, housing loans and the whole of the present and future movable assets of the Company as applicable. All cash credit facilities are repayable as per the contracted/rollover term.
- vi) External Commercial Borrowings from bank is availed from GIFT City which is considered outside India for reporting purposes. These loans are repayable as per the individual contracted terms in one or more instalments between March 2027 and March 2030. These loans are secured/to be secured by way of jointly ranking pari passu inter-se charge, along with NHB and NCD holders, on the Company's book debts, housing loans and the whole of the present and future movable assets of the Company as applicable.

17 Deposits

(₹ in Lakhs)

Particulars	As at March 31, 2025	As at March 31, 2024
Deposit		
At amortised cost		
Public deposits	54	118
Total	54	118

The National Housing Bank Directives requires all HFCs, accepting public deposits, to create a floating charge on the statutory liquid assets maintained in favour of the depositors through the mechanism of a Trust Deed. The Company has accordingly appointed SEBI approved Trustee Company as a Trustee for the above by executing a trust deed.

The public deposits of the Company as defined in paragraph 2(1)(y) of the Housing Finance Companies (NHB) Directions, 2010, are secured by floating charge on the Statutory Liquid Assets maintained in terms of sub-sections (1) and (2) of Section 29B of the National Housing Bank Act, 1987.

18 Subordinated liabilities

(₹ in Lakhs)

Particulars	As at March 31, 2025	As at March 31, 2024
Unsecured at amortised cost		
Redeemable non convertible debentures	5,977	5,959
Total	5,977	5,959

- i) All subordinated liabilities are issued in India
- ii) Terms of repayment and rate of interest in case of Subordinated Liabilities:

As at March 31, 2025

Particulars	Interest Rate	0-3 Years	3-5 Years	>5 Years	Total
Redeemable non convertible debentures	9.75% to 10.00%	6,000	-	-	6,000

As at March 31, 2024

Particulars	Interest Rate	0-3 Years	3-5 Years	>5 Years	Total
Redeemable non convertible debentures	9.75% to 10.00%	6,000	-	-	6,000

Maturity profile disclosed above excludes EIR adjustments amounting to ₹ 23 Lakh (March 31, 2024: ₹ 41 Lakh).

- iii) Unsecured Redeemable Non-Convertible Debentures are subordinated to present and future senior indebtedness of the Company. These Unsecured Redeemable Non-Convertible Debentures qualifies as Tier II capital in accordance with National Housing Bank (NHB) guidelines for assessing capital adequacy based on balance term to maturity. These debentures are redeemable at par on maturity at the end of various periods.

Summary of material accounting policies and other explanatory information to the consolidated financial statements as at and for the year ended March 31, 2025

19 Other financial liabilities

(₹ in Lakhs)

Particulars	As at March 31, 2025	As at March 31, 2024
Book overdraft	45	22,943
Lease liabilities (refer note 35)	6,326	5,109
Accrued employee benefits	5,525	5,157
Interest accrued but not due - Deposits	0	4
Interest accrued but not due - Others	12,098	10,020
Amount payable under assignment of receivables	8,912	9,131
Unpaid dividend (refer note (ii) below)	1	2
Unpaid matured deposits and interest accrued thereon	23	69
Security Deposit Refundable	0	-
Total	32,930	52,435

Notes:

- Amount "0" represent value less than ₹ 50,000.
- The Company has transferred a sum of ₹ 0.79 Lakh during the year ended March 31, 2025 (March 31, 2024 : ₹ 0.67 Lakh) being Unclaimed Dividend to Investor Education and Protection Fund under section 124 of the Companies Act, 2013.

20 Provisions

(₹ in Lakhs)

Particulars	As at March 31, 2025	As at March 31, 2024
Provision for employee benefits		
Provision for compensated absences	1,313	1,101
Provision for gratuity (refer note 41)	1,844	1,255
Total	3,157	2,356

21 Deferred tax liabilities (net)

(₹ in Lakhs)

Particulars	As at March 31, 2025	As at March 31, 2024
Deferred tax liabilities		
Deferred tax liabilities	8,251	6,224
Deferred Tax Assets	8,038	6,009
Deferred tax liabilities (net)	213	215
Deferred Tax Assets		
Deferred Tax Assets	42	39
Total deferred tax liabilities (net)	171	176

Deferred tax assets and liabilities in relation to:

(₹ in Lakhs)

Particulars	As at April 1, 2024	Charged to Profit and Loss	Charged to Other Comprehensive Income	Charged to Securities Premium	As at March 31, 2025
Deferred tax liabilities					
Fair value on Amalgamation	-	-	-	-	-
Net gain on derecognition of financial instruments under amortised cost category	6,224	2,027	-	-	8,251
	6,224	2,027	-	-	8,251

Summary of material accounting policies and other explanatory information to the consolidated financial statements as at and for the year ended March 31, 2025

(₹ in Lakhs)

Particulars	As at April 1, 2024	Charged to Profit and Loss	Charged to Other Comprehensive Income	Charged to Securities Premium	As at March 31, 2025
Deferred tax assets					
On difference between book balance and tax balance of assets	127	14	-	-	141
On account of impairment on financial instruments	4,530	710	-	-	5,240
On account of provision for employee benefits	595	226	(5)	-	816
Others	796	(141)	133	1,095	1,883
	6,048	809	128	1,095	8,080
Net Deferred tax (assets)/ liabilities	176	1,218	(128)	(1,095)	171

Deferred tax assets and liabilities in relation to:

(₹ in Lakhs)

Particulars	As at April 1, 2023	Charged to Profit and Loss	Charged to Other Comprehensive Income	Charged to Securities Premium	As at March 31, 2024
Deferred tax liabilities					
Fair value on Amalgamation	390	(390)	-	-	-
Net gain on derecognition of financial instruments under amortised cost category	6,095	129	-	-	6,224
	6,485	(261)	-	-	6,224
Deferred tax assets					
On difference between book balance and tax balance of assets	115	12	-	-	127
On account of impairment on financial instruments	4,280	250	-	-	4,530
On account of provision for employee benefits	440	169	(14)	-	595
Others	732	64	-	-	796
	5,567	495	(14)	-	6,048
Net Deferred tax (assets)/ liabilities	918	(756)	14	-	176

22 Other non-financial liabilities

(₹ in Lakhs)

Particulars	As at March 31, 2025	As at March 31, 2024
Advance from Customers	63	205
Statutory dues	1,718	1,208
Others	784	1,086
Total	2,565	2,499

Summary of material accounting policies and other explanatory information to the consolidated financial statements as at and for the year ended March 31, 2025

23 Equity share capital

Particulars	As at March 31, 2025	As at March 31, 2024	As at March 31, 2025	As at March 31, 2024
	Number of shares		(₹ in Lakhs)	
Authorised share capital				
Equity shares of ₹ 10 each	50,00,00,000	50,00,00,000	50,000	50,000
Issued share capital				
Equity shares of ₹ 10 each	43,13,84,459	39,47,54,970	43,138	39,476
Subscribed and paid up capital				
Equity shares of ₹ 10 each	43,13,84,459	39,47,54,970	43,138	39,476
Total			43,138	39,476

a) Reconciliation of the shares outstanding at the beginning and at the end of the reporting year:

Particulars	As at March 31, 2025	As at March 31, 2024
Equity shares at the beginning of the year	39,47,54,970	39,47,54,970
Add: Shares issued during the year	3,66,29,489	-
Equity shares at the end of the year	43,13,84,459	39,47,54,970

Note: Includes allotment of 26,100 bonus shares pertaining to existing share holder holding shares in physical mode, allotment of same is pending on account of conversion of physical shares into demat mode.

b) Terms/Rights attached to equity shares

The Company has only one class of equity shares having a par value of ₹ 10 per share. Each holder of equity shares is entitled to one vote per share. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive the remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the share holders. Dividend declared towards equity shares will be subject to the approval of shareholder in the ensuing Annual General Meeting.

- The Company has made an Initial Public Offer (IPO) for 9,52,55,598 equity shares aggregating to ₹ 300,000 Lakh of which 6,34,92,063 equity share aggregating to 2,00,000 Lakh were offered by selling shareholder and 3,17,63,535 equity shares aggregating to ₹ 100,000 Lakh at the face value of ₹ 10 each at a premium of ₹ 305 per equity share (excluding discount of ₹ 23 per share on employee reservation portion of 2,39,726 equity shares) by way of fresh issue of the equity shares on May 13, 2024. The Company's equity share got listed on National Stock Exchange of India Limited (NSE) and BSE Limited (BSE) on May 15, 2024.
- The shareholders vide a special resolution have approved bonus issue of 35,52,79,473 equity shares of the Company in the ratio of nine shares of face value of ₹ 10 each for each existing equity share of the face value of ₹ 10 each on January 16, 2021 in extraordinary general meeting (EGM).
- The Company has not bought back any class of shares.
- The Company has not allotted any class of shares as fully paid up pursuant to contract without payment being received in cash.
- The Company has not proposed any dividend during the year ended March 31, 2025 and March 31, 2024.
- Details of shareholders holding more than five percent equity shares in the Company are as under:

Particulars	As at March 31, 2025			As at March 31, 2024		
	% of Total Shares	Number of shares	% of Change during the year ended	% of Total Shares	Number of shares	% of Change during the year ended
BCP Topco VII Pte. Ltd (Holding Company)	75.61%	32,61,91,357	(23.11%)	98.72%	38,96,83,420	-

Summary of material accounting policies and other explanatory information to the consolidated financial statements as at and for the year ended March 31, 2025

i) Shareholding of promoters

Particulars	As at March 31, 2025			As at March 31, 2024		
	% of Total Shares	Number of shares	% of Change during the year ended	% of Total Shares	Number of shares	% of Change during the year ended
BCP Topco VII Pte. Ltd (Holding Company)	75.61%	32,61,91,357	(23.11%)	98.72%	38,96,83,420	-

24 Other equity

(₹ in Lakhs)

Particulars	As at March 31, 2025	As at March 31, 2024
Capital reserve on amalgamation	6	6
Securities premium	2,31,077	1,33,700
Statutory reserve (Statutory reserve as per Section 29C of National Housing Bank Act, 1987 and Special reserve as per Section 36(1)(viii) of the Income Tax Act, 1961) (refer note (i) below)	79,108	60,865
Debenture redemption reserve (refer note (ii) below)	531	16,910
General reserve	42,933	26,554
Employee Stock Option Outstanding	2,665	2,253
Retained earnings	2,38,144	1,65,204
Items of other comprehensive income		
(i) Remeasurement of defined benefit liability/ asset	24	7
(ii) Effective portion of cash flow hedge reserve	(397)	-
Total	5,94,091	4,05,499

Notes :

- i) Statement for Disclosure on Statutory / Special Reserves, as prescribed by NHB vide its circular no NHB(ND)/DRS/Pol. Circular.61/2013-14, dated: 7th April, 2014 and NHB.HFC.CG-DIR.1/MD&CEO/2016 dated February 9, 2017.

(₹ in Lakhs)

Particulars	As at March 31, 2025	As at March 31, 2024
Balance at the beginning of the year		
a) Statutory Reserve u/s 29C of the National Housing Bank Act, 1987	708	708
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	60,157	45,187
c) Total	60,865	45,895
Additions during the year		
a) Statutory Reserve u/s 29C of the National Housing Bank Act, 1987	-	-
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	18,243	14,970
c) Total	18,243	14,970
Utilised during the year		
a) Statutory Reserve u/s 29C of the National Housing Bank Act, 1987	-	-
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	-	-
c) Total	-	-
Balance at the end of the year		
a) Statutory Reserve u/s 29C of the National Housing Bank Act, 1987	708	708
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	78,400	60,157
c) Total	79,108	60,865

Summary of material accounting policies and other explanatory information to the consolidated financial statements as at and for the year ended March 31, 2025

- ii) The Company has created Debenture redemption reserve as at March 31, 2025 aggregating of ₹ 531 Lakh (March 31, 2024 : ₹ 16,910 Lakh) required towards its public issue of Secured Redeemable Non-Convertible Debentures.

24(a). Nature and Purpose of Reserves:

- Capital reserve on Amalgamation - This reserve is created on account of merger of Aadhar Housing Finance Limited into DHFL Vysya Housing Finance Limited.
- Securities Premium - Securities premium account is used to record premium on issue of shares. The reserve is utilised in accordance with the provisions of Companies Act, 2013.
- Statutory Reserve - Section 29C (i) of the National Housing Act, 1987 defines that every housing finance institution which is a Company shall create a reserve fund and transfer therein a sum not less than twenty percent of its net profit every year as disclosed in the statement of profit and loss before any dividend is declared. For this purpose any special reserve created by the Company under Section 36(1)(viii) of the Income Tax Act 1961, is considered to be an eligible transfer. During the year ended March 31, 2025, the Company has transferred an amount of ₹ 18,243 Lakh [P.Y. ₹ 14,970 Lakh] to special reserve in terms of Section 36(1)(viii) of the Income Tax Act 1961 and has been considered eligible for special reserve u/s 29C of the National Housing Bank Act, 1987.
- Debenture Redemption reserve - This reserve is created while issuing Debentures with an objective to reduce the risk of default in repayments of debentures. The Company has created debenture redemption reserve towards its public issue of Secured Redeemable Non-convertible Debentures.
- Employee Stock Option Outstanding - This reserve relates to stock option granted by the Company to employees under various ESOP schemes.
- Items of other comprehensive income :-
 - Remeasurement of defined benefit liability/ asset - This represents the actuarial gain / (loss) on employee benefit plans.
 - Effective portion of cash flow hedge reserve - It represents the cumulative gains/(losses) arising on revaluation of the derivative instruments designated as cash flow hedges through OCI."

25 Revenue from operations

(₹ in Lakhs)		
Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
a) Interest income		
On financial assets measured at amortised cost		
Interest on loans	2,60,183	2,15,390
Interest on fixed deposits	8,317	8,932
Interest on bonds and debentures	3,399	3,194
Other interest	-	-
	2,71,899	2,27,516
b) Fees and commission Income		
Loan processing fee and other charges	8,514	7,973
Intermediary services (refer note ii below)	11,421	8,866
	19,935	16,839
c) Net gain on fair value changes		
Measured at FVTPL		
Equity investment measured at FVTPL		
Realised	-	5
Unrealised	-	-
	-	5
Investment in mutual fund measured at FVTPL		
Realised	2,215	2,228
Unrealised	9	4
	2,224	2,232
Net gain on fair value changes	2,224	2,237
d) Net gain on derecognition of financial instruments under amortised cost category		
On assignment of portfolio	16,705	12,090
Total	3,10,763	2,58,682

- i) Amount "0" represent value less than Rs 50,000.
 ii) Disclosure in respect of fees and commission income on insurance business undertaken by the Company

Summary of material accounting policies and other explanatory information to the consolidated financial statements as at and for the year ended March 31, 2025

(₹ in Lakhs)

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Life Insurance Business	5,165	4,064
Non - Life Insurance Business	5,292	3,270
Total	10,457	7,334

26 Other income

(₹ in Lakhs)

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Rent income	1	-
Miscellaneous income	127	17
Total	128	17

27 Finance costs

(₹ in Lakhs)

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Interest expenses on financial liabilities measured at amortised cost		
Interest on borrowings (other than debt securities)	87,584	75,481
Interest on deposits	6	22
Interest on non convertible debentures	26,953	20,572
Interest on subordinated liabilities	590	613
Interest on others	161	37
Interest on lease liabilities (refer note 35)	514	425
Finance charges	1,569	1,519
Total	1,17,377	98,669

28 Impairment on financial instruments

(₹ in Lakhs)

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
On financial instruments measured at amortised cost		
Impairment allowance on Loans	3,482	2,211
Recoveries from loans written off (Refer note below)	(995)	(1,773)
Bad-debts written off	3,220	3,685
Total	5,707	4,123

Note: Includes recoveries of ₹ 272 Lakh during the year ended March 31, 2025 (March 31, 2024 : includes recoveries of ₹ 627 Lakh) towards loans to developers. The net carrying value of loans to developers after impairment provision is Nil as at March 31, 2025 (Nil as at March 31, 2024). The Company has not made any fresh loan sanctions under loans to developers during the year ended March 31, 2025 (for the year ended March 31, 2024 : Nil).

Summary of material accounting policies and other explanatory information to the consolidated financial statements as at and for the year ended March 31, 2025

29 Employee benefits expense

(₹ in Lakhs)

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Salaries, bonus and other allowances	41,741	35,371
Contribution to provident fund and other funds (refer note 41)	3,018	2,756
Share based payments to employees (refer note 42)	1,102	203
Staff welfare expenses	588	2,018
Total	46,449	40,348

30 Other expenses

(₹ in Lakhs)

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Rent (refer note 35)	1,073	885
Travelling expenses	2,641	2,378
Printing and stationery	294	327
Advertisement and business promotion	3,272	2,060
Insurance	1,253	1,259
Legal and professional charges	1,900	1,629
Auditors remuneration (refer note below 30.2)	160	153
Postage, telephone and other communication expenses	806	667
General repairs and maintenance	3,884	3,276
Electricity charges	527	428
Directors sitting fees and commission (refer note 44)	181	149
Corporate social responsibility expenses (refer note below 30.1)	1,481	1,130
Goods and service tax	3,265	2,396
Loss on sale of fixed assets (net)	27	34
Other expenses	744	731
Total	21,508	17,502

30.1 Details of Corporate Social Responsibility

(₹ in Lakhs)

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
a) Amount required to be spent during the year	1,481	1,130
b) Amount spent during the year	1,741	899
c) Amount provided as at year end	601	861
d) Amount of shortfall at the end of the year	601	861
e) Total amount of previous period shortfall	861	630

f) Reason for shortfall : The unspent amount has been identified for projects expected to be completed in coming year.

g) Nature CSR activities :- Donation of ambulances & support equipment, early child care & education, skill development & livelihood enhancement, skilling for specially challenged, skilling for kids of destitute homes, computer lab set up for government schools, skilling of women, health camps, donation of oxygen concentrators, donation of ration kits.

Amount mentioned above were paid in cash during the respective financial year and were incurred for the purpose other than construction / purchase of assets.

Summary of material accounting policies and other explanatory information to the consolidated financial statements as at and for the year ended March 31, 2025

30.2 Details of auditors remuneration :

(₹ in Lakhs)

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Audit fee	120	109
Tax audit fee	15	22
Others	25	22
	160	153

31 Tax expenses

a) Income tax expenses

The major components of income tax expenses

i) Profit and loss section

(₹ in Lakhs)

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Current tax expenses	24,925	21,751
Deferred tax charge / (credit)	1,218	(756)
Total	26,143	20,995

ii) Other comprehensive income section

(₹ in Lakhs)

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Current tax expenses	-	-
Deferred tax	(128)	14
Total	(128)	14

b) Reconciliation of tax expenses

(₹ in Lakhs)

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
(A) Profit before income taxes (including other comprehensive income)	1,16,818	96,015
(B) Enacted tax rate in India (including surcharge and cess)	25.168%	25.168%
(C) Expected tax expenses	29,401	24,165
(D) Other than temporary difference		
Special reserve	3,743	3,345
Difference in Tax expense of earlier years	(13)	27
Expenses disallowed / (allowed)	(344)	(216)
(E) Tax expense recognised in profit and loss	26,143	20,995
(F) Tax expense recognised in other comprehensive income	(128)	14

Summary of material accounting policies and other explanatory information to the consolidated financial statements as at and for the year ended March 31, 2025

32. Earnings per equity share

The following is the computation of earnings per equity share on basic and diluted earnings per equity share:

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Net profit after tax attributable to equity shareholders (₹ in Lakhs)	91,183	74,964
Weighted average number of equity shares outstanding during the year (Nos)	42,53,93,412	39,47,54,970
Add: Effect of potential issue of shares / stock rights outstanding during the year*	1,19,71,790	1,38,45,940
Weighted average number of equity shares outstanding during the year including potential shares outstanding (Nos)	43,73,65,202	40,86,00,910
Face value per equity share (₹)	10	10
Basic earnings per equity share (₹)	21.43	18.99
Diluted earnings per equity share (₹)	20.85	18.35

* not considered when anti-dilutive

33. Contingent liabilities

Claims against the Company not acknowledged as debt:

Particulars	(₹ in Lakhs)	
	As at March 31, 2025	As at March 31, 2024
Income tax matters of earlier years	296	300
Indirect tax matters of earlier years	574	1,267
Total	870	1,567

The Group is also involved in other law suits, claims, investigations and proceedings, including collection and repossession related matters, which arise in the ordinary course of business. However, there are no significant claims on such cases. Future cash outflows in respect of the above, if any, is determinable only on receipt of judgement / decisions pending with the relevant authorities.

Part of the aforementioned contingent liabilities towards income tax and indirect tax have been paid under protest.

34. Commitments

- Estimated amount of contracts remaining to be executed on capital account including intangible asset (net of advances) and not provided for as at March 31, 2025 ₹ 735 Lakh (March 31, 2024 ₹ 394 Lakh).
- Undisbursed amount of loans sanctioned and partly disbursed as at March 31, 2025 is ₹ 1,90,015 Lakh (March 31, 2024 ₹ 94,882 Lakh).
- Undisbursed amount of loans sanctioned but not disbursed as at March 31, 2025 is ₹ 1,45,442 Lakh (March 31, 2024 ₹ 1,06,702 Lakh).

35. Lease

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

Particulars	(₹ in Lakhs)		
	Building	Intangible Asset	Total
Balance as of April 1, 2024	4,474	382	4,856
Addition during the year	2,340	-	2,340
Deletion during the year	-	-	-
Depreciation charge for the year	(1,262)	(153)	(1,415)
Balance as of March 31, 2025	5,552	229	5,781

Summary of material accounting policies and other explanatory information to the consolidated financial statements as at and for the year ended March 31, 2025

(₹ in Lakhs)

Particulars	Building	Intangible Asset	Total
Balance as of April 1, 2023	3,294	534	3,828
Addition during the year	2,221	-	2,221
Deletion during the year	-	-	-
Depreciation charge for the year	(1,041)	(152)	(1,193)
Balance as of March 31, 2024	4,474	382	4,856

The following is the movement in lease liabilities:

Particulars	Building	Intangible Asset	Total
Balance as of April 1, 2024	5,109	-	5,109
Addition during the year	2,340	-	2,340
Finance cost accrued during the year	514	-	514
Deletion during the year	-	-	-
Payment made during the year	(1,637)	-	(1,637)
Balance as of March 31, 2025	6,326	-	6,326

Balance as of April 1, 2023	3,795	-	3,795
Addition during the year	2,221	-	2,221
Finance cost accrued during the year	424	-	424
Deletion during the year	-	-	-
Payment made during the year	(1,331)	-	(1,331)
Balance as of March 31, 2024	5,109	-	5,109

The table below provides details regarding the contractual maturities of lease liabilities as at March 31, 2025 on an undiscounted basis:

Particulars	₹ in Lakhs
Less than one year	1,661
One to five years	4,701
More than five years	1,862
Total	8,224

The table below provides details regarding the contractual maturities of lease liabilities as at March 31, 2024 on an undiscounted basis:

Particulars	₹ in Lakhs
Less than one year	1,474
One to five years	3,645
More than five years	1,589
Total	6,708

Rental expense recorded for short-term leases was ₹ 1,073 Lakh for the year ended March 31, 2025 (March 31, 2024 ₹ 885 Lakh).

The aggregate depreciation on Right to use assets has been included under depreciation and amortisation expense in the Statement of Profit and Loss.

Summary of material accounting policies and other explanatory information to the consolidated financial statements as at and for the year ended March 31, 2025

36. Financial instruments

(i) Fair value hierarchy

The Group uses the following hierarchy to determine the fair values of its financial instruments that are (a) recognised and measured at fair value and (b) measured at amortised cost and for which fair values are disclosed in the financial statements:

Level 1: Level 1 hierarchy includes financial instruments measured using quoted prices. This includes listed equity instruments and mutual funds that have quoted price. The fair value of all equity instruments which are traded in the stock exchanges is valued using the closing price as at the reporting period. The mutual funds are valued using the closing NAV.

Level 2: The fair value of financial instruments that are not traded in an active market (for example, traded bonds, over-the-counter derivatives) is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. This is the case for unlisted equity securities, contingent consideration and indemnification asset included in level 3.

There were no transfers between levels 1, 2 and 3 during the year.

The Group recognises transfers in and transfers out of fair value hierarchy levels as at the end of the reporting period.

(ii) Valuation process

The management of the Group performs the valuations of financial assets and liabilities required for financial reporting purposes.

The carrying amounts of trade receivables, trade payables, capital creditors and cash and cash equivalents are considered to be the same as their fair values, due to their short-term nature.

The fair values for loans are calculated based on cash flows discounted using a current lending rate. They are classified as level 3 fair values in the fair value hierarchy due to the inclusion of unobservable inputs including counterparty credit risk.

The fair values of borrowings are based on discounted cash flows using a current borrowing rate. They are classified as level 3 fair values in the fair value hierarchy due to the use of unobservable inputs, including own credit risk.

For financial assets and liabilities that are measured at fair value, the carrying amounts are equal to the fair values.

Valuation processes and Technique

Type of Instrument	Reference Price
Investment in Mutual Funds	NAV as on the reporting date.
Investment in Equity Shares	Quoted price on exchange as on the reporting date.

As at March 31, 2025

(₹ in Lakhs)

Particulars	Fair Value Hierarchy	Fair Value			Carrying Value		
		FVTPL	FVTOCI	Amortised cost	FVTPL	FVTOCI	Amortised cost
Financial assets							
Investments							
- Mutual funds	Level 1	434			434		
Government securities	Level 2	-	-	50,911	-	-	49,719
9.80% NCD Jaipur Vidyut Vitran Nigam Ltd Face Value of ₹ 60,000/- each	Level 1	-	-	1,221	-	-	1,165
Financial liabilities							
Derivative financial instruments	Level 2	-	1,467	-	-	1,467	-
Debt securities	Level 1	-	-	2,238	-	-	2,102
Debt securities	Level 3	-	-	3,37,867	-	-	3,36,780

Summary of material accounting policies and other explanatory information to the consolidated financial statements as at and for the year ended March 31, 2025

As at March 31, 2024

(₹ in Lakhs)

Particulars	Fair Value Hierarchy	Fair Value			Carrying Value		
		FVTPL	FVTOCI	Amortised cost	FVTPL	FVTOCI	Amortised cost
Financial assets							
Investments							
- Mutual funds	Level 1	414	-	-	414	-	-
- Government securities	Level 2	-	-	44,183	-	-	44,428
9.80% NCD Jaipur Vidyut Vitran Nigam Ltd Face Value of ₹ 70,000/- each	Level 1	-	-	1,424	-	-	1,355
Financial liabilities							
Debt securities	Level 1	-	-	2,195	-	-	2,097
Debt securities	Level 3	-	-	2,72,857	-	-	2,71,786

The Group considers that the carrying amounts recognised in the financial statements for housing and other loans, debt securities (other than disclosed above), deposits, subordinated liabilities, borrowings (other than debt securities), trade receivables, payables and other financial assets and liabilities whose fair value is not disclosed approximate their fair values. The Company is carrying the investment in subsidiary at Cost.

37. Maturity analysis of assets and liabilities

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

(₹ in Lakhs)

Particulars	March 31, 2025			March 31, 2024		
	Within 12 months	After 12 months	Total	Within 12 months	After 12 months	Total
ASSETS						
Cash and cash equivalents	87,837	-	87,837	35,626	-	35,626
Other bank balances	72,238	12,263	84,501	71,419	20,298	91,717
Receivables	2,528	-	2,528	1,953	-	1,953
Housing and other loans	3,35,835	17,12,575	20,48,410	2,72,442	14,17,852	16,90,294
Investments	633	50,685	51,318	614	45,583	46,197
Other financial assets	16,037	18,712	34,749	12,545	14,015	26,560
Non-financial assets						
Current tax assets (Net)	1,244	-	1,244	1,102	-	1,102
Property, plant and equipment	-	3,151	3,151	-	2,999	2,999
Right of use assets	-	5,781	5,781	-	4,856	4,856
Other intangible assets	-	255	255	-	127	127
Deferred tax assets (Net)	-	42	42	-	39	39
Other non-financial assets	2,519	61	2,580	7,824	12	7,836
Total Assets	5,18,871	18,03,525	23,22,396	4,03,525	15,05,781	19,09,306
LIABILITIES						
Financial Liabilities						
Derivative financial instruments	-	1,467	1,467	-	-	-
Trade Payables	12,593	-	12,593	10,864	-	10,864
Debt Securities	37,195	3,01,687	3,38,882	40,100	2,33,783	2,73,883
Borrowings (Other than debt securities)	1,77,014	11,10,315	12,87,329	1,48,084	9,67,918	11,16,002

Summary of material accounting policies and other explanatory information to the consolidated financial statements as at and for the year ended March 31, 2025

(₹ in Lakhs)

Particulars	March 31, 2025			March 31, 2024		
	Within 12 months	After 12 months	Total	Within 12 months	After 12 months	Total
Deposits	10	44	54	67	51	118
Subordinated liabilities	-	5,977	5,977	-	5,959	5,959
Other financial liabilities	27,755	5,175	32,930	48,355	4,080	52,435
Non-Financial Liabilities						
Provisions	1,672	1,485	3,157	2,356	-	2,356
Deferred tax liabilities (Net)	-	213	213	-	215	215
Other non-financial liabilities	2,565	-	2,565	2,499	-	2,499
Total liabilities	2,58,804	14,26,363	16,85,167	2,52,325	12,12,006	14,64,331
Net	2,60,067	3,77,162	6,37,229	1,51,200	2,93,775	4,44,975

Note: The maturity analysis is prepared considering the prepayments on housing and other loans in line with historical trend. Classification of assets and liabilities under the different maturity buckets is based on the same estimates and assumptions as used by the Parent Company for compiling the return submitted to the RBI/NHB, which has been relied upon by the auditors.

38. Financial risk management

a. Liquidity Risk

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

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

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

Maturity analysis of financial assets and financial liabilities

As at March 31, 2025

(₹ in Lakhs)

Particulars	Carrying Value	Due within 1 year	Due within 1 to 3 years	Due within 3 to 5 years	More than 5 years
Financial Assets					
Cash and cash equivalents	87,837	87,837	-	-	-
Other bank balances	84,501	72,238	10,583	1,680	-
Housing and other loans	20,48,410	3,35,835	5,45,160	4,62,005	7,05,410
Investments	51,318	633	400	400	49,885
Receivables & Other financial assets	37,277	18,565	13,701	2,996	2,015
Total	23,09,343	5,15,108	5,69,844	4,67,081	7,57,310

Summary of material accounting policies and other explanatory information to the consolidated financial statements as at and for the year ended March 31, 2025

(₹ in Lakhs)

Particulars	Carrying Value	Due within 1 year	Due within 1 to 3 years	Due within 3 to 5 years	More than 5 years
Financial Liabilities					
Derivative financial instruments	1,467	-	643	824	-
Trade payables	12,593	12,593	-	-	-
Debt securities	3,38,882	37,195	2,14,580	68,789	18,318
Borrowings (other than debt securities)	12,87,329	1,77,014	4,99,576	3,57,199	2,53,540
Deposits	54	10	34	10	-
Subordinated liabilities	5,977	-	5,977	-	-
Other financial liabilities	32,930	27,755	1,857	1,668	1,650
Total	16,79,232	2,54,567	7,22,667	4,28,490	2,73,508
Net	6,30,111	2,60,541	(1,52,823)	38,591	4,83,802
Cumulative Net		2,60,541	1,07,718	1,46,309	6,30,111

As at March 31, 2024

(₹ in Lakhs)

Particulars	Carrying Value	Due within 1 year	Due within 1 to 3 years	Due within 3 to 5 years	More than 5 years
Financial Assets					
Cash and cash equivalents	35,626	35,626	-	-	-
Other bank balances	91,717	71,419	20,008	-	290
Housing and other loans	16,90,294	2,72,442	4,46,087	3,86,288	5,85,477
Investments	46,197	614	400	400	44,783
Receivables & Other financial assets	28,513	12,545	10,604	3,242	2,122
Total	18,92,347	3,92,646	4,77,099	3,89,930	6,32,672
Financial Liabilities					
Trade payables	10,864	10,864	-	-	-
Debt securities	2,73,883	40,100	1,44,626	81,324	7,833
Borrowings (other than debt securities)	11,16,002	1,48,084	4,03,293	3,07,901	2,56,724
Deposits	118	67	42	9	-
Subordinated liabilities	5,959	-	5,959	-	-
Other financial liabilities	52,435	48,355	1,569	1,131	1,380
Total	14,59,261	2,47,470	5,55,489	3,90,365	2,65,937
Net	4,33,086	1,45,176	(78,390)	(435)	3,66,735
Cumulative Net		1,45,176	66,786	66,351	4,33,086

Note: The maturity analysis is prepared considering the prepayments on housing and other loans in line with historical trend.

Classification of assets and liabilities under the different maturity buckets is based on the same estimates and assumptions as used by the Parent Company for compiling the return submitted to the NHB, which has been relied upon by the auditors.

b. Interest Risk

The core business of the Group is providing housing and other mortgage loans. The Group borrows through various financial instruments to finance its core lending activity. These activities expose the Group to interest rate risk.

Interest rate risk is measured through earnings at risk from an earnings perspective and through duration of equity from an economic value perspective. Further, exposure to fluctuations in interest rates is also measured by way of gap analysis, providing a static view of the maturity and re-pricing characteristic of Balance sheet positions. An interest rate sensitivity gap report is prepared by classifying all rate sensitive assets and rate sensitive liabilities into various time period categories according to contracted/behavioural maturities or anticipated re-pricing date. The difference in the amount of rate sensitive assets and rate sensitive liabilities maturing or being re-priced in any time period category, gives an indication of the extent of exposure to the risk of potential changes in the margins on new or re-priced assets and liabilities. The interest rate risk is monitored through above measures on a quarterly basis.

Summary of material accounting policies and other explanatory information to the consolidated financial statements as at and for the year ended March 31, 2025

The Group has USD denominated liability (External commercial borrowings) at floating rate of interest causing volatility in the cash flow arising on principal and interest repayment. Management aims to hedge the volatility with appropriate derivative instruments. Accordingly, the Group entered into foreign currency forwards and cross currency interest rate swaps with tenor and maturity matching with the underlying cashflow.

Interest Rate Sensitivity

The following table demonstrates the net sensitivity to a reasonably possible change in interest rate (all other variables being constant) of the Group's statement of profit and loss (before taxes) and equity

(₹ in Lakhs)			
Particulars	Basis Points	For the year ended March 31, 2025	For the year ended March 31, 2024
Increase by basis points	+50	1,608	1,449
Decrease by basis points	-50	(1,608)	(1,449)

c. Price risk

The Group's exposure to price risk is not material and it is primarily on account of investment of temporary treasury surplus in the highly liquid debt funds for very short durations. The Group has a board approved policy of investing its surplus funds in highly rated debt mutual funds and other instruments having insignificant price risk, not being equity funds/ risk bearing instruments.

d. Market risk

Market risk arises from fluctuation in the fair value of future cash flow of financial instruments due to changes in the market variables such as interest rates, foreign exchange rates and equity prices. Market risk for the Group encompasses exposures to equity investments, changes in exchange rates, interest rate risks on investment portfolios as well as the floating rate assets and liabilities with differing maturity profiles. Generally the borrowing are denominated in currencies that match the cash flows generated by the underlying operations of the Group – primarily (INR). In case where borrowings are denominated in foreign currency, the Group uses derivative to manage the risk. All such transactions are carried out within guidelines set out Asset & liability committee (ALCO). The Group has applied hedge accounting to manage volatility in profit and loss.

e. Currency risk

The Group is exposed to foreign currency fluctuation risk for its external commercial borrowing (ECB). The Group has hedged the entire ECB exposure for the full tenure as per Board approved Foreign Exchange Risk Management policy. The Group has entered into foreign currency forwards and cross currency interest rate swaps with strategy which aims to hedge a defined portion of the exposure to USD-INR exchange rate volatility on borrowings and interest repayable in USD. The Group evaluates the foreign currency exchange rates, tenure of ECB and its fully hedged costs for raising ECB. The Group manages its currency risks by entering into over the counter (OTC) derivatives contracts as hedge positions and the same are being governed through the Board approved Foreign Exchange Risk Management Policy.

The Group's exposure of foreign currency risk at the end of the reporting period expressed in ₹ are as follows :

(₹ in Lakhs)		
Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
	USD	USD
Hedged		
ECB	(47,781)	-
Derivative Financial Instrument*	47,781	-
Unhedged	-	-

*Represents the notional value of the derivative financial instrument

Hedging policy

The Group's hedging policy only allows for the effective hedging relationships to be considered as hedges as per the relevant Ind AS. Hedge effectiveness is determined at the inception of the hedge relationship and through the periodic prospective effectiveness assessments to ensure that the economic relationship exists between the hedged item and hedging instrument. The Group enters into hedge relationships where the critical terms of the hedging instrument match with the terms of hedged item and so a qualitative and quantitative assessment of effectiveness is performed.

Summary of material accounting policies and other explanatory information to the consolidated financial statements as at and for the year ended March 31, 2025

Impact of hedge on the Balance Sheet :

As at March 31, 2025

(₹ in Lakhs)

Particulars	Notional Amount	Carrying amount of hedge instrument asset	Carrying amount of hedge instrument liability	Amount recognised in Profit and Loss – ineffective portion	Amount recognised in OCI for effective portion	Amount outstanding in Cash Flow Hedge Reserve (before tax)
INR-USD Cross currency swaps	47,781	-	1,133	-	196	196
INR-USD Cross currency Interest rate swaps	-	-	334	-	334	334

For maturity, refer note no. 38

As at March 31, 2024

Nil

Movements in Cash flow hedge reserve are as follows:-

(₹ in Lakhs)

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Opening Balance	-	-
Effective portion of change in fair value		
-Foreign Currency Forward	1,133	-
-Cross Currency Interest Rate Swaps	334	-
Foreign currency translation differences	(937)	-
Tax on movements	(133)	-
Closing Balance	397	-

Hedge Ratio:

There is an economic relationship between the hedged item and the hedging instrument as the terms of the foreign currency forward contracts and cross currency interest rate swaps contracts match that of the foreign currency borrowings. The Group has established a hedge ratio of 1:1 for the hedging relationships as the underlying risk of the foreign currency forward and cross currency interest rate swaps are identical to the hedged risk components. The Group has entered into 100% cash flow contracts towards principal and interest denominated in USD into fixed amount of INR. Accordingly, hedge relationship is effective. The hedge ineffectiveness can arise mainly if there is a change in the credit risk of the Company or the counterparty.

f. 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 the Credit Policy approved by the Board of Directors. The Credit Policy 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 and at the group exposure level for corporate borrowers. The credit risk for retail borrowers is being managed at portfolio level for both Home loans and other property loans. The Group has a structured and standardised credit approval process, which includes a well-established procedure of comprehensive credit appraisal. The Risk Management Policy addresses the recognition, measurement, monitoring and reporting of the Credit risk.

Credit Risk Assessment Methodology

Group's customers for retail loans are primarily lower and middle income, salaried and self-employed individuals. The loans are secured by the mortgage of the borrowers' property.

The Group's credit officers evaluate credit proposals on the basis of operating policies approved by the Board of Directors. The criteria typically include factors such as the borrower's income, the loan-to-value ratio and demographic parameters. Any deviations need to be approved at the designated levels.

Summary of material accounting policies and other explanatory information to the consolidated financial statements as at and for the year ended March 31, 2025

External agencies such as field investigation agencies facilitate a comprehensive due diligence process including visits to offices and homes in the case of loans made to retail borrowers.

Group monitor's borrower account behaviour as well as static data regularly to monitor the portfolio performance of each product segment regularly, and use these as inputs in revising its product programs, target market definitions and credit assessment criteria to meet the twin objectives of combining volume growth and maintenance of asset quality.

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

Category	Description	Basis for recognising expected credit losses (ECL)
Stage 1	High quality assets	12-month ECL
Stage 2	Assets for which there is significant increase in credit risk	Lifetime ECL
Stage 3	Credit-impaired assets	Lifetime ECL – credit-impaired

The key elements in calculation of ECL are as follows:

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

EAD - The Exposure at Default includes repayments scheduled by contract or otherwise, expected drawdowns on committed facilities, accrued interest from missed payments and loan commitments.

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

The customers who have availed the benefit of one-time restructuring have been disclosed in stage 2 assets.

An analysis of changes in the gross carrying amount (excluding adjustment to carrying value on account of application of effective interest rate) and the corresponding ECL allowances in relation to lending is, as follows:

a) Housing and Other Loans

The table below shows the credit quality and the exposure to credit risk based on the year-end stage classification. The amounts presented are gross of impairment allowances.

As at March 31, 2025

(₹ in Lakhs)

Particulars	Asset category	Gross Carrying Amount	Expected Credit Loss (refer note 1 and 2 below)	Net Carrying Amount
Stage 1 – High quality assets	Loan	19,67,739	5,943	19,61,796
Stage 2 – Assets for which there is significant increase in credit risk	Loan	82,690	10,681	72,009
Stage 3 - Credit-impaired assets	Loan	22,284	7,679	14,605

- Above includes Expected Credit Loss provision on Loan commitment amount to ₹ 410 Lakh (Stage1- included in ₹ 5,943 Lakh).
- Stage 3 assets includes loan assets more than 90 DPD and less than equal to 90 DPD, the breakup is as under:-

(₹ in Lakhs)

Particulars	Asset category	Gross Carrying Amount	Expected Credit Loss	Net Carrying Amount
Stage 3a – Assets Less than equal to 90 DPD	Loan	156	36	120
Stage 3b – Assets more than 90 DPD	Loan	22,128	7,643	14,485
Total Stage 3 - Credit-impaired assets	Loan	22,284	7,679	14,605

Summary of material accounting policies and other explanatory information to the consolidated financial statements as at and for the year ended March 31, 2025

As at March 31, 2024

(₹ in Lakhs)

Particulars	Asset category	Gross Carrying Amount	Expected Credit Loss (refer note 1 and 2 below)	Net Carrying Amount
Stage 1 – High quality assets	Loan	16,30,537	5,384	16,25,153
Stage 2 – Assets for which there is significant increase in credit risk	Loan	61,888	7,724	54,164
Stage 3 - Credit-impaired assets	Loan	18,690	7,713	10,977

- Above includes Expected Credit Loss provision on Loan commitment amount to ₹ 195 Lakh (Stage1- included in ₹ 5,384 Lakh).
- Stage 3 assets includes loan assets more than 90 DPD and less than equal to 90 DPD, the breakup is as under :-

(₹ in Lakhs)

Particulars	Asset category	Gross Carrying Amount	Expected Credit Loss	Net Carrying Amount
Stage 3a – Assets Less than equal to 90 DPD	Loan	167	51	116
Stage 3b – Assets more than 90 DPD	Loan	18,523	7,662	10,861
Total Stage 3 - Credit-impaired assets	Loan	18,690	7,713	10,977

Reconciliation of Loan balances is given below:

(₹ in Lakhs)

Particulars	March 31, 2025			
	Stage 1	Stage 2	Stage 3	Total
Gross carrying amount opening balance	16,30,537	61,888	18,690	17,11,115
New assets added during the year	8,19,213	-	-	8,19,213
Assets derecognised under direct assignment and Co-lending	(1,72,526)	-	-	(1,72,526)
Repayment of Loans (excluding write offs)	(2,68,032)	(8,966)	(5,592)	(2,82,590)
Transfers to / from Stage 1	9,581	(8,818)	(763)	-
Transfers to / from Stage 2	(43,362)	44,142	(780)	-
Transfers to / from Stage 3	(7,623)	(5,180)	12,803	-
Amounts written off (refer note)	(49)	(376)	(2,074)	(2,499)
Gross carrying amount closing balance	19,67,739	82,690	22,284	20,72,713

Note: Net of recoveries of ₹ 721 Lakhs.

No. of loan accounts with principal and / or interest overdue (incl. loans classified as SICR and credit impaired) as at March 31, 2025 is 6,466 (Stage 1), 12,192 (Stage 2) and 3,754 (Stage 3).

(₹ in Lakhs)

Particulars	March 31, 2024			
	Stage 1	Stage 2	Stage 3	Total
Gross carrying amount opening balance	13,29,439	58,057	16,259	14,03,755
New assets added during the year	7,07,247	-	-	7,07,247
Assets derecognised under direct assignment	(1,63,063)	-	-	(1,63,063)
Repayment of Loans (excluding write offs)	(2,22,182)	(9,683)	(2,420)	(2,34,285)
Transfers to / from Stage 1	8,549	(7,595)	(954)	-
Transfers to / from Stage 2	(24,446)	25,774	(1,328)	-
Transfers to / from Stage 3	(4,500)	(4,601)	9,101	-
Amounts written off (refer note)	(507)	(64)	(1,968)	(2,539)
Gross carrying amount closing balance	16,30,537	61,888	18,690	17,11,115

Note: Net of recoveries of ₹ 1,146 Lakhs

Summary of material accounting policies and other explanatory information to the consolidated financial statements as at and for the year ended March 31, 2025

Reconciliation of ECL balance is given below:

(₹ in Lakhs)

Particulars	March 31, 2025			
	Stage 1	Stage 2	Stage 3	Total
Gross carrying amount opening balance	5,384	7,724	7,713	20,821
New assets added during the year	2,458	-	-	2,458
Assets derecognised under direct assignment	(518)	-	-	(518)
Repayment of Loans (excluding write offs)	(885)	(1,119)	(2,308)	(4,312)
Transfers to / from Stage 1	29	(26)	(3)	-
Transfers to / from Stage 2	(5,602)	5,703	(101)	-
Transfers to / from Stage 3	(2,627)	(1,785)	4,412	-
Impact on year end ECL of exposures transferred between stages during the year	7,753	560	40	8,353
Amounts written off (refer note 1)	(49)	(376)	(2,074)	(2,499)
Gross carrying amount closing balance	5,943	10,681	7,679	24,303

Note:

1. Net of recoveries of ₹ 721 Lakhs.
2. Above includes Expected Credit Loss provision on Loan commitment amounting to ₹ 410 Lakh.

(₹ in Lakhs)

Particulars	March 31, 2024			
	Stage 1	Stage 2	Stage 3	Total
Gross carrying amount opening balance	5,294	7,748	5,568	18,610
New assets added during the year	2,334	-	-	2,334
Assets derecognised under direct assignment	(538)	-	-	(538)
Repayment of Loans (excluding write offs)	(889)	(1,293)	(829)	(3,011)
Transfers to / from Stage 1	28	(25)	(3)	-
Transfers to / from Stage 2	(3,051)	3,217	(166)	-
Transfers to / from Stage 3	(1,857)	(1,899)	3,756	-
Impact on year end ECL of exposures transferred between stages during the year	4,570	40	1,355	5,965
Amounts written off (refer note 1)	(507)	(64)	(1,968)	(2,539)
Gross carrying amount closing balance	5,384	7,724	7,713	20,821

Note:

1. Net of recoveries of ₹ 1,146 Lakhs.
2. Above includes Expected Credit Loss provision on Loan commitment amounting to ₹ 195 Lakh.

b) Loans to Developers

The table below shows the credit quality and the exposure to credit risk based on the year-end stage classification. The amounts presented are gross of impairment allowances.

As at March 31, 2025

(₹ in Lakhs)

Particulars	Asset category	Gross Carrying Amount	Expected Credit Loss	Net Carrying Amount
Stage 1 – High quality assets	Loan	-	-	-
Stage 2 – Assets for which there is significant increase in credit risk	Loan	-	-	-
Stage 3 - Credit-impaired assets	Loan	-	-	-

Summary of material accounting policies and other explanatory information to the consolidated financial statements as at and for the year ended March 31, 2025

As at March 31, 2024

(₹ in Lakhs)

Particulars	Asset category	Gross Carrying Amount	Expected Credit Loss	Net Carrying Amount
Stage 1 – High quality assets	Loan	-	-	-
Stage 2 – Assets for which there is significant increase in credit risk	Loan	-	-	-
Stage 3 - Credit-impaired assets	Loan	-	-	-

Reconciliation of Loan balances is given below:

(₹ in Lakhs)

Particulars	March 31, 2025			
	Stage 1	Stage 2	Stage 3	Total
Gross carrying amount opening balance	-	-	-	-
New assets added during the year	-	-	-	-
Repayment of Loans (excluding write offs)	-	-	(272)	(272)
Transfers to / from Stage 1	-	-	-	-
Transfers to / from Stage 2	-	-	-	-
Transfers to / from Stage 3	-	-	-	-
Amounts (written off) / recovery from write offs	-	-	272	272
Gross carrying amount closing balance	-	-	-	-

(₹ in Lakhs)

Particulars	March 31, 2024			
	Stage 1	Stage 2	Stage 3	Total
Gross carrying amount opening balance	-	-	-	-
New assets added during the year	-	-	-	-
Repayment of Loans (excluding write offs)	-	-	(627)	(627)
Transfers to / from Stage 1	-	-	-	-
Transfers to / from Stage 2	-	-	-	-
Transfers to / from Stage 3	-	-	-	-
Amounts written off	-	-	627	627
Gross carrying amount closing balance	-	-	-	-

Reconciliation of ECL balance is given below:

(₹ in Lakhs)

Particulars	March 31, 2025			
	Stage 1	Stage 2	Stage 3	Total
Gross carrying amount opening balance	-	-	-	-
New assets added during the year	-	-	-	-
Repayment of Loans (excluding write offs)	-	-	(272)	(272)
Transfers to / from Stage 1	-	-	-	-
Transfers to / from Stage 2	-	-	-	-
Transfers to / from Stage 3	-	-	-	-
Impact on year end ECL of exposures transferred between stages during the year	-	-	272	272
Amounts (written off) / recovery from write offs	-	-	-	-
Gross carrying amount closing balance	-	-	-	-

Note: Above includes Expected Credit Loss provision on Loan commitment amounting to Nil Lakh.

Summary of material accounting policies and other explanatory information to the consolidated financial statements as at and for the year ended March 31, 2025

(₹ in Lakhs)

Particulars	March 31, 2024			
	Stage 1	Stage 2	Stage 3	Total
Gross carrying amount opening balance	-	-	-	-
New assets added during the year	-	-	-	-
Repayment of Loans (excluding write offs)	-	-	(627)	(627)
Transfers to / from Stage 1	-	-	-	-
Transfers to / from Stage 2	-	-	-	-
Transfers to / from Stage 3	-	-	-	-
Impact on year end ECL of exposures transferred between stages during the year	-	-	627	627
Amounts written off	-	-	-	-
Gross carrying amount closing balance	-	-	-	-

Note: Above includes Expected Credit Loss provision on Loan commitment amounting to Nil Lakh.

- c) Group monitors Gross NPAs on Assets under Group's management ("AUM") and Own Book at retail and overall basis.

(₹ in Lakhs)

Particulars	As at March 31, 2025	As at March 31, 2024
AUM	25,53,068	21,12,086
GNPA on AUM*	26,715	22,765
GNPA on AUM (%)*	1.05%	1.08%
Retail AUM	25,53,068	21,12,086
GNPA on Retail AUM*	26,715	22,765
GNPA on Retail AUM (%)*	1.05%	1.08%
Own Book	20,57,694	16,98,040
GNPA on Own Book**	22,284	18,690
GNPA on Own Book (%)**	1.08%	1.10%
Retail Own Book	20,57,694	16,98,040
GNPA on Retail Own Book**	22,284	18,690
GNPA on Retail Own Book (%)**	1.08%	1.10%

Note: The amount mentioned above of 'Own Book' excludes EIR, Interest accrued.

*Includes loan assets of ₹ 172 Lakhs (0.01%) not more than 90 DPD which have been classified as NPA as per the RBI circular dated November 12, 2021. [March 31, 2024: ₹ 191 Lakhs (0.01%)].

**Includes loan assets of ₹ 156 Lakhs (0.01%) not more than 90 DPD which have been classified as NPA as per the RBI circular dated November 12, 2021. [March 31, 2024: ₹ 167 Lakhs (0.01%)].

39. Capital Management

The Group's objectives when managing capital are to

- safeguard their ability to continue as a going concern, so that they can continue to provide returns for shareholders and benefits for other stakeholders, and
- Maintain an optimal capital structure to reduce the cost of capital.

In order to maintain or adjust the capital structure, the Group may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt. The Group monitors capital on the basis of the following gearing ratio: Net debt (total borrowings net of cash and cash equivalents and Liquid investments) divided by Total 'equity' (as shown in the balance sheet) and Capital adequacy ratio.

Summary of material accounting policies and other explanatory information to the consolidated financial statements as at and for the year ended March 31, 2025

(₹ in Lakhs)

Particulars	As at March 31, 2025	As at March 31, 2024
Total Borrowings (₹ in Lakhs)	16,44,340	14,05,986
Total Net Borrowings (₹ in Lakhs)	14,72,987	13,01,174
Total Equity (₹ in Lakhs)	6,37,229	4,44,975
Gross Debt Equity Ratio	2.58	3.16
Net Debt Equity Ratio	2.31	2.92

Total net borrowing = Total borrowings + Accrued Interest + Book overdraft – Cash and bank balances – Investment in Liquid Mutual fund – Receivable from Mutual Fund

The Parent Company is required to maintain the CRAR of 15% as required by RBI and NHB. Further Parent Company is required to maintain borrowing not exceeding 12 times of Net Owned Fund.

Below are the details of CRAR and other ratios maintained by the Parent Company.

Particulars	As at March 31, 2025	As at March 31, 2024
Risk weighted Assets (₹ in Lakhs)	13,13,885	10,77,936
Net owned funds (Tier I Capital) (₹ in Lakhs)	5,78,983	4,06,760
Tier II Capital (₹ in Lakhs)	7,143	7,784
CRAR	44.61%	38.46%
Variance in CRAR	6.15%	(4.27%)
CRAR-Tier I Capital	44.07%	37.74%
Variance in CRAR-Tier I Capital	6.33%	(3.92%)
CRAR- Tier II Capital	0.54%	0.72%
Variance in CRAR-Tier II Capital	(0.18%)	(0.35%)
Amount of subordinated debt raised as Tier-II Capital (₹ in Lakhs)	1,200	2,400
Amount raised by issue of perpetual debt instruments	Nil	Nil
Liquidity Coverage Ratio as on reporting date*	308.26%	122.82%
Variance in Liquidity Coverage Ratio	185.44%	(43.60%)

Reason for Variance in LCR: LCR is increased in the current year due to lower net cash outflow required in next 30 calendar days.

1. CRAR (Capital Risk Adjusted Ratio) = [Net owned fund and Tier II Capital / Risk Weighted Assets]
2. CRAR (Capital Risk Adjusted Ratio) -Tier I Capital = [Net owned fund / Risk Weighted Assets]
3. CRAR (Capital Risk Adjusted Ratio) -Tier II Capital = [Tier II Capital / Risk Weighted Assets]
4. Liquidity Coverage Ratio = [Stock of High Quality Liquid Assets / Total net cash outflow required in next 30 calendar days]

Liquidity Coverage Ratio requirement applicable from December 1, 2021 to the Parent Company as per Master Direction – Non-Banking Financial Company – Housing Finance Company (Reserve Bank) Directions, 2021 circular no RBI/2020-21/73 DOR.FIN.HFC. CC.No.120/03.10.136/2020-21 dated February 17, 2021.

40. Segment reporting

The Group operates only in one Operating Segment i.e Housing Finance business - Financial Services and all other activities are incidental to the main business activity, hence have only one reportable Segment as per Indian Accounting Standard 108 "Operating Segments". The reportable business segments are in line with the segment wise information which is being presented to the CODM. The Group has identified Managing Director and CEO as CODM.

The Group has its operations within India and all revenue is generated within India.

Summary of material accounting policies and other explanatory information to the consolidated financial statements as at and for the year ended March 31, 2025

41. Employee benefits

41.1 Defined contribution plan

The Group makes contributions to provident fund for qualifying employees to Regional Provident Fund Commissioner under defined contribution plan under the Provident Fund Act.

Amount recognised as an expense and included under the head "Contribution to Provident and Other Funds" of Statement of Profit and Loss are as follows:

(₹ in Lakhs)

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Contribution to provident fund	834	707
Contribution to pension fund	809	765
Contribution to new pension scheme	77	54
Contribution to ESIC	109	121

41.2 Defined obligation benefit

The Group provides gratuity to its employees which are defined benefit plan. The present value of obligation is determined based on actuarial valuation using the Projected Unit Credit Method, which recognises each period of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation.

The gratuity plan typically exposes the Group to actuarial risks such as: investment risk, interest risk, longevity risk and salary risk.

Investment risk:

The present value of the defined benefit plan liability is calculated using a discount rate which is determined by reference to market yields at the end of the reporting period on government bonds. For other defined benefit plans, the discount rate is determined by reference to market yield at the end of reporting period on high quality corporate bonds when there is a deep market for such bonds; if the return on plan asset is below this rate, it will create a plan deficit.

Interest risk:

A decrease in the bond interest rate will increase the plan liability; however, this will be partially offset by an increase in the return on the plan debt investments.

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 plan liability is calculated by reference to the future salaries of plan participants. As such, an increase in the salary of the plan participants will increase the plan's liability.

The following table sets out the funded status of the Gratuity and the amount recognised in the Financial Statements:

i. Changes in Defined Benefit Obligation

(₹ in Lakhs)

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Liability at the beginning of the year	2,029	1,589
Current service cost	601	502
Interest cost	139	110
Plan Amendment Cost	-	-
Actuarial (gain) / loss – experience	(135)	(71)
Actuarial (gain) / loss - demographic assumptions	-	(17)
Actuarial (gain) / loss - financial assumptions	123	36
Benefits paid	(75)	(120)
Liability at the end of the year	2,682	2,029

Summary of material accounting policies and other explanatory information to the consolidated financial statements as at and for the year ended March 31, 2025

ii. Changes in Fair Value of Plan Assets

(₹ in Lakhs)

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Plan Assets at the beginning of the year	774	718
Expected return on plan assets	54	52
Actuarial Gain/(Loss)	10	4
Employer Contribution	-	-
Plan Assets at the end of the year	838	774

iii. Reconciliation of Fair Value of Assets and Obligations

(₹ in Lakhs)

Particulars	As at March 31, 2025	As at March 31, 2024
Fair value of Plan Assets	838	774
Present Value of Obligation	2,682	2,029
Amount Recognised in Balance Sheet	(1,844)	(1,255)

iv. Expenses recognised in Statement of Profit and Loss

(₹ in Lakhs)

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Current Service Cost	601	502
Net interest on net defined benefit liability / (asset)	85	58
Plan Amendment cost / Direct Payment	-	-
Expenses recognised in the statement of profit and loss under employee benefits expenses	686	560

v. Expenses recognised in Statement of Other Comprehensive Income

(₹ in Lakhs)

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Actuarial (gain) / loss arising during year	(22)	(56)
(Income) / Expenses recognised in the other comprehensive income	(22)	(56)

vi. Expected benefit payments

(₹ in Lakhs)

Particulars	As at March 31, 2025
March 31, 2026	182
March 31, 2027	181
March 31, 2028	246
March 31, 2029	318
March 31, 2030	395
March 31, 2031 to March 31, 2035	3,109

vii. Expected Employer Contributions in next 12 months is ₹ 1,844 Lakhs.

viii. Weighted average duration of defined benefit obligation is 9 years.

Summary of material accounting policies and other explanatory information to the consolidated financial statements as at and for the year ended March 31, 2025

ix. Actuarial Assumptions

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Mortality Table	Indian Assured Lives Mortality (2006-08) Ult.	Indian Assured Lives Mortality (2006-08) Ult.
Discount Rate	6.50%	7.00%
Salary Escalation Rate	9.50%	9.50%

The estimates of rate of escalation in salary considered in actuarial valuation, take into account inflation, seniority, promotion and other relevant factor including supply and demand in the employment market. The above information is certified by actuary and this has been relied upon by the auditors.

The expected rate of return on plan asset is determined considering several applicable factors, mainly the composition of plan asset held, assessed risks, historical result of return on plan assets and the Group's policy for plan assets management.

Effect of change in assumptions as at March 31, 2025

(₹ in Lakhs)

Particulars	Plan Liabilities
Discount Rate (increase by 0.5%)	(125)
Discount Rate (decrease by 0.5%)	135
Salary Escalation Rate (increase by 0.5%)	116
Salary Escalation Rate (decrease by 0.5%)	(110)

x. Amount recognised in current year and previous years

Gratuity:

(₹ in Lakhs)

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024	For the year ended March 31, 2023	For the year ended March 31, 2022	For the year ended March 31, 2021
Defined benefit obligation	2,682	2,029	1,589	1,327	1,156
Fair value of plan asset	838	774	718	695	663
(Surplus)/ Deficit in the plan	1,844	1,255	877	632	493
Actuarial (gain)/loss on plan obligation	(12)	(52)	(105)	(191)	(40)
Actuarial gain/(loss) on plan asset	10	4	(26)	(12)	6

Plan Assets as at March 31, 2025

Plan asset composition	As at March 31, 2025	As at March 31, 2024
Schemes of Insurance –conventional products	2.61%	2.64%
Schemes of Insurance –ULIP Product	97.39%	97.36%

42. Employee stock appreciation rights and Employees Stock Option

a) Employee Stock Option Plan 2018 (ESOP 2018) [Erstwhile 'Employee Stock Appreciation Rights Plan 2018 ("ESAR 2018" / "Plan")]

ESAR 2018 was approved by the shareholders of the Group and subsequently the Grant was approved by the Board and the Nomination and Remuneration Committee at its meeting held on March 26, 2018.

Summary of material accounting policies and other explanatory information to the consolidated financial statements as at and for the year ended March 31, 2025

Movement in ESARs

Particulars	For the year ended March 31, 2025 (No's)	For the year ended March 31, 2024 (No's)
Opening	18,65,545	19,69,286.25
Granted during the year	-	-
Lapsed during the year	-	(103,741.13)
Exercised during the year	(17,91,967)	-
Rounding off	-	(0.12)
Closing	73,578	18,65,545
Vested as at year end	73,578	18,65,545
Unvested as at year end	-	-

ESAR were granted at the Price of ₹ 291.70 which was the fair value on the grant date before bonus adjustment.

The key assumptions used to estimate the fair value of ESARs are:

Particulars	ESAR 2018
Dividend yield	2.40%
Expected Life	3 years
Risk free interest rate	7.45%
Volatility	0.01%
Model Used	Black & Scholes

The expense arises from equity settled ESARs amounting to ₹ Nil (March 31, 2024: Nil) for the year ended March 31, 2025.

ESAR 2018 was renamed to Employee Stock Option Plan 2018 (ESOP 2018) and the ESARs outstanding as at January 18, 2024 were converted to ESOPs, with no change in terms and conditions related to exercise price and vesting conditions. The above change was approved by the Nomination and Remuneration Committee at its meeting held on January 18, 2024, Board at its meeting held on January 21, 2024 and is approved by the shareholders' at the extra-ordinary general meeting held on January 24, 2024.

b) Employee stock option plans (ESOPS)

Employee Stock Option Plan 2020 ("ESOP Plan 2020")

ESOP Plan 2020 was approved by the shareholders of the Group and subsequently the Grant was approved by the Board and the Nomination and Remuneration Committee at its meeting held on May 05, 2020 with the grant date of December 31, 2020 and meeting held on January 16, 2021 with the grant date of January 16, 2021. Details of ESOP Plan 2020 granted are as follows:

Particulars	ESOP Plan 2020 – March 2020	ESOP Plan 2020 – January 2021	ESOP Plan 2020 – September 2021
Scheme Name	Employee Stock Option Plan 2020	Employee Stock Option Plan 2020	Employee Stock Option Plan 2020
No. of options approved	12,00,000	6,15,460	18,79,549
Date of Grant	March 31, 2020	January 16, 2021	September 22, 2021
No of options granted	10,44,395	6,15,460	18,79,549
Exercise Price (₹)	908.05	90.805	90.805
Method of Settlement	Equity	Equity	Equity
Time Based Eligibility	20% each year in next Five years.	20% each year in next Five years.	20% each year in next Five years.
Vesting Schedule	Eligible options will vest in 60%, 40% in on Eligibility date, 1st year from eligibility date	Eligible options will vest in 60%, 40% in on Eligibility date, 1st year from eligibility date	Eligible options will vest in 60%, 40% in on Eligibility date, 1st year from eligibility date

Summary of material accounting policies and other explanatory information to the consolidated financial statements as at and for the year ended March 31, 2025

Particulars	ESOP Plan 2020 – March 2020	ESOP Plan 2020 – January 2021	ESOP Plan 2020 – September 2021
Condition	- All eligible options will vest subject to BCP Topco VII Pte. Ltd. Realising minimum net consideration cumulatively from the sale of the Shares held - Proportion of eligible option vesting to extent of sale by BCP Topco VII Pte. Ltd.	- All eligible options will vest subject to BCP Topco VII Pte. Ltd. Realising minimum net consideration cumulatively from the sale of the Shares held - Proportion of eligible option vesting to extent of sale by BCP Topco VII Pte. Ltd.	- All eligible options will vest subject to BCP Topco VII Pte. Ltd. Realising minimum net consideration cumulatively from the sale of the Shares held - Proportion of eligible option vesting to extent of sale by BCP Topco VII Pte. Ltd.
Exercise period	2 years from Vesting	2 years from Vesting	2 years from Vesting
Weighted Average Share Price	908.05	90.805	90.805

Particulars	ESOP Plan 2020 – August 2023	ESOP Plan 2020 – November 2023
Scheme Name	Employee Stock Option Plan 2020	Employee Stock Option Plan 2020
No. of options approved	16,35,035	2,00,000
Date of Grant	August 09, 2023	November 07, 2023
No of options granted	15,57,692	2,00,000
Exercise Price (₹)	147.5	147.5
Method of Settlement	Equity	Equity
Time Based Eligibility	20% each year in next Five years.	20% each year in next Five years.
Vesting Schedule	Eligible options will vest in 60%, 40% in on Eligibility date, 1st year from eligibility date	Eligible options will vest in 60%, 40% in on Eligibility date, 1st year from eligibility date
Condition	- All eligible options will vest subject to BCP Topco VII Pte. Ltd. Realising minimum net consideration cumulatively from the sale of the Shares held - Proportion of eligible option vesting to extent of sale by BCP Topco VII Pte. Ltd.	- All eligible options will vest subject to BCP Topco VII Pte. Ltd. Realising minimum net consideration cumulatively from the sale of the Shares held - Proportion of eligible option vesting to extent of sale by BCP Topco VII Pte. Ltd.
Exercise period	2 years from Vesting	2 years from Vesting
Weighted Average Share Price	147.5	147.5

Particulars	ESOP Plan 2020 – January 2024	ESOP Plan 2020 – February 2025
Scheme Name	Employee Stock Option Plan 2020	Employee Stock Option Plan 2020
No. of options approved	65,32,024	1,00,000
Date of Grant	January 21, 2024	February 06, 2025
No of options granted	65,32,024	1,00,000
Exercise Price (₹)	147.5	391.3
Method of Settlement	Equity	Equity
Time Based Eligibility	20% each year in next Five years.	20% each year in next Five years.
Vesting Schedule	Eligible options will vest in 60%, 40% in on Eligibility date, 1st year from eligibility date	Eligible options will vest in 60%, 40% in on Eligibility date, 1st year from eligibility date
Condition	- All eligible options will vest subject to BCP Topco VII Pte. Ltd. Realising minimum net consideration cumulatively from the sale of the Shares held - Proportion of eligible option vesting to extent of sale by BCP Topco VII Pte. Ltd.	- All eligible options will vest subject to BCP Topco VII Pte. Ltd. Realising minimum net consideration cumulatively from the sale of the Shares held - Proportion of eligible option vesting to extent of sale by BCP Topco VII Pte. Ltd.
Exercise period	2 years from Vesting	2 years from Vesting
Weighted Average Share Price	147.5	391.3

Summary of material accounting policies and other explanatory information to the consolidated financial statements as at and for the year ended March 31, 2025

*ESOP Plan 2020 – March 2020 disclosure doesn't include the impact of bonus issue of equity shares of the Group in the ratio of nine shares of face value of ₹ 10 each for each existing equity share of the face value of ₹ 10 each on 16th January 2021 in extraordinary general meeting (EGM).

Computation of fair value of options

The Black-Scholes Model has been used for computing the weighted average fair value considering the following:

Particulars	ESOP Plan 2020 (December 31, 2020)	ESOP Plan 2020 (January 16, 2021)	ESOP Plan 2020 (September 22, 2021)
Fair value of the option (₹)	₹ 96 to ₹ 333	₹ 28.15 to ₹ 51.92	₹ 28.8 to ₹ 51.6
Fair value of share on the date of grant (₹)	908.05	110.00	111.10
Exercise Price(₹)	908.05	90.805	90.805
Expected Life	3 years to 9 years	3 years to 9 years	3 years to 9 years
Expected Volatility (%)	9.7% to 12.7%	15.6% to 22.1%	15.2% to 22.0%
Life of the Option (years)	3 years to 9 years	3 years to 9 years	3 years to 9 years
Risk Free rate of return (%)	5.2% to 6.7%	4.0% to 6.6%	3.9% to 6.3%
Expected dividend rate (%)	0.8%	0.6%	0.6%

Particulars	ESOP Plan 2020 (August 09, 2023)	ESOP Plan 2020 (November 07, 2023)
Fair value of the option (₹)	₹ 22 to ₹ 66.7	₹ 22 to ₹ 66.7
Fair value of share on the date of grant (₹)	147.50	147.50
Exercise Price(₹)	147.50	147.50
Expected Life	3 years to 9 years	3 years to 9 years
Expected Volatility (%)	11.8% to 14.9%	11.8% to 14.9%
Life of the Option (years)	3 years to 9 years	3 years to 9 years
Risk Free rate of return (%)	7.1% to 7.3%	7.1% to 7.3%
Expected dividend rate (%)	0.0%	0.0%

Particulars	ESOP Plan 2020 (January 21, 2024)	ESOP Plan 2020 (February 2025)
Fair value of the option (₹)	₹ 21.6 to ₹ 59.8	₹ 109.4 to ₹ 212
Fair value of share on the date of grant (₹)	147.50	391.3
Exercise Price(₹)	147.50	391.3
Expected Life	3 years to 9 years	3 years to 9 years
Expected Volatility (%)	11.8% to 14.8%	40.7%
Life of the Option (years)	3 years to 9 years	3 years to 9 years
Risk Free rate of return (%)	7.0% to 7.1%	7.0% to 7.1%
Expected dividend rate (%)	0.0%	0.0%

The expected life of the share options is based on current expectations and is not necessarily indicative of exercise patterns that may actually occur. Further, the condition of specified sale of the shares held by the investor is estimated to be fulfilled on the relevant eligibility dates.

Movement in ESOPs

Particulars	For the year ended March 31, 2025 (No's)	For the year ended March 31, 2024 (No's)
Opening	1,75,84,658	1,01,98,847
Granted during the year	1,00,000	82,89,716
Lapsed during the year	(5,58,569)	(9,03,905)
Exercised during the year	(30,73,987)	-
Closing	1,40,52,102	1,75,84,658
Vested as at year end	27,34,892	-
Unvested as at year end	1,13,17,210	1,75,84,658

The expense arises from equity settled ESOPs transaction amounted to ₹ 1,102 Lakh (March 31, 2024: ₹ 203 Lakh).

Summary of material accounting policies and other explanatory information to the consolidated financial statements as at and for the year ended March 31, 2025

43. Foreign currency transactions

The Foreign currency transactions are as follows:-

(₹ in Lakhs)		
Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Foreign Exchange outgo	605	37
Foreign Exchange inflow	43,728	-

44. Related party transactions

List of related parties with whom transactions have taken place during the year are at arm's length and relationship:

S. No	Relationship	Name of Related Party
1.	Holding Company	BCP Topco VII Pte. Ltd.
2.	Key Management Personnel	Mr. Om Prakash Bhatt - Independent Director & Non-Executive Chairman of the Board
		Mr. Deo Shankar Tripathi - Executive Vice Chairman
		Mr. Rishi Anand - Managing Director and CEO
		Mr. Amit Dixit - Non-Executive Director
		Mr. Mukesh G Mehta - Non-Executive Director
		Mr. Prateek Roongta - Non-Executive Director
		Mrs. Sharmila Abhay Karve - Independent Director
		Mrs. Dr. Nivedita Haran - Independent Director (upto September 13, 2024)
		Dr. Punita Kumar Sinha - Independent Director (w.e.f. August 07, 2024)
		Mr. Rajesh Viswanathan - Chief Financial Officer
		Mr. Sreekanth VN - Company Secretary (upto September 30, 2023)
		Mrs. Harshada Pathak - Company Secretary (w.e.f. October 01, 2023)

Transactions with Related Parties:

(₹ in Lakhs)			
Name	Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Income :			
Rishi Anand - Managing Director and CEO	Interest Income on Secured Loan (From January 03, 2023)	11	6
Rajesh Viswanathan - CFO	Interest Income on Secured Loan	11	6
Expenditure:			
Deo Shankar Tripathi - Executive Vice Chairman	Remuneration	2,736	331
Rishi Anand - Managing Director and CEO	Remuneration	703	304
Rajesh Viswanathan - Chief Financial Officer	Remuneration	945	291
Sreekanth VN - Company Secretary (upto September 30, 2023)	Remuneration	-	57
Harshada Pathak - Company Secretary (w.e.f. October 01, 2023)	Remuneration	105	20

Summary of material accounting policies and other explanatory information to the consolidated financial statements as at and for the year ended March 31, 2025

(₹ in Lakhs)

Name	Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Others:			
Deo Shankar Tripathi - Executive Vice Chairman	Equity share allotment (including premium)	295	-
Rishi Anand – Managing Director and CEO	Equity share allotment (including premium)	40	-
Rajesh Viswanathan – Chief Financial Officer	Equity share allotment (including premium)	186	-
Harshada Pathak – Company Secretary	Equity share allotment (including premium)	17	-
Rishi Anand – Managing Director and CEO	Secured loan given	360	-
Rishi Anand – Managing Director and CEO	Repayment of secured loan	194	5
Rajesh Viswanathan – Chief Financial Officer	Secured loan given	-	300
Rajesh Viswanathan – Chief Financial Officer	Repayment of secured loan	33	16

Compensation of key management personnel of the Group

(₹ in Lakhs)

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Short-term employee benefits	915	973
Perquisite value of ESOPs	3,540	-
Post-employment pension (defined contribution)	34	30
Sitting fee and commission	181	149
Total	4,670	1,152

Balances with Related Parties:

(₹ in Lakhs)

Name	Particulars	As at March 31, 2025	As at March 31, 2024
Rishi Anand – Managing Director and CEO	Secured loan	281	115
Rajesh Viswanathan- CFO	Secured loan	251	284
Directors Commission & sitting fee	Payable	160	147
Deo Shankar Tripathi - Executive Vice Chairman	Equity Share Capital (at Face value)	36	-
Rishi Anand – Managing Director and CEO	Equity Share Capital (at Face value)	10	-
Rajesh Viswanathan- CFO	Equity Share Capital (at Face value)	15	-
Harshada Pathak – Company Secretary	Equity Share Capital (at Face value)	2	-

Summary of material accounting policies and other explanatory information to the consolidated financial statements as at and for the year ended March 31, 2025

45. A comparison between provisions required under Income Recognition, Asset classification and provision norms and impairment allowances made under Ind AS 109 as at March 31, 2025

(₹ in Lakhs)

Asset Classification as per RBI Norms	Asset classification as per Ind AS 109	Gross Carrying Amount as per Ind AS	Loss Allowances (Provisions) as required under Ind AS 109	Net Carrying Amount	Provisions required as per IRACP norms	Difference between Ind AS 109 provisions and IRACP norms
1	2	3	4	(5)=(3)-(4)	6	(7) = (4)-(6)
Performing Assets						
Standard	Stage 1	19,67,739	5,533	19,62,206	8,488	(2,955)
	Stage 2 (Refer Note 3)	82,690	10,681	72,009	2,353	8,328
Subtotal		20,50,429	16,214	20,34,215	10,841	5,373
Non-Performing Assets (NPA)						
Substandard	Stage 3	12,935	3,403	9,532	2,203	1,200
Doubtful - up to 1 year	Stage 3	4,386	1,979	2,407	1,197	782
1 to 3 years	Stage 3	4,814	2,235	2,579	2,003	232
More than 3 years	Stage 3	149	62	87.00	149	(87)
Subtotal for doubtful		9,349	4,276	5,073	3,349	927
Other items such as guarantees, loan commitments, etc. which are in the scope of Ind AS 109 but not covered under current Income Recognition, Asset Classification and Provisioning (IRACP) norms	Stage 1	1,90,015	410	1,89,605	-	410
Subtotal		1,90,015	410	1,89,605	-	410
	Stage 1	21,57,754	5,943	21,51,811	8,488	(2,545)
	Stage 2	82,690	10,681	72,009	2,353	8,328
Total	Stage 3	22,284	7,679	14,605	5,552	2,127
	Total	22,62,728	24,303	22,38,425	16,393	7,910

Notes:

- The provision under Expected Credit Loss Model is higher than Income Recognition and Prudential Norms.
- Customers who has availed the benefit of One-time restructuring as per RBI Circular RBI/2020-21/16 DOR.No.BP.BC/3/21.04.048/2020-21 dated August 2020 and RBI/2020-21/17 DOR.No.BP.BC/4/21.04.048/2020-21 dated August 2020 (for restructuring of accounts of Micro, small and Medium Enterprises (MSME) sector – Restructuring of Advances having exposure less than or equal to ₹ 25 crores) and RBI Notification – RBI/2021-22/31 DOR.STR.REC.11/21.04.048/2021-22 dated May 05, 2021 (Resolution Framework – 2.0: Resolution of Covid-19 related stress of Individuals and Small Businesses) have been disclosed as Stage 2 assets under Ind AS with gross outstanding value of ₹ 20,234 Lakh. Impairment provision and provision required under IRACP is maintained at 10% as required by RBI circular.

Summary of material accounting policies and other explanatory information to the consolidated financial statements as at and for the year ended March 31, 2025

46. Disclosures pursuant to RBI Notification RBI/2020-21/16

DOR.No.BP.BC/3/21.04.048/2020-21 date August 6, 2020 and – RBI/2021-22/31 DOR.STR.REC.11/21.04.048/2021-22 dated May 05, 2021 (Resolution Framework – 2.0: Resolution of Covid-19 related stress of Individuals and Small Businesses)

(₹ in Lakhs)

Type of borrower	Exposure to accounts classified as Standard consequent to implementation of resolution plan – Position as at September 30, 2024 (A)	Of (A), aggregate debt that slipped into NPA during the half-year ended March 31, 2025	Of (A) amount written off during the half-year ended March 31, 2025	Of (A) amount paid by the borrowers during the half-year ended March 31, 2025	Exposure to accounts classified as Standard consequent to implementation of resolution plan – Position as at March 31, 2025
Personal Loans (refer note below)	21,597	599	23	1,341	20,234**
Corporate persons	-	-	-	-	-
Of which MSMEs	-	-	-	-	-
Others	-	-	-	-	-
Total	21,597	599	23	1,341	20,234**

As defined in Section 3(7) of the Insolvency and Bankruptcy Code, 2016

**Includes ₹ 600 Lakhs of NPA accounts which has become standard during the half year ended March 31, 2025.

47. Disclosures pursuant to RBI Notification-RBI/DOR/2021-22/86 DOR.STR.REC.51/21.04.048/2021-22 dated September 24, 2021.

a) Details of transfer through assignment in respect of loans not in default during the year ended March 31, 2025

Particulars	For the year ended March 31, 2025
Entity	NBFC (Housing Finance Company)
Count of Loan Accounts Assigned	17,163
Amount of Loan Accounts Assigned (₹ in Lakhs)	1,58,224
Weighted average maturity (in Months)	178
Weighted average holding period (in Months)	18
Retention of beneficial economic interest (MRR)	10%
Coverage of tangible security coverage	100%

The Loans transferred are not rated as same are non-corporate borrowers.

b) The Group has not transferred or acquired, any stressed / default loans during the year ended March 31, 2025.

c) Details of transfer through Co-lending in respect of loans not in default during the year ended March 31, 2025

Particulars	For the year ended March 31, 2025
Entity	NBFC (Housing Finance Company)
Count of Loan Accounts Assigned	1,252
Amount of Loan Accounts Assigned (₹ in Lakhs)	14,302
Weighted average maturity (in Months)	214
Weighted average holding period (in Months)	4
Retention of beneficial economic interest (MRR)	20%
Coverage of tangible security coverage	100%

Summary of material accounting policies and other explanatory information to the consolidated financial statements as at and for the year ended March 31, 2025

48. Changes in liabilities arising from financing activities:-

(₹ in Lakhs)

Particulars	As at March 31, 2024	Cash flows (+)	Non Cash Adjustments (-)	As at March 31, 2025
Debt securities	2,73,883	65,080	(81)	3,38,882
Borrowings (other than debt securities)	11,16,002	1,72,473	(1,146)	12,87,329
Deposits	191	(110)	(4)	77
Subordinated liabilities	5,959	-	18	5,977
Lease liabilities	5,109	(1,123)	2,340	6,326
Total	14,01,144	2,36,320	1,127	16,38,591

(₹ in Lakhs)

Particulars	As at March 31, 2023	Cash flows (+)	Non Cash Adjustments (-)	As at March 31, 2024
Debt securities	2,54,213	19,823	153	2,73,883
Borrowings (other than debt securities)	9,54,273	1,61,540	(189)	11,16,002
Deposits	394	(203)	-	191
Subordinated liabilities	6,547	(600)	(12)	5,959
Lease liabilities	3,795	(907)	(2,646)	5,109
Total	12,19,222	1,79,653	(2,694)	14,01,144

49. The Group periodically files returns/statements with banks and financial institution as per the agreed terms and they are in agreement with books of accounts of the Group. This information has been relied upon by the auditors.
50. Registration of charges or satisfaction with Registrar of Companies are filed and paid within the statutory period for debt and borrowings issued during the year.
51. Money raised by way of debt instruments and the term loans have been applied by the Group for the purposes for which they were raised, other than temporary deployment pending application of proceeds.
52. No proceedings have been initiated on or are pending against the Group for holding benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and Rules made thereunder.
53. None of the entities in the Group have been declared wilful defaulter by any bank or financial institution or government or any government authority.
54. The Group has no transactions with the companies struck off under Companies Act, 2013 or Companies Act, 1956.
55. The Group has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:
- directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Group (Ultimate Beneficiaries) or
 - provide any guarantee, security or the like to or on behalf of the ultimate beneficiaries.
56. The Group has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Group shall:
- directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or
 - provide any guarantee, security or the like on behalf of the ultimate beneficiaries

Summary of material accounting policies and other explanatory information to the consolidated financial statements as at and for the year ended March 31, 2025

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

58. Daily back up: Proper books of account as required by law have been kept by the Company. Back-up of the books of account and papers maintained in electronic mode is maintained on servers physically located in India on a daily basis, except in case of two applications (used for payroll processing and record maintenance) which are operated by third party service providers, the management is not in possession of an appropriate Service Organisation Controls report to determine whether the back-up of books was maintained on servers physically located in India on a daily basis.

Audit trail: The Company uses accounting software TCS iON (General Ledger), TCS BaNCS LOS (Loan origination), TCS BaNCS LMS (Loan management), Workline (HRMS) and HGS (Payroll) for maintaining its books of account which have a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software, except that for:

- TCS BaNCS LMS – the audit trail feature was enabled at database level from May 24, 2024;
- TCS iON (operated by third party service provider) – the management is not in the possession of the Service Organisation Controls report or other relevant evidence to determine whether the audit trail feature was enabled and operated at database level through the year; and
- Workline and HGS (operated by third party service providers) – the management is not in the possession of an appropriate Service Organisation Controls report to determine whether audit trail feature of the said software was enabled and operated throughout the year for all relevant transactions recorded in the software.

Further, audit trail feature has not been tampered with in respect of accounting software where the audit trail has been enabled. Additionally, the Company has preserved audit trail in respect of the financial years ended March 31, 2024 and March 31, 2025 to the extent it was enabled and recorded in respect of those years.

59. The Group has not revalued its property, plant and equipment (including right-of-use assets) or intangible assets or both during the current or previous year.

60. There have been no instances of breach of covenants of loan availed or debt securities issued during the year ended March 31, 2025 and March 31, 2024.

61. Divergence in the asset classification and provisioning

There is no divergence in asset classification and provisioning as assessed by NHB where:

- The additional provisioning requirements assessed by National Housing Bank (NHB) exceeds 5% of the reported profits before tax and impairment loss on financial instruments as on March 31, 2025, or
- The additional Gross NPAs identified by NHB exceeds 5% of the reported Gross NPAs as on March 31, 2025.

62. Additional information as required by Paragraph 2 of the General Instructions for Preparation of Consolidated Financial Statements to Schedule III to the Companies Act.

Name of the entity in the Group	Net assets i.e. Total Assets minus Total Liabilities			
	As % of consolidated net assets	Amount (₹ in Lakhs) As at March 31, 2025	As % of consolidated net assets	Amount (₹ in Lakhs) As at March 31, 2024
Parent				
Aadhar Housing Finance Limited	99.93%	6,36,796	99.92%	4,44,601
Direct Subsidiary				
Aadhar Sales and Services Private Limited	0.07%	437	0.08%	378
Name of the entity in the Group	Profit after tax			
	As % of consolidated net profit after tax	Amount (₹ in Lakhs) For the year ended 31, 2025	As % of consolidated net profit after tax	Amount (₹ in Lakhs) For the year ended 31, 2024
Parent				
Aadhar Housing Finance Limited	100.03%	91,211	99.85%	74,851
Direct Subsidiary				
Aadhar Sales and Services Private Limited	(0.03%)	(28)	0.15%	113

Summary of material accounting policies and other explanatory information to the consolidated financial statements as at and for the year ended March 31, 2025

Name of the entity in the Group	Other Comprehensive Income			
	As % of consolidated net profit after tax	Amount (₹ in Lakhs) For the year ended 31, 2025	As % of consolidated net profit after tax	Amount (₹ in Lakhs) For the year ended 31, 2024
Parent				
Aadhar Housing Finance Limited	122.89%	(467)	(23.81%)	(10)
Direct Subsidiary				
Aadhar Sales and Services Private Limited	(22.89%)	87	123.81%	52

Name of the entity in the Group	Total Comprehensive Income			
	As % of consolidated net profit after tax	Amount (₹ in Lakhs) For the year ended 31, 2025	As % of consolidated net profit after tax	Amount (₹ in Lakhs) For the year ended 31, 2024
Parent				
Aadhar Housing Finance Limited	99.94%	90,744	99.78%	74,841
Direct Subsidiary				
Aadhar Sales and Services Private Limited	0.06%	59	0.22%	165

63. There have been no events after the reporting date that require adjustments in these financial statements.

64. Previous year figures have been regrouped/re-classified wherever necessary to confirm to current year classification. The impact of such regrouping/ re-classification are not material to the Financial Statements.

For **S. R. Batliboi & Associates LLP**

Chartered Accountants

ICAI Firm Registration No: 101049W/E300004

For **Kirtane & Pandit LLP**

Chartered Accountants

ICAI Firm Registration No: 105215W/W100057

For and on behalf of the Board of Directors
of **Aadhar Housing Finance Limited**

per Amit Lahoti

Partner

Membership No.: 132990

Pinky Nagdev

Partner

Membership No.: 130815

Deo Shankar Tripathi

Executive Vice-Chairman

DIN 07153794

Rishi Anand

Managing Director & CEO

DIN 02303503

Prateek Roongta

Director

DIN 00622797

Place: Mumbai

Date: May 06, 2025

Place: Mumbai

Date: May 06, 2025

Rajesh Viswanathan

Chief Financial Officer

Harshada Pathak

Company Secretary



GHAR BANEGA, TOH DESH BANEGA.

www.aadharhousing.com

Registered Office

Aadhar Housing Finance Ltd.

CIN No. L66010KA1990PLC011409

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