



**GRIHUM**  
HOUSING FINANCE

*Apna Ghar. Apni Pehchan.*

# Homes of **Hope**, Heart of **Bharat**.





# Across the Pages

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"It's in the everyday moments, the decisions we refine, the relationships we nurture, and the systems we strengthen, where long-term growth quietly takes shape. In the previous year we enhanced our digital capabilities and streamlined internal processes which has significantly improved our efficiency and customer experience. With the theme 'Homes of Hope, Heart of Bharat', we have renewed our focus on supporting the SMIs-small business owners, skilled workers, and service providers-who drive the economy at core."

[Read More on Pg. 14](#)



For more investor-related information, please visit:  
<https://griumphousing.com/investors>  
Or simply scan the QR code

**Disclaimer:** This document contains statements about expected future events and financials of Grihum Housing Finance ('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.

# Homes of Hope, Heart of Bharat.

At Grihum Housing Finance Limited (referred to as 'Grihum', 'We', or 'Our Company'), we believe that every home we help finance represents more than just a building-it's a step toward a better life. **'Homes of Hope, Heart of Bharat'** reflects our dedication to supporting the dreams of self-made individuals in India's peri-urban and semi-urban regions. It's about turning the dream of homeownership into something real and achievable.

For us, a home is not just a roof over someone's head. It's a symbol of **hope**, a reward for hard work, and an important step in a family's journey towards a brighter future. We understand that for many self-made individuals, especially in smaller towns, owning a home is a dream they have worked tirelessly to achieve.

That's why our goal is to provide affordable housing solutions tailored to their needs. Each loan is more than financial support; it helps build security, and stability for individuals and families. Whether it's a young couple starting their journey or a hardworking individual buying their first home, we're here to make it happen.

As we expand across India, our objective remains simple: to make homeownership accessible for everyone, in every part of the country. With every home we help create, we are contributing to the growth and prosperity of Bharat. **'Homes of Hope, Heart of Bharat'** is not just a promise-it's a goal we work towards every day.





Key Performance Indicators

Performance that Builds Hope





## About the Company

## About Us:

WHERE HOPE  
MEETS HOME

'Grihum' is not just a brand name, it is a feeling, that unifies our business category, home ('Grih') finance, and our commitment to collaboration and togetherness with customers ('Hum'). We understand that homeownership for self-made individuals (SMIs) from low and mid-income groups is not just about having a roof over their heads – it's about their pride and identity. Our brand slogan, "Apna Ghar. Apni Pehchan." resonates deeply with our customers, capturing the essence of homeownership as a reflection of personal identity.

Our journey since inception has been defined by a commitment to empower first-time homebuyers and self-employed individuals, who often struggle to access conventional credit. Through our direct sourcing approach, we maintain a stringent focus on credit quality, ensuring that every loan

is processed seamlessly. Our objective aligns closely with the government's 'Housing for All' initiative, as we aim to make homeownership a reality for low- and middle-income individuals across the nation.

We are driven by a singular goal: to transform the housing sector through structured, responsible financial solutions. Our expanding coverage of branches, combined with ongoing digital advancements, allows us to broaden our reach while maintaining a strong focus on

efficiency and customer satisfaction. The integration of fintech APIs, underwriting and predictive analytics has played a pivotal role in improving borrower evaluations and portfolio management. It enables us to enhance both asset quality and expansion efforts. As a result, we are strategically positioned to tap into high-growth housing markets, particularly across India's peri-urban and semi-urban areas.

With the backing of TPG, a leading global private equity firm, and the leadership of an experienced management team, we leverage both our financial resources and industry expertise to drive sustainable growth. By embracing a digital-first strategy, we have successfully incorporated advanced technology to optimise processes across loan origination, underwriting, and customer service, positioning us for continued success in an ever-evolving market.



## "Ek hum. Grihum." – it's the purpose we live by

Fundamentally and strategically, our brand purpose is ingrained in the commitment to resonate as one with our customers. It's the fulcrum of our intent, action and approach to service. This idea of oneness shapes the brand's future and comes alive in the anthem of "Ek hum. Grihum." This is an expression of our strategic commitment to be 'One'.

This is one powerful, emotive connect that is charging up the entire organisation. Today, Grihum is taking strides as a purpose driven organisation and "Ek hum. Grihum." is poised to play a key role as a unifying force throughout the journey. The anthem has currently been recorded in over 8 regional languages, with the families of the employees and even their children singing the anthem.

Together, "Ek hum. Grihum." Embodies Grihum's service promise of individualised attention, collaborative effort, and enduring commitment to customer satisfaction. Each word reinforces the brand's dedication to providing excellent service and fostering strong relationships with its customers.

"Ek hum. Grihum." is not just an anthem; it encapsulates the essence of Grihum's brand identity and its cultural ethos. The phrase signifies unity and togetherness, highlighting the collective spirit of the brand and its community. By giving voice and expression to this purpose, Grihum has fostered a sense of belonging among its audience, making them feel part of something larger than themselves. This motto has become deeply ingrained in Grihum's culture, reflecting its commitment to inclusivity, solidarity, and shared values.

## Grihum Anthem

एक हम, एक हम...एक हम, गृहम  
एक हम, एक हम...एक हम, गृहम  
एक हम, एक हम...एक हम, गृहम  
एक हम, एक हम...एक हम, गृहम

एक हम, कदम मिला बढ़ चलें  
पहले घर के सपने पूरे करने हम चलें  
एक हम, एक हम...एक हम गृहम  
एक हम, एक हम...एक हम, गृहम

समझ के आपके सपनों को,  
आगे ले कर हम बढ़ें  
सम्मान दिल से आपका हम करें...  
घर के सफ़र में हाथ थामे, जोश दिल में भरे  
आप की भावनाओं का हम आदर भी करें  
दिल से दिल मिला के अब हम चलें  
सारे साथ है हम...

एक हम...एक हम गृहम  
एक हम...एक हम गृहम  
एक हम गृहम  
एक हम गृहम  
एक हम...एक हम गृहम



Scan the QR code to  
watch Grihum Anthem



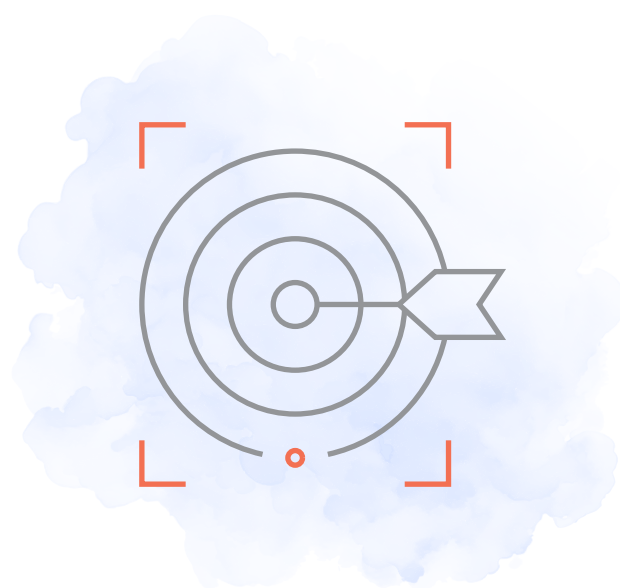
# Vision

We endeavour to be the most trusted partner in fulfilling the aspirations of home ownership in real India.



# Mission

We commit to facilitating a seamless and dignified journey towards homeownership at every step, driven by our dedication to self-made individuals.













# Values

Living our promises through Humility, Trust, Togetherness.



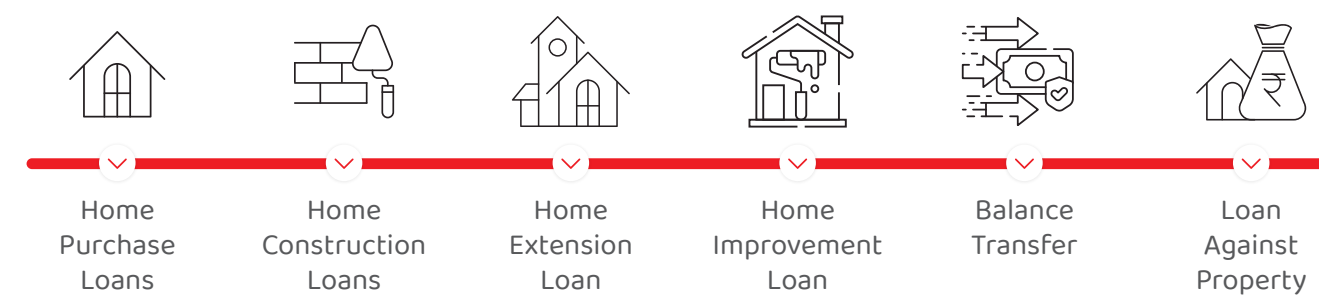
## The Pillars of our Promise

We are more than a provider of home loans—we are enablers of dreams. What sets us apart is our deep understanding of the value of homeownership and our dedication to ensuring it's within reach for those who need it most.

 <div><b>Strong Parentage</b></div>	 <div>Supported by a financially robust promoter with a strong track record and stable fundamentals</div>	<div>Backed by global private equity giant TPG, ensuring long-term growth and stability</div>	
 <div><b>Experienced Management</b></div>	 <div>Led by a distinguished Board of Directors and a highly experienced leadership team</div>	<div>Demonstrated success in scaling Grihum Housing Finance, while creating value for all stakeholders</div>	
 <div><b>National Scale Affordable HFC</b></div>	 <div>Expanding footprint as a leading AHFC with a growing portfolio of granular home loans</div>	<div>Strong presence in semi-urban and peri-urban India, backed by an extensive branch network and direct sourcing capabilities</div>	
 <div><b>Efficient Liability Franchise</b></div>	 <div>Access to competitive borrowing costs, enhancing operational efficiency</div>	<div>Strong relationships with top banks and financial institutions for diversified funding sources</div>	<div>Balanced mix of NHB Refinance, bank borrowings, and capital market funding, ensuring sustainable growth</div>
 <div><b>Sustainable Business Model</b></div>	 <div>Delivering risk-adjusted, long-term value through disciplined capital management and strategic investment decisions</div>	<div>Ensuring transparency and financial integrity by adhering to governance best practices</div>	<div>Facilitating homeownership for self-made individuals with responsible, technology-driven mortgage solutions that enhance accessibility and efficiency</div>

## Product Offerings

Our home financing solutions are as unique as the customers we serve, offering a tailored approach to meet every individual need.

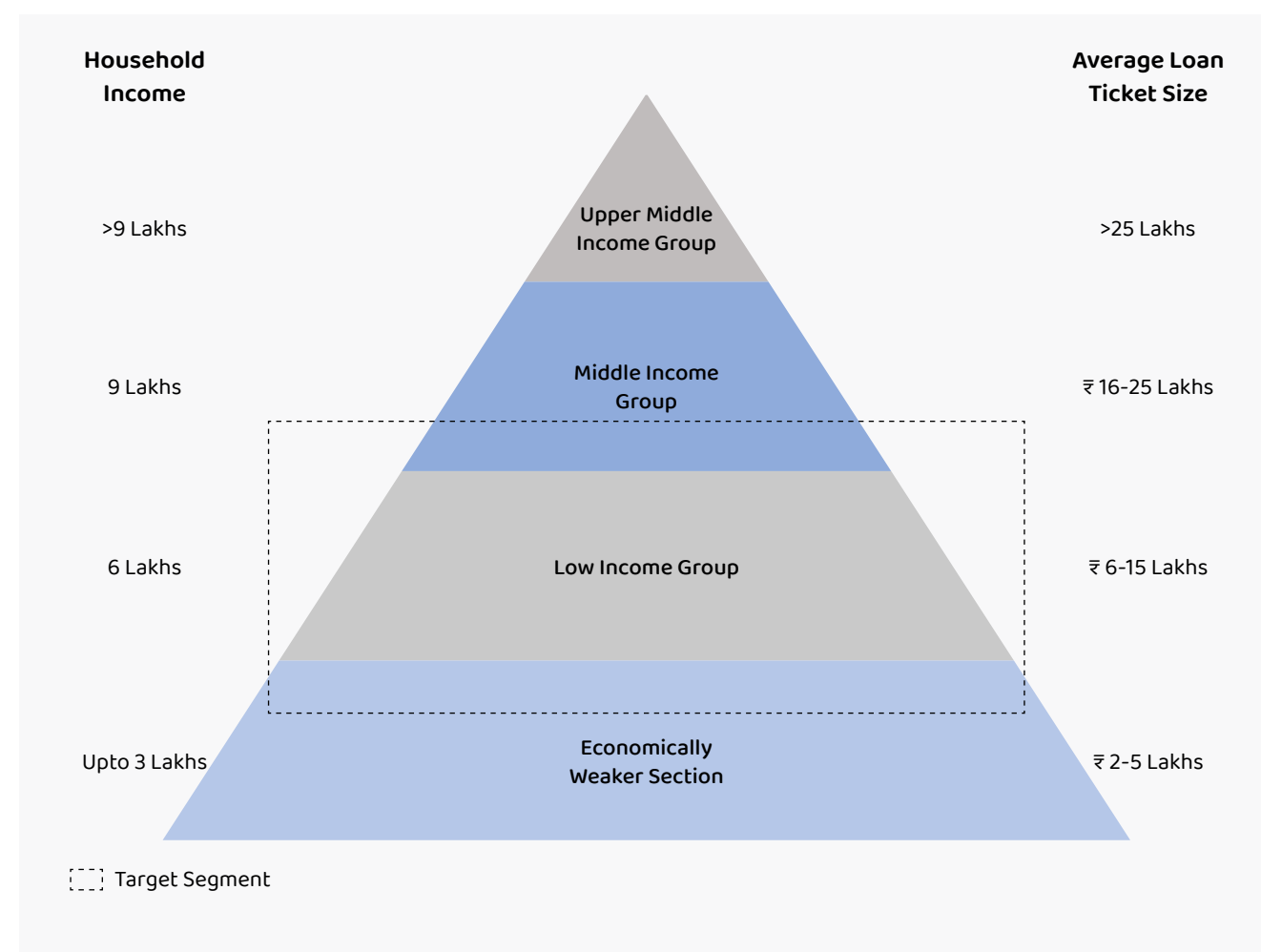




With the guiding principle of **'GO HL, GO DIRECT, GO DEEP,'** we have ensured that home loans take centre stage in our portfolio, making up over 75% of our offerings.

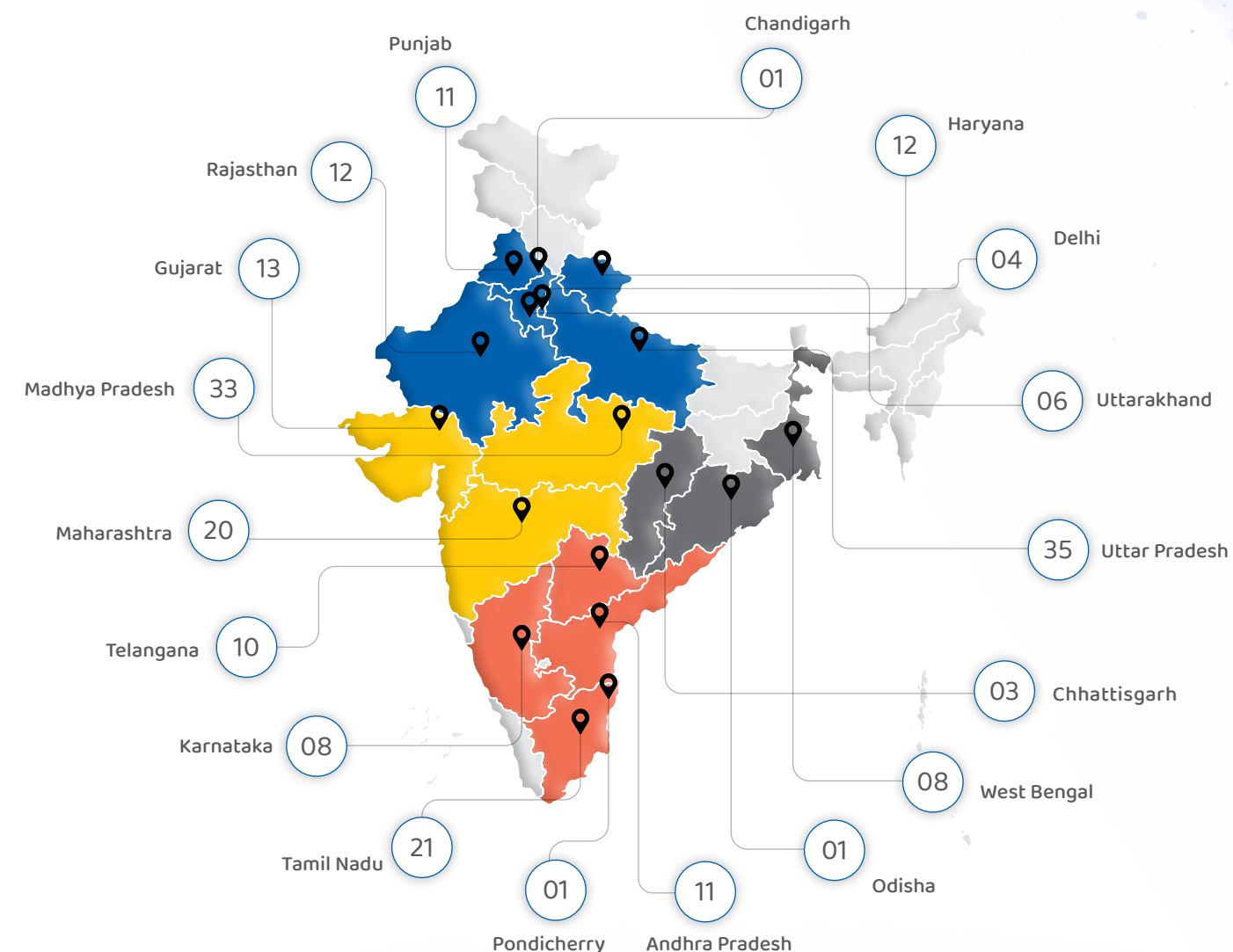
## Product Positioning

Tailored to meet the needs of first-time homebuyers, our product portfolio places special attention on self-employed individuals and those building homes from the ground up. Committed to affordable housing, we primarily serve low-income sections, offering loans with an average ticket size of ₹ 10 Lakhs. Additionally, through customised financial solutions, we empower self-made individuals to turn their homeownership aspirations into reality.



## Presence

Having built a solid foundation with 208 branches (excluding 2 HO/Regional Office) spread across 18 States and Union Territories we have positioned ourselves as a key player in the market. Our hub-and-spoke model allows us to strategically enter select geographies, ensuring our products & services are both accessible and delivered seamlessly to customers across the nation.



\* Presence excludes 2 Head offices

○ No. of Branches

**Disclaimer:** This map is a generalised illustration only for the ease of the reader to understand the locations and 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. The Company or any of its Directors, officers or employees cannot be held responsible for any misuse or misinterpretation of any information or design thereof.

## Geographical Mix

38% North

24% South

06% East

32% West



# A Story of Hope

## PHASE III Scale & Lead

### FY 2023-24

AUM: ₹ 8,277 Cr

- Rebranded as Grihum Housing Finance Ltd.
- Received a CRISIL 'AA-/Stable' rating
- Raised primary capital of ₹ 1,038 Cr in FY 2023-24 from TPG (₹ 538 Cr in August 2023 and ₹ 500 Cr in March 2024)
- Raised ₹ 1,000 Cr from NHB and ₹ 900 Cr from Capital Market

### FY 2024-25

AUM: ₹ 9,374 Cr

- Upgraded CRISIL rating to 'AA/Stable'
- Secured a fresh sanction of ₹ 1,000 Cr from SBI and ECB sanction of ₹ 500 Cr from ICICI Bank
- New sales app built on Low Code/No Code platform enables instant KYC and a fully paperless, faster journey



### FY 2022-23

AUM: ₹ 6,289 Cr

- Achieved the highest disbursement of ₹ 2,500+ Cr
- Completed the acquisition by the global private equity fund TPG
- Expanded the branch network to 160+
- Strengthened the leadership team with the onboarding of all functional heads

### FY 2021-22

AUM: ₹ 5,060 Cr

- Received a capital infusion of ₹ 500 Cr from the parent company
- Sanctioned ₹ 725 Cr under the NHB refinance scheme
- Achieved an AUM of over ₹ 5,000 Cr with NPA <1%

### FY 2020-21

AUM: ₹ 3,978 Cr

- Sanctioned ₹ 195 Cr under the NHB refinance scheme
- Expanded the customer base to over 30,000
- Sourced loans more than 75% of loans directly

## PHASE II Consolidate & Revalue

### FY 2016-17

AUM: ₹ 1,805 Cr

- Strengthened the leadership team with the onboarding of Managing Director & CEO
- Transformed towards affordable housing business

## PHASE I Build & Grow

### FY 2017-18

AUM: ₹ 1,808 Cr

- Increased focus on affordable housing loans
- Shifted to the 'GO HL, GO Direct' strategy
- Reduced the high-ticket Loan Against Property portfolio to focus on granular housing loans and LAP

### FY 2018-19

AUM: ₹ 2,430 Cr

- HL share to total disbursement increased to 65% from 37%
- Crossed 18,000 customers

### FY 2019-20

AUM: ₹ 3,283 Cr

- Disbursed over ₹ 1,000 Cr
- Received a capital infusion of ₹ 100 Cr from the parent company

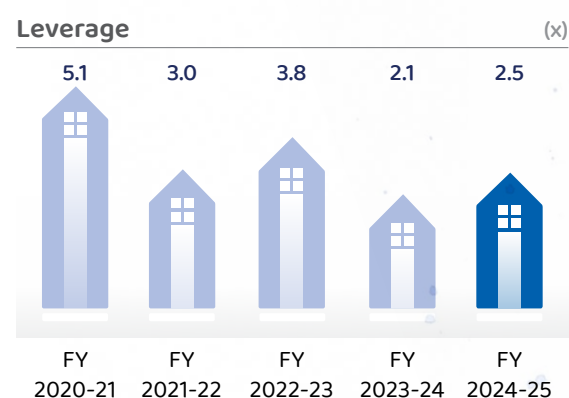
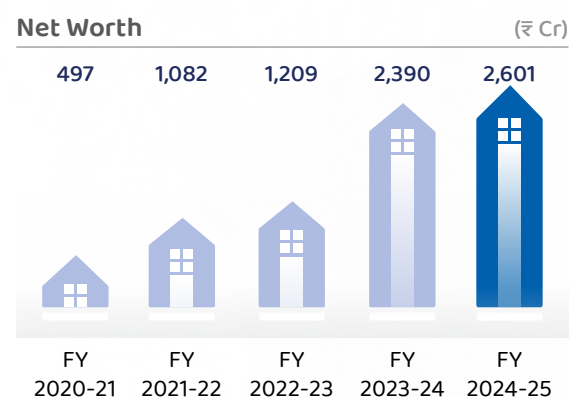
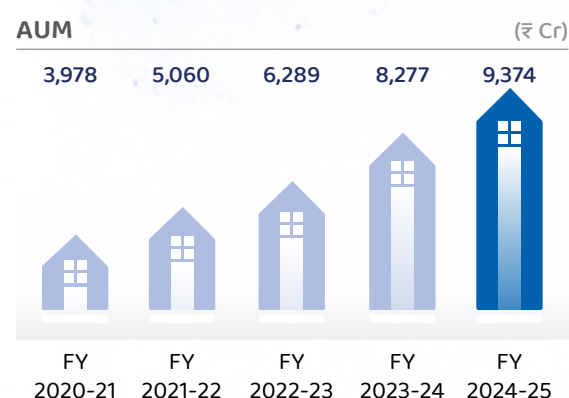


## Financial Performance

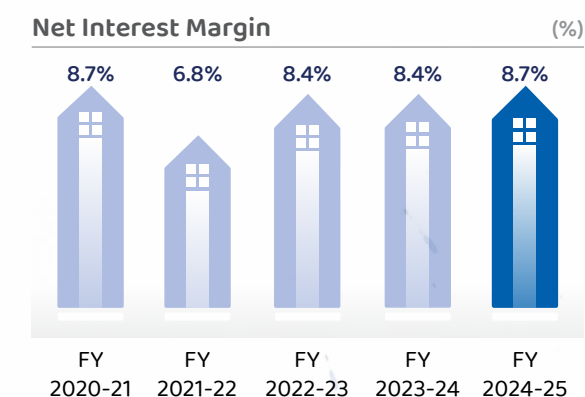
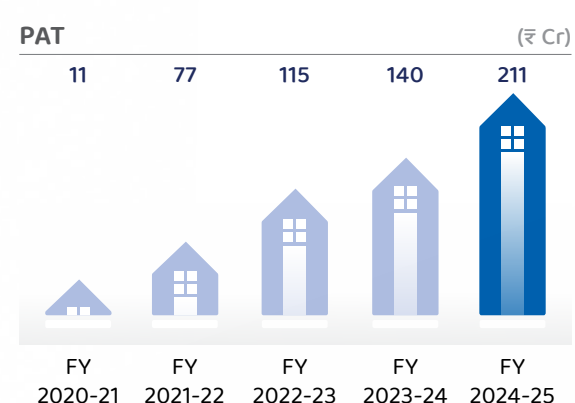
## Our Financial Canvas

Our consistent financial growth reflects a strong business model, disciplined execution, and a clear focus on the home loan segment. Financial stability is underpinned by steady growth in disbursements, AUM, and profitability, alongside prudent risk management. Grihum has maintained a stable trajectory, driven by responsible growth and smart capital deployment.

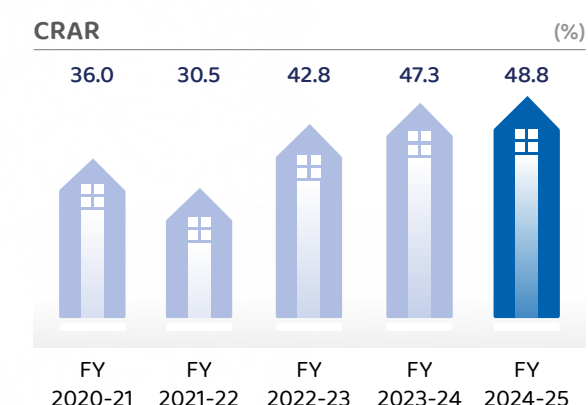
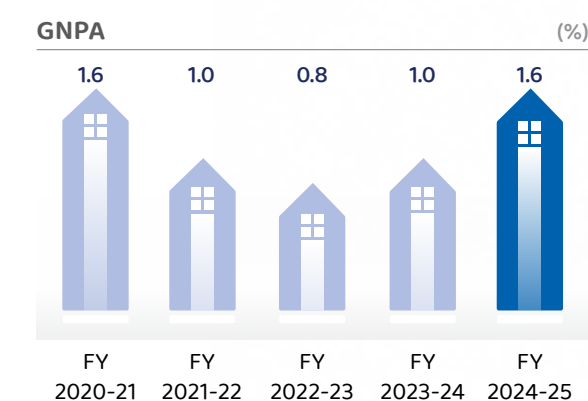
## Balance Sheet



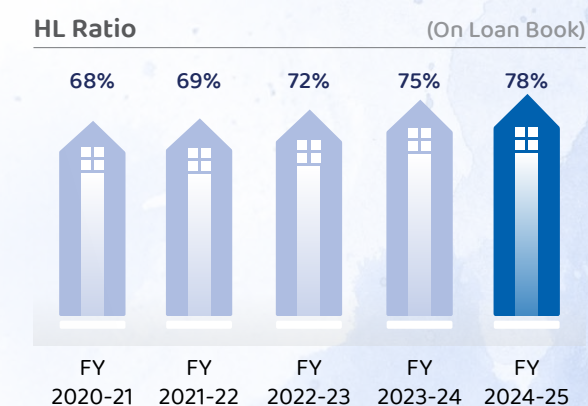
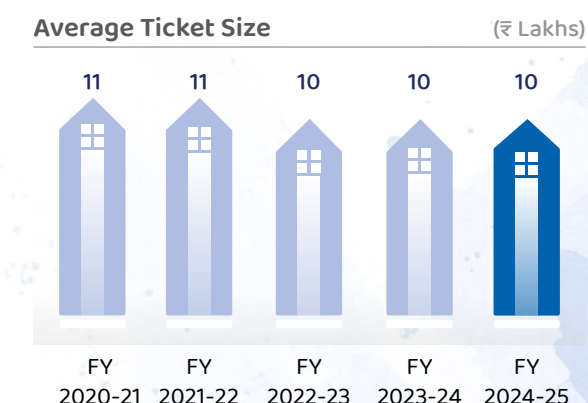
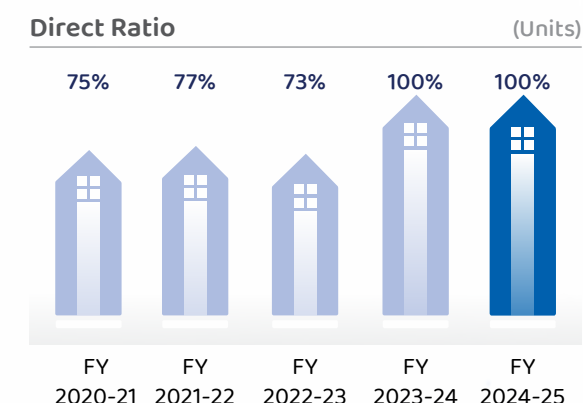
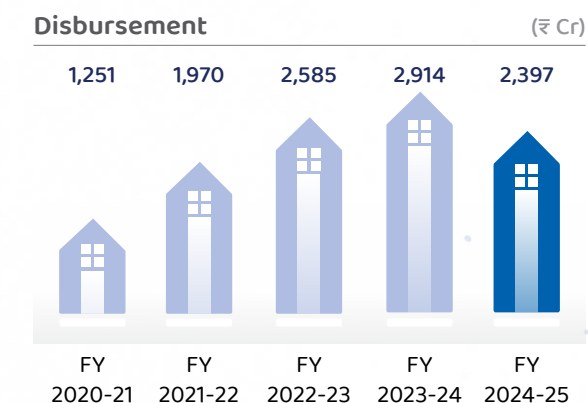
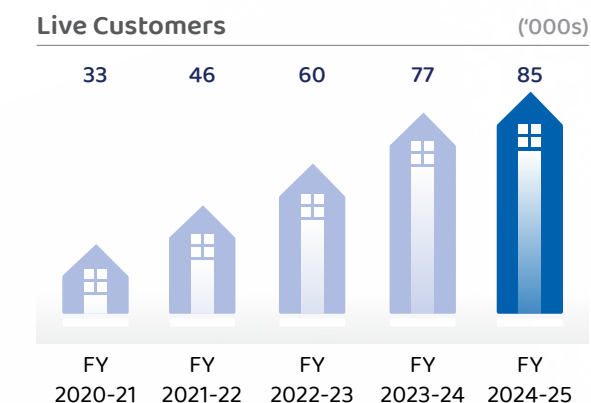
## Income Statement



## Asset Quality Metrics



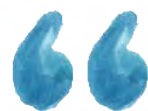
## Business Metrics





## Management's Message

## MD &amp; CEO's Insights



In the quiet ambitions of the self-made, we found the blueprint of a nation. And built a home for it. ”



Dear Stakeholders,

This year marks not just the end of a financial cycle, but the quiet culmination of a vision born eight years ago.

What began as a sketch on paper has today matured into a living, breathing institution—serving over 85,000 families, built with integrity, and driven by a mission that continues to beat at its core. Grihum is no longer just a company. It is a platform of dignity. A place where the self-made find not just a home loan, but a home for their ambition.

### A Year of Grounded Growth and Strategic Poise

Amidst macroeconomic flux and evolving regulatory frameworks, we advanced with measured intent—not out of caution, but with clarity of direction and confidence in our design.

You don't sprint through a sandstorm. You steady the ship, reinforce its hull, and let the compass guide you.

FY 2024–25 was a year of strategic consolidation. Disbursements

remained robust in our core geographies. Portfolio quality held strong, even as we embedded early warning systems deeper into our credit engine. We pruned with purpose and expanded with precision. The real milestone wasn't growth. It was maturity.

### Intelligence at the Edges: The Science and Art of Local Credit

Affordable housing is not an algorithm. It is a field-led art form.

The margins of a building material supplier in Coimbatore differ vastly from one in Kolkata. The business dynamics of a tailoring unit in Bareilly do not mirror those of a cement distributor in Bangalore. Our credit must reflect this reality.

We have spent years institutionalising deep local market intelligence—at cluster, occupation, and collateral level. Today, our micro-policies are not heuristics. They are codified. The concept of Net Realisable Value is embedded into our collateral science.

What was once tribal knowledge has now been encoded into a business rule engine, mounted on a modern technology stack. The result: human judgment empowered by machine logic.

### Technology, Not as Buzzword but Backbone

Our digital stack has undergone a generational upgrade. Grihum is now API-ready, partner-ready, and built to scale:

Automated bureau intelligence, embedded decisioning

Readiness for co-lending, embedded lending, and straight-through integrations

But we've done this without compromise. Every click complies. Every system scales.

### Compliance is Our Operating System

Regulations don't slow us down. They make us sharper.

We have embraced the regulator not as an overseer, but as a co-architect. Our alignment with Regulatory norms, risk-based pricing logic, and audit hygiene is non-negotiable. We do not play to the gallery. We play for permanence.

### Where Policy Meets Purpose—and People Find Home

Our work has never been limited to disbursing loans. It has always been about enabling dignity, security, and self-worth—one home at a time.

Over the years, Grihum has quietly contributed to the shaping of India's affordable housing landscape. Through measured, field-grounded inputs, Grihum has played an active role in shaping the evolution of the Credit Guarantee Scheme for Urban Affordable Housing, contributed to the development of the PMAY Urban 2.0 framework, and collaborated closely with key institutions such as the National Housing Bank, the Ministry of Housing and Urban Affairs, and the Ministry of Finance.

We are not just practitioners in the field—we are participants in the nation's progress.

At Grihum, we don't seek credit for influence. We seek outcomes for those who deserve a fair shot at their first home.

Because when the self-made find stability, the country finds its stride.

### The Institution Over the Individual

Numbers tell one story. People tell another. But culture—the invisible current that binds judgment, intent, and execution—is what endures.

From 208 branches to thousands of employees and millions of moments—every decision we've taken has sought to align individual excellence with institutional purpose. Our values—Humility, Effort, Ambition, Respect, and Teamwork—are not corporate décor. They are a lived operating system, shaping every action and decision across the organisation.

One of the most enduring testaments to this culture plays out every morning at 9:50 a.m. across every Grihum office—the Grihum Anthem.

This is not a ritual. It is a reminder.

It affirms who we are, what we stand for, and why we exist.

It is the voice of our collective intent—a quiet moment of unity before a day of service begins.

### A Quiet Reflection

I have seen this company through three ownerships, a global pandemic, capital constraints, and countless reinventions. I have witnessed its resilience. I have felt its pulse. And I leave this page deeply proud of what we've built together.

The architecture is solid. The next chapter is already being authored. The mission is timeless.

To our customers, regulators, employees, investors, and partners—

Thank you for the trust, the partnership, and the grace.

This wasn't just a journey.

It was a privilege.

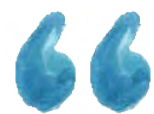
**Manish Jaiswal**  
Managing Director & Chief Executive Officer

From 208 branches to thousands of employees and millions of moments—every decision we've taken has sought to align individual excellence with institutional purpose. Our values—Humility, Effort, Ambition, Respect, and Teamwork—are not corporate décor. They are a lived operating system, shaping every action and decision across the organisation.



## CFO's Message

## From CFO's Desk



As we look back on the past year, we see a period of exceptional milestones that have set the stage for our future. Our growth trajectory has been fuelled by a series of strategic initiatives, from expanding our business footprint to securing a credit rating upgrade. We have focused on building strong foundations, ensuring we remain resilient in the face of an ever-evolving market. ”



A standout achievement has been the creation of a robust IT infrastructure and operational framework, which enables us to scale effectively while staying grounded in our goal of serving underserved communities. This foundation has set the stage for us to lead the transformation in the affordable housing finance space.

## Business Momentum

In FY 2024–25, Grihum recorded disbursements of ₹ 2,397 Cr and closed the fiscal with a total AUM of ₹ 9,374 Cr amid various structural transformations. Over the last five years, we have maintained a steady growth rate and we are well-positioned to sustain this momentum going forward.

Our edge lies in a robust business model underpinned by strong in-house sourcing capabilities, enabling the acquisition of high-quality assets at scale.

## Resource Profile

In a year marked by tight liquidity constraints across the market, Grihum demonstrated exceptional financial resilience by maintaining an average cost of borrowing at just 8.3% - among the lowest in the affordable housing finance segment. This remarkable achievement stands as validation of our financial stability, market credibility, and sophisticated resource-raising capabilities in the debt market, reflecting the strong foundation we've built. This achievement was supported by fresh sanctions from a diverse set of partners, including the National Housing Bank, Public Sector and Private Banks/ Institutions. We've focused not only on expanding our lender base, but also on structuring borrowings across varied tenors and benchmark rates to enhance financial flexibility.

By actively managing a mix of fixed and floating rate exposures, we have built a natural hedge against interest rate fluctuations. Today, with over 30 institutional funding relationships, a diversified funding mix, and with a well-aligned ALM, Grihum stands on a foundation of liquidity strength and financial discipline.

## Improved Credit Rating

We are proud to have upgraded our credit rating to 'AA/Stable' from CRISIL, strengthening our position as one of India's most trusted housing finance institutions.

This upgrade is a testament to our consistent performance, strong governance, a resilient business model, disciplined financial management and a robust liability franchise.

The enhanced credit profile is expected to lower borrowing costs, improve access to capital, and attract a wider pool of investors—strengthening our financial flexibility over the long term.

₹ 2,397 cr  
Disbursements

₹ 9,374 cr  
Assets Under Management

## Operational Efficiency

Our continued focus on operational efficiency has resulted in a meaningful reduction in operating expenses, driven by strategic optimisation, increased automation/digitalisation, and improved resource utilisation. This has enabled us to deliver cost-effective services to our customers while sustaining strong profitability.

As a result of these efforts, our Opex-to-Total Assets ratio declined by 75 basis points year-on-year—a clear indicator of our improved efficiency and disciplined cost management. Supported by scalability, we expect this positive trend to continue in FY 2025–26, further strengthening our operating leverage.

## Strategic Investments and Partnerships



## Driving Innovation in Housing Finance

Grihum's strategic ₹ 25 Cr equity investment in RMBS Development Company Ltd. (RDCL), an initiative by National Housing Bank (NHB), marks a pivotal step toward deepening India's residential mortgage-backed securities market. RDCL's structured approach addresses critical asset-liability mismatches while broadening the investor base, enhancing both stability and sustainable growth within India's housing finance ecosystem.



## Expanding Reach Through Co-Lending

To deliver more accessible housing solutions, Grihum has established a co-lending partnership with a leading Public Sector bank. This collaboration offers our customers improved pricing and enhanced credit accessibility. We plan to scale this initiative substantially in the coming years.



## Mitigating Risk with Collaboration

Our empanelment with the National Credit Guarantee Trustee Company Ltd. (NCGTC) under the CRGFTLIH scheme reinforces our prudent approach to credit risk management. This strategic alliance provides crucial protection against unforeseen portfolio risks, ensuring minimal credit costs while maintaining rigorous financial discipline.



## Supporting Government Initiatives and Subsidies

Grihum remains steadfastly committed to the Government's 'Housing for All' mission. We ensure prompt delivery of subsidy benefits under the PMAY-U 2.0 scheme to all eligible beneficiaries who qualify for this important programme.



Today, with over 30 institutional funding relationships, a diversified funding mix, and with a well-aligned ALM, Grihum stands on a foundation of liquidity strength and financial discipline.

## Future Outlook

At Grihum, our purpose goes beyond numbers. It's rooted in a quiet promise to help families find a place they can finally call home. As India's housing needs evolve, so does our resolve.

Guided by innovation, technology-led solutions, and a deep-rooted sense of purpose, we stand united as 'one Grihum family' — ready to navigate the evolving landscape of affordable housing with agility and perseverance. As we move forward, we aim not only to grow, but to grow meaningfully — delivering value to those we serve while staying anchored to our mission.

We express our sincere appreciation to our shareholders, customers, employees, investors, banking partners, and regulators. Your trust and belief in our vision have been instrumental in our pursuit of a future where every individual can experience the Dignity of Living.

## Pankaj Rath

Chief Financial Officer



## Marketing and Branding

# Building Brand Momentum Through Strategic Growth Channels



We understand that true progress is built on strong and meaningful connections with our stakeholders. This is why our marketing efforts focus on speaking directly to the hopes and dreams of self made individuals, bringing our promise of 'Apna Ghar. Apni Pehchan.' to life. Guided by the spirit of "Homes of Hope. Heart of Bharat" we amplify the voice of Real Bharat, reaching into the heartlands where aspirations run deep. Our branding is not just about being seen; it is about building trust, promoting inclusivity, and nurturing a true sense of belonging across communities.

## Strengthening Local Presence

**Our presence has been felt not just digitally but on the ground-where our customers live, work, and dream.**

- ▶ Participated in 8 major property exhibitions, sparking dialogue with aspiring homeowners, channel partners, and developers.
- ▶ Built trust with influencers and first-time buyers. with over 25 home loan melas and connector meets.
- ▶ Conducted 50+ hyperlocal activations including:
  - Wall paintings, auto-back branding, shop board co-branding, no-parking boards.
  - Light pole branding, newspaper inserts, leaflet distribution at high-footfall locations.
  - Branding at Approved Project Finance sites and industrial belts.



## Empowering the Frontline

**Every relationship manager across our 208 branches, became a brand ambassador through:**

- ▶ Customised marketing collateral tailored to regional needs-posters, standees, umbrellas, caps, promo tables, and branded t-shirts.



## Amplifying Digital & Media Voice

**With a focus on meaningful digital engagement and public relations, we achieved the following:**

- ▶ Enhanced user experience and received over 10,000 quality digital leads through our revamped SEO optimised website.
- ▶ Expanded over social media follower base by over 56,000 by promoting content that reflected regional and emotional relevance.



## Grihum Housing's FY24 PAT rises 21%

FE BUREAU  
Mumbai, May 6

**THE NET PROFIT** of Grihum Housing Finance, erstwhile Poonawalla Housing Finance, rose 21% year-on-year (y-o-y) to ₹140 crore in FY24 owing to a strong growth in assets under management.

The assets under management of the company rose 32% y-o-y to ₹8,277 crore as on March 31. The

company posted its highest ever bottom-line during the year.

The organic disbursement at ₹2,914 crore, a growth of 26% y-o-y, also its highest ever.

The company witnessed an expansion in sourcing and distribution channels, which aided the organic disbursements. It added 28 branches in 2023-24, taking the total number to 210. Further, the housing finance company focussed on key markets through direct and digital sourcing.

The revenue saw a growth of 46% y-o-y to ₹1,046 crore while the net interest margin came at 8.3% for the year under review.

"With a steadfast focus on this mission, we've achieved an impressive 30% growth CAGR, establishing ourselves as a national-scale AHFC, serving over 77,000 customers,"

Manish Jaiswal, managing director, and chief executive officer, Grihum Housing Finance said.



## Empowering Real Bharat with Homes of Hope



## Policy Collaboration & Tech Integration

In alignment with the national vision for inclusive housing:

- ▶ Signed an MoU with the National Housing Bank under PMAY-U 2.0 Interest Subsidy Scheme.
- ▶ Implemented tech-driven automation for eligibility checks, streamlining the subsidy claim process and minimising errors.



griumphousing.com/pmay-eligibility-calculator

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Home / PMAY-U 2.0 / **PMAY Eligibility Calculator**

### PMAY-U 2.0 Eligibility Calculator

Is this first Pucca House of Applicants? ☒ Yes

**Key Conditions**

- Applicable only for Home Loan i.e. Home Purchase or Home Construction
- Applicable only for Home Loans sanctioned and disbursed from 1st Sep 2024
- The family should not have availed housing subsidy in the last 20 years
- Female ownership (sole or joint) is mandatory, limited exceptions available
- The property must be in the Urban area as specified and updated by the Govt. [PMAY Urban Areas List](#)
- In case of Resale property the subsidy should not have been availed before on the same property.
- Loan tenure should be minimum 5 years

Annual Household Income [Max. Annual Income 9 lacs] ₹ **6,00,000**

Loan Value [Max. Loan Amount 25 lacs] ₹ **10,00,000**

Property Value [Max. Property Value 35 lacs] ₹ **15,00,000**

Carpet Area of Property [Sq. Ft.] [Max. Carpet Area 1291 Sq. Ft.] Sq. Ft. **108**

Eligible for PMAY subsidy? **YES**

## Driving Awareness & Education

To spread awareness and enable informed decision-making:

- ▶ Rolled out explainer videos, podcasts, blogs, and leadership articles tailored to local sensibilities.
- ▶ Conducted community awareness sessions in small towns and peri-urban areas.
- ▶ Launched a dedicated PMAY webpage with multilingual content and an eligibility calculator.



PRADHAN MANTRI AWAS YOJANA - URBAN 2.0 Interest Subsidy Scheme (ISS)	
CATEGORY	DETAILS
OBJECTIVE	Provide affordable housing to urban families under Economically Weaker Section (EWS), Low Income Group (LIG), and Mid Income Group (MIG) categories.
Annual Household Income	<ul style="list-style-type: none"> <li>EWS: up to ₹3 lakh</li> <li>LIG: up to ₹6 lakh</li> <li>MIG: up to ₹9 lakh</li> </ul>
HOUSE OWNERSHIP	<ul style="list-style-type: none"> <li>Applicants must not own a pucca house in India.</li> <li>Applicants should not have availed benefits under any other housing scheme of the Central or State Govt in last 20 years.</li> <li>House must be in female head's name or jointly with spouse. Exceptions apply in cases where there is no adult female member, or the applicant is a widower, unmarried, separated, or transgender.</li> </ul>
LOAN & PROPERTY LIMITS	<ul style="list-style-type: none"> <li>Max Loan: ₹25 lakh</li> <li>Max House Value: ₹35 lakh</li> <li>Max Carpet Area: 120 sqm</li> </ul>
SUBSIDY DETAILS	<ul style="list-style-type: none"> <li>Start Date: Home Loans sanctioned and disbursed on or after 1st September 2024</li> <li>Interest Subsidy: 4.0% on first ₹8 lakh for 12 years</li> </ul>
SUBSIDY RELEASE	<ul style="list-style-type: none"> <li>Actual Release: Up to ₹1.80 lakh</li> <li>NPV of Subsidy: ₹1.50 lakh</li> <li>Released in 5 yearly installments</li> </ul>
KEY CONDITIONS	<ul style="list-style-type: none"> <li>Aadhaar Requirement: Mandatory for all beneficiaries</li> <li>Self-Undertaking: Required as per the format</li> <li>Registration: Beneficiaries must register their demand through a Unified Web-Portal</li> </ul>
APPROVED LAYOUT PLANS	Required, unless exempted by state/UT guidelines.
GEO-TAGGING	<ul style="list-style-type: none"> <li>Completed House: After 1st installment.</li> <li>Under Construction House: Before release of each installment.</li> </ul>
SINGLE USE OF SUBSIDY	Subsidy can be availed only once per property. If the property is sold, the new buyer cannot claim the subsidy on it.
LOAN TRANSFERS	Subsidy cannot be claimed again if loan is transferred to another Lender. If the subsidy was not claimed from the original lender, it cannot be claimed after the loan transfer.
SCHEME COVERAGE	Covers all statutory towns per Census 2011, newly notified towns, and areas within Notified Planning Areas and Development Authorities. Refer NHB portal for updated list.

APPLY HOME LOAN WITH INTEREST SUBSIDY SCHEME TODAY!

Toll Free No: 1800-266-3204  
Missed call: 70 66 860 860



Scan to check  
PMAY-U 2.0 ISS Eligibility



Scan to calculate  
PMAY-U 2.0 Subsidy



Scan to Register  
for PMAY-U 2.0



## Supporting Sales Teams for Deeper Reach

### Enabled inclusive outreach through:

- ▶ PMAY-specific collaterals like leaflets, standees, banners, and FAQs at branch level.
- ▶ Specialised training sessions to empower RMs in effectively communicating the benefits of the scheme.



## Recognised for Impact

Grihum's efforts were applauded at prestigious platforms.

Best Customer Awareness Initiative – PMAY at:

- ▶ CREDAI MCHI Kalyan-Dombivli Property Exhibition.
- ▶ CREDAI MCHI Thane Property Expo.



## A NEW CHAPTER in Grihum's Growth Journey

On 16th December 2024, Grihum Housing Finance inaugurated its new Head Office at Viman Nagar, Pune, coinciding with the completion of one successful year since the organisation rebranding to Grihum.

The move to a vibrant, Future-ready workspace reflects Grihum's commitment to scaling new heights, fostering collaboration, and delivering greater value to customers and stakeholders.

This milestone marks not just a change in address but a bold step towards Fueling the next phase of growth — anchored in innovation, agility, and a deeper connection to the aspirations of Real Bharat.

The inaugural ceremony brought together leadership and teams across India to celebrate a shared vision of progress, resilience, and transformation. As we build on the strong foundation laid over the past year, Grihum remains steadfast in its mission to empower self-made individuals by making homeownership dreams a reality.

"At Grihum, every milestone is a springboard for greater aspirations. Our new Head Office is not just a new space — it is a symbol of our commitment to grow, innovate, and make homeownership dreams a reality across Real Bharat." Manish Jaiswal, Managing Director and Chief Executive Officer.



## Customer

## Your Dream is Our Priority

We believe homeownership is not simply a transaction, but a transformative milestone that brings security, stability, and avenues for growth. This belief shapes everything we do. At Grihum, we place the needs of our customers first, ensuring that each process, product, and interaction is designed with their convenience and satisfaction as a top priority. Our dedication to a customer-first approach is evident in our commitment to simplifying procedures, improving transparency, and delivering a smooth, hassle-free loan experience.

## Streamlined Loan Application Process

We have simplified and enhanced the loan application process to make it faster and more efficient for our customers. Key updates include:



## NACH Integration

- ▶ Prefilled NACH forms eliminate discrepancies, ensuring error-free processing.
- ▶ Self-service NACH registration on our platform enhances convenience and allows seamless setup for customers.



## Biometric Signing and e-Agreements

- ▶ Digital signing solutions have reduced paperwork, ensuring a secure and paperless process for loan agreements.



## E-Stamping and SPDC Elimination

- ▶ Complete digitisation of loan documentation saves time by eliminating dependency on physical paperwork.
- ▶ Re-engineered the disbursement process to ensure interest accrual begins only after cheque handover, improving cost efficiency for customers.
- ▶ Security Post-Dated Cheques (SPDCs) are no longer required for loans up to ₹ 10 Lakhs, simplifying the process for customers.



## Transparent and Proactive Communication

We keep our customers informed at every stage of their loan journey through a multi-channel communication strategy:

- ▶ Automated notifications via SMS, WhatsApp, and email provide real-time updates on payment dues, loan status, and key account details.
- ▶ For customers less familiar with digital platforms, we continue to communicate through physical letters to ensure accessibility.
- ▶ Frequent customer connect events such as Sampark, help us gather feedback, spread awareness, and maintain a direct connection with customers.



## Improved Grievance Redressal Mechanism

We have strengthened our grievance redressal process to resolve issues swiftly and efficiently:

- ▶ Escalation handling has been prioritised, reducing resolution turnaround time (TAT) from 5 days to 3 days.
- ▶ This has enhanced customer trust in our ability to address their concerns promptly.



## Leveraging Technology to Enhance Convenience

We have embraced digital solutions to improve customer experience and operational efficiency:

**Virtual Account Number (VAN)**

Real-time payment reconciliation ensures accurate and instant updates for customers.

**Document Management System (DMS)**

Secure digital storage and real-time tracking of credit files and legal folders reduce risks of misplacement and improve efficiency.

**Turnaround Time (TAT)**

Automation and streamlined processes have enabled us to achieve a disbursement TAT of T+1 (disbursement request date + 1 day).

**WhatsApp Notifications**

Customers receive instant updates on loan execution status, payment links, and account information for added convenience.

Stabilised IT systems post-separation by launching the GCollect app, migrating 40,000 loans to the FinnOne Loan Management System, and initiating the AECM platform for seamless digital customer onboarding.



## Valuing Customer Voices

We actively gather and act upon customer feedback to drive continuous improvement:

**Voice of Customer (VOC) Surveys**

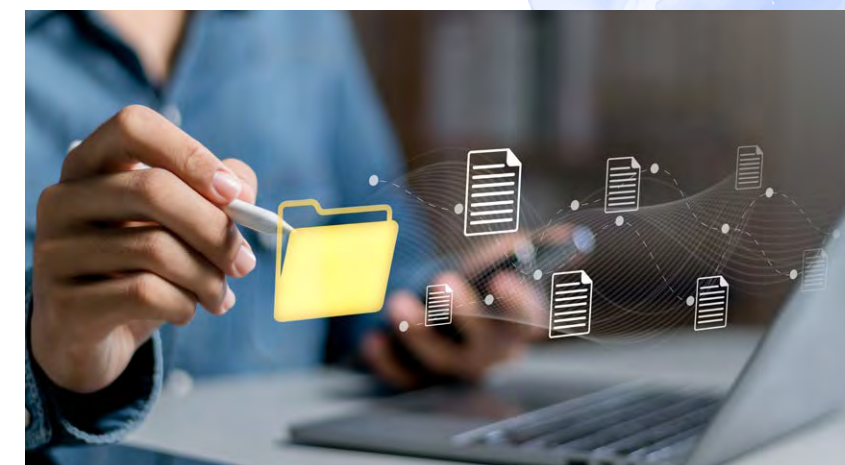
Periodic surveys capture sentiments to identify areas of improvement.

**Net Promoter Score (NPS)**

Recently implemented, NPS provides real-time insights into customer satisfaction, helping us refine processes and services.

**Service Quality Analysis**

Feedback on employee interactions and process bottlenecks is shared across departments to implement corrective actions.





## Trends

## Trends that Inspire Change

The affordable housing finance sector in India is currently experiencing a significant transformation, driven by evolving economic forces, regulatory developments, and changing consumer preferences. At Grihum, we understand the importance of these external factors and have taken a proactive stance to address them effectively. By prioritising adaptability, strategic foresight, and a strong commitment to empowering SMIs, we are well-positioned to navigate this change. Our goal is firm: to make homeownership accessible for millions, continuously meeting the demands of a fast-growing and dynamic market.



1

### Massive Urbanisation in the Semi-urban and Peri-urban Areas

The ongoing expansion of urban centres is having a profound impact on semi-urban areas, which are now experiencing significant growth. This trend of urbanisation is fuelling a heightened demand for housing solutions in these rapidly developing regions. Grihum is aware of this emerging opportunity and is strategically targeting peri-urban and semi-urban markets. By offering carefully tailored financial products that address the unique needs of these people, we aim to deepen our presence and establish a stronghold in these thriving areas.



2

### Preference for Self-Constructed Homes

As more homebuyers turn to self-constructed homes to personalise their living spaces, we have recognised this shift and adapted our offerings to meet these evolving demands. Through tailored construction loans, our Company provides individuals with the financial flexibility to design and build homes that reflect their unique preferences. This thoughtful approach not only aligns with the evolving needs of customers but also enhances satisfaction, building lasting trust along the way.



3

### Government Thrust on 'Housing for All'

The Indian government's strategic focus on 'Housing for All', as demonstrated through programmes like the Pradhan Mantri Awas Yojana (PMAY), has nurtured a dynamic landscape for affordable housing. We fully aligned with this national vision, actively participates in these initiatives, ensuring our offerings complement government schemes. This seamless integration not only propels the government's goals but also enhances the accessibility of homeownership, turning it into a viable prospect for countless individuals.



4

### Growing Middle-Class and Higher GDP per Capita

As India's middle class continues to grow and GDP per capita rises, the demand for homeownership is accelerating, creating a vast opportunity in the housing market. In response, our Company is uniquely positioned to serve this expanding demographic, offering mortgage solutions that are carefully designed to fit the financial realities of today's homebuyers. By aligning our offerings with the evolving needs of this increasing consumer base, we are set to not only meet demand but also drive substantial growth in our loan portfolio, tapping into the nation's increasing desire for homeownership.



5

### Improved Roads and Last-Mile Connectivity

With significant investments in infrastructure, particularly in road networks and last-mile connectivity, access to previously underserved areas is rapidly improving. We stand ready to leverage this development by extending our lending services to these newly connected regions. This strategic expansion will make homeownership more accessible to individuals who have long faced barriers due to poor infrastructure, presenting new opportunities for both growth and inclusion in these communities.



## Strategy

## Strategic Approach to Growth

We are committed to a strategy that prioritises scalable growth, risk-conscious lending, and digital transformation, positioning us as a leader in affordable housing finance. In an environment that is becoming increasingly competitive and tech-driven, we focus on expanding our reach, streamlining operations, and strengthening financial sustainability. All the while, we maintain a strict approach to credit underwriting and a continuous drive for customer-focussed innovation.



## Core Strategic Pillars



### Broadening Market Presence in Underserved Segments

1

- ▶ Strengthening focus on self-made individual borrowers, a segment with limited access to formal credit while ensuring mortgage credit remains accessible.
- ▶ Expanding presence to 200+ locations, with deeper penetration in peri-urban and semi-urban markets.



### Enhancing Operational Efficiency Through Technology

2

- ▶ Deploying a Low Code/No Code Loan Origination System (LOS) to enable faster processing and reduce turnaround time.
- ▶ Integrating Fintech APIs for instant KYC verification, ensuring a seamless 100% digital loan experience.
- ▶ Leveraging data analytics and Digitisation driven risk assessment to optimise underwriting and fraud detection.



### Strengthening Credit and Risk Management

3

- ▶ Maintaining a direct sourcing model for better control over credit quality and customer profiling.
- ▶ Implementing a disciplined, end-to-end loan lifecycle process, ensuring strong risk mitigation across sourcing, underwriting, and collections.
- ▶ Establishing decentralised, specialised in-house teams (legal, technical, and credit underwriting) to ensure robust due diligence and portfolio quality.
- ▶ Established a cohesive risk-based internal audit framework across various domains to streamline operations.



### Driving Sustainable and Profitable Growth

4

- ▶ Optimising cost of funds and maintaining a well-diversified liability profile to support long-term scalability.
- ▶ Improving credit rating to reinforce our funding strategy.
- ▶ Aligning with the Government of India's 'Housing for All' initiative, supporting affordable homeownership through targeted financial solutions.



### Strengthening Collection Efficiency

5

- ▶ Operating a 100% in-house collection team of 600+ professionals, ensuring early-stage delinquency control.
- ▶ Adopting a data-driven collection strategy, enabling proactive engagement and minimising credit risk.



## Technology

## Tech-Enabled Seamless Financing

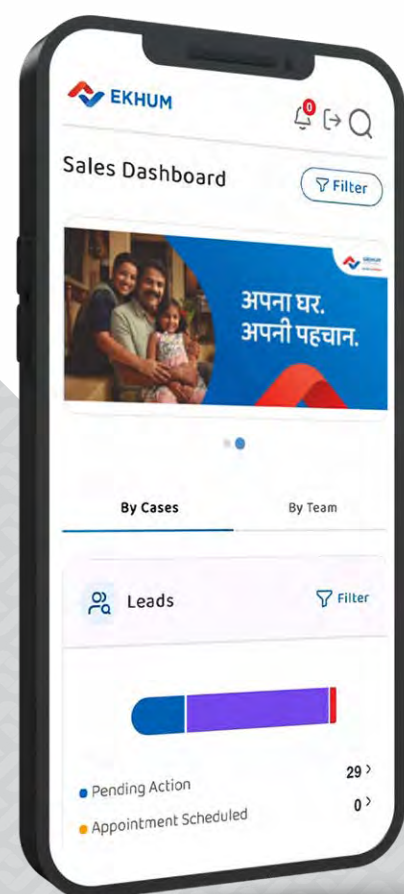


We are committed to making home financing as smooth and transparent as possible. Our digital-first approach ensures quicker approvals, minimal paperwork, and an improved customer experience.

By embracing AI, automation, and cloud-based infrastructure, we are improving financial accessibility, making it easier for self-made individuals and first-time homebuyers across India to own a home.

## Enhancing Efficiency with Advanced Loan Processing

We have implemented a state-of-the-art Loan Origination System (LOS) built on a Low Code/No Code (LCNC) platform to streamline operations and reduce turnaround time. From application to disbursement, this system ensures faster approvals with minimal delays. Additionally, real-time KYC verification and automated credit scoring ensure a paperless workflow, while Microsoft Azure Data Factory (ADF) streamline operations by securely reporting integrated data.



## Ekhum Launch

Grihum's commitment to innovation is reflected in Ekhum, an advanced Loan Origination System (LOS) powered by the Low Code No Code (LCNC) platform. This transformative system optimises the lending process at every stage, from initial lead capture to final disbursement, ensuring a seamless and efficient experience.

By eliminating manual bottlenecks, Ekhum accelerates loan approvals, enhances service delivery, and enables employees to focus on strategic, value-driven activities. For customers, it simplifies the borrowing process, reducing wait times and enhancing transparency.

## Key Impact

- ▶ Achieved a 65% reduction in total loan processing time (TAT).
- ▶ Improved accuracy in underwriting through advanced risk-based credit scoring.
- ▶ Eliminated ID fraud risk with Aadhaar-based verification.
- ▶ Optimised data management through cloud-based infrastructure.



## Expanding Customer Access with Digital Solutions

We have introduced an integrated digital ecosystem that streamlines the home loan process. Featuring a mobile sales app and a Progressive Web Application (PWA), this ecosystem empowers customers to take control of their journey with self-service options, real-time loan status tracking, and immediate support. By bringing together Customer Relationship Management (CRM), Loan Origination Systems (LOS), and Customer Portals, our unified platform ensures a seamless, omnichannel experience that enhances both speed and efficiency for our customers.

## Key Enhancements

- ▶ Introduced self-service platforms for instant loan tracking and assistance.
- ▶ Implemented AI-driven customer onboarding for faster approvals.
- ▶ Delivered a seamless experience across mobile and web platforms.
- ▶ Integrating a Super App for employees, facilitating real-time communication and task management.



Strengthening Security and Compliance

Digital progress brings new opportunities, but it also calls for stronger safeguards. At every step of our journey, we prioritise the security of our customers' data. With a multi-layered security framework in place, we ensure compliance while protecting sensitive information with the utmost care.



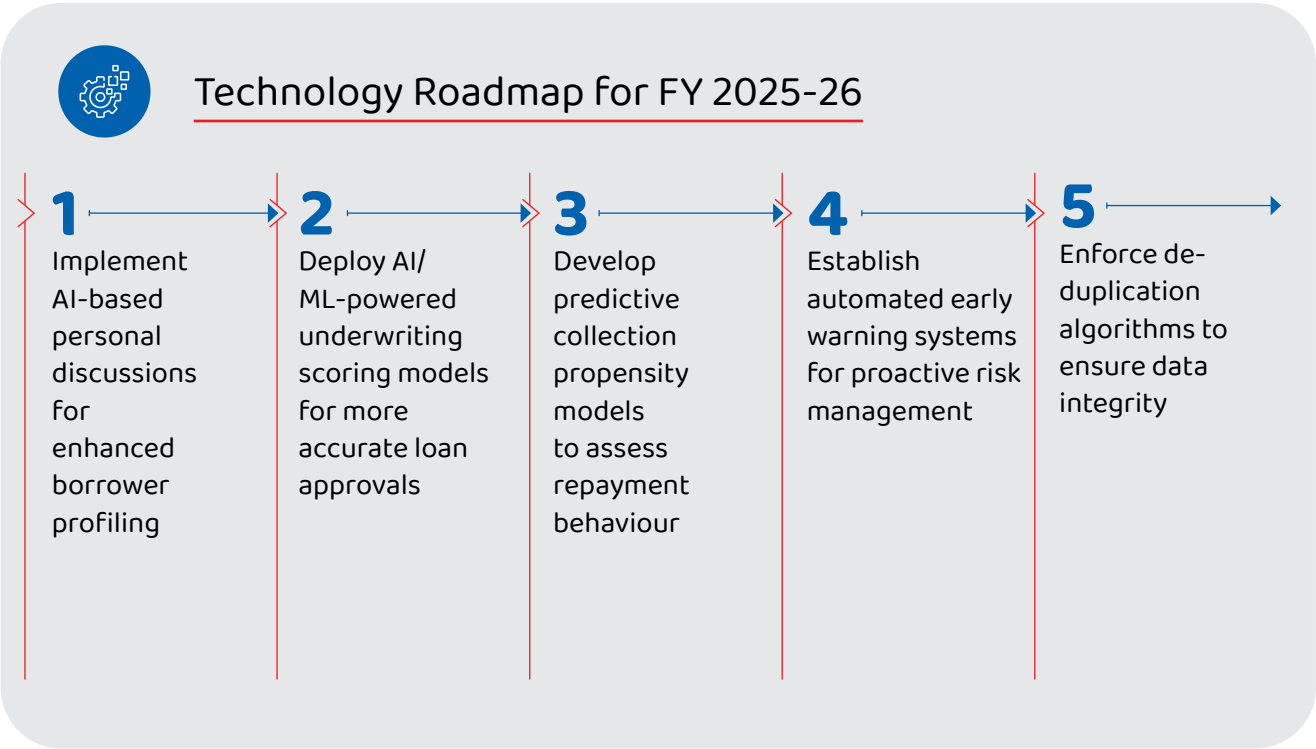
Automating Collections and Credit Monitoring

We are always looking for ways to improve efficiency and make financial processes more secure and hassle-free. Our customised digital collections system helps us track repayments and monitor compliance with ease, while models-such as CIBIL Tradeline analysis and Auto CAM-enhance the accuracy of credit assessments. Business Rule Engines (BRE) further streamline policy enforcement,

allowing real-time decisions that make the lending process faster and more reliable. With these innovations, we are making finance simpler, smarter, and more accessible for everyone.

Key Outcomes

- Developed dynamic pricing models for precise loan offerings
- Automated credit scoring based on borrower profiles
- Implemented early warning systems using AI/ML for risk mitigation
- Established predictive collection propensity models for proactive debt management



A home represents comfort, stability, and a fresh start. At Grihum, we use technology to make the journey to homeownership smoother and more accessible. By streamlining processes and ensuring security, we help individuals and families move forward with confidence.

When it comes to protecting customer data, we leave nothing to chance. Our commitment to security and compliance has been validated by a 99% score in an investor-led Black Kite information security assessment. We go even further by implementing industry-leading safeguards like Data Loss Prevention (DLP) and Rights Management Tools, ensuring that personally identifiable information (PII) is always encrypted and secure.





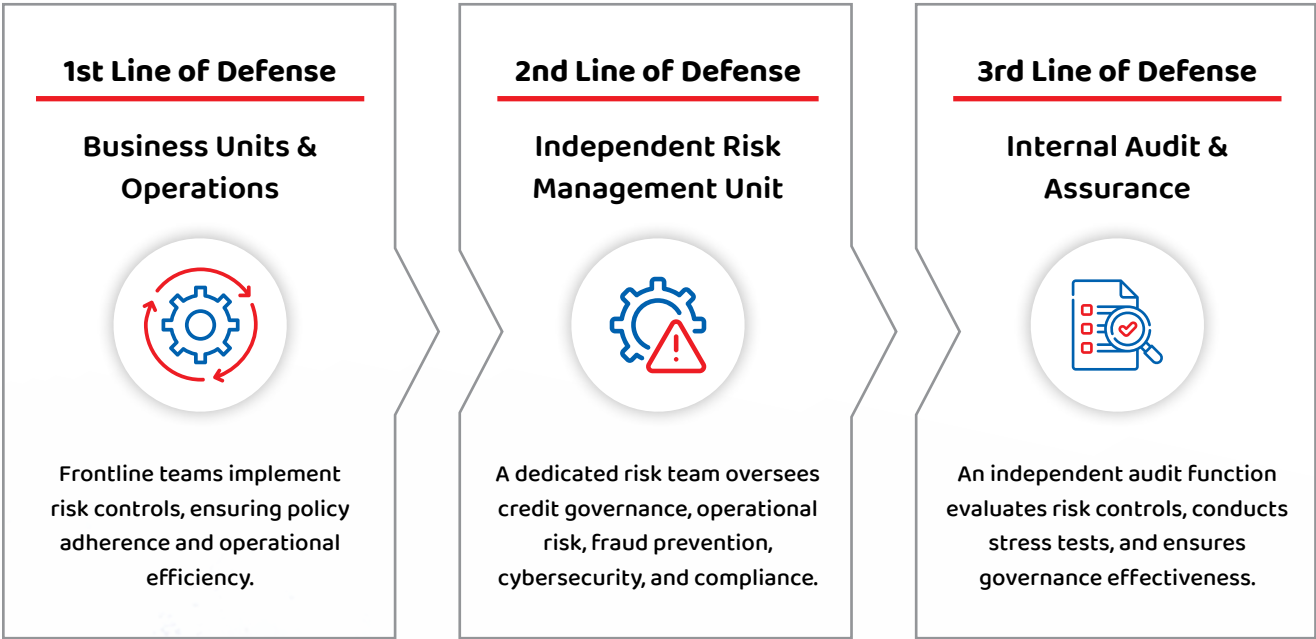
Risk Management

# Risk Resilience for Sustainable Growth

Growth is only possible when we manage risks with care. We take a proactive approach, keeping a close eye on regulatory changes, economic conditions, and shifting customer needs. Our framework ensures that risks are identified, assessed, and addressed effectively, helping us stay strong in an ever-changing environment. By combining governance, clear policies, and advanced analytics, we not only protect our operations but also make responsible lending a priority.





## Risk Management Framework

We follow a structured, three-tiered defense model:








This multi-layered governance structure fosters accountability, enhances risk awareness, and ensures a resilient operational model.

## Core Risk Management Strategies

Component	Key Principles & Execution	
 <b>Risk Governance</b>	<ul style="list-style-type: none"><li>Define risk appetite and oversight mechanisms</li><li>Conduct periodic reviews to assess risk exposure and mitigation strategies</li><li>Establish strong governance structures for accountability</li></ul>	
 <b>Operational Controls &amp; Compliance</b>	<ul style="list-style-type: none"><li>Track Key Risk Indicators (KRIs) in real time</li><li>Detect fraud and manage operational risks in a timely manner</li><li>Ensure compliance with Internal Financial Controls (IFC)</li></ul>	
 <b>Credit Risk Management</b>	<ul style="list-style-type: none"><li>Implement fintech driven underwriting based on risk-based pricing</li><li>Automate credit decisions with integrated fraud detection</li><li>Use early warning systems for portfolio health monitoring</li></ul>	
 <b>Liquidity &amp; Capital Management</b>	<ul style="list-style-type: none"><li>Proactive asset-liability management (ALM)</li><li>Conduct stress testing to ensure financial resilience</li><li>Maintain diverse funding sources</li></ul>	

## Risk Exposure & Resilience Strategies

Risk Category	Impact	Key Principles & Execution
 <b>Credit Risk</b>	Borrower defaults affects asset quality.	<ul style="list-style-type: none"><li>AI-driven risk models.</li><li>Continuous portfolio monitoring.</li><li>Diversified loan book.</li></ul>
 <b>Liquidity Risk</b>	Short-term cash flow mismatches.	<ul style="list-style-type: none"><li>Strong liquidity buffers.</li><li>Active cash flow monitoring.</li><li>Diverse funding strategies.</li></ul>
 <b>Operational Risk</b>	Internal failures, fraud, and cybersecurity threats can compromise confidential data.	<ul style="list-style-type: none"><li>Advanced fraud detection.</li><li>Regular cybersecurity audits.</li><li>Process automation.</li></ul>
 <b>Regulatory Compliance Risk</b>	Non-adherence to RBI, NHB, or SEBI guidelines can lead to fines and penalties.	<ul style="list-style-type: none"><li>Dedicated compliance teams.</li><li>Real-time regulatory tracking.</li><li>Regular staff training.</li></ul>
 <b>Market &amp; Interest Rate Risk</b>	Adverse Fluctuations affects both lending and profitability.	<ul style="list-style-type: none"><li>Dynamic rate modelling.</li><li>Hedging strategies.</li><li>Stress testing for rate shifts.</li></ul>

## Enhancing Risk Mitigation through ICAAP & Stress Testing

As part of our commitment to regulatory compliance, we have implemented a structured Internal Capital Adequacy Assessment Process (ICAAP) to ensure that capital allocation aligns with risk exposure. A key element of this process is stress testing, which evaluates plausible adverse scenarios, including credit risk, liquidity risk, and market volatility. To further enhance strength, we continuously refine our risk governance framework, safeguarding financial stability and supporting long-term growth.



## Human Resource

# Fostering an Inclusive and Supportive Workplace

We believe a thriving workplace is built on trust, respect, and genuine care. Beyond day-to-day tasks, we create opportunities for every team member to feel seen, valued, and empowered. When people are supported in both their professional and personal journeys, they do not just work better—they live better.



## D.E.E.P. Philosophy: A Holistic Approach to Employee Growth

Our engagement initiatives are driven by our D.E.E.P. Philosophy—Deep Listening, Emotion, Empowerment, and Potential—which reflects the core values that inspire and motivate our teams.

### Personalised Conversations

We build strong connections through individual dialogues between our leaders and our branch employees, creating open channels for meaningful exchanges and feedback.

### Branch Connect

A nationwide programme for strengthening the emotional engagement of our employees, built on the pillars of our company's values - humility, trust & togetherness. This initiative goes beyond standard interactions, involving leaders across hierarchies and our HR personnel in substantive conversations and activities with our employees throughout the country.

### Leadership 360

An innovative leadership development programme for our senior management focussed on enhancing personal and professional potential through a comprehensive and one-of-a-kind 360 degree assessment.

### Employee Experience & Celebrations

Reinforcing team unity through vibrant celebrations at our branches, including Independence Day, Navratri, Diwali, Christmas, Republic Day, and Women's Day.

## Employee Benefits & Well-being

Our policies are designed to prioritise financial security, healthcare, and work-life balance, fostering holistic employee wellness and empowering our teams to thrive both professionally and personally.

- Employee Loan Schemes: Home and personal loans with advantageous terms
- Health & Wellness: Full insurance protection for employees and families
- Work-Life Balance: Adaptable work policies, parental leave options, and wellness programmes
- Car Lease Programme: Convenient vehicle leasing options for staff

## Talent Management & Employee Engagement

With our workforce exceeding 4,000 employees across 18 states and more than 200 locations, we focus on maintaining a digitally connected and engaged team.

### HRMS Platform

An efficient system managing recruitment, performance evaluation, and learning initiatives.

### Recognition & Rewards (R&R)

Programmes such as Kudos, Long-Term Service Awards, Internal Job Postings, High Performer & Achiever Recognition, and Leadership Development Initiatives reflect our commitment to fostering a culture of appreciation. These initiatives not only celebrate individual and team excellence but also play a key role in enhancing employee engagement and driving organisational success.





## Learning & Development

We believe that learning never stops. By prioritising ongoing development, we create an environment where growth and innovation flourish together. Through skill-building programmes and opportunities for professional advancement, we empower our people to reach new heights and take pride in their progress. Over 165 training sessions conducted across various business functions.



### Mandatory Training Modules (MTM)

Essential training covering AML, KYC, POSH, InfoSec, and DLP compliance for all new team members.

### Prarambh Session

A two-hour HR orientation conducted weekly on every Tuesday in first three weeks of the month. We educate new joiners about our mission, vision, organisational policies, employee benefits, code of conduct, POSH, compliance requirements, and behavioural expectations.

### Sankalp Training

A comprehensive two-day programme for new recruits, followed by practical learning. Participants learn about key departments including HR, Sales, Credit, Collection, and Technical operations. These focussed sessions provide valuable knowledge about our organisation, customer segments, sales approaches, processes, and policy details.

### Pathshala

Monthly functional and behavioural training sessions held during the first week, primarily benefiting sales and credit teams by delivering crucial operational information.

### Grihumshala

Launched monthly knowledge sharing series where organisational leaders present strategic business topics to employees nationwide, aiming to highlight key organisational focus areas.

### Budhwar ki Pathshala

Our Wednesday case study programme for sales and credit staff, with ten successful sessions conducted to date.



## Diversity, Equity, and Inclusion (DEI)

We promote a diverse and inclusive workplace by implementing well-crafted policies and dynamic engagement initiatives that foster belonging and drive innovation.

- ▶ Commitment to merit based equal opportunity employment.
- ▶ Comprehensive anti-discrimination policies ensuring a safe work environment.

## Workplace Safety & Compliance

- ▶ Full adherence to the POSH Act (Prevention of Sexual Harassment, 2013).
- ▶ Internal Complaints Committee (ICC) addressing grievances and ensuring workplace safety.

## Commitment to a Sustainable Future

Through our CSR and HR initiatives, we are persistent in our commitment to driving inclusive development and creating sustainable impact. As our organisation grows, we remain focussed on amplifying our influence, empowering communities, and nurturing a workplace culture that creates lasting, positive transformation.

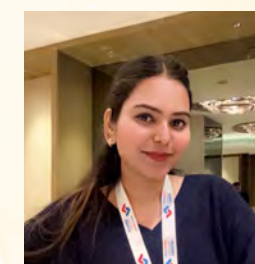
## Employee Testimonials



**Rakesh Shirsat**

**Regional Technical Manager**

In my two years leading Credit-Technical for Maharashtra at Grihum, I have grown significantly both professionally and personally. My role consistently challenges me with new aspects of the mortgage industry, making each day engaging. Grihum's culture of trust, ambition and work-life balance, accessible leadership, and strong team support have been essential to my success. I'm eager for the continued growth opportunities ahead.



**Yashi Verma**

**Credit Legal Manager**

My two years at Grihum have been transformative. The culture values collaboration, learning, and personal growth, treating every challenge as an opportunity. Grihum balances professional excellence with employee well-being, creating an environment where people feel empowered and supported. The trust given to employees builds a strong sense of purpose. I'm grateful for the experiences and relationships I've developed here and look forward to continued growth with an organisation that truly values its people.



**Shovon Banerjee**

**Senior Manager, Product Sales**

Over the past 11 years at Grihum Housing Finance Ltd, I've felt truly valued and supported. From day one, the warm welcome from colleagues and leaders made a lasting impression. Grihum's focus on continuous learning and professional growth has helped me evolve in my role. I am especially grateful for the collaborative culture that encourages innovation and teamwork. Every project has been a new learning experience and an opportunity to push my limits. The Company's inclusive, balanced, and appreciative environment inspires me to give my best every day. I am proud to be part of this journey and excited for what lies ahead.





### Sandeep Kumar Singla

Lead, Insurance Cross-Sell

My two-year journey with Grihum's Insurance Team has been both challenging and enriching. I have grown professionally while contributing to our mission of delivering affordable housing solutions. The collaborative culture, strong leadership, and focus on excellence make every day rewarding. I am proud to work for a company that upholds the values of Humility, Trust, and Togetherness. Looking forward to continued growth and contributing to Grihum's bright future.



### Mani Kumar Batish

State Collection Head

My time at Grihum has been a journey of learning, growth, and dedication. It's been the perfect platform to apply my skills and evolve both personally and professionally. What makes this experience truly special is the opportunity to inspire my colleagues—not just through work, but also through creative expression like poems and videos. I strive to build a workplace that's productive and joyful. I look forward to continuing this journey with the same passion and commitment.



### Rasika Shende

Manager, MD's Office

Being part of the MD's Office has given me a deep understanding of Grihum's vision, leadership, and growth mindset. Over the past year, I have witnessed a culture driven by transformation, collaboration, and continuous improvement. It's been a privilege to contribute to key initiatives and support our strategic goals. I look forward to another year of innovation, adaptability, and shared success.



### Siddhi Jakotia

Deputy Manager, Finance

Grihum has made my first professional experience truly rewarding. The supportive culture and welcoming environment have made my transition into the corporate world smooth and enriching. My manager's guidance has been instrumental in my development, and the collaborative team spirit encourages constant learning. I've grown both personally and professionally and am grateful for the opportunities ahead as I continue this journey with Grihum.

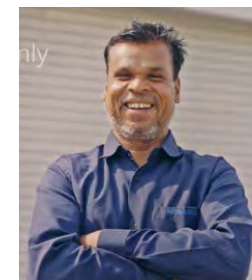


### Pratibha Harihar

Assistant Manager, Customer Service

Working in Customer Service at Grihum has been incredibly fulfilling. Every day, I get to support customers and contribute to their homeownership journey. The customer-first approach, along with a strong focus on innovation and continuous learning, has shaped my growth. With a supportive team, approachable leadership, and great work-life balance, Grihum offers a truly rewarding workplace.

## Customer Testimonials



### Harsingh Maurya

After working for 25 years at Mittal Industries, I was exhausted from living in rented homes. Every small thing, whether it was using the terrace, returning late, or even accessing water, required permission. On top of that, the constant jibes from relatives about not owning a home were deeply hurtful.

Then came Grihum. While other banks made the process complicated with endless paperwork and delays, Grihum's team met me where I was. They collected the required information, understood my situation, and made the loan approval smooth and stress-free.

Today, I've been living in my own home for 10 months. Those who once doubted me now admire what I've achieved. Grihum didn't just give me a loan, they gave me dignity and peace of mind.



### Deepak Alone

When we first stepped into our own home, my wife, daughter, and I broke down in tears. After years of struggle, supporting my parents and two brothers in Barwani, juggling jobs as a school transport driver and a security guard, life wasn't easy. But through it all, my wife stood by me.

We were forced to vacate our rented home when I couldn't afford a sudden rent hike. Then one Sunday, while scrolling through Instagram, I came across a Grihum Housing Finance ad and decided to reach out. Unlike other lenders, they kept it simple, just my Aadhaar, PAN, and ration card. In just 15 days, I was approved for an ₹ 11.1 Lakhs loan, something I never imagined possible.

Now, after 10 years of love marriage, my wife finally has a home she can call her own. Life still has its challenges, but nothing compares to the joy of owning a home.



### Doulat Keer

I'm Daulat Keer from Harda district. For years, my wife and I lived with our three children in a cramped rented room. Water was scarce, and over 10–12 years, we had unknowingly spent ₹ 3–4 Lakhs just on rent. One day, we decided enough was enough, we would stop wasting money and build a home of our own with the help of a loan.

An acquaintance told us about Grihum Housing Finance. When we reached out, they asked about my job at Kisan Company and requested just a few basic documents, my bank statement and Aadhaar card. To our surprise, the loan was approved in just 15 days, with hardly any hassle.

Now our home is complete, and the joy on my children's faces says it all. Our two daughters and son are happy, and I feel proud knowing they won't have to worry about having a roof over their heads, because their father built them a home.



### Laxman Sharma

My name is Laxman Sharma. I have a large family. We are in the transport business, mainly dealing with medicines, and my sons work with me too.

For 15 to 20 years, we lived in rented accommodation in Jaipur. As our family grew, so did the need for a home of our own. We approached banks, but the loan options were too expensive. That's when a relative told me about Grihum Housing Finance. When I visited their office, I found their interest rates much more affordable. I submitted the required documents, and the loan was approved smoothly.

Since then, I've been paying my EMIs on time. Life has become more stable. Earlier, in the rented house, there were occasional issues and complaints, especially involving the children. But now, in our own home, the family lives in peace and happiness.



### Doula Nadaf

My name is Daula Nadaf. We moved here from Gulbarga, Karnataka. I used to work as a helper, but now I'm a contractor handling plumbing and related work. For about four years, we lived in a rented house. Eventually, we decided it was time to buy our own home, we didn't want to spend our lives paying rent.

Living on rent came with constant problems, sometimes no water, sometimes power cuts, and we always had to answer to the landlord. Owning a home is a completely different feeling. No one can ask you to leave, and you have peace of mind.

Since our income depends on online contracts, it isn't fixed, some months there's work, some months there's not. A friend suggested Grihum Housing Finance, and we visited their office. The experience was smooth. The interest rate was low, the documentation required was minimal, and their team handled everything well. They truly made the process easy for us.



## ESG

# Impact Beyond Business



Sustainability is not just a commitment but a fundamental part of how we operate. We believe that long-term value is created when environmental responsibility, social impact, and strong governance work together. Our ESG strategy ensures that we take meaningful action in these areas. By integrating sustainable practices across our operations, we create long-term value while contributing to a stronger and more inclusive future.

## ESG Framework

We see sustainability not as a separate initiative but as a natural part of how we do business.

Our Environmental, Social, and Governance (ESG) principles guide our decisions, helping us grow in a way that is responsible, ethical, and impactful. By integrating sustainability into our operations and governance, we ensure that our progress benefits not just our Company but the communities we serve.

Leading this effort is our ESG Committee, chaired by the Chief Financial Officer and senior leadership. Their role is to set meaningful sustainability goals, oversee implementation, and ensure that we meet all regulatory requirements. By staying accountable to our principles, we are working towards a future where growth and responsibility go hand in hand.

# E

# S

# G





# Environment

For us, sustainability is more than just a corporate responsibility; it's a way of doing business with purpose. We are committed to reducing our ecological impact by minimising emissions, conserving energy, reducing waste, and promoting responsible finance that prioritises long-term environmental well-being.

Yet, true change is not achieved in isolation. We believe in the power of collective effort, encouraging our employees and stakeholders to make climate-conscious choices in their daily lives. Sustainability isn't just about what we do—it's about how we inspire those around us to do the same.



## Lowering Greenhouse Gas Emissions

To lessen our environmental impact, we have made energy efficiency and sustainable mobility integral to how we operate.

### Energy-Efficient Power Backup

Replacing conventional diesel generator (DG) sets with inverter-based systems, significantly reducing emissions and fuel dependency.

### Sustainable Cooling Technologies

Transitioning to R-32 refrigerants in air-conditioning units, minimising the environmental impact compared to traditional R-22/R-410A.

### Eco-Friendly Transportation

Introducing hybrid company-owned vehicles for internal travel, ensuring lower fuel consumption and a reduced carbon footprint.



## Optimising Energy Consumption through IoT & Renewable Energy

We leverage technology and renewable energy sources to enhance energy efficiency:

### Smart Energy Monitoring

Implementing IoT-enabled smart meters across 30 branches, reducing energy consumption by 10% in collaboration with "Living Things."

### Solar Power Utilisation

Deploying solar panels at tier-3 and tier-4 branches, reinforcing our transition to sustainable energy sources.



## Sustainable Operations & Resource Efficiency

Grihum is committed to minimising environmental impact by integrating sustainability into its daily operations. We actively promote:

### Digitalisation for Reduced Paper Use

Shifting to digital collection and lead-to-disbursement processes, eliminating over 1,000 bundles of A4 paper per month.

### Tree Conservation Efforts

Leading to the annual preservation of nearly 600 trees, this initiative significantly reduces paper wastage and deforestation.

### Plastic-Free Workspaces

Encouraging eco-friendly workplace practices, such as eliminating plastic water bottles, reducing disposable paper cups, and implementing waste segregation initiatives.

### Sustainable Procurement Practices

Ensuring that our supply chain aligns with environmentally responsible sourcing and sustainability principles.







## Social

Success holds little meaning if it does not uplift others along the way. At Grihum, we are committed to driving change where it truly matters—within communities, workplaces, and society at large. Our CSR initiatives focus on education, skill-building, healthcare, and financial inclusion, ensuring that our journey forward is one that brings everyone along. We are also committed to building a better future for the Affordable Construction Ecosystem (ACE) and other related communities. Guided by our core pillars of health, education, and the environment, we actively engage in initiatives that ensure access to essential healthcare, promote educational opportunities, and support sustainable livelihood generation. By focusing on these critical areas, we aim to address the unique challenges faced by the communities we serve, foster inclusive growth, enhance access to vital resources, and promote long-term, sustainable development for all.

## Corporate Social Responsibility (CSR) Initiatives



### Khushiyan Ka Angan: Empowering the Girl Child through Education

In rural and semi-urban India, many girls from underprivileged backgrounds encounter significant obstacles to their education. This initiative is dedicated to promoting educational equity by ensuring these girls have the support they need to continue their schooling. We at Grihum believe in the intrinsic value of every girl child, recognising her as the cornerstone of our collective future. Thus, we invest in building a brighter tomorrow wherein our programme encourages a sense of collective responsibility, ensuring that every girl child has the opportunity to unlock her full potential.

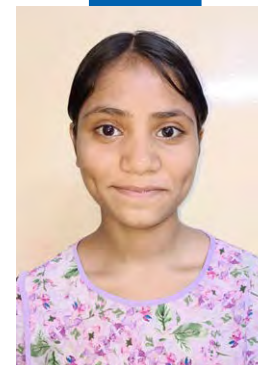


#### Impact

Supported  
**255** students

Transformed  
**1,000+** lives

## Testimonial



Chandani is a dedicated 10th-standard student at a school in Uttar Pradesh, living with her parents and four siblings. Her father works as a daily wage worker, while her mother is a homemaker. Passionate about science, Chandani is focused on her upcoming board examinations.

But her world isn't just textbooks and exams. She finds joy in painting and handmade projects, letting her creativity flow in quiet moments. Yet, her heart beats for something far greater. Chandani dreams of becoming an IAS or IPS officer, determined to serve the nation and uplift those around her. With unflinching perseverance, she is shaping a future where her circumstances do not define her, but her aspirations do.



### Hunar Se Parichay: Enhancing Employability through Skill Development

Opportunities can change lives, and Hunar Se Parichay is proof of that. Through hands-on training in manufacturing helmets, raincoats, and jackets, we help underprivileged youth and persons with disabilities gain the skills they need to stand on their own feet. More than just employment, this initiative instills confidence, dignity, and the power to shape their own futures.

Furthermore, under the company's apprenticeship programme, over 290 individuals were given the opportunity to learn & work in a professional environment.



#### Impact

**10,000+**

Beneficiaries Impacted Via Our Projects

**290+**

Apprentices Provided Hands-On Training Opportunities

#### Manufactured and Donated

**3,450**

Motorcycle Helmets

**2,000**


Raincoats

**2,000**

Reflective Jackets



Testimonial



Over the past year, Bhawana Malviya has grown in her role in Administration at our Indore, MP branch, excelling in office management and customer service. But what truly stands out for her is the constant support of her colleagues. In their kindness and teamwork, she has found more than just a workplace—she has found a place where she truly belongs.



### Swayam: Employee Driven Social Upliftment

This initiative fosters employee participation in community-focused projects that address critical areas such as access to clean drinking water, women’s health, and environmental sustainability. By adopting a grassroots approach, Swayam transforms employee engagement into meaningful social impact, reinforcing our commitment to inclusive and responsible growth.



Impact

66

RO Water Purifier Installed Serving more than 40,000 Individuals Monthly

14,000+

Saplings Distributed in 100 Schools

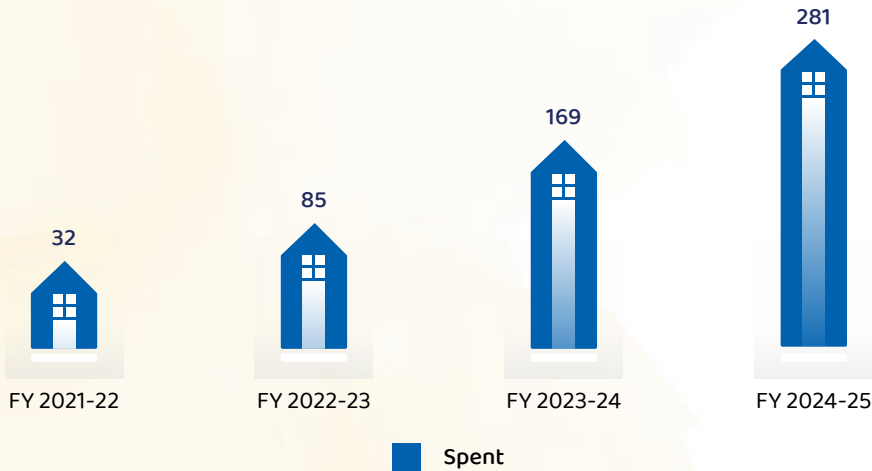
54

Women Police Stations Supplied with Sanitary Napkins  
Vending Machines Equipped with 1,000 Napkins each



CSR Expenditure

Over the past four years, our CSR budget has seen a consistent and significant increase, reflecting our deep-rooted commitment to driving meaningful, long-term social impact through focused and accountable initiatives.



Note: Figures (₹ in Lakhs)

Overall Impact

650+

Employees Participated in CSR Activities

1,00,000+

Total Lives Impacted

260+

Locations Covered



## Governance

### Governance and Ethical Business Practices

Corporate governance forms the cornerstone of our sustainable growth. Our governance framework is grounded in transparency, accountability, and ethical business practices, which not only drive long-term success but also nurture trust with our stakeholders.

#### Corporate Governance Philosophy

We are dedicated to upholding robust governance principles that adhere to regulatory requirements, industry best practices, and the expectations of our stakeholders. Our Board of Directors and Committees play an active role in overseeing governance policies, ensuring compliance with regulatory frameworks, including SEBI Listing Regulations, RBI, and NHB guidelines.

To support this commitment, we have established a Corporate Governance Policy that outlines the roles, responsibilities, and ethical standards for both leadership and employees. Our governance structure is regularly reviewed to ensure it remains responsive to changing regulatory environments and industry trends.



#### Board Diversity Policy

We are dedicated to fostering diversity within our Board of Directors. The Company acknowledges the significant advantages of a diverse Board and considers increasing diversity at the Board level as crucial to maintaining a competitive edge. We believe that a truly diverse Board, encompassing a wide range of perspectives, expertise, skills, regional and industry experiences, as well as

varied cultural, geographical, age, race, and gender backgrounds, will strengthen the Company's ability to stay competitive.

Additionally, we are confident that a diverse Board will drive better business results, enhance corporate governance, improve decision-making quality, promote sustainable growth, and further elevate the Company's reputation.

#### Board with Diverse Expertise



**33%** Diverse Industry Experience  
**17%** Consumer Goods  
**17%** Fintech  
**33%** Investment Banking

#### Directors



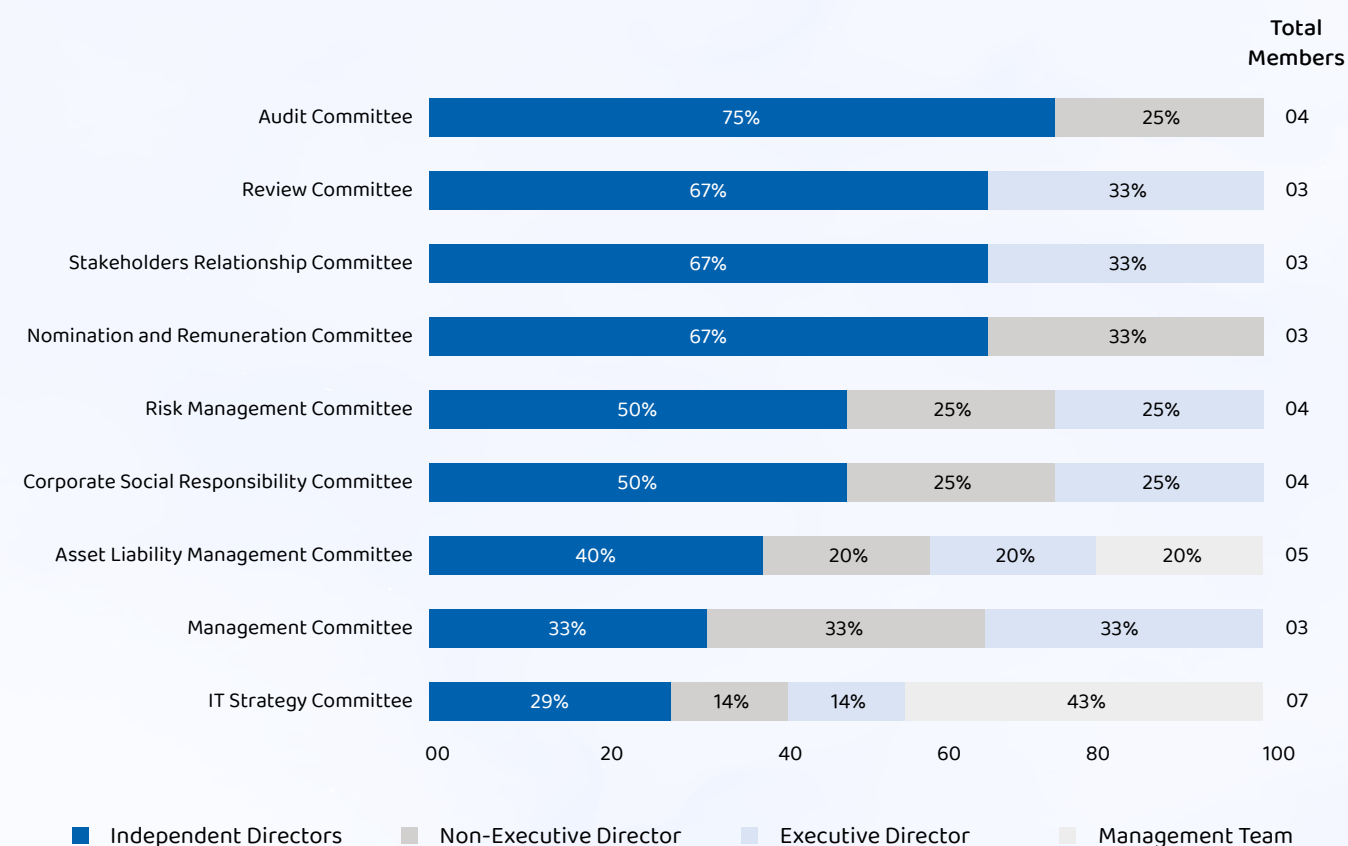
**50%** Independent Directors  
**33%** Non-Executive Directors  
**17%** Executive Directors

#### Geographic Diversity



**83%** Indian  
**17%** Foreign National

### Composition of Board Committees





Board Level Committees



Audit Committee



Review Committee



Stakeholders Relationship Committee



Nomination and Remuneration Committee



Risk Management Committee



Corporate Social Responsibility Committee



Asset Liability Management Committee



Management Committee



IT Strategy Committee

Management Level Committees



IT Steering Committee



Information Security Committee



Willful Defaulter Committee



Grievance Redressal Committee



ESG Committee



Special Committee of the Board for Monitoring and Follow-up of cases of Frauds (SCBMF)



Product Policy / Process Approval Committee (PPAC)



Business Continuity Plan (BCP) Steering Committee



Ethics and Disciplinary Committee (EDC)



## Board of Directors

## Board of Directors

**Mr. Manish Jaiswal**

Managing Director &amp; Chief Executive Officer



Mr. Manish Jaiswal took over as Grihum Housing Finance Limited's Managing Director and Chief Executive Officer in June 2017. Mr. Jaiswal has over 30 years of business experience in Banking, Financial Services, and the Heavy Engineering Industry. Before Grihum, Mr. Jaiswal was a Senior Director at CRISIL wherein he led multiple businesses of Risk Advisory, Risk Solutions, SME Ratings, and CRISIL's eminent Research Business (Industry, Economy, Fixed Income, and Capital Market Research) in a series of stints. He led the implementation of Basel III Integrated Risk Management with most Banks and NBFCs in domestic and overseas regions with a specialisation on internal credit risk rating models.

Before CRISIL, Mr. Jaiswal's expertise has been in building businesses grounds up or turning them around across institutions of eminence like Citi, Fullerton (Temasek Company), Eicher (collaboration with Mitsubishi Motors), and Dhanbank. Over the last three decades, he has made deep contributions in SME Banking and retail Assets Financing with experience of assets management over ₹ 25,000 Cr. Mr. Jaiswal has also been involved in various policy-making initiatives. He was also a member of the SEBI's Corporate Bonds and Securitisation Advisory Committee (CoBoSAC) for corporate bond development in the country. He has worked with the country's foremost pension fund EPFO and regulator PFRDA on investment advisory.

Mr. Jaiswal was a member of the Usha Thorat Committee "Revitalisation of Distressed Assets" which led to the implementation of Special Mention Assets categorisation. He has assisted in shaping the Government's Credit Guarantee programme for NBFCs and in the development of the ECLGS programme to revive stressed MSMEs during the pandemic. Mr. Jaiswal is a Mechanical engineer from VNIT, Nagpur, and has done his Fast Track General Management from IIM, Bangalore.

**Mr. Puneet Bhatia**

Non-Executive Director

Mr. Puneet Bhatia is Co-Managing Partner and Country Head, India of TPG Capital Asia. Prior to joining TPG in 2002, Mr. Bhatia was the Chief Executive, Private Equity Group, for GE India, and before that, a member of the Project and Corporate Finance group at ICICI Ltd and as senior research analyst at Crosby Securities.

Mr. Bhatia holds a B.Com Honors degree from Shri Ram College of Commerce, Delhi, and an MBA from the Indian Institute of Management, Calcutta. He serves on the Boards of Directors of several TPG portfolio companies including Jana Capital, Manipal Hospitals, Fractal Analytics, UPL Global and as director on Havells India.

**Mr. Sanjeev Mehra**

Non-Executive Director



Mr. Sanjeev Mehra is a Managing Director with TPG Capital Asia based in Mumbai. He focuses on investments in Financial Services and Consumer sectors and is involved in several TPG portfolio companies, including Grihum Housing Finance, Jana SFB, UBC, Shriram Capital, Shriram General Insurance and Shriram Life Insurance. Prior to joining TPG 2018, Mr. Mehra worked with WestBridge Capital. Mr. Mehra received a Master of Business Administration from London Business School and an undergraduate degree in Economics from the University of Delhi.

**Mr. Prem Manjooran**

Non-Executive Independent Director



Mr. Prem Manjooran is a Principal and Director of Tantallon Capital Advisors, and the Chief Investment Officer of the Tantallon India Fund and the Tantallon Asia Impact Fund. Prior to joining Tantallon Capital, he spent 22 years as an equity analyst and generalist investor with The Capital Group Companies, investing across Asia, with investment responsibilities for India, Malaysia, the Asian automobile and consumer sectors, as well as banks, property companies, and conglomerates across Asia.

Mr. Manjooran graduated with a BA in Political Science from Davidson College in 1992. He is also the recipient of the C. Shaw Smith Award and is a member of the Board of Trustees of Davidson College.

**Ms. Richa Arora**

Non-Executive Independent Director



Ms. Richa Arora has over three decades of extensive Board & CXO level experience in governance, strategy, business & cultural transformation, marketing, technology-enabled solutions, innovation across the value chain and ESG & sustainability.

She is presently an Independent Director on the Board of Relaxo Footwears Limited & Agro Tech Foods Limited. She is also on the board of Morphosis Venture Capital Limited incorporated at DFSI, Dubai, UAE, and is a member of the governing council of Mobile Crèches, an NGO focused on early childhood development. She was previously Independent Director at Snapdeal Limited, First Meridian Business Services Limited, and was on the Board of Directors of "Tata NourishCo", and Tata group's e-commerce venture "Tata Unistore" (Tata Cliq).

She was earlier with the Tata group, where, as a Chief Operating Officer (COO) she led the transformation of the consumer business of Tata Chemicals. Before joining the Tata Group, Ms. Arora had set up Five by Six Consulting - a boutique strategic marketing consulting firm.

She has previously worked in leadership positions in FMCG companies (Britannia & Balsara), & Strategic Planning (FCB Ulka). She is currently advisor and was previously Managing Partner & CEO - ESG Stewardship Services, ECube Investment Advisors.

She is a Chevening scholar from the London School of Economics, an MBA from IIM Ahmedabad and a Graduate in Economics from Shri Ram College of Commerce, Delhi University.

**Mr. Nitin Gupta**

Non-Executive Independent Director



Mr. Nitin Gupta is the Founder of Uni, a co-branded credit card and consumer lending company. Before founding Uni, he was the co-founder and first CEO of PayU India, one of India's leading payment gateway. He has also held senior positions like CEO of Ola Financial Services and Lead at Fixed Income Structuring, UK Markets at Lehman Brothers. He brings extensive experience in designing new financial products in consumer lending, bite-sized insurance, securitising assets like mortgages, credit card receivable and structuring products within the fixed income asset class. He is also a Director at the Fintech Association for Consumer Empowerment (FACE, RBI recognised SRO) and Foxtale Consumer Private Limited.

Mr. Gupta holds an MBA from the Indian Institute of Management (IIM), Ahmedabad, and a B.Tech in Computer Science from the Indian Institute of Technology (IIT), Delhi.



© Chairperson

Audit Committee

Stakeholders Relationship Committee

IT Strategy Committee\*

Risk Management Committee

Nomination and Remuneration Committee

Asset Liability Management Committee

Review Committee

Corporate Social Responsibility Committee

Management Committee



Leadership Team

Management Team



**Pankaj Rathi**  
Chief Financial Officer

Mr. Pankaj Rathi brings over 15 years of extensive experience in the BFSI sector, with a strong focus on NBFCs and HFCs across both retail and wholesale financing. His expertise spans business planning and strategy, mergers and acquisitions, treasury and investor relations, financial reporting and taxation, financial planning and analysis, as well as secretarial, legal, and regulatory compliances.

Before joining Grihum, he served as the CFO & Company Secretary at Xander Finance, an NBFC backed by the Xander Group. He has also held roles at Poonawalla Group, JM Financial Group, PwC, and E&Y.

Mr. Rathi is an associate member of both the Institute of Chartered Accountants of India (ICAI) and the Institute of Company Secretaries of India (ICSI). He holds a bachelor's degree in commerce from Mumbai University. Recognised for his leadership in the industry, he has been honoured with the ICAI 40 Under 40 CA Business Leader Award and named Leading CFO in the BFSI Sector for FY24 by the Confederation of Indian Industry (CII).



**Amit Kumar Khan**  
Chief Business Officer

Mr. Amit Kumar Khan brings over two decades of extensive experience in various domains including Business, Credit, Operations, Collections, Risk, Product, Strategy and Marketing. He holds an Honours Graduate degree in Commerce from St. Xavier's College, Kolkata, and is certified in "Enhancing Sales Force Performance" from IIM Ahmedabad.

Amit has extensive experience in the financial sector, having worked with prominent institutions such as ICICI Bank, HDFC Bank, DCB, Magma Housing, and Clix Capital. This diverse experience has given him a deep understanding of the industry and a versatile skill set. His strategic acumen and consistent track record of delivering results have been instrumental in driving the success of various organisations.



**Pankaj Maduskar**  
Chief Credit Officer

Mr. Pankaj Maduskar has remarkable experience spanning over 22 years, he brings extensive expertise in underwriting, risk management, stressed portfolio management, fraud management, and process & policy design. He holds an engineering degree from the University of Pune and has further honed his skills through a post-graduation in Operations and Finance from the Welingkar Institute of Management.

Before joining Grihum, he served as the National Credit Head at Edelweiss Housing Finance. He has also worked with renowned organisations such as JM Financial Home Loans, L&T Housing Finance, and ICICI Bank, showcasing his proficiency in the field of credit management.





**Jitender Chawla**  
Head of Collection

Mr Jitender Chawla is a seasoned professional with over 21 years of comprehensive experience in the Sales and Collection domain. He holds a Master's degree in Business Administration with a specialisation in Finance & Marketing from LIMAT, NCR. Mr. Chawla embarked on his professional journey with the group company in June 2008. Over the years, he progressed through various roles within the business function, starting as a Sales Manager and eventually ascending to the position of Regional Business Head. His journey within the group company saw him achieving four significant role elevations, a testament to his exceptional performance and leadership abilities. In February 2022, Jitender transitioned to Grihum Housing Finance Ltd, marking a new chapter in his career. His tenure at Grihum has been marked by notable achievements, including his progression to the role of Head of Collections. With his extensive experience and expertise, Jitender Chawla plays a pivotal role in driving collection initiatives at a national level, ensuring the efficient management of all collection buckets.



**Amrit Pal Singh**  
Chief of Staff and Strategic Initiatives

Amrit Pal Singh Kapoor brings with him over 28 years of rich and diverse experience across banking, Financial services, hospitality, and telecommunications. With more than two decades in the BFSI sector, Amrit has held leadership roles in reputed organisations such as CitiFinancial, Fullerton India (Founding Member), VPBank, Validus Vietnam (Founding Member), Vodafone, Oberoi Hotels, and Lemon Tree Hotels.

His expertise spans across key business functions including P&L ownership, expansive distribution network build-out, operational excellence, risk and product management, fintech, digital transformation, business analytics, marketing, and strategic alliances. Amrit has successfully worked with varied customer segments such as salaried and self-employed professionals, MSMEs, and SMEs, driving strategic initiatives that scale operations, enhance profitability, and optimise costs.

Amrit spent close to a decade in Vietnam, where he played a pivotal role in banking and fintech advancements. This international exposure has equipped him with a nuanced understanding of cross-cultural collaboration, innovation, and market adaptability.



**Archna Bhatia**  
Chief Risk Officer

Archna is a Chartered Accountant (2001) and comes with an experience of over 24 years in the Banking and Finance industry with expertise in Risk Management covering Portfolio Management, Credit Underwriting, Policy Framework, Collateral Management and Process Development.

She is a seasoned professional with a strong background in Risk Management, Credit, Scorecard-Based Decisioning, and Portfolio Analytics, covering MSME, Secured Retail Loans, Agri Finance, and Mid-Market sectors. She has in-depth knowledge across a range of financial products, including Affordable Home Loans, Prime Home Loans, LAP, Commercial Vehicle Financing, Construction Equipment, Printing Equipment Working Capital Limits, Trade Finance, Term Lending, Supply Chain Finance, Co-lending, and DA.

Before joining Grihum, Archna has held key leadership roles at renowned organisations such as DMI Finance Limited, Yes Bank, Centurion BOP and Bank of Punjab.



**Varun Guliani**  
Chief Information Officer

Varun Guliani is a seasoned technology leader with over 2 decades of experience in IT strategy, digital transformation, and enterprise technology management.

As the Chief Information Officer at Grihum Housing Finance, he is spearheading a deep digital transformation, building core systems by leveraging low-code/no-code platforms and a modular IT stack to enhance operational efficiency and customer experience.

Holding a Master of Computer Applications (MCA) from IMT Ghaziabad and a B.Com. (Hons) from Delhi University, Varun is also a certified Project Management Professional (PMP).

His expertise spans the design and implementation of core lending systems, cloud-native architectures, middleware integration, and embedded finance solutions. He has successfully systemised diverse lending products, including Mortgage, SME unsecured loans, Auto Loans, Factoring, and Inventory Finance.

With a track record of driving technology-led growth, Varun has held CIO roles at India Shelter Finance Corp Ltd. and Hero Fincorp Ltd., and mid-level roles at Religare Finvest Ltd., and Max New York Life Insurance Ltd. His passion lies in building scalable, future-ready technology ecosystems that enable financial inclusion and business agility.



**Vivek Gupta**  
Head of Internal Audit

Vivek has over 13 Years of diverse experience across Audit Management, Strategic Financial Planning & Reporting, Corporate Restructuring and Listing (IPO). He is a fellow member of Institute of Chartered Accountants of India, and is certified in Ind AS. He holds a bachelor's degree in Commerce (Hons.).

Vivek brings versatile prior experience which includes working with NBFCs, Global Audit Firms and large scale Manufacturing Organisations. He has held key positions of leading corporate accounts & tax, audit management and has been instrumental in driving transformation through automation and process innovation. His expertise covers Financial controllership, due diligence, and leading comprehensive audit cycles including internal, statutory, and regulatory audits. Before joining Grihum, Vivek has worked with companies like Poonawalla Group, SREI, Bakertilly and Vedanta. He takes keen interest in academics, and has published books in various areas of law, audit and costing.





**Ashish Singhania**  
Head of Human Resources

Mr. Ashish Singhania is a highly qualified professional with a strong background in human resources. He is a Chartered Accountant and holds a master's degree in human resources.

With over 23 years of experience in the BFSI sector, Ashish has expertise in the fields of Affordable Housing Finance, Non banking financial companies (NBFC), General insurance and life insurance. He possesses a comprehensive understanding of HR practices across various functions, including talent acquisition, talent management, compensation & benefits, HR operations, statutory compliances, and people engagement & development.

Prior to joining our company, Ashish served in a leadership role at ICICI Lombard general insurance. He has also held positions at HDFC Ergo General Insurance and Bajaj Allianz life insurance.



**Mohit Sharma**  
Chief Compliance Officer

Mohit brings over two decades of extensive experience in the Banking and Finance industry. A law graduate from Punjab University, Chandigarh, Mohit is a seasoned expert in Corporate Legal Advisory, Compliance Advisory, Risk Identification, Corporate and General Litigation, and Dispute Resolution.

With a specialised background in Retail Lending, Digital Banking, and Mortgages, he has played a pivotal role in managing compliance review processes, including regulatory compliance and oversight, policy development, and the implementation of procedures. Mohit's expertise spans across both Banking and Non-Banking Financial Company (NBFC) sectors, ensuring seamless integration of legal frameworks and regulatory compliance.

Prior to joining Grihum, Mohit held senior leadership roles at prominent institutions such as AU Small Finance Bank, Bajaj Finance, India Infoline, Tata Motor Finance, Kotak Mahindra Bank, and IndusInd Bank.



**Siddharth Berry**  
Head of Operations

Mr. Siddharth is the Head of Operations with over 16 years of valuable experience in the field. He holds a bachelor's degree in commerce and completed the COO Certification Programme from IIM Lucknow.

Siddharth possesses expertise in effectively managing branch operations and delivering exceptional customer service within a diverse branch network. Over the years, he has acquired valuable experience in various segments, including Prime/Affordable, Informal, and Construction finance. His deep knowledge and skills add immense value to our company's operations.

Before joining Grihum, Siddharth held the Head of Branch Operations position at Aditya Birla Housing Finance Ltd. Throughout his career, he has gained valuable experience working with renowned organisations such as Aditya Birla Finance Ltd. and Standard Chartered Bank.



**Sachin Saraf**  
National Manager – Administration

Sachin is a seasoned professional with over 28 years of experience in infrastructure, administration, real estate, and procurement across banks and leading financial institutions.

Sachin comes with expertise in setting up branch infrastructure, offices, procurement process, streamlining general administrative processes, and optimising real estate strategies. He has successfully managed large-scale infrastructure projects, real estate expansions, space management projects, travel & logistics, administration budgets and integrated facilities.

Before joining Grihum, he held leadership roles at IDFC First Bank, Dhanlaxmi Bank, HSBC, and ICICI Bank, Reliance General Insurance and Diebold Systems.



**Vaishnavi Suratwala**  
Company Secretary and Compliance Officer

Ms. Vaishnavi Suratwala brings over a decade of experience in corporate law, with a strong focus on RBI, NBFC, SEBI, and Company Law compliances. She has proven experience in handling company secretarial functions and is adept at building strong relationships with regulators and authorities, ensuring smooth operational processes. Throughout her career, she has managed various Company secretarial roles and worked on assignments involving Company amalgamations, the listing process, fundraising, as well as drafting and overseeing schemes, policies, and contracts. She has also liaised with regulators and authorities on numerous occasions.

In addition, Vaishnavi has extensive knowledge in Compliance Management and Policy drafting across multiple statutes. Her previous roles included working with notable Companies such as John Deere India Pvt Ltd, John Deere Financials India Pvt Ltd, and Trimble Mobility Solutions India Pvt Ltd. She is qualified Company Secretary from ICSI and holds a master's degree in law.



# Corporate Information

CIN: U65922PN2004PLC208751

### BOARD OF DIRECTORS

**Mr. Manish Jaiswal**  
Managing Director & Chief Executive Officer

**Mr. Puneet Bhatia**  
Non-Executive Director

**Mr. Sanjeev Mehra**  
Non-Executive Director

**Mr. Prem Manjooran**  
Non-Executive Independent Director

**Mr. Nitin Gupta**  
Non-Executive Independent Director

**Ms. Richa Arora**  
Non-Executive Independent Director

**Mr. Pankaj Rathi**  
Chief Financial Officer

**Ms. Vaishnavi Surattwala**  
Company Secretary & Compliance Officer

**Statutory Auditors**  
Sharp & Tannan Associates  
Chartered Accountants  
Firm Registration No. 109983W 87  
Nariman Bhavan, 227 Nariman Point,  
Mumbai - 400021

**Secretarial Auditor**  
Rupal D. Jhaveri  
Company Secretaries  
207, 2nd Floor, Regent Chambers, 208,  
Jamnalal Bajaj Road, Nariman Point,  
Mumbai- 400021

### Bankers

National Housing Bank  
SIDBI

State Bank of India

Bank of Baroda

Punjab National Bank

Canara Bank

Union Bank of India

Bank of India

Indian Bank

Bank of Maharashtra

UCO Bank

Central Bank of India

Punjab and Sind Bank

HDFC Bank

ICICI Bank

Axis Bank

Kotak Mahindra Bank

Yes Bank

HSBC Bank

IDFC First Bank

South Indian Bank

Karur Vysya Bank

Karnataka Bank

AU Small Finance Bank

DBS Bank

DCB Bank

Equitas Small Finance Bank

Shinhan Bank

CSB Bank

### Registered Office

6th Floor, B - Building, Ganga Trueno,  
Lohegaon Pune - 411014, Maharashtra

### Registrar and Share Transfer Agent

MUFG Intime India Private Limited  
(Formerly, Link Intime India Private Limited)  
C-101, 247 Park, L.B.S Marg, Vikhroli  
(West), Mumbai-400083

# BOARD'S REPORT

Dear Shareholders,

Your directors have pleasure in presenting the 21<sup>st</sup> (Twenty-First) Annual Report along with the Audited Financial Statements of Grihum Housing Finance Ltd. (Formerly, Poonawalla Housing Finance Limited) (**The Company**) for the financial year ended 31 March 2025. The summarised financial results are given below.

### FINANCIAL HIGHLIGHTS

The highlights of the Financial performance of the Company are given below:

	(₹ In Cr)	
Particulars	FY 2024-25	FY 2023-24
Total Income	1,274.96	1045.20
Finance Cost	505.04	443.86
Operating Expenses	467.40	398.86
Depreciation	21.60	19.23
Total Expenses	994.04	861.95
<b>Profit/(Loss) before Tax</b>	<b>280.92</b>	<b>183.25</b>
Provision for Taxation	61.48	33.27
Deferred Tax	8.73	10.02
<b>Profit/(Loss) after Tax</b>	<b>210.71</b>	<b>139.96</b>
Balance of profits for earlier years	455.76	344.38
Profits available for appropriation	666.47	484.34
Other Comprehensive income/(loss)	(0.32)	(0.59)
Balance Available for Appropriation	666.15	483.75
Transfer to Statutory Reserve	42.14	27.99
<b>Balance carried forward</b>	<b>624.01</b>	<b>455.76</b>

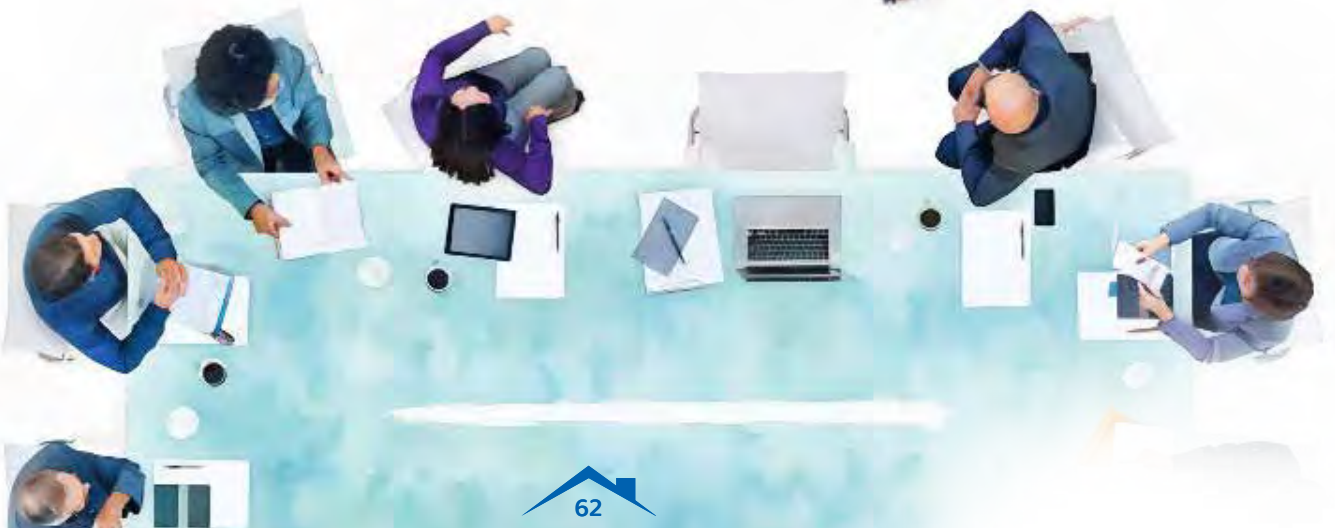
### OVERVIEW OF COMPANY'S PERFORMANCE

The Company is a housing finance company registered with the Reserve Bank of India (RBI). The Company specialises in providing accessible financial solutions within India's semi-urban and peri-urban areas through its national scale presence in 18 States and Union Territories with 208 branches and 2 Offices. The Company's commitment is to serve the affordable housing customer – typically a microentrepreneur with a monthly household income of ₹ 30,000 to ₹ 60,000, who seeks a loan of ₹ 10-12 Lakhs for a 600-800 sq. ft. home – with our fundamental values of humility, trust and togetherness. The affordable housing finance franchise has been consistently built with a relentless focus on imparting “dignity of living” to the customers with focus on “SMI – SC” (Self-made Individuals – Self Construction). The name ‘Grihum’ signifies the enterprise's commitment to assisting customers in finding their dream accommodation. It operates on the philosophy of ‘Go Home Loan- Go Direct,’ which emphasises prioritising transparency and simplicity while directly delivering the solutions to its customers. The tagline “Apna Ghar. Apni Pehchan.” captures the Company's resonance with the customers to build a seamless journey towards homeownership.

The Company is dedicated to advancing financial inclusion by catering to first-time customers who have limited or no access to formal credit. It is committed to supporting the government's ‘Housing for All’ initiative and plays a key role in providing the benefits of PMAY through the affordable housing financing segment.

The Company has had a steady financial year with all-round performance across Business growth and Profitability. During the year under review, the Company has witnessed the disbursement of ₹ 2,397 Cr, closing the year with an Asset under Management (AUM) of ₹ 9,374 Cr.

On resource profile, the Company further widened its lenders base during the year under review, with the addition of private and foreign banks, and enhanced its existing relationships with National Housing Bank (NHB) and Public Sector Undertaking (PSU) banks. It derived a growing proportion of funds from the NHB and large banks. The Company continues to raise fresh borrowings at the most competitive terms and pricing thereby achieving the best-in-class average of 8.3% during the year under review.







During FY 2024-25, the Company raised borrowings worth ₹ 2,450 Cr at the most competitive terms and pricing. The benefits of repricing and negotiations done in FY 2023-24 have been received by the Company in FY 2024-25. The Company currently enjoys borrowing from more than 30 leading banks and financial institutions in the country. The Company has comfortable liquidity and a well-matched ALM in line with the asset profile. The Company reported Capital Adequacy Ratio of 48.83% as on 31 March 2025 which is well above the minimum required level specified by the regulatory body.

The Company has reported the Gross NPA (GNPA) of 1.63% as at the end of the financial year under review. The Company carries a robust Provision Coverage Ratio at 39.3% and has overall provision coverage at 1.3% of loan book as on 31 March 2025.

The Company has witnessed the PBT of ₹ 280.92 Cr in FY 2024-25 against ₹ 183.25 Cr in FY 2023-24.

CHANGE IN CORPORATE & REGISTERED OFFICE

During the review period, the Corporate & Registered Office of the Company was changed within the local limits of the city and jurisdiction of the same Registrar of Companies to 6<sup>th</sup> Floor, B-Building, Ganga Trueno, Lohegaon, Pune – 411014, Maharashtra, w.e.f. 18 December 2024.

SHARE CAPITAL

a) Authorised Share Capital

There were no changes to the authorised share capital during the year. The Authorised Share Capital of the Company as at 31 March 2025, stood at ₹ 7,00,00,00,000/- (Rupees Seven Hundred Crores only) comprising of 50,00,00,000 (Fifty Crores only) equity shares of ₹ 10/- (₹ Ten only) each aggregating to ₹ 500,00,00,000 (Rupees Five Hundred Crores Only) and ₹ 200,00,00,000/- (Rupees Two Hundred Crores only) comprising of 20,00,00,000 (Twenty Crores only) preference shares of ₹ 10/- (Ten only) each aggregating to ₹ 200,00,00,000 (Rupees Two Hundred Crores Only).

b) Issued and Paid-Up Share Capital

During the year under review, the Company issued 1,06,000 equity shares of ₹ 10/- each and 53,000 0.001% Compulsory Convertible Preference Shares (CCPS) of ₹ 10/- each to eligible employees under its Employee Stock Option Plans. Additionally, 18,37,920 CCPS allotted were converted into equity shares of the Company.

In view of the above issuance, allotment and conversion of the shares, the issued, subscribed and paid-up share capital of the Company as at 31 March 2025, stood at ₹ 487,39,87,830/- consisting of 32,67,70,444 Equity Shares of ₹ 10/- each and 16,06,28,339 CCPS of ₹ 10 each as compared to ₹ 487,23,97,830/- consisting of 32,48,26,524

Equity Shares of ₹ 10/- each and 16,24,13,259 CCPS of ₹ 10 each as on 31 March 2024. All the shares of the Company are fully paid up and are in dematerialised form as on 31 March 2025.

During the year under review, the Company has not issued any shares with differential rights or sweat equity shares.

DIVIDEND

In view of the planned business growth of the Company, your Directors felt it prudent to retain the earnings for the Financial Year under review to be ploughed back into business, which shall result in further augmentation of the Company's growth and Shareholders' wealth. Accordingly, no dividend has been recommended for the financial year ended 31 March 2025 on the Compulsorily Convertible Preference Shares (CCPS) and the equity shares.

HOLDING COMPANY

Perseus SG Pte. Ltd (Perseus), an entity affiliated with TPG, is the holding company of the Company.

DETAILS OF SUBSIDIARY/ASSOCIATES/JOINT-VENTURE COMPANY

The Company has no Subsidiary/Associates/Joint-Venture Company as on 31 March 2025.

CHANGE IN THE NATURE OF BUSINESS

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

CAPITAL TO RISK-WEIGHTED ASSETS RATIO (CRAR)

The Company's CRAR as of 31 March 2025, stood at 48.83% compared to 47.31% as on 31 March 2024, which is well above the minimum required level of 15% as per the provisions of the as per the RBI Master guidelines, indicating the Company's robust position.

SPECIAL RESERVE (UNDER SECTION 29C OF THE NATIONAL HOUSING BANK ACT, 1987)

The Company has transferred ₹ 42.14 Cr i.e. 20% of net profits to Statutory Reserves during the year under review as required under the provisions of Section 29C of the National Housing Bank Act, 1987 read with Section 36 (1) (viii) of Income Tax Act, 1961.

EMPLOYEE STOCK OPTION PLAN

The Company has formulated and implemented Employees Stock Option Plan 2018 (ESOP 2018) and Restricted Stock Option Plan 2018 (RSO 2018) through ESOP Trust and Employee Stock Option Plan 2021 (ESOP 2021) in accordance with the provisions of the Companies Act, 2013 (the Act). The Nomination and Remuneration Committee (NRC) of the Board

of Directors of the Company, inter alia, administers all the plans in accordance with the Act and other applicable laws.

The details of Options granted and outstanding as on 31 March 2025 along with other particulars as required under Section 62 of the Act read with Rule 12(9) of the Companies (Share Capital and Debentures) Rules, 2014 are set out in **Annexure 1** to this Report.

PUBLIC DEPOSITS

Being a non-deposit taking housing finance company, the Company has not accepted any deposits from the public as per the guidelines/directives issued by the Reserve Bank of India in this regard, read with the relevant provisions of the Companies Act, 2013, or any other relevant provisions of the Act and Rules framed thereunder are not applicable to the Company. The Board has also passed a resolution confirming non-acceptance of public deposits.

RESOURCE MOBILISATION

The Company makes every effort to tap the appropriate sources of funding to minimise the weighted average cost of borrowing. During the year under review, the Company has mobilised resources through the following sources:

a) Refinance from National Housing Bank (NHB)

During the year under review, the Company received a fresh sanction of refinance assistance of ₹ 900 Cr from NHB. The Company availed entire funds of ₹ 900 Cr during the year under review under various refinance schemes such as affordable housing fund and regular refinance scheme including loans to women borrowers, loans upto ₹ 10 Lakhs, loans under PSL and Hilly Areas. The aggregating outstanding towards the refinance facility granted by the NHB was ₹ 1,885 Cr as on 31 March 2025.

b) Term Loans

The Company has borrowed fresh Secured long-term loans of ₹ 1,550 Cr from various banks and financial institutions during the Financial Year 2024-25. The aggregate of term loans outstanding at the end of the financial year under review stood at ₹ 3,906 Cr as against ₹ 3,260 Cr as at the end of the previous year. The Company has raised from single largest sanction from State Bank of India amounting to ₹ 1000 Cr during financial year.

c) Non-Convertible Debentures (NCDs)

During the year under review, the Company redeemed 3 (Three) Series of Secured, Rated, Listed, Redeemable, NCDs aggregating to ₹ 400 Cr. While the Company continues to raise funds from the capital markets, it currently has an outstanding balance of ₹ 420 Cr through the issuance of Secured, Rated, Listed, Redeemable NCDs on a Private Placement basis, as of 31 March 2025. The NCDs of the Company continue to remain listed on BSE

Limited (BSE) and the Company has paid the listing fees to BSE for the financial year 2024-25.

d) Working Capital

During the year under review, the Company had working capital facilities of ₹ 455 Cr from various banks and FI's and the outstanding amount as on 31 March 2025, was ₹ 130 Cr.

e) Rupee Denominated External Commercial Borrowing (ECB)

During the year under review, the Company has received ECB sanction of ₹ 302 Cr.

f) Any Other Borrowing

The Company has an aggregate contractual outstanding through Securitisation Liability at ₹ 49 Cr as on 31 March 2025.

DISCLOSURE UNDER CHAPTER XI GUIDELINES ON PRIVATE PLACEMENT OF NON-CONVERTIBLE DEBENTURES (NCDs) OF RBI MASTER DIRECTIONS:

There has been no instance where a Non-Convertible Debenture has not been claimed by the Investors or not

paid by the Company after the date on which such debentures became due for redemption.

DETAILS OF DEBENTURE TRUSTEE

Pursuant to Regulation 53 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (SEBI Listing Regulations), the name and contact details of the Debenture Trustees for the privately placed NCDs are given below:

Name	Catalyst Trusteeship Limited
Phone No./Fax	+91 22 4922 0555
Office Address	GDA House, Plot No. 85, Bhusari Colony (Right), Paud Road, Pune – 411038
E-mail	ComplianceCTL-Mumbai@ctltrustee.com
Investor Grievance Email	grievance@ctltrustee.com
Website	www.catalysttrustee.com
Contact person	Ms. Deesha Trivedi –Vice President

CREDIT RATING

During the year under review, the annual review of the Credit Ratings was carried out by CRISIL Limited ('CRISIL'), CARE Ratings Limited ('CARE') ICRA Limited ('ICRA') and India Ratings and Research Private Limited ('India Ratings').

CRISIL upgraded long-term ratings for bank facilities and secured NCDs as 'CRISIL AA (Stable)' from '**CRISIL AA- (Stable)**' in December, 2024. The ratings for short term debt programme were reaffirmed as 'CRISIL A1+'. While CARE Ratings reaffirmed





long-term ratings on bank facilities and secured NCDs to 'CARE AA- (Stable)' and short-term ratings to 'CARE A1+'. Additionally, ICRA and Indian Ratings reaffirmed rating of 'ICRA A1+' and 'Ind A1+' respectively, for Company's short term debt programme.

The summary of various credit ratings assigned to the Company for its different debt programme is as under:

Rating Agency	Instrument/Facility	Rating
CRISIL	Fund Based and Non-Fund Based Bank facilities	AA (Stable)
	Secured Redeemable Long-Term Bonds (NCDs)	AA (Stable)
	Short Term Debt (Commercial Paper)	A1+
CARE	Fund Based and Non-Fund Based Bank facilities	AA- (Stable)
	Secured Redeemable Long-Term Bonds (NCDs)	AA- (Stable)
	Short Term Debt (Commercial Paper)	A1+
ICRA	Short Term Debt (Commercial Paper)	A1+
India Ratings	Short Term Debt (Commercial Paper)	A1+

A brief note on various credit ratings assigned by rating agencies during the financial year is provided in note no. 60 to the financial statements of the Company.

BRANCH EXPANSION

As on 31 March 2025, the Company operated from 208 branches and 2 Offices. The Company plans to reinforce its existing branch network by enhancing its distribution channels and increasing its reach through both offline and online initiatives. This includes strengthening the frontline sales team, organising more local branch-level events, and implementing various brand-building activities aimed at boosting overall awareness of the Company, its brand, and its products.

CENTRAL REGISTRY OF SECURITISATION ASSET RECONSTRUCTION AND SECURITY INTEREST OF INDIA (CERSAI)

The CERSAI is set up under Section 20 of the Securitisation and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002 (SARFAESI Act). The Company, being a registered member of CERSAI, has ensured that Security Interest has been created against all mortgage loans within the stipulated timeline.

SARFAESI ACT, 2002

The Company may initiate the process of repossessing collateral under SARFAESI Act, in the event a customer defaults on their loan and is classified as NPA. During the enforcement of assets, help is sought from local authorities to repossess assets. The Company ensures such customers are appropriately dealt with. Services of the legal team and external lawyers are sought to initiate and monitor legal proceedings. The entire collection field team is equipped with a mobility application for handy customer information useful for collection with the capability to issue digital receipts to customers. Other legal tools like Sec 138, Arbitration is also used where customer is available and alternate source of recovery is a more viable option than property. The SARFAESI Act has proved to be a very useful recovery tool, and the Company has been able to successfully initiate recovery

action under the SARFAESI Act in case of defaulting borrowers. During the year under review, the Company initiated action against 3201 defaulting borrowers under the SARFAESI Act and recovered ₹ 67.55 Cr from borrowers of non-performing accounts.

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.

NON-PERFORMING ASSETS AND PROVISIONS FOR CONTINGENCY

The Company recognises impairment allowances using the Expected Credit Loss (ECL) method on all financial assets.

ECL are probability weighted estimate of credit losses. They are measured as follows:

- Financial assets that are not credit impaired – as the present value of all cash shortfalls that are possible within 12 months after the reporting date.
- Financial assets with significant increase in credit risk but not credit impaired – as the present value of all cash shortfalls that result from all possible default events over the expected life of the financial asset.
- Financial assets that are credit impaired – as the difference between the gross carrying amount and the present value of estimated cash flows.
- undrawn loan commitments – as the present value of the difference between the contractual cash flows that are due to the Company if the commitment is drawn down and the cash flows that the Company expects to receive.

The Company carries a provision of ₹ 102.60 Cr (Previous Year ₹ 66.31 Cr) towards impairment allowance under Expected Credit Loss model.

The amount of Gross Non-Performing Assets (GNPA as per IRACP norms) as on 31 March 2025 is ₹ 128.08 Cr (Previous year ₹ 68.02 Cr), which is equivalent to 1.63 % and (previous year 0.95%) of the gross loan portfolio of the Company. The total cumulative provision towards GNPA as per IRACP norms as on 31 March 2025 is ₹ 50.29 Cr (previous year was ₹ 28 Cr)

DIRECTORS AND KEY MANAGERIAL PERSONNEL

The composition of the Board of Directors of the Company is in accordance with Section 149 of the Act, SEBI Listing Regulations, RBI HFC Master Directions and other applicable laws with an optimum combination of Executive, Non-Executive and Independent Directors.

The Board of Directors of your Company holds a pivotal role in overseeing how the management caters to the short and long-term interests of stakeholders. Your Company actively strives to maintain a Board that is effective, well-informed, and independent which oversees overall functioning, provides a strategic direction, guidance, leadership and owns the fiduciary responsibility to ensure that your Company's actions and objectives are aligned in creating long term value for its stakeholders. The profile of Directors can be found on the Company's website at grihumhousing.com

Your Company has Six (6) Directors as on date, consisting of three Non-Executive Independent Directors including one woman director, two Non-Executive Non-Independent Directors and one Managing Director & Chief Executive Officer of the Company as Executive Director. During the year under review, there was no change in the directors of the Company.

In accordance with the provisions of the Companies Act, 2013, Mr. Sanjeev Mehra (DIN: 07491208), Non-Executive Non-Independent Director of the Company being the longest in office among directors who are liable to retire by rotation, retires by rotation and being eligible, offers himself for re-appointment at the ensuing 21<sup>st</sup> Annual General Meeting (AGM) of the Company.

Brief resume of the Director, proposed to be re-appointed, and other details as per Secretarial Standard (SS-2) on General Meetings are provided in the annexure to the Notice of the 21<sup>st</sup> AGM being sent to the Members along with the Annual Report.

DECLARATIONS BY DIRECTORS

The Company has received declarations from independent directors of the Company that they meet the criteria of independence laid down under section 149(6) of the Act and the applicable provisions of the SEBI Listing Regulations and have complied with the Code for Independent Directors as prescribed in Schedule IV to the Act. Based on the declarations received from the independent directors of the Company, the Board is of the opinion that the independent directors satisfy the criteria for independence, and have the necessary integrity, expertise and experience (including proficiency).

In terms of Section 150 of the Act read with Rule 6 of the Companies (Appointment and Qualification of Directors) Rules, 2014, Independent Directors of the Company are registered on the Independent Directors Databank maintained by the Indian Institute of Corporate Affairs (IICA).

Based on the declarations and confirmations received in terms of the provisions of section 164 of the Companies Act, 2013, SEBI Listing regulations and the NHB/RBI Directions and any other applicable laws, none of the directors on the Board of your Company are disqualified from being appointed/ continuing as directors.

The Company has received declarations under section 184(1) of the Act read with Rule 9(1) of The Companies (Meetings of Board and its Powers) Rules, 2014 from the Directors stating their interest or concern in other companies. Your Company has also received declarations under the SEBI (Prohibition of Insider Trading) Regulations, 2015, as amended from time to time.

All the Directors have confirmed that they satisfy the "fit and proper" criteria as prescribed in Chapter IX of RBI HFC Master Directions as amended from time to time and that they are not disqualified from being appointed as Directors in terms of Section 164(2) of the Act.

All the directors have confirmed that no Director holds directorship in more than 20 Indian companies, more than 10 public companies or more than 7 listed companies. Further, no Independent Director of the Company serves as an independent director in more than 7 equity listed companies or as a whole-time director / managing director in any listed entity. The Independent Directors also confirmed that they are not on the Board of more than three NBFCs (NBFC-Middle Layer or NBFC-Upper Layer) at the same time in line with the RBI Scale Based Regulations. Necessary disclosures regarding committee positions in other public companies as on 31 March 2025, have been made by the Directors. None of the Directors is a member of more than 10 committees or acts as chairperson of more than 5 committees (being Audit Committee and Stakeholders Relationship Committee), across all the public limited companies in which he/she is a director. In the opinion of the Board, the Independent Directors fulfil the conditions specified in the SEBI Listing Regulations and are independent of the Management. None of the Directors are related to each other.

PERFORMANCE EVALUATION

During the year under review, the Company has carried out performance evaluation of the Board, its various committees, individual directors and respective Committees, details of which form part of the Corporate Governance Report forming part of this Board's Report.



## BOARD MEETINGS AND COMMITTEES

Your Company holds at least four Board meetings in a year, one in each quarter, inter-alia, to review the financial results of the Company. All the decisions and urgent matters approved by way of circular resolutions are placed and noted at the subsequent Board meeting. In case of urgent matters, additional Board meetings are held in between the quarterly meetings.

During the year under review, five (5) Board Meetings were held. The maximum gap between two Board meetings did not exceed 120 days as stipulated by law.

The Board has constituted few committees viz. Audit Committee, Nomination and Remuneration Committee, Corporate Social Responsibility Committee, Stakeholders Relationship Committee, Risk Management Committee, Asset Liability Management Committee, Information Technology Strategy Committee, Management Committee and Review Committee. All the recommendations made by the Committees of the Board were duly accepted by the Board.

The details of the Board, its composition, board committees, terms of reference of various Board Committees, number of board and committee meetings held, attendance of the directors at each meeting and other details are provided in the Corporate Governance Report forming part of this Board's Report.

## MEETING OF INDEPENDENT DIRECTORS

During the year under review, a separate meeting of the Independent Directors was held on 12 September 2024, without the presence of non-independent directors and the members of the management as per the provisions of the Companies Act, 2013 and SEBI Listing Regulations. All the Independent Directors of the Company attended the said meeting. At this meeting, the Independent Directors inter alia:

- reviewed the performance of Non-Independent Directors and the Board of Directors as a whole.
- considered the views of Executive and Non-Executive Directors, the performance of Mr. Nitin Gupta, Chairperson of the Board Meeting held on 22 October 2024, was reviewed.
- assessed the quality, quantity and timelines of flow of information between the Company management and the Board that is necessary for the Board to effectively and reasonably perform its duties.

## FAMILIARISATION PROGRAMME FOR INDEPENDENT DIRECTORS (IDS)

Pursuant to Regulation 25(7) of SEBI Listing Regulations read with Schedule IV to the Companies Act, 2013, the Company familiarise the Independent Directors of their role, rights and responsibilities in the Company, nature of the industry in which the Company operates, business model and operations of the Company, updates on legal and regulatory changes etc.

Through the familiarisation programme, the Company apprises the independent directors about the business model, corporate strategy, business plans and operations of the Company. The directors are also informed about the financial performance, annual budgets, internal control system, statutory compliances etc. They are also familiarised with the Company's vision, core values, ethics and corporate governance practices. At the time of the appointment of the Independent Director, a formal letter of appointment is given to them, which explains their role, responsibilities and rights in the Company.

The Brief details of the familiarisation programme of Independent Directors are available on the website of the Company at grihumhousing.com

## MANAGEMENT DISCUSSION AND ANALYSIS REPORT AND CORPORATE GOVERNANCE REPORT

Pursuant to the provisions of the SEBI Listing Regulations and RBI HFC Master Directions, 'Management Discussion and Analysis Report' forms a part of this Board's Report.

A detailed 'Corporate Governance Report' forms a part of this Board's Report pursuant to the provisions of SEBI Listing Regulations which also includes certain disclosures that are required, as per the Companies Act, 2013.

## DIRECTORS' RESPONSIBILITY STATEMENT

In accordance with the provisions of Section 134(3)(c) read with 134(5) of the Companies Act 2013, and based on the information provided by the management, your Directors states that:

- that in the preparation of annual accounts for the financial year ended 31 March 2025, the applicable accounting standards have been followed along with proper explanation relating to the material departures, if any;
- that the Directors have selected such accounting policies and applied them consistently and made judgements and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year ended 31 March 2025 and of the profit and loss of the Company for the financial year ended 31 March 2025;
- that the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013, for safeguarding the assets of the Company and for preventing and detecting fraud or other irregularities, if any;
- that the Directors have prepared the annual accounts on a going concern basis;
- that the Directors have laid down internal financial controls to be followed by the Company and that

such internal financial controls are adequate and are operating effectively;

- there is a proper system to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

The Company has in place adequate internal financial controls with reference to the Financial Statements. During the year, such controls were tested and no reportable material weakness(es) in the designs or operations were observed.

## AUDITORS

### a) STATUTORY AUDITOR

During the year under review, the term of M/s. G D Apte & Co., Chartered Accountants (Firm Registration No.: 100515W), expired at the conclusion of the 20<sup>th</sup> Annual General Meeting (AGM) of the Company for FY 2023-24. In accordance with the Companies Act, 2013 and Master Direction - Non-Banking Financial Company - Housing Finance Company (Reserve Bank) Direction, 2021, M/s. G D Apte & Co. had completed their three-year tenure as Statutory Auditors and, therefore, stepped down from the conclusion of the 20<sup>th</sup> AGM held on 14 May 2024. Subsequently, the Board on recommendation of Audit Committee and with the approval of Members of the Company and in compliance with applicable regulatory requirements, M/s. Sharp & Tannan Associates, Chartered Accountants (Firm Registration No.: 109983W), have been appointed as the Statutory Auditors for a term of three years, commencing from the conclusion of the 20<sup>th</sup> AGM until the conclusion of the 23<sup>rd</sup> AGM of the Company.

The Statutory Auditors' Report on the financial statements for the financial year 2024-25 does not contain any qualifications or observations or remarks in their Report. As per Section 134(3)(f) of the Companies Act, 2013, the Board states that during the year under review, there were no adverse comments or disqualifications made by the Statutory Auditors of the Company, during the course of their audit.

### b) SECRETARIAL AUDIT

Pursuant to the provisions of Section 204 of the Companies Act, 2013 read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company had appointed M/s. Rupal D. Jhaveri, Practising Company Secretaries (Membership No. of the Partner: FCS5441), to undertake the Secretarial Audit of the Company for the financial year 2024-25. The Secretarial Audit Report confirms that the Company has complied with the provisions of the Companies Act, 2013, Rules, Listing Regulations and other laws applicable to the Company and that there were no deviations or non-compliances. The Report of the Secretarial Auditor for the financial year ended 31 March 2025 is annexed as Annexure 2 to this Report.

The Secretarial Audit Report does not contain any qualification, reservation or adverse remark or disclaimer in FY 2024-25.

### c) COST AUDIT

The requirement for maintenance of cost records and requirement of cost audit prescribed under section 148(1) of the Companies Act, 2013 are not applicable to the Company.

## FRAUD REPORTING

As per the Master Direction - Monitoring of Frauds in NBFCs (Reserve Bank) Directions, 2016, which has been made applicable to HFCs by the RBI, required fraudulent instances are reported and reviewed by the Audit Committee and Risk Management Committee of the Board. During the year under review, the statutory auditors have not reported to the Audit Committee any instances of fraud under Section 143(12) of Companies Act, 2013. During the year under review, the Company has reported 13 instances of fraud committed by its borrowers with total amount involved of ₹ 2.05 Cr. All these detected/ reported frauds have been fully provided for/ written off. Additionally, During the year under review, the statutory auditors have not reported to the Audit Committee any instances of fraud under Section 143(12) of Companies Act, 2013.

## INTERNAL CONTROL SYSTEM

The Company has implemented an adequate system of internal controls, tailored to the nature of its business and the scale of its operations. Details regarding the internal control framework are outlined in the Management Discussion and Analysis Report, which forms part of this Board's Report.

### a) Internal Financial Control

The Directors have established a robust framework of internal financial controls, commensurate with the size, scale, and complexity of its operations. These controls are designed to ensure orderly and efficient business conduct, adherence to policies, safeguarding of assets, prevention and detection of fraud and errors, the accuracy and completeness of accounting records, and the timely preparation of reliable financial information.

A review of the internal financial controls environment of the Company was undertaken during the year, which included the testing of Entity Level Controls, Process Controls, and IT Controls, along with an evaluation of key business processes for updating the Risk and Control Matrices. The Risk and Control Matrices are reviewed annually, and control measures are appropriately tested and documented. In addition, the Company continuously upgrades its systems and periodically updates its policies, guidelines, manuals, and authority matrix to align with evolving business needs and compliance requirements.





The internal financial control framework is supplemented by internal audits, regular management reviews, and standard policies and guidelines to ensure the reliability of financial and other records used in the preparation and reporting of financial statements and related data. The Audit Committee of the Board reviews internal audit reports along with management responses and monitors the implementation of suggested corrective actions. The Company has, in all material respects, adequate internal financial controls over financial reporting, and these controls are operating effectively.

Based on these evaluations, the Board is of the considered view that the Company has adequate and effective internal financial controls in place, in all material respects.

ANNUAL RETURN

Pursuant to section 92(3) and 134(3) of the Companies Act, 2013 and Rule 12(1) of the Companies (Management and Administration) Rules, 2014, annual return for the financial year ended 31 March 2025, is available on the website of the Company at grihumhousing.com

RISK MANAGEMENT FRAMEWORK

The Board of Directors of the Company do understand that risk evaluation and risk mitigation are the responsibility of the Board of Directors, and they are fully committed to developing a sound system for identification and mitigation of applicable risks viz., systemic and non-systemic. In line with the Scale Based Regulations (SBR) prescribed by RBI vide notification dated 22 October 2021, the Company has adopted the Internal Capital Adequacy Assessment Process (ICAAP) Policy. Further, it has implemented an Integrated Risk Management (IRM) Policy duly approved by the Board. The Company has also adopted the ICAAP Document in compliance with the SBR read with RBI Master Circular No.: DBR.No.BP.BC.1/21.06.201/2015-16 dated 01 July 2015 w.r.t Master Circular – Basel III Capital Regulations.

ICAAP Policy covers regulatory standards, ICAAP procedures, roles and responsibilities of various functionaries related to development and implementation of the ICAAP as well as various components of the ICAAP document. The ICAAP policy lays down an internal assessment framework on similar lines as ICAAP prescribed by the RBI for commercial banks under Pillar II of Master Circular- Basel III Capital Regulation.

The objectives of the ICAAP Policy are:

- 1. To ensure management of internal capital in accordance with the RBI Directions, and overall Corporate Governance Principles.
- 2. To describe the process for identification, assessment, measurement, and aggregation of the risks inherent in Grihum's business and operations.

- 3. To ensure that the available capital is commensurate with Grihum's risk profile.
- 4. To ensure that there is clear assignment of roles and responsibilities for facilitating the ICAAP.

Pursuant to the Early Warning Signal (EWS) Framework in HFCs dated 26 April 2023 issued by National Housing Bank, the Company has implemented EWS framework w.e.f. 01 April 2024. The EWS framework covers 26 Indicators for the retail segment which are tracked regularly by the Company.

Integrated Risk Management (IRM) Framework covers all risks including but not limited to Credit Risk, Operational Risk, Market & Interest Risk, Compliance Risk and Reputational Risk. The said framework facilitates identification, measurement, mitigation and reporting of risks through constant monitoring of Key Risk Indicators within the organisation. Involvement of the Senior Management team in implementation of the Integrated Risk Management framework ensures achievement of organisational objectives across all business units.

The risk management infrastructure operates on five key principles:

- 1. An overarching Risk Appetite Statement that defines the shape of the portfolio, delivering predictable returns, through economic cycles, and optimising enterprise-wide risk-return and capital deployment.
- 2. Independent governance and risk management oversight.
- 3. Establishment of forward-looking Strategic Risk Assessment with pre-emptive credit and liquidity interventions, to ensure proactive early action in the event of emerging market adversity.
- 4. Maintenance of well-documented risk policies with performance guardrails.
- 5. Extensive use of risk and business analytics, and credit bureau as an integral part of credit decisioning process.

a) Credit Risk

The Company adopts an independent approval process guided by Credit policies, customer selection criteria, credit acceptance criteria and other credit underwriting processes for sanctioning and booking each loan. This allows each customer to be independently assessed based on both financial and non-financial measures.

All credit and risk management policies are clearly documented and approved by the Risk Management Committee of the Board. Credit policies are reviewed periodically based on changes in macro-economic, industry/segment and credit bureau in addition to internal portfolio performance.

Credit approval and administration is managed through a judicious use of Credit Rule Engine, assessment by

seasoned credit appraisal experts and an appropriate delegation of credit authority.

Portfolio quality improvement is a constant exercise. The Company uses the statistical benchmark of Early Warning Indicators and Continuous Portfolio Monitoring Indicators and base these indicators carry out hind-sighting exercise to make appropriate intervention in the Credit Policy to further improve the portfolio quality and reduce the ultimate losses.

b) Operational Risk Management

The operational risk framework is designed to cover all functions and verticals towards identifying the key risks in the underlying processes.

The framework, at its core, has the following elements:

- 1. Documented Operational Risk Management Policy
- 2. Well defined Governance Structure
- 3. Use of Identification & Monitoring tools such as Risk and Control Self-Assessment (RCSA), Key Risk Indicators (KRIs)
- 4. Standardised reporting templates, reporting structure and frequency
- 5. Regular workshops and training for enhancing awareness and risk culture

The Company has adopted the internationally accepted 3-lines of defence approach to operational risk management.

First line - Each function/vertical undergoes transaction testing to evaluate internal compliance and thereby lay down processes for further improvement. Thus, the approach is "bottom-up", ensuring acceptance of findings and faster adoption of corrective actions, if any, to ensure mitigation of perceived risks.

Second line – Independent risk management vertical supports the first line in developing risk mitigation strategies and provides oversight through regular monitoring. All key risks are presented to the Risk Management Committee on a quarterly basis.

Third line – Internal Audit conducts periodic risk-based audits of all functions and process to provide an independent assurance to the Audit Committee.

c) Fraud Risk Management

• Overview

Fraud can undermine the effective functioning and divert scarce and valuable resources of the organisation. Moreover, fraudulent and corrupt behaviour can seriously damage reputation and diminish trust to deliver results in an accountable and transparent manner. To combat fraud, the organisation has effective corporate governance and framework for preventing, identifying,

reporting and effectively dealing with fraud and other forms of corruption. The Company is consistently putting effort into preventing, detecting and containing frauds. There is an independent Unit (Fraud Risk Management) to monitor, investigate, detect and prevent frauds.

• Scope

The Company is committed to preventing, identifying and addressing all acts of fraud against the organisation, whether committed by the staff members or other personnel or by third parties. The Company has zero tolerance for fraud. To this effect, the Company is committed to create awareness on fraud risks, implementation of controls aimed at preventing fraud, and establishing and maintaining procedures applicable to the detection of fraud.

• Governance Structure

As a second line of defence, Fraud Risk Management monitors & checks compliance and reports all fraud (internal/External) in the institution on an ongoing basis. The independent function reports to the Chief Risk Officer (CRO). All frauds as specified by the regulator are being monitored by the Audit committee and Board of Directors. Regular online training sessions are conducted for better fraud prevention and awareness.

d) Market Risk

Any mismatch in the tenures of borrowed and disbursed funds may result in a liquidity crisis and thereby impact the Company's ability to service its loans. Thus, it is imperative that there exists nil or minimal mismatch between the tenure of borrowed funds and assets funded. The Company has well-defined treasury policies for managing liquidity, investments, interest rates and borrowings. The Company endeavours to maintain appropriate asset liability maturity with regard to its tenure and interest rates.

e) Foreign exchange risk

The Company does not have any foreign exchange fluctuation risk, since its disbursements are in rupee terms and the nature of its borrowings are also in domestic rupee debt or fully hedged Foreign Currency Non-Resident Account borrowings.

f) Liquidity risk management

The Company has worked meticulously to diversify its borrowing profile and has repeatedly enhanced the set of institutions it borrows from. Such diversified and stable funding sources emanate from several segments of lenders such as Banks, Mutual Funds and other Financial Institutions. In addition to this, the Company has established an excellent track record in its access to the securitisation/ assignment market. As a matter of prudence and with a view to managing



liquidity risk at optimum levels, the Company keeps suitable levels of working capital limits and documented undrawn sanctioned bank limits to mitigate all possible contingencies effectively.

The Company has in place a Board level Asset Liability Management Committee (ALCO), which periodically reviews the asset-liability positions, cost of borrowings, and sensitivity of forecasted cash flows over both short and long-term time horizons. It accordingly recommends corrective measures to bridge the gaps, if any. The ALCO reviews the changes in the economic environment and financial markets and suggests suitable strategies for effective resource management. This results in proper planning on an ongoing basis with respect to managing various financial risks viz. asset liability risk, foreign currency risk and liquidity risk.

The Company has a strong liquidity position with an appropriate mix of on-balance sheet liquidity and undrawn working capital limits and documented undrawn sanctioned bank limits, which is further supported by robust funding pipeline and securitisation/ direct assignment sanctions.

#### g) People Risk

Human resources are the most valuable assets. The Company focuses on continuous training and upgrading the skills of its staff across the organisation. The Company's Learning & Development team has taken a number of initiatives during the year by releasing knowledge nuggets and e-Learning modules which enable employees to self-learn and upgrade their skills.

The Company provides a conducive work environment for its employees that enables them to perform well and hone their skills. The policies are designed to ensure a healthy and safe workplace, free from discrimination or harassment. Human Resource are most valuable asset, and the Company is committed to attract, engage and retain talent to create long-term value for our customers and stakeholders.

People's risks that the Company focuses on include the following:

#### Inadequate availability of skilled manpower:

- Limited availability of candidates with appropriate skillset, experience and culture fitment.

#### Productivity Risk:

- Longer learning curve leads to low output.
- Time taken to filling of required manpower hampers installed capacity.

#### Succession planning:

- Risk for business continuity due to lack of leadership succession.

The Company is proactive in identifying and addressing risks around people and addresses them in a timely and comprehensive manner.

Further, the Board of Directors are of the opinion that at present there are no material risks that may threaten the functioning of the Company.

#### REMUNERATION POLICY

The Nomination and Remuneration Committee of the Board has devised a policy for the selection and appointment of Directors, Key Managerial Personnel and other Senior Management Personnel and their remuneration. The Committee has formulated the criteria for determining qualifications, positive attributes and independence of a Director, which has been put up on the Company's website at grihumhousing.com

#### PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS

The Company being Housing Finance Company, the disclosure regarding particulars of loans given, guarantees given and security provided in the ordinary course of business is exempted under the provisions of Section 186(11) of the Companies Act 2013 (the Act). However, the details of loans, guarantees, and investments made as required under the provisions of Section 186 of the Act and the rules made thereunder are set out in the Notes to the Financial Statements of the Company.

#### LOANS TO DIRECTORS, SENIOR OFFICERS, AND RELATIVES OF DIRECTORS

The Company has adopted a 'Policy for Loan to Directors, Relatives and Senior Officers' with the approval of its Board of Directors. The Company did not extend any loans to its directors, senior officers, relatives of directors, or entities associated with directors and their relatives as on 31 March 2025.

#### CORPORATE SOCIAL RESPONSIBILITY (CSR)

In terms of the provisions of Section 135 of the Companies Act, 2013 and other applicable provisions read with rules made thereunder, the Company has a CSR Committee and has also adopted CSR Policy which inter-alia includes the CSR activities to be carried out by the Company. The CSR Policy of the Company can be accessed on the Website of the Company at grihumhousing.com

The composition of the CSR Committee and its terms of reference are given in the Corporate Governance Report forming part of this Board's Report. The Annual Report on CSR activities forms part of this Board's report as Annexure 3.

#### MATERIAL CHANGES AND COMMITMENTS AFFECTING THE FINANCIAL POSITION OF THE COMPANY

No material changes or commitments affecting the financial position of the Company occurred during and at the end of

the financial year to which these financial statements relate on the date of this report.

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

During the year under review there were no significant material orders passed by the Regulators/Courts/Tribunals which would impact the going concern status and operations of the Company in future.

#### REGULATORY DEVELOPMENTS AND THE COMPANY'S CONTINUED FOCUS TO ENSURE COMPLIANCE WITH THE REGULATORY AND SUPERVISORY DIRECTIONS/ GUIDELINES

The Company remains steadfast in its adherence to all applicable statutory and regulatory provisions, including but not limited to the Companies Act, 2013, along with the corresponding Rules, the Income-tax Act, 1961, SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, SEBI (Issue and Listing of Non-Convertible Securities) Regulations, 2021, the Foreign Exchange Management Act, 1999, the Non-Banking Financial Company – Housing Finance Company (Reserve Bank) Directions, 2021, the Master Direction – Reserve Bank of India (Non-Banking Financial Company – Scale Based Regulation) Directions, 2023 and the IRDAI (Registration of Corporate Agents) Regulations, 2015, as well as the applicable circulars, notifications, guidelines, and directives issued by regulatory bodies such as RBI, NHB, SEBI, Ministry of Corporate Affairs (MCA), and Insurance Regulatory and Development Authority of India (IRDAI), among others. During the FY 2024-2025, the Company has complied with Insurance Regulatory and Development Authority of India (Registration of Corporate Agents) Regulations, 2015 and has duly filed/ submitted various returns, reports and intimations within the prescribed time-limit.

During FY 2024-25, 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 Company has complied with the requirement for Auditor Certification and other requirements with respect to the downstream investment made by the Company, pursuant to the Foreign Exchange Management Act, 1999.

The Company remains vigilant in tracking regulatory developments and presents all pertinent circulars and notifications to its Board of Directors at regular intervals. This proactive approach ensures that the Board remains well-informed about mandatory legal and compliance requirements while enabling timely action on evolving regulatory norms. The Company has also finalised its financial statements for the year in accordance with the Accounting Standards issued by the Institute of Chartered Accountants of India.

#### REGULATORY LANDSCAPE FOR HOUSING FINANCE COMPANIES (HFCS) AND NON-BANKING FINANCIAL COMPANIES (NBFCs)

In recent years, the Reserve Bank of India (RBI), along with the National Housing Bank (NHB), has introduced a series of regulatory reforms aimed at strengthening the overall risk management framework and governance standards across Housing Finance Companies (HFCs) and Non-Banking Financial Companies (NBFCs). These reforms have had a constructive impact on enhancing financial stability and institutional resilience within the sector. A significant development in this regard was the introduction of the Scale-Based Regulation (SBR) framework, effective October 2022, which classifies NBFCs based on size, activity, and risk profile to enable proportionate regulation. Subsequently, the RBI issued the Master Direction – Reserve Bank of India (Non-Banking Financial Company – Scale Based Regulation) Directions, 2023 on 19 October 2023, which consolidates and supersedes earlier master directions governing HFCs under the SBR framework.

The Reserve Bank of India issued a circular on "Scale Based Regulation (SBR): A Revised Regulatory Framework for NBFCs" on 22 October 2021 ('SBR Framework'). As per the SBR framework, based on size, activity, and risk perceived, NBFCs are categorised into four layers, NBFC – Base Layer (NBFC-BL), NBFC – Middle Layer (NBFCML), NBFC – Upper Layer (NBFC-UL) and NBFC – Top Layer (NBFC-TL).

As per the prescribed SBR criteria, the Company has been categorised in the Middle Layer (NBFC-ML) and accordingly complies with all applicable regulations, key governance and financial prudence aspects including Internal Capital Adequacy Assessment Process, Income Recognition, Asset Classification, Provisioning, Regulatory Restrictions on Loans, Regulatory Disclosures, Compliance Policy and Chief Compliance Officer appointment, Compensation Guidelines for Key Managerial Personnel and Senior Management, Fraud Reporting, Outsourcing Activities and the implementation of Core Financial Services Solution, among others. The Company has fully adhered to these provisions within the prescribed timelines.

In addition, in line with supervisory reporting requirements, the Company has ensured the timely and accurate submission of reports as mandated under the Master Circular on Returns to be submitted by Housing Finance Companies, issued by the National Housing Bank (NHB), as well as other data and information prescribed by NHB and the RBI from time to time. The Company remains committed to upholding the highest standards of regulatory compliance, risk management, and corporate governance, thereby strengthening its operational resilience and stakeholder confidence.

The Company continued to ensure that Fair Practice Code, KYC Norms and Anti Money Laundering (AML) Standards as per the guidelines issued by the NHB/RBI from time to time and are





invariably adhered to and duly complied with 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 Company has adopted the Fair Practices Code, reinforcing its commitment to ethical business practices and customer-centric operations. This Code sets forth the guiding principles for fair dealings with customers and incorporates an efficient grievance redressal mechanism to ensure prompt resolution of customer concerns.

**PREVENTION OF SEXUAL HARASSMENT (POSH) OF WOMEN AT THE WORKPLACE**

The Company is committed to uphold and maintain the dignity of all its employees including women employees and it has a policy which provides for protection against sexual harassment of women at workplace and redressal of such complaints through the active Internal Complaints Committee to redress any complaints received in timely and systematic manner. During the year under review, we have no complaint under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. The Company has complied with the provisions of the said Act while dealing with the complaint. To raise awareness and understanding of this issue, an online learning module with the latest update has been implemented. Additionally, the Company has been conducting virtual sessions to bring more awareness among the employees.

**CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNING AND OUTGO**

**Conservation of Energy:**

The Company does not engage in any manufacturing activities, so its operations are not energy intensive. However, it consistently takes appropriate measures to ensure efficient energy use and maximise savings. The Company has also reduced greenhouse gases emissions by using inverters instead of DG sets for power backup and by switching to R 32 gas instead of R 22 and R 410A for air-conditioning. Additionally, smart meters have been installed at 29 high energy consumption branches to reduce power consumption, and the Company has selected and designed offices/branches to facilitate maximum natural light utilisation.

**Technology Absorption:**

The Company has designed a customised LOS (Loan Origination System) and CRM on a modern technology based low-code platform, which has enhanced the sales force capabilities with an advance mobile app. Additionally, the Company has improved credit underwriting through risk-based models and optimised both loan processing and fraud prevention. Furthermore, the Company utilises a Data Loss Prevention (DLP) tool alongside an Information Rights Management (IRM) tool to ensure that Personally Identifiable Information (PII) and sensitive customer data are encrypted and protected.

**Foreign Exchange Earnings and Outgo:**

During the year under review, the Company did not have any foreign exchange earnings in terms of actual inflow and the foreign exchange outgo in terms of actual outflow amounted to ₹ 5.97 Cr.

**PARTICULARS OF EMPLOYEES AND RELATED DISCLOSURES**

During the year under review the Company had a multifaceted workforce of 4131 employees spread across 18 states and 200+ locations. Further, the Executive Director (Managing Director & Chief Executive Officer) is appointed based on terms approved by the Board & the Shareholders. The remuneration paid to Managing Director & Chief Executive Officer (MD & CEO) is recommended by the Nomination and Remuneration Committee (NRC) taking into account various parameters included in the Remuneration Policy of the Company and approved by the Board of Directors and Shareholders of the Company. His remuneration comprises of salary, allowances and perquisites as indicated in Form MGT 7 which is available at the website at grihumhousing.com

During the year under review the remuneration was revised after obtaining necessary approval. The disclosures pertaining to Schedule V Part II Section II (IV) of the Companies Act, 2013 forms part of the Corporate Governance Report.

**CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES**

All contract's/arrangements/ transactions entered into by the Company during the financial year with related parties were in the ordinary course of business and on an arm's length basis and the same were also reviewed by the Audit Committee of the Board. During the year under review, the Company had not entered into any contract/arrangement/ transaction with Promoters, Directors, Key Managerial Personnel or other designated persons which could be considered material in accordance with Rule 15 of Companies (Meeting of Board and its Powers) Rules, 2014. The nature of related party transactions does not require any disclosure in AOC-2. The particulars of contracts/arrangements/ transactions entered into by the Company with related parties are mentioned separately in the notes in the Financial Statement. Further, suitable disclosure as required by the Accounting Standards have been made in the Notes to the Financial Statement.

The Policy on Related Party Transactions is available on the Company's website at grihumhousing.com

Further, as per the RBI HFC Master Directions, the said Policy forms a part of this Report as Annexure 4.

**HUMAN RESOURCES**

The Company continuously strives to be the best in all the domains of its operations and believes that its employees are the core foundation of this vision. The HR strategy is dedicated to fostering a motivated workforce and cultivating inspirational leadership to consistently drive forward this vision.

The details of the same are set out in the Management Discussion and Analysis Report which forms a part of this Board's Report.

**TRANSFER OF AMOUNTS TO INVESTOR EDUCATION AND PROTECTION FUND**

The Company did not have any funds lying unpaid or unclaimed for a period of seven years. Therefore, there were no funds which were required to be transferred to the Investor Education and Protection Fund.

**INSOLVENCY AND BANKRUPTCY**

During the year, there was no application made or any proceeding pending under the Insolvency and Bankruptcy Code, 2016 (31 of 2016).

**ONE TIME SETTLEMENT WITH BANKS AND FINANCIAL INSTITUTIONS**

During the year, the Company did not make any one-time settlement with Banks or Financial Institutions.

**WHISTLE BLOWER POLICY AND VIGIL MECHANISM**

The Board has, pursuant to the provisions of Section 177(9) of the Companies Act, 2013 read with Rule 7 of the Companies (Meetings of Board and its Powers) Rules, 2014 and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 framed a 'Whistle Blower Policy and Vigil Mechanism'.

The Company believes in the conduct of the affairs of its constituents in a fair and transparent manner by adopting highest standards of professionalism, honesty, integrity and ethical behaviour's Policy has been framed with a view to provide a mechanism, inter alia, enabling stakeholders

including Directors, individual employees of the Company and their representative bodies, to freely communicate their concerns about illegal or unethical practices and to report genuine concerns or grievances as also to report to the management concerns about unethical behaviour, actual or suspected fraud or violation of the Company's Code of Conduct.

The Whistle Blower Policy and Vigil Mechanism is available on the website of the Company at the link: grihumhousing.com

**APPRECIATION**

The Directors would like to record their appreciation of the hard work and commitment of the Company's personnel and warmly acknowledge the unstinting support and cooperation extended by Bankers and Financial Institutions, Customers, Business Associates and other Stakeholders. The Directors also take the opportunity to thank Securities Exchange Board of India (SEBI), Bombay Stock Exchange (BSE), Reserve Bank of India (RBI), National Housing Bank (NHB) and other regulators for their continued assistance and support.

**CAUTIONARY STATEMENT**

Statements in the Board's Report and Management Discussion and Analysis Report, describing the Company's objectives, outlook, opportunities and expectations may constitute "Forward Looking Statements" within the meaning of applicable laws and regulations. Actual results may differ from those expressed or implied expectations or projections, among others. Several factors make a significant difference to the Company's operations, including the government regulations, taxation and economic scenario affecting demand and supply, natural calamity and other such factors over which the Company does not have any direct control.

**For and on behalf of the Board of Directors of Grihum Housing Finance Ltd.**

(Formerly, Poonawalla Housing Finance Limited)

**Manish Jaiswal**

Managing Director and Chief Executive Officer

DIN: 07859441

Date: 22 May 2025

Place: Pune

**Sanjeev Mehra**

Non-Executive Director

DIN: 07491208

Date: 22 May 2025

Place: Mumbai



ANNEXURE 1 TO THE BOARD'S REPORT

Statement as of 31 March 2025 pursuant to Section 62 of the Companies Act, 2013 read with Rule 12(9) of the Companies (Share Capital and Debentures) Rules, 2014

A. Details of ESOPs (Equity Shares)

Sr. No.	Description	Grihum ESOP 2018 <sup>1</sup>			Grihum RSO 2018		Grihum ESOP 2021		
		Tranche 4	Tranche 5	Tranche 6	Tranche 1	Tranche 2	Tranche 1	Tranche 2	Tranche 3
1.	Number of options granted	4,90,000	2,00,000	10,00,000	29,60,000	4,00,000	60,50,000	11,80,000	40,000
2.	Number of options vested	55,000	44,000	1,85,000	29,60,000	4,00,000	23,64,450	4,25,700	-
3.	Number of options exercised	55,000	30,000	39,000	29,60,000	4,00,000	1,80,800	-	-
4.	The total number of shares arising as a result of exercise of option	55,000	30,000	39,000	29,60,000	4,00,000	1,80,800	-	-
5.	Options lapsed	4,35,000	1,56,000	8,15,000	-	-	22,21,250	5,35,000	40,000
6.	The exercise price	₹ 36.66		₹ 58.39	₹ 10		₹ 71.88		
7.	Variation of terms of options	-	-	-	-	-	Vesting Criteria revised: Tranche -I – 33% of the options granted will vest on the first anniversary of the Grant Date	Vesting Criteria revised: Tranche II - 33% of the options granted will vest on the second anniversary of the Grant Date	Vesting Criteria revised: Tranche III - 34% of the options granted will vest on the third anniversary of the Grant Date
8.	Money realised by exercise of options	20,16,300	10,99,800	22,77,210	2,96,00,000	40,00,000	1,29,95,904	-	-
9.	Total number of options in force	-	14,000	1,46,000	-	-	36,47,950	6,45,000	-
10.									
(i)	Key managerial personnel	-	-	-	Managing Director & Chief Executive Officer: 29,60,000 options	Managing Director & Chief Executive Officer: 4,00,000 options	Managing Director & Chief Executive Officer: 15,00,000 options Chief Financial Officer: 6,00,000 options	Chief Financial Officer: 3,00,000 options	-
(ii)	Any other employee who receives a grant of options in any one year of option amounting to five percent or more of options granted during that year	Details in Appendix-I							
(iii)	Identified employees who were granted option, during any one year, equal to or exceeding one percent of the issued capital (excluding outstanding warrants and conversions) of the Company at the Time of grant	-	-	-	Mr. Manish Jaiswal, Managing Director & Chief Executive Officer	-	-	-	-

<sup>1</sup>Tranche 1,2,3 & 7 of Employee Stock Option Plan, 2018 have lapsed.

APPENDIX – I

List of employees who received a grant in any one year of option amounting to 5% or more of the options granted during that year, which are live as on 31 March 2025.

Sr. No.	Description	Grihum ESOP 2018			Grihum RSO 2018		Grihum ESOP 2021 <sup>2</sup>	
		Tranche 4	Tranche 5	Tranche 6	Tranche 1	Tranche 2	Tranche 1	Tranche 2
1.	Sunit Mahajan	30,000	-	70,000	-	-	-	-
2.	Shailendra Singh	-	10,000	-	-	-	-	-
3.	Chayan Gulati	-	10,000	-	-	-	-	-
4.	Prakash Mallick	-	10,000	-	-	-	-	-
5.	Dnyanesh Nandurkar	25,000	-	-	-	-	-	-
6.	Manish Jaiswal	-	-	-	29,60,000	4,00,000	15,00,000	-
7.	Pankaj Rathi	-	-	-	-	-	6,00,000	3,00,000
TOTAL		55,000	30,000	70,000	29,60,000	4,00,000	21,00,000	3,00,000

<sup>2</sup>Tranche 3 of Employee Stock Option Plan, 2021 have lapsed.

B. Details of ESOPs – CCPS Options

Sr. No.	Description	Grihum ESOP 2018			Grihum ESOP 2021		
		Tranche 4	Tranche 5	Tranche 6	Tranche 1	Tranche 2	Tranche 3
1.	Number of options granted	15,000	22,500	1,05,500	19,74,475	4,17,500	20,000
2.	Number of options vested	-	19,500	80,500	11,92,604	2,12,850	-
3.	Number of options exercised	-	12,500	7,500	33,000	-	-
4.	The total number of shares arising as a result of exercise of option	-	12,500*	7,500*	33,000*	-	-
5.	Options lapsed	15,000	3,000	25,000	1,17,500	95,000	20,000
6.	The exercise price	-	-	-	-	-	-
7.	Variation of terms of options	-	-	-	-	-	-
8.	Money realised by exercise of options	-	-	-	-	-	-
9.	Total number of options in force	-	7,000	73,000	18,23,975	3,22,500	-
10.							
(i)	Key managerial personnel	-	-	-	Managing Director & Chief Executive Officer: 7,50,000 CCPS Options. Chief Financial Officer: 3,00,000 CCPS options	Chief Financial Officer: 1,50,000 CCPS options	-
(ii)	Any other employee who receives a grant of options in any one Year of option amounting to five percent or more of options granted during that year	Details in Appendix-II	-	-	Details in Appendix-II		
(iii)	Identified employees who were granted option, during any one year, equal to or exceeding one percent of the issued capital (excluding outstanding warrants and conversions) of the Company at the Time of grant	-	-	-	-	-	-

\*Converted into Equity Shares of the Company.



APPENDIX – II

List of employees who received a grant in any one year of option amounting to 5% or more of the options granted during that year, which are live as on 31 March 2025.

Sr. No.	Description	Grihum ESOP 2018 <sup>2</sup>		Grihum ESOP 2021 <sup>3</sup>	
		5 <sup>th</sup> Tranche	6 <sup>th</sup> Tranche	1 <sup>st</sup> Tranche	2 <sup>nd</sup> Tranche
1.	Dnyanesh Anil Nandurkar	-	8,000	-	-
2.	Sunit Mahajan	-	35,000	-	-
3.	Shailendra Singh	2,500	7,500	-	-
4.	Chayan Gulati	5,000	7,500	-	-
5.	Prakash Mallick	5,000	7,500	-	-
6.	Lalit Gupta	3,500	7,500	-	-
7.	Mirza Tauseef Baig	3,500	-	-	-
8.	Nikhil Jamwal	-	7,500	-	-
9.	Manish Jaiswal	-	-	7,50,000	-
10.	Pankaj Rathi	-	-	3,00,000	1,50,000
11.	Amit Kumar Khan	-	-	1,50,000	-
TOTAL		19,500	80,500	12,00,000	1,50,000

<sup>2</sup>Tranche 4 of Employee Stock Option Plan, 2018 have lapsed.

<sup>3</sup>Tranche 3 of Employee Stock Option Plan, 2021 have lapsed.

For and on behalf of the Board of Directors of  
Grihum Housing Finance Limited  
(Formerly, Poonawalla Housing Finance Limited)

Manish Jaiswal  
Managing Director and Chief Executive Officer  
DIN: 07859441

Date: 22 May 2025  
Place: Pune

Sanjeev Mehra  
Non-Executive Director  
DIN: 07491208

Date: 22 May 2025  
Place: Mumbai

ANNEXURE 2 TO THE BOARD'S REPORT

Form No. MR-3  
SECRETARIAL AUDIT REPORT

For the Financial Year Ended 31 March 2025

[Pursuant to section 204(1) of the Companies Act, 2013 and Rule 9 of the Companies  
(Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,  
The Members,  
Grihum housing finance Ltd.

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Grihum Housing Finance Ltd. ("the Company"). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on my verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorised representatives during the conduct of secretarial audit, I hereby report that in my opinion, the Company has, during the audit period covering the financial year ended on 31 March 2025 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:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended 31 March 2025 according to the provisions of:

1.

The Companies Act, 2013 (the Act) and the rules made thereunder;
2.

The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under;
3.

The Depositories Act, 1996 and the Regulations and Bye-Laws framed there under;
4.

Foreign Exchange Management Act, 1999 ('FEMA') and the Rules and Regulations made thereunder to the extent of Foreign Direct Investment, overseas Direct Investment and External Commercial Borrowing;
5.

The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):

- (a)

The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 (Not applicable to the Company during the audit period);
- (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 and amendments from time to time (Not applicable to the Company during the audit period);
- (d)

The Securities and Exchange Board of The Securities and Exchange Board of India (Share Based Employee Benefits Sweat Equity) Regulations, 2021; (Not applicable to the Company during the audit period);
- (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 to the Company during the audit period);
- (g)

The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021; (Not applicable to the Company during the audit period);
- (h)

The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018; (Not applicable to the Company during the audit period) and
- (i)

The Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018;
- (j)

The Securities and Exchange Board of India (Debenture Trustees) Regulations, 1993 and



- (k) The Securities and Exchange Board of India (Listing Obligation and Disclosure Requirement) Regulations, 2015 (SEBI Listing Regulations);
6. Other laws to the extent applicable to the Company as per the representations made by the Company namely,

(a) Laws, directions, guidelines and instructions issued by Reserve Bank of India ("RBI")/National Housing Bank ("NHB")/Insurance Regulatory and Development Authority of India (IRDAI) through notifications and circulars relating thereto;

(b) Prevention of Money Laundering Act, 2002 and the Prevention of Money Laundering (Amendment) Act, 2012 as applicable.

I have also examined compliance with the applicable clauses of the following:

- (1) Secretarial Standards issued pursuant to section 118(10) of the Act, by The Institute of Company Secretaries of India.
- (2) Listing Agreement/Regulations: The Company is a Debt listed Company and therefore compliance with listing agreement/regulations is limited only to that effect.

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards etc. mentioned above.

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. There are no changes in the composition of the Board of Directors during the period under review.

Adequate Notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance and 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, to the extent practicable.

All decisions are carried through the unanimous consent of all the Board of Directors and recorded as a part of the Minutes.

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

I further report that during the audit period:

1. The Company held an Extra Ordinary General Meeting on 3 June 2024 to revise the remuneration of Mr. Manish Jaiswal, Managing Director and Chief Executive Officer of the Company.

2. The Company has redeemed Non-Convertible Debentures ("NCD") as per the table below:

Series	ISIN	Date of Redemption	Number of NCD's of ₹ 1,00,000 each	Amount in ₹
850GRIHF24SERIESII	INE055I07149	16 September 2024	15,000	150,00,00,000
PHFL2024SERIESI	INE055I07131	29 November 2024	20,000	200,00,00,000
860GHF24SERIESIV	INE055I07172	31 December 2024	5,000	50,00,00,000

3. The Company has issued/allotted fully paid up Equity Shares as per the table below:

Sr. No.	Date	Particulars	No. of Equity shares
1.	04 June 2024	Equity Shares of ₹ 10 each allotted upon conversion of 0.001% of Compulsorily Convertible Preference Shares ('CCPS') ranking pari passu with the existing Equity Shares	17,84,920
2.	20 June 2024	Equity Shares of ₹ 10 each allotted to the eligible employees of the Company under the Grihum Housing Employee Stock Option Plans	88,000
3	20 June 2024	Fully paid up CCPS of ₹ 10 each allotted to the eligible employees of the Company under the Grihum Housing Employee Stock Option Plans	44,000
4	03 September 2024	Equity Shares of ₹ 10 each at a premium allotted to the eligible employees of the Company under the Grihum Housing Employee Stock Option Plans	5,000
5	03 September 2024	Fully paid up CCPS of ₹ 10 each allotted to the eligible employees of the Company as bonus under the Grihum Housing Employee Stock Option Plans	2,500

Sr. No.	Date	Particulars	No. of Equity shares
6	01 October 2024	Equity Shares of ₹ 10 each at a premium allotted to the eligible employees of the Company under the Grihum Housing Employee Stock Option Plans	13,000
7	01 October 2024	Fully paid up CCPS of ₹ 10 each allotted to the eligible employees of the Company as bonus under the Grihum Housing Employee Stock Option Plans	6,500
8	17 October 2024	Equity Shares of ₹ 10 each allotted upon conversion of 0.001% of Compulsorily Convertible Preference Shares ('CCPS') ranking pari passu with the existing Equity Shares	53,000

4. The Company has borrowed a sum of USD 35.85 Mn through External Commercial Borrowings vide Loan Registration Number 202411103.

Rupal D. Jhaveri

Company Secretary in Practice

Membership No.: F5441

Certificate of Practice No.: 4225

UDIN: F005441G000407711

Peer Review Certificate No.: 1139/2021

Place: Mumbai

Date: 22 May 2025

This report is to be read with our letter of even date which is annexed as Annexure A and forms an integral part of this report.



ANNEXURE A OF SECRETARIAL AUDIT REPORT

To,  
The Members,  
**GRIHUM HOUSING FINANCE LTD.**

My report of even date is to be read along with this letter.

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

Place: Mumbai  
Date: 22 May 2025

**Rupal D. Jhaveri**  
Company Secretary in Practice  
Membership No.: F5441  
Certificate of Practice No.: 4225  
UDIN: F005441G000407711  
Peer Review Certificate No.: 1139/2021

ANNEXURE 3 TO THE BOARD'S REPORT

ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY (CSR) ACTIVITIES FOR FY 2024-25

1. Brief outline on CSR Policy of the Company

The Company firmly believes that it has a commitment towards all stakeholders including customers, employees and the local community. It recognises that sustainable and inclusive growth is essential to fulfill this commitment. The Company aims to improve the quality of life through its positive intervention in the community.

Embracing a long-term perspective, the Company has implemented key CSR initiatives aimed at ensuring sustainability and delivering lasting benefits to society. These initiatives center around areas such as education, health and the environment. During the year under review, the Company has carried out CSR activities under the following projects:

- (1) **Khushiyon Ka Angan** is dedicated to promoting the education of girl children. To ensure that the Company reaches those girl children who were in need the most, an online form for nominations containing pre-determined criteria was created and shared across different platforms for a wider reach and audience. The Company's aim is to provide educational opportunities to underprivileged girl children and empower them to achieve their full potential. To achieve this goal, the Company supported 255 girl children during the FY 2024-25.
- (2) **Hunar Se Parichay** focuses on skill development, empowering marginalised individuals with disabilities, underprivileged men, women, and unemployed youth. Through this initiative, during FY 2024-25, the Company supported 330 individuals wherein these beneficiaries were taught skills to manufacture motorcycle helmets (a certified design standard), raincoats, & jackets which enhances their employability. Under this programme, during the year under review, the

participants manufactured 2,000 raincoats, 2,000 jackets, and 3,450 motorcycle helmets from environmentally sustainable material towards road safety. Additionally, the Company spearheaded the apprenticeship program and offered more than 290 individuals the chance to immerse themselves in a professional environment - learning and working simultaneously.

Through the Hunar Se Parichay programme, more than 600 beneficiaries gained valuable skills during FY 2024-25, which fostered a sense of self-sufficiency and enabled employability. This multifaceted approach aims to create lasting impact, uplift communities, transform lives, achieve financial independence and lead a life with dignity.

- (3) **Swayam;** the Company encourages its employees to contribute ideas and actively participate in CSR initiatives, fostering a culture of giving back to society. Believing in the power of collective action, the Company remains committed to making a positive impact on communities. During the year under review, the Company focused on enhancing access to safe drinking water for police personnel, who work tirelessly to protect society, by installing 66 Reverse Osmosis (RO) machines at police stations across India. Additionally, reinforcing its commitment to environmental sustainability, the Company spread awareness about the importance of tree plantation & distributed 14000+ sapling across 100 schools near Pune. The Company also supported women's health by installing 54 sanitary napkin vending machines, each stocked with 1,000 sanitary napkins, in Women's Police Stations across Madhya Pradesh. Through various efforts, the Company was able to touch more than 100,000 lives in 260+ locations across India.

2. The Composition of CSR and attendance of each member is as under:

Sr. No.	Name of Director	Chairperson/ Member of Committee since	Capacity/Category of Directors	Number of Meetings Held	Number of Meetings Attended
1	Ms. Richa Arora	22 March 2024	Chairperson, Non-Executive Independent Director	3	3
2	Mr. Manish Jaiswal	31 January 2022	Member, Managing Director and Chief Executive Officer	3	3
3	Mr. Prem Manjooran	08 September 2023	Member, Non-Executive Independent Director	3	3
4	Mr. Sanjeev Mehra	08 September 2023	Member, Non-Executive Director	3	2



3. Provide the web-link where Composition of CSR committee, CSR Policy and CSR projects approved by the board are disclosed on the website of the Company.  
  
Composition: <https://grihumhousing.com/investor-governance>  
  
CSR Policy: <https://grihumhousing.com/investor-governance>  
  
CSR projects: <https://grihumhousing.com/investor-governance>

c) Surplus arising out of the CSR projects or programs or activities of the previous financial years: ₹ 3.09 Lakhs  
  
d) Amount required to be set off for the Financial Year, if any: ₹ 3.09 Lakhs  
  
e) Total CSR obligation for the Financial Year [(b)+(c)-(d)]: ₹ 274.39 Lakhs
4. Provide the executive summary along with web-link(s) of Impact Assessment of CSR Projects carried out in pursuance of sub-rule (3) of rule 8, if applicable.  
  
Statutorily, the Company is not required to conduct Impact assessment study for its CSR projects.

a) Amount spent on CSR Projects (both ongoing project and other than Ongoing Project): ₹ 274.45 Lakhs  
  
b) Amount spent on administrative overheads: ₹ 6.94 Lakhs  
  
c) Amount spent on Impact Assessment, if applicable: N.A.
5. a) Average net profit of the Company as per section 135(5): ₹ 13,873.93 Lakhs  
  
b) Two percent of average net profit of the Company as per section 135(5): ₹ 277.48 Lakhs

d) Total Amount spent for the Financial Year [(a)+(b)+(c)]: ₹ 281.39 Lakhs  
  
e) CSR amount spent or unspent for the Financial Year: ₹ 281.39 Lakhs

Total Amount Spent for the Financial Year (in ₹ Lakhs)	Amount Unspent (in ₹)				
	Total Amount transferred to Unspent CSR Account as per section 135(6)		Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5)		
	Amount	Date of transfer	Name of the Fund	Amount.	Date of transfer.
N/A	N/A		N/A		

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

Sr. No.	Particular	Amount (in ₹ Lakhs)
(i)	(a) Two percent of average net profit of the Company as per sub-section (5) of section 135	277.48
	(b) Less: Excess amount set-off for the Financial Year (from FY 2023-24)	3.09
	(c) Total CSR Obligation for the Financial year	274.39
(ii)	Total amount spent for the Financial Year	281.39
(iii)	Excess amount spent for the Financial Year [(ii)-(i)]	7.00
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous Financial Years, if any	N/A
(v)	Amount available for set off in succeeding Financial Years [(iii)-(iv)]	7.00

- g) Details of Unspent CSR amount for the preceding three financial years:

1	2	3	4	5	6		7	8
Sl. No.	Preceding Financial Year	Amount transferred to Unspent CSR Account under section 135 (6) (in ₹ Lakhs)	Balance Amount in Unspent CSR Account under sub-section (6) of Section 135 (in ₹ Lakhs)	Amount spent in the reporting Financial Year (in ₹ Lakhs)	Amount transferred to any fund specified under Schedule VII as per section 135(5), if any		Amount remaining to be spent in the succeeding financial years (in ₹ Lakhs)	Deficiency, if any
					Amount (in ₹ Lakhs)	Date of transfer		
1.	FY 2021-22	NA	-	32.35	-	-	-	-
2.	FY 2022-23	NA	-	85.19	-	-	-	-
3.	FY 2023-24	NA	-	167.86	-	-	-	-

7. Whether any capital assets have been created or acquired through CSR amount spent in the Financial Year: No, the Company has not created or acquired any capital asset through CSR spent in the FY 2024-25.
8. 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 Company has effectively utilised the entire CSR funds as mandated under Section 135(5) during the Financial Year 2024-25.

For and on behalf of the Board of Directors

**Richa Arora**  
Independent Non-executive Director &  
Chairperson of CSR Committee  
DIN: 07144694

**Manish Jaiswal**  
Managing Director & Chief Executive Officer  
DIN: 07859441

Date: 22 May 2025  
Place: Mumbai

Date: 22 May 2025  
Place: Pune



## ANNEXURE 4 TO THE BOARD'S REPORT

### RELATED PARTY POLICY

The Board of Directors (the "Board") of Grihum Housing Finance Ltd. (Formerly, Poonawalla Housing Finance Limited) (the "Company") had originally adopted this Policy on Related Party Transactions ("Policy") as required under the erstwhile Housing Finance Companies – Corporate Governance (National Housing Bank) Directions, 2016 issued by National Housing Bank vide Notification No. NHB.HFC.CG-DIR.1/MD&CEO/2016 dated 9 February 2017 ('Direction') and Companies Act, 2013 ('the Act'). Thereafter, the policy is updated as and when required to accommodate amendments introduced in the Applicable Law.

### EFFECTIVE DATE

This Policy is effective from the date of its adoption by the Board or such other date as may be prescribed by the Board. The Board may prescribe different effective date(s) for different provisions of this Policy.

### SCOPE AND PURPOSE

The Companies Act, 2013 ('Act') read with the Rules framed thereunder, the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations') and the Master Direction – Non-Banking Financial Company – Housing Finance Company (Reserve Bank) Directions, 2021 ('RBI Directions') and amendments thereto, contain detailed provisions on Related Party Transactions.

This Policy has been framed as per the requirements of the Act, Listing Regulations and RBI Directions and is intended to ensure proper approval and reporting of the transactions between the Company and its Related Parties. This Policy also ensures adequate systems and procedures to address potential conflict of interest and compliance with the provisions of the Act, Listing Regulations and RBI Directions.

The Board recognises that certain transactions present a heightened risk of conflict of interest or the perception thereof. Therefore, any dealings with a Related Party must be conducted in such a way that no preferential treatment is given and adequate disclosures and/or permissions are made/ sought as required under Applicable Laws and as per the applicable policies of the Company. Therefore, the Board has adopted this Policy to ensure that all Related Party Transactions are subject to this Policy and approval or ratification in accordance with Applicable Laws. This Policy contains the policies and procedures governing the review, determination of materiality, approval and reporting of such Related Party Transactions.

### DEFINITIONS

1. **"Act"** means Companies Act, 2013 including amendments, re-enactments, modifications, notifications, circulars and orders from time to time

2. **"Audit Committee or Committee"** means Committee of Board of Directors of the Company formed under section 177 of the Act and the RBI Directions.
3. **"Applicable Laws"** means the Act, the rules made thereunder and amendments thereto, Master Direction – Non-Banking Financial Company – Housing Finance Company (Reserve Bank) Directions, 2021 ("RBI Directions") and amendments thereto, Scale Based Regulations for NBFCs ("SBR"), Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and amendment thereto ("Listing Regulations") to the extent applicable, applicable accounting standards issued by the Institute of Chartered Accountant of India or any other legislative authority entrusted with the task of issuing such accounting standards and includes any other statute, law, standards, regulations or other governmental instruction relating to Related Party Transactions, as may be in effect from time to time.
4. **"Board"** shall mean the Board of Directors of the Company
5. **"Company"** shall mean Grihum Housing Finance Ltd.
6. **"Company Secretary"** means a Company Secretary as defined in clause (c) of sub section (1) of Section 2 of the Company Secretaries Act, 1980 duly appointed by the Company to perform various acts.
7. **"Compliance Officer"** means the Company Secretary of the Company or such Compliance Officer identified by the Board for the purpose of Listing Regulations, satisfying the eligibility criteria laid down under Regulation 6 of the Listing Regulations, as amended from time to time.
8. **"Control"** means control as defined in Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeover) Regulations, 2011, as amended from time to time.
9. **"Holding company"** means a holding company as defined in sub-section (46) of section 2 of the Act.
10. **"Key Managerial Personnel"** in relation to the Company means:
  - I. the Chief Executive Officer or the Managing Director or the manager;
  - II. the Company Secretary;
  - III. Whole-time Director;
  - IV. the Chief Financial Officer;
  - V. the Compliance Officer under the Listing Regulations

- VI. 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

- VII. such other person as may be prescribed from time to time

11. **"Listing Regulations"** means Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 issued by the Securities and Exchange Board of India including amendments thereof and the circulars and other notifications issued thereunder.
12. **"Material Modification"** of related party transaction will mean and include any modification to an existing related party transaction having variance in value of contract or transaction by 10% or more of the total value of such contract/ transaction as last approved by the Audit Committee / Board / Shareholders, as the case may be.
13. **"Material Related Party Transactions"** mean such Related Party Transaction(s) where:
  - the transaction to be entered into individually or taken together with previous Related Party transaction(s) 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.
  - 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.
14. **"RBI Direction"** means Master Direction – Non-Banking Financial Company – Housing Finance Company (Reserve Bank) Directions, 2021 issued by Reserve Bank of India vide Notification No. RBI/2020-21/73 DOR.FIN.HFC.CC.No. 120/03.10.136/2020-21 dated 17 February 2021 including any amendment thereof.
15. **"Relative(s)"** shall have the same meaning as assigned to it under Section 2(77) of the Act and the Rules made thereunder and Regulation 2(1)(zd) of the Listing Regulations.

16. **"Related Party"** means any person who is:

- i. a related party under Section 2(76) of the Act;
- ii. a related party under Regulation 2(1)(zb) of the Listing Regulations;
- iii. a related party under the applicable accounting standards; or
- iv. any other person or entity covered under Applicable Laws.

17. **"Related Party Transaction(s)"** means a transaction involving a transfer of resources, services or obligations between:

- a. the Company or any of its subsidiaries on one hand and a related party of the Company or any of its subsidiaries on the other hand; or
- b. the Company 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 Company or any of its subsidiaries;

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.

The transaction shall inter-alia include the following:

- i. purchases or sales of goods or materials (finished or unfinished);
- ii. purchases or sales of property of any kind;
- iii. rendering or receiving of services;
- iv. leasing of property of any kind;
- v. appointment of any agent for purchase or sale of goods, materials, services or properties;
- vi. appointment of such related party to any office or place of profit in the Company, or its subsidiary or associate company;
- vii. underwriting the subscription of any securities or derivatives thereof, of the company;
- viii. Such other transactions as per Applicable Law

Notwithstanding the foregoing, the following shall not be deemed to be a Related Party Transactions:

- i. The following corporate actions which are uniformly offered/ applicable to all shareholders in proportion to their shareholding –
  - a. payment of dividend;
  - b. subdivision or consolidation of securities;
  - c. issuance of securities by way of a rights issue or a bonus issue; and
  - d. buy-back of securities



- ii. 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;
- iii. retail purchases from the Company 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;
- vi. any other exception which is in consistency with the Applicable Laws, including any rules or regulations made thereunder.

All terms not defined herein shall take their meaning from the Applicable Laws.

#### POLICY STATEMENT

##### A. Procedure for approval and review of Related Party Transactions by Audit Committee

Compliance with regard to approval and review of Related Party Transactions pursuant to this Policy, shall be limited to the transactions which are entered into with a related party as defined in this Policy.

1. All Related Party Transactions and subsequent Material Modifications as proposed therein must be reported to the Company Secretary and shall be referred for prior approval by the Audit Committee, in accordance with this Policy including those transactions proposed to be entered in the ordinary course of its business and on arm's length basis.

##### Provided that:

- (a) only those members of the Audit Committee, who are independent directors, shall approve related party transactions; and
- (b) a related party transaction to which the subsidiary of the Company is a party but the Company is not a party, shall require prior approval of the Audit Committee 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;
- 2. The approval of the Audit Committee shall not be required for payment of remuneration and sitting fees by the Company to its director, key managerial personnel or senior management, except who is part of promoter or promoter group, provided that the same is not a Material Related Party Transaction.
- 3. The approval of the Audit Committee shall not be required for transactions which are in the nature

of payment of statutory dues, statutory fees or statutory charges entered into between the Company on one hand and the Central Government or any State Government or any combination thereof on the other hand.

4. The approval of the Audit Committee shall not be required for transactions entered into between a public sector company on one hand and the Central Government or any State Government or any combination thereof on the other hand.
5. The Company shall provide the following information, for review of the Audit Committee for approval of a proposed RPT:
  - (a) Type, material terms and particulars of the proposed transaction;
  - (b) Name of the related party and its relationship with the Company or its subsidiary, including nature of its concern or interest (financial or otherwise);
  - (c) Tenure of the proposed transaction (particular tenure shall be specified);
  - (d) Value of the proposed transaction;
  - (e) The percentage of the Company's annual consolidated turnover, for the immediately preceding financial year, that is represented by the value of the proposed transaction (and for a RPT involving a subsidiary, such percentage calculated on the basis of the subsidiary's annual turnover on a standalone basis shall be additionally provided);
  - (f) If the transaction relates to any loans, inter-corporate deposits, advances or investments made or given by the Company or its subsidiary:
    - (i) details of the source of funds in connection with the proposed transaction;
    - (ii) where any financial indebtedness is incurred to make or give loans, inter corporate deposits, advances or investments,
      - nature of indebtedness;
      - cost of funds; and
      - tenure;
    - (iii) applicable terms, including covenants, tenure, interest rate and repayment schedule, whether secured or unsecured; if secured, the nature of security; and

- (iv) the purpose for which the funds will be utilised by the ultimate beneficiary of such funds pursuant to the RPT.

- (g) Justification as to why the RPT is in the interest of the Company;
- (h) A copy of the valuation or other external party report, if any such report has been relied upon;
- (i) Percentage of the counter-party's annual consolidated turnover that is represented by the value of the proposed RPT on a voluntary basis; and
- (j) Any other information that may be relevant

##### B. Approval of Related Party Transactions by the Board

1. Related Party Transactions that are not in the ordinary course of business but on arm's length basis cannot be entered into by the Company unless approved by Audit Committee. Where such Related Party Transactions fall under Section 188 (1) of the Act, the Audit Committee shall recommend the transaction for approval of the Board.
2. Related Party Transactions that are not on arm's length basis, irrespective of whether those are covered under Section 188 or not, should be placed by the Audit Committee, along with its recommendations, to the Board for appropriate action.
3. The Board of Directors shall provide its recommendation, along with rationale on Material Related Party Transactions that require approval of the shareholders, in the explanatory statement to be annexed to the notice calling meeting of shareholders.

##### C. Approval of Related Party Transactions by the Shareholders

1. All Material Related Party Transactions and subsequent Material Modifications shall require prior approval of the Shareholders by resolution and no related party shall vote to approve such resolutions.

The following Related Party Transactions which are not in ordinary course of business and/ or arm's length basis or both, if exceeding the following threshold limits current specified under Section 188 of the Companies Act, 2013 and as may be amended from time to time, shall require approval of the Shareholders of the Company, in addition to the approval of the Board:

- (i) 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;

- (ii) selling or otherwise disposing of or buying property of any kind, directly or through appointment of agent, amounting to ten percent or more of net worth of the Company;
- (iii) leasing of property any kind amounting to ten per cent or more of turnover of the Company;
- (iv) availing or rendering of any services, directly or through appointment of agent, amounting to ten percent or more of the turnover of the Company;

Explanation - It is hereby clarified that the limits specified in sub-clause (i) to (iv) shall apply for transaction or transactions to be entered into either individually or taken together with the previous transactions during a financial year.

- (v) appointment to any office or place of profit in the Company, its subsidiary company or associate company at a monthly remuneration exceeding two and a half lakh rupees;
- (vi) payment of remuneration for underwriting the subscription of any securities or derivatives thereof, of the Company exceeding one percent of the net worth.

Explanation- (1) The turnover or net worth referred to above shall be computed on the basis of the audited financial statement of the preceding financial year.

- (a) Shareholders' approval, as referred above, would not be required for transactions which are in the nature of payment of statutory dues, statutory fees or statutory charges entered into between the Company on one hand and its wholly owned subsidiary; or
- (b) two wholly owned subsidiaries of the Company, provided that accounts of such wholly owned subsidiaries referred in (a) and (b) above are consolidated with the Company and placed before the Central Government or any State Government or any combination thereof on the general meeting for approval.
- 2. Information to be provided to shareholders for consideration of RPTs
 

The notice to be sent to the shareholders seeking approval for any proposed RPT shall include the following information as a part of the explanatory statement:

  - (a) A summary of the information provided by the management of the Company to the audit committee as specified in Para A(2) hereinabove;



- (b) Justification for why the proposed transaction is in the interest of the Company;
- (c) Where the transaction relates to any loans, inter-corporate deposits, advances or investments made or given by the Company or its subsidiary, the details specified under Para A(2)(f) above;
- (d) A statement that the valuation or other external report, if any, relied upon by the Company in relation to the proposed transaction will be made available through the registered email address of the shareholders;
- (e) Percentage of the counter-party's annual consolidated turnover that is represented by the value of the proposed RPT, on a voluntary basis;
- (f) Any information required to be provided to the shareholders as per the requirements of the Companies Act, 2013,
- (g) Any other information that may be relevant.
- pricing, credit terms, escalation in costs, quality checks etc.
- However, the Company may take Omnibus approval for continuing Related Party Transactions based on the decision of the Audit Committee or Board, as the case may be, from time to time.
- Provided that, the Audit Committee shall, after obtaining approval of the Board of Directors, specify the criteria for making the omnibus approval which shall include the following, namely:-
- maximum value of the transactions, in aggregate, which can be allowed under the omnibus route in a year;
  - the maximum value per transaction which can be allowed;
  - extent and manner of disclosures to be made to the Audit Committee at the time of seeking omnibus approval;
  - review, at such intervals as the Audit Committee may deem fit, related party transaction entered into by the company pursuant to each of the omnibus approval made.
  - transactions which cannot be subject to the omnibus approval by the Audit Committee.

#### D. Grant of Omnibus Approval

- For the ease of carrying out transactions/ contracts/arrangements, the Audit Committee may grant omnibus approvals to certain Transactions based on the following criteria:
  - Frequency of the transactions in the last 2 years;
  - Value of transaction undertaken with an associate, Holding or Subsidiary Companies, for every financial year shall not exceed ₹ 25 Cr and with Company other than associate, Holding and subsidiary Companies shall not exceed ₹ 1 Cr
  - Extent and manner of disclosures that can be made to the Audit Committee at the time of seeking omnibus approval;
    - All the transaction placed for omnibus approval shall be in the ordinary course of business;
    - All the transaction shall be at Arms' length basis;
    - Projected growth rate in the business with the Related Party in the financial year for which omnibus approval is sought;
    - Contractual terms offered by/to third parties for similar transactions;
    - Contractual terms with such Related Parties, for instance, floor and cap on the
- Audit Committee shall satisfy itself the need for such omnibus approval and that such approval is in the best interest of the Company.
 

Where the Audit Committee is not convinced on the need for granting omnibus approvals, the Audit Committee may reject the proposal placed before it with reasonable explanation for the same.
- Notwithstanding the generality of foregoing, Audit Committee shall not grant omnibus approval for following transactions:
  - Transactions which are not in ordinary course of business or not on arm's length basis;
  - Transactions in respect of selling or disposing of the undertaking of the Company;
  - Transactions which are not in the interest of the Company;
  - Such other transactions specified under Applicable Law from time to time.
- The Omnibus Approval shall specify the following:
  - the name/s of the related party;
  - nature of transaction;
  - period of transaction;
  - maximum amount of transaction in aggregate and per transaction that can be entered into with Related Party;

- the indicative base price / current contracted price;
- the formula for deviation in the price, if any;
- such other conditions/ information as the Audit Committee may deem fit;
- such details/ information as is required to be placed before the Audit Committee as required under the Applicable Laws.

- Where the need for Related Party Transaction cannot be foreseen and aforesaid details are not available, Audit Committee may grant omnibus approval for such transactions subject to their value not exceeding ₹ 1 Cr per transaction.
- Further any such approvals shall be valid for one financial year only and shall require fresh approval of after the expiry of the one financial year.
- Transactions between holding company and its wholly owned subsidiary will be governed by criteria above unless exempt under the Applicable Laws.

#### E. Review of the Related Party Transactions

- All Related Party Transactions entered into by the Company pursuant to each of the omnibus approval made shall be reviewed by the Audit Committee on quarterly basis.
- The Audit Committee shall also review the status of long-term (more than one year) or recurring RPTs on an annual basis.
- The Audit Committee will undertake quarterly evaluation of all Related Party Transactions. If that evaluation indicates that the Related Party Transaction would require the approval of the Board, or if the Board in any case elects to review any such matter, the Audit Committee will report the Related Party Transaction, together with a summary of material facts, to the Board for its approval.
- If a Related Party Transaction is of ongoing nature, the Board / Audit Committee may establish guidelines for the Company's management to follow in its ongoing dealings with the Related Party. The Audit Committee of the Board, on at least an annual basis, shall review and assess on-going relationships with such Related Party to ensure that they are in compliance with the Applicable Laws and this Policy and that the Related Party Transaction remains appropriate.
- If the Board is of the view that the Related Party Transaction needs to be approved at a general meeting of the shareholders by way of a resolution pursuant to Applicable Laws, the same shall be put

up for approval by the shareholders of the Company. The Board shall ensure that in accordance with Applicable Laws, Related Parties shall not vote in favour of any such resolution put to vote by the shareholders of the Company, irrespective of whether the said Related Party is a party to the said Related Party Transaction which is being put to vote.

#### F. Ratification of the Related Party Transaction

- Where, owing to exigencies, Related Party Transactions have been entered into without being placed for approval by the Audit Committee, reasoned explanation for the same must be provided to the satisfaction of the Audit Committee. The Audit Committee may ratify such transactions or may put forth the transactions before the Board along with its recommendations within 3 months from the date of entering into such transaction, and the Board may either ratify such transactions or seek to avoid the same. The Audit Committee's recommendations may also include appropriate measures authorising such transactions without approval of the Audit Committee.
- If the Company has entered into a Related Party Transaction without the approval of the Board / general meeting, as may be required, then the said Related Party Transaction shall be ratified at the Board meeting / general meeting, within 3 months of entering in the Related Party Transaction, at the discretion of the Board/ Shareholders as the case may be.
- In case any transaction involving any amount not exceeding ₹ 1 Cr is entered into by a director or officer of the Company without obtaining the approval of the Audit Committee and it is not ratified by the Audit Committee within 3 (three) months from the date of the transaction, such transaction shall be voidable at the option of the Audit Committee and if the transaction is with the related party to any director or is authorised by any other director, the director concerned shall indemnify the Company against any loss incurred by it:
 

Provided that the above provisions shall not apply to a transaction, other than a transaction referred to in section 188 of the Act, between a holding company and its wholly owned subsidiary company.
- The ratification by the Audit Committee shall be subject to following conditions:
  - Only the members of the audit committee, who are independent directors, may ratify related party transactions;



- b. Ratification shall be done within three months from the date of the transaction or in the immediate next meeting of the Audit Committee, whichever is earlier;
  - c. 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 ₹ 1 Cr;
  - d. The said transaction does not fall under the category of Material Related Party Transactions under this Policy;
  - e. Rationale for inability to seek prior approval for the transaction shall be placed before the Audit Committee at the time of seeking ratification;
  - f. The details of ratification shall be disclosed along with the disclosures of related party transactions to the stock exchange(s) in the format as specified by SEBI from time to time and publish the same on the website of the Company.
5. Where any contract or arrangement is entered into by a director or any other employee, without obtaining the consent of the Board or approval by a resolution in the general meeting, as the case may be and if it is not ratified by the Board or, as the case may be, by the shareholders at a meeting within 3 (three) months from the date on which such contract or arrangement was entered into, such contract or arrangement shall be voidable at the option of the Board or, as the case may be, of the shareholders and if the contract or arrangement is with a related party to any director, or is authorised by any other Director, the Directors concerned shall indemnify the Company against any loss incurred by it.
6. In any case where either the Audit Committee/ Board/General Meeting determines not to ratify a Related Party Transaction that has been commenced without approval, the Committee or Board or the general meeting, as the case may be, may direct additional actions including, but not limited to, immediate discontinuation or rescission of the transaction, or modification of the transaction to make it acceptable for ratification.

#### G. Standards for Review

A Related Party Transaction reviewed under this Policy will be considered, approved or ratified if it is authorised by the Audit Committee / Board, as applicable, in accordance with the standards set forth in this Policy after full disclosure of the Related Party's interests in the transaction.

The Audit Committee / Board will review all relevant information available to it about the Related Party Transaction. The Audit Committee / Board, as applicable, may approve / ratify / recommend to the shareholders, the Related Party Transaction only if the Audit Committee / Board, as applicable, determines in good faith that, under all of the circumstances, the transaction is fair as to the Company. The Audit Committee / Board, in its sole discretion, may impose such conditions as it deems appropriate on the Company or the Related Party in connection with approval of the Related Party Transaction.

#### H. Determination of Ordinary Course of Business

The transactions which are incurred by the Company in carrying the main object of the Company shall be treated as transaction in the Ordinary Course of business. For determining "Ordinary Course of Business", the Company shall consider all acts and transactions undertaken by the Company, including, but not limited to sale or purchase of goods, property or services, leases, transfers, providing of guarantees or collaterals, which, are done on a routine basis and are not standalone transaction(s). The Company would take into account the frequency of such activity and its continuity, in a normal organised manner, while determining what is in the ordinary course of business. Further, the transaction should not be:

- A. any exceptional or extra-ordinary activity as per applicable accounting standards or financial reporting requirements.
- B. any sale or disposal of any undertaking of the Company, as defined in explanation (i) to clause (a) of sub-section (1) of section 180 of the Act.

In order to decide whether or not a contract or arrangement is being entered by the Company in its ordinary course of business, the Company shall consider whether the contract/arrangement is germane to attainment of main objects as set out in the Memorandum of Association.

#### I. Determination of Arms' length nature of the Related Party Transaction

- a. Price Determination

At the time of determining the arms' length nature of price charged for the Related Party Transaction, the Audit Committee shall take into consideration the following:

- i. The contracts/ arrangements are entered into with Related Parties, are at such prices/ discounts/ premiums and on such terms which are offered to unrelated parties of similar category/ profile.

- ii. Permissible methods of arms' length pricing as per Applicable Laws including such prices where the benefits of safe harbour is available under Applicable Laws.
- iii. For the said purposes the Audit Committee shall be entitled to rely on professional opinion in this regard.

- b. Underwriting and Screening of arms' length of Related Party Transaction

A Related Party with whom the Related Party Transaction is undertaken must have been selected using the same screening/selection criteria/ underwriting standards and procedures as may be applicable in case of an unrelated party.

- c. Further, in order to determine the optimum arm's length price, the Company may also apply the most appropriate method from any of the following methods as prescribed under Section 92C(1) of the Income Tax Act, 1961 read with Rule 10B of the Income Tax Rules, 1962 –
  - a. Comparable Uncontrolled Price method (CUP method)
  - b. Resale Price Method
  - c. Cost Plus Method
  - d. Profit Split Method
  - e. Transactional Net Margin Method
  - f. Other Method as prescribed by the Central Board of Direct Taxes
- d. Such other criteria as may be issued under Applicable Laws.

#### J. Identification of Potential Related Party Transactions

- a. The Company Secretary shall:
  - i. Identify and keep on record the Related Parties of the Company, along with their personal/company details.
  - ii. Update the record of Related Parties whenever necessary and shall be reviewed at least once a year, as on 1 April every year.
- b. Every Director/ Key Managerial Personnel of the Company or any of their relatives should not derive any undue personal benefit or advantage by virtue of their position or relationship with the Company.
- c. Each Director/Key Managerial Personnel is responsible for providing written notice to the Company through the Company Secretary at the time of appointment and till such period he/she is associated with the Company of any potential Related Party Transaction involving him or her or his or her relatives, including any additional

information about the transaction that the Company Secretary may reasonably request. The Company Secretary in consultation with other members of management and with the members of the Audit Committee, as appropriate, will determine whether the transaction does, in fact, constitute a Related Party Transaction requiring compliance with this Policy.

- d. Every Director/Key Managerial Personnel of the Company who is in any way, whether directly or indirectly, concerned or interested in a contract or arrangement or proposed contract or arrangement entered into or to be entered into shall disclose the nature of his concern or interest at the meeting of the Board in which the contract or arrangement is discussed and shall not participate in or exercise influence over any such meeting.
- e. Where any Director/Key Managerial Personnel, who is not so concerned or interested at the time of entering into such contract or arrangement, he shall, if he becomes concerned or interested after the contract or arrangement is entered into, disclose his concern or interest forthwith when he becomes concerned or interested or at the first meeting of the Board held after he becomes so concerned or interested.
- f. A contract or arrangement entered into by the Company without disclosure or with participation by a Director/Key Managerial Personnel who is concerned or interested in any way, directly or indirectly, in the contract or arrangement, shall be voidable at the option of the Board or of the shareholders, as the case may be and if the contract or arrangement is with a related party to any Director, or is authorised by any other Director, the Directors concerned shall indemnify the Company against any loss incurred by it.
- g. In addition, each Director/Key Managerial Personnel is required to file a disclosure statement in connection with the disclosures about their Relatives.

#### K. Disclosures

- a. The Company shall disclose Related Party Transactions in the Financial Statements and Annual Report of the Company in accordance with the Act, Listing Regulations, accounting standards, the RBI Directions, SBR and other applicable laws.
- b. The Company shall submit to the stock exchanges on the date of publication of its financial results for the half year, disclosures of Related Party Transactions, in the format specified by the Securities and Exchange Board of India ("SEBI") from time to time and publish the same on its website.



- c. The Company shall disclose to the Stock Exchange along with the compliance report on corporate governance on a quarterly basis, details of all Material Related Party Transactions.
- d. The Company shall also disclose the Policy on the website of the Company and in the Annual Report of the Company.
- e. The Company shall keep one or more registers as specified under Applicable Laws giving separately the particulars of all contracts or arrangements with any Related Party.

L. Miscellaneous

- 1. In determining whether to approve or ratify a Related Party Transaction, the Committee / Board, as the case may be, shall take into account among other factors it deems appropriate, whether the Related Party Transaction is in the ordinary course of business of the Company and on arm's length basis and the Related Party's interest in the transaction. For this purpose, the Audit Committee / Board, as the case may be, are entitled to seek the assistance of any employee of the Company or one or more independent experts of its choice at the expense of the Company.
- 2. No Director or Key Managerial Personnel shall participate in any discussion or approval of a

Related Party Transaction for which he or she is a Related Party, and the Director/Key Managerial Personnel shall provide all material information concerning the Related Party Transaction to the Audit Committee/Board.

Members of the Company who are Related Parties shall not vote to approve the resolution in respect of approval or Material Modification of Material Related Party Transactions irrespective of whether the Member is a party to the particular transaction or not.

- 3. Audit Committee/Board may review any Related Party Transactions involving Independent Directors as part of the annual determination of their independence.
- 4. Management team shall formulate a defined procedure for identification/ monitoring/ approval of Related Party Transaction.
- 5. Nothing in this Policy shall override any provisions of Applicable Laws made in respect of any matter stated in this Policy.

M. Operational Framework

The Company shall follow the operational framework for related party transactions annexed as Annexure A.

OPERATIONAL FRAMEWORK FOR RELATED PARTY TRANSACTIONS:

The RPT would be identified in the following manner:

(1) Identification of Related Parties:

The Company shall identify Related Parties as defined under this Policy with respect to the given specific transactions. The list of Related Parties needs to be updated once in a year, on 1<sup>st</sup> April every year, and during the year, on the basis of the specific events bringing change to the list of related parties. The list of Related Parties maintained by the Company should include Related Parties of its subsidiary companies as received from the concerned officer of such Subsidiary Company.

The Compliance officer should at all times ensure:

The list of Related Parties should be updated by Secretarial Department of the Company and respective departments of its subsidiaries, upon receipt of disclosures from the Directors and Key Managerial Personnel of the Company. The list would be circulated with accounts and other concerned department.

Prior to entering into any transaction, whatsoever, the Business/ Functional Heads shall refer to the latest Related Party list circulated by the Secretarial team to assess whether the party with whom the transaction is proposed to be entered is a Related Party.

If the party is not a Related Party, then they shall be required to follow the normal business protocol for executing such transactions. However, if the party is identified as a Related Party, the Business/ Functional Heads would need to ensure that the RPT is being entered in accordance with the framework for RPT and seek a prior approval of the Audit Committee for undertaking such RPT in accordance with this Policy.

(2) Identification of Transactions:

Every transaction with Related Parties shall be screened through the transactions mentioned under section 188(1) of the Act and Regulation 2(zc) of Listing Regulations. If any transaction qualifies, approval of the Board of Directors shall be required for transactions other than for those entered in ordinary course of business and on arm's length basis.

If the said transaction also qualifies to be a Material Related Party Transaction as defined under this Policy, prior approval of the members shall be required before entering into the transaction.

(3) Parameters of applicability of Ordinary Course of Business and transaction pricing at Arm's Length:

- a. The Company generally undertakes transactions with Related Parties in its ordinary course of

business and at arms' length basis and such transaction do not require prior approval of the Board of Directors under the purview of Section 188 of Act. However, such transactions need to be approved by the Audit Committee.

b. The parameters for Arm's length nature be gauged based on any one or more of the following criteria:

The illustrative test for determining pricing shall be as follows:

- i. Price charged by the Company to Unrelated Parties
- ii. Obtaining two or three quotes from Unrelated Parties for similar transactions, subject to the availability of the same.
- iii. Independent Valuations
- iv. Market Price if readily available and if the market exists for the same
- v. Commercially negotiated contract

The terms of contract/arrangement other than pricing are generally on a basis similar to those as may be applicable for similar category of goods/ services for similar category of counterparties. Also, the Company as and when required, shall seek professional advice for determination of arm's length basis. The rest of the considerations for determining the arm's length nature of any related party transaction will be in accordance with Clause D of the Policy.

c. Arm's Length criteria/process to be observed:

- i. In order to ensure compliance with the principle of arms' length nature in terms of section 188 of the Act, originator of such transactions shall provide comparative analysis of the similar transaction with an unrelated party.
- ii. The responsibility of ensuring that the transactions with Related Party are undertaken at arm's length basis rests with the Head of the respective Department originating the transaction. Any transactions with the Related Parties shall primarily be reviewed by the following:
  - (1) Chief Financial Officer
  - (2) Company Secretary,
  - (3) Compliance Officer (RBI/NHB)
  - (4) Head of the respective Department (Originator)





(5) and such other person as may deem appropriate in the given situation/ transaction having relevant expertise and experience to assess the RPT.

The Audit Committee shall consider all relevant facts and circumstances regarding the RPT and shall evaluate all options available to the Company, including ratification, revision or termination of the RPT.

Approval Matrix

The Reviewers shall review the proposed RPT within the parameters defined herein and accordingly shall advise the course of action for the proposed RPT:

Sr. No.	Particulars	Details
(1)	Originator's Responsibilities	<p>Originators seeking approval of RPT shall provide:</p> <ul style="list-style-type: none"><li>a. Name/s of the Related Party(ies) and the nature of the relationship</li><li>b. Provide the justification for entering into the RPT (Commercial/ Ordinary Course of Business and Arm's Length)</li><li>c. The terms and conditions and other details of the proposed RPT</li></ul> <p>The information should be received well in advance from the respective parties so as to allow reviewers adequate time to obtain and review information about the proposed transaction.</p>
(2)	RPT Evaluation by the Reviewers	<p>With respect to each transaction sent for approval; Reviewers shall comment and confirm the following:</p> <ul style="list-style-type: none"><li>- Whether the proposed transaction is an RPT within the meaning of RPT as per Applicable Law</li><li>- Justification for the intended RPT (Commercial/ Ordinary Course of Business and the sufficiency of the documentation for Arm's Length)</li><li>- Whether the transaction is covered under the omnibus approval given by the Audit Committee for the financial year</li></ul> <p>In assessing a Related Party Transaction, the Reviewers shall consider such factors as it deems appropriate including but not limited to the following:</p> <ul style="list-style-type: none"><li>i. the business reasons for the Company to enter into the Related party transaction;</li><li>ii. the commercial reasonableness of the terms of Related Party Transaction;</li><li>iii. materiality of the Related Party Transaction to the Company;</li><li>iv. whether the terms of Related Party Transaction, including pricing, are fair to the Company and on the same basis as would apply if the transactions did not involve a Related Party;</li><li>v. the extent of Related Party's interest in the Related Party Transaction</li><li>vi. the actual or apparent conflict of interest of related party participating in the related party transaction and</li><li>vii. regulatory guidelines, if any.</li></ul> <p>In case where it is assessed that the transaction does not meet the criteria of Ordinary Course of Business or Arms' Length Price, such transaction shall be referred for the approval of the Board of Directors or Shareholder, as the case may be, in terms of Section 188 of the Act. All RPTs shall require prior approval of Audit Committee.</p>
(3)	Approval of the RPTs	<p>Pursuant to the review of the RPT and its documentary substantiation, the Reviewer may take the following actions:</p> <ul style="list-style-type: none"><li>(a) Recommend the RPT for approval of Audit Committee.</li><li>(b) Recommend the RPT for approval of Board of Directors or Shareholders, as may be applicable. In such case, recommendations of the Audit Committee is also required to be placed before the Board.</li></ul> <p>In case the transactions specified under Applicable Law are proposed to be entered with the holding Company, the resolution passed by the holding company shall be sufficient for the purpose of entering into the RPT between the Holding Company and the Company. The Company will not be required to pass a resolution separately.</p>
(4)	Arm's Length Report	<p>Arm's length Report on transactions with Related Parties as and when applicable shall be obtained and placed before the Audit Committee as per the applicable provisions of the Companies Act, 2013; SEBI LODR and any other applicable law.</p>

Threshold of Section 188 of the Companies Act, 2013

Sr. No.	Transactions	Threshold Limits
a.	Sale, Purchase or Supply of goods/materials directly or through appointment of agent	10% or more of the turnover
b.	Selling or otherwise disposing of, or buying, property of any kind directly or through appointment of agent	10% or more of the networth
c.	Leasing of property of any kind	10%or more of the turnover
d.	Availing or rendering of any services directly or through appointment of agents	10% or more of the turnover
e.	Relates to appointment to any office or place of profit in the company, its subsidiary company or associate Company	Monthly remuneration exceeding ₹ 2.5 Lakhs
f.	The remuneration for underwriting the subscription of any securities or derivatives thereof of the company	1% of the Net worth

Note:

The turnover or net worth referred above shall be computed on the basis of the audited financial statement of the preceding financial year.

For and on behalf of the Board of Directors of  
Grihum Housing Finance Ltd.

(Formerly, Poonawalla Housing Finance Limited)

Manish Jaiswal

Managing Director and Chief Executive Officer

DIN: 07859441

Date: 22 May 2025

Place: Pune

Sanjeev Mehra

Non-Executive Director

DIN: 07491208

Date: 22 May 2025

Place: Mumbai





MANAGEMENT DISCUSSION AND ANALYSIS

INDUSTRY STRUCTURE AND DEVELOPMENTS

ECONOMIC OVERVIEW

Global Economic Overview

Despite facing headwinds such as the geopolitical turmoil in the Middle East and Europe and the consequent fluctuations in commodity prices worldwide, the global economy has shown remarkable resilience in midst of adversity.

Global Growth is projected at 3.3% in 2025 and 2026. Significant uncertainty regarding the nature and timeline of tariffs to be imposed by the US has complicated the global outlook. Such actions can alter trade dynamics, disrupt well-established supply chains and increase uncertainty. Even countries not directly affected by these actions see collateral impact.

With easing inflation across the globe, monetary policy easing has begun. While US monetary easing is expected to slow down due to inflation risk from US tariff hikes, it is not likely to be the main driver of the monetary policy actions and other economies are tracing their own path on monetary easing.

Managing these risks requires a keen policy focused on balancing trade-offs between inflation and real activity,

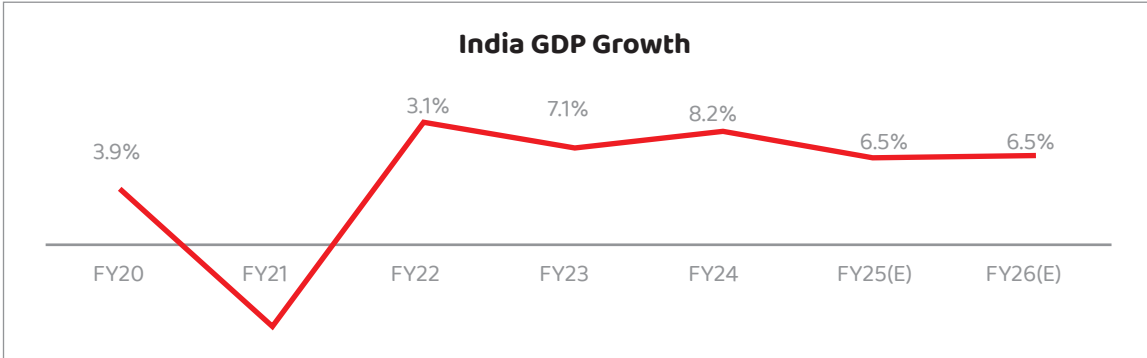
rebuilding buffers, and lifting medium-term growth prospects through stepped-up structural reforms as well as stronger multilateral rules and cooperation.

Source- World Economic Outlook April 2025 (IMF) and CRISIL India Outlook April 2025

Indian Economic Overview

India is one of the fastest-growing major economies in the world, with its GDP expanding by 6.5% in FY 2024-25. The Indian economy has shown resilience while navigating various headwinds in the reported financial year. Since the economic reforms of 1991, India's growth has trended up every decade. The economy has expanded by 8.2% on average between Fiscal Year 2022 to 2025, rebounding sharply after Covid in Fiscal Year 2021 and became the 5<sup>th</sup> largest in the world by 2023.

India's robust performance can be attributed to a combination of various factors, including solid economic fundamentals, healthier balance sheets across banks and corporations, fiscal discipline, stable external balances and substantial foreign exchange reserves.



High frequency indicators including GST collections, advance tax payments, PMI & current account balance continue to show strong growth momentum.

In Fiscal Year 2026, growth will be supported by easing monetary policy and government measures such as Income tax cuts, government welfare spending and lower food inflation to boost private consumption.

With the government normalising the capital expenditure, private sector is expected to take lead in furthering the investment momentum. The ability of private corporates to invest is supported by the deleveraged balance sheets, the healthy balance sheets of the Banks/Financial Institutions and turning of the Interest Rate Cycle. However, potential geopolitical tensions in the region pose a downside risk that could moderate growth in near term.

Emerging global risks are key monitorable as they could dent the export growth and keep uncertainty levels high.

Source- RBI Governor's Statement April 2025, ICRA Report Indian Economy March 2024, IMF World Economic Outlook, CRISIL India Outlook March 2025

INDIAN HOUSING FINANCE INDUSTRY

The residential housing sector is one of the prime engines of economic growth as it addresses social needs, generates employment and stimulates the economy with its spill-over effects. Factors like Government policies, technological advancements, sustainable practices, rising demand for housing, and regulatory measures like RERA are pivotal in shaping the housing landscape in India. India's housing finance market is on a growth trajectory with the Government taking

adequate measures to support housing finance, improving demand and reviving the sector.

The Housing sector is regarded as an engine of economic growth which can give a big push to the economy through its strong 'backward' and 'forward' linkages. Increasing the supply and quality of housing has a multiplier effect on the economy by boosting the primary sector (raw materials), manufacturing sector (construction materials) and the service sector (architects and engineers, skilled labours, banking and finance).

India's housing finance market, valued at around ₹ 39 Lakhs Cr in FY 2024-25, with the ongoing structural economic development and the urbanisation trend in India, a significant portion of the growth is expected to be driven by the bottom of the pyramid i.e. EWS, LIG & MIG segments. This growth would present a lucrative opportunity for Housing Finance Companies (HFCs) especially Affordable Housing Finance Companies (AHFCs) to expand their operations and tap the underpenetrated mortgage market and aid to the Government's initiative of financial inclusion, by financing to customers who are not catered by the mainstream lenders.

The role of Government in enhancing housing supply is a critical factor that affects the availability and affordability of homes and there has been a shift from being provider to being the facilitator of housing. The role of Government in the real estate sector is paramount, as it plays a multifaceted role in regulating, facilitating, and shaping the industry's trajectory. The Union government has already announced the building of 3 Cr houses in the Union Budget FY 2024-25. Under PMAY-U 2.0 scheme, financial assistance will be provided to 1 Cr urban poor and middle-class families through States/UTs/PLIs to construct, purchase or rent a house at an affordable cost in urban areas in 5 years. PMAY-U 2.0 incorporates several significant features aimed at improving the affordability and accessibility of housing. Moreover, the launch of 'Credit Risk Guarantee Fund Trust for Low Income Housing (CRGFTLIH) scheme further aims to addresses the housing needs of EWS and LIG customer segment by enabling the HFCs to manage credit risk.

As per the Finance Minister's narrative, Indian economy is expected to reach USD 5 Trillion by FY 2028. With an expected resilient mortgage penetration growth, the housing sector will play a pivotal role in contributing towards the Indian economy growth and in achieving the government's objective of making India the world's 3<sup>rd</sup> largest economy.

A growing middle class and improved GDP per capita, a growing need for more per capita per square feet space, and an increasing number of nuclear families are altering the rental-to-EMI ratio, making homeownership more accessible, and hence the demand for affordable housing will continue to rise.

Key enablers of Indian housing finance

Policy Momentum

Government-led schemes like PMAY and interest subsidies are unlocking massive potential in the affordable housing market. With regulatory backing and financial incentives, housing finance is more accessible than ever before.

Tech-driven Disruption

Digital lending is redefining the way Indians access home loans. Thanks to AI, machine learning, and APIs, getting a home loan is now quicker, safer, and smarter. From e-KYC to instant approvals, digital tools are leading the charge.

Urban Growth Explosion

Small Towns are growing—and so is the demand for housing. Whether it's urban migration or the emergence of rural hubs, real estate growth is translating into huge opportunities for housing finance players.

Demographic Dividend

India's youthful population, with rising aspirations and income levels, is stepping into homeownership earlier than ever. The growing trend of nuclear families is further fuelling housing demand across urban and semi-urban areas.

Income Upsurge = Buying Power

Rising per capita income means more Indians can afford to buy their dream home. As affordability improves, housing finance becomes not just a need—but a powerful enabler of aspiration.

The desire to own accommodation in metropolitan and Tier I cities along with the increase in disposable income have contributed significantly to the growth of housing finance companies in India. Further, the expansion in population is expected to spur the demand for housing provisions, thereby facilitating the growth of the industry in FY 2025 notably.

Source – NHB Research Report "Trend and Progress of Housing In India"

Overview of the Company

The Company is a housing finance company registered with the Reserve Bank of India (RBI). The Company specialises in providing accessible financial solutions within India's semi-urban and peri-urban areas through its national scale presence in 18 States and Union Territories with more than 200 branches. The Company's commitment is to serve the affordable housing customer – typically a micro-entrepreneur with a monthly household income of ₹ 30,000 to ₹ 60,000, who seeks a loan of ₹ 10-12 Lakhs for a 600-800 sq. ft home – with our fundamental values of humility, trust and togetherness. The affordable housing finance franchise has been consistently built with a relentless focus on imparting "dignity of living" to customers with focus on SMI – SC (Self-made Individuals –





Self Construction). The name Grihum signifies the enterprise's commitment to assisting customers in finding their dream accommodations. It operates on the philosophy of 'Go Home Loan- Go Direct,' which emphasises prioritising transparency and simplicity while directly delivering the solutions to its customers. The tagline "Apna Ghar. Apni Pehchan." captures the Company's resonance with the customers to build a seamless journey towards homeownership.

While primarily focusing on housing finance, the Company offers an extensive portfolio of financing options to cater for the evolving needs of consumer. The Company's portfolio includes loans for home purchase, construction, extension, improvement and Loans against property.

The Company strives to accomplish the objective of financial inclusion by serving first time customers with limited/ no access to formal credit. The Company is committed to contribute to government's objective of 'Housing for All'.

Overview of Company's performance during FY 2024-25

The Company concluded the financial year on a steady note, demonstrating consistent performance across core dimensions—business growth, asset quality and profitability. During the year, total disbursements stood at ₹ 2,397 Cr, driving a healthy 13% growth in Assets Under Management (AUM). The Company closed the year with an AUM of ₹ 9,374 Cr, as compared to ₹ 8,277 Cr in FY 2023-24. Home loans continued to be the primary focus, constituting 78% of the loan book (FY 2023-24: 75%), with the balance being loans against property. The self-employed segment remained significant, contributing 66% to the overall loan portfolio (FY 2023-24: 68%).

The Company made significant strides in strengthening its funding ecosystem during the financial year. The Company raised fresh sanctions from a diverse set of financiers, including the National Housing Bank, public sector banks, and private banks, which enabled the Company to achieve the best-in-class average cost of borrowings of 8.3% during financial year under review.

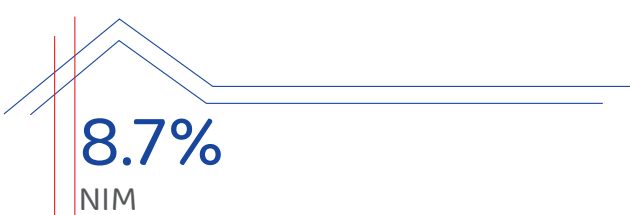
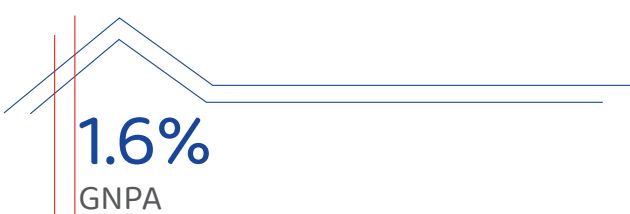
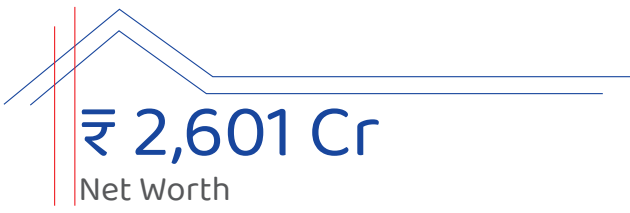
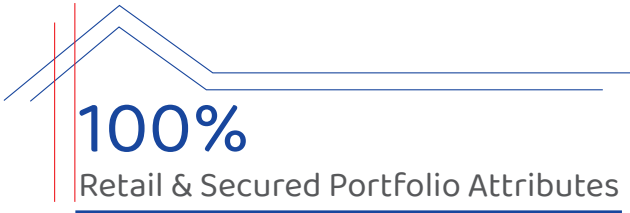
Further, during the year under review, CRISIL Ratings has upgraded the credit rating of the Company to 'AA/Stable'. This upgrade is a testament to Company's consistent performance, strong governance and parentage, a resilient business model, disciplined financial management and a robust liability franchise. The enhanced credit profile is expected to lower borrowing costs, improve access to capital, and attract a wider pool of investors—strengthening Company's financial flexibility over the long term.

The Company's net worth reached ₹ 2,601 Cr at the end of the financial year under review, up from ₹ 2,390 Cr in the previous Fiscal Year. As a result, the Company's leverage ratio stands at 2.5x from 2.4x times in FY 2023-24. The Company carries robust liquidity of more than ₹ 2,128 Cr as on

31 March 2025 with a well-matched ALM in line with its asset profile. The Company reported a higher Capital Adequacy Ratio of 48.83% as on 31 March 2025, which is well above the minimum regulatory threshold limit.

The strong focus on portfolio management, risk management and collections has enabled the Company to maintain asset quality. The Company has reported the Gross NPA (GNPA) of 1.63% as at the end of FY 2023-24 (FY 2023-24: 0.95%) which is well within the industry norms of 1.5% to 2.0%. The Company carries robust Provision Coverage Ratio at 39.3% (FY 2023-24: 41.1%) and has overall provision coverage at 1.3% (FY 2023-24: 0.9%) of loan book as on 31 March 2025.

The Total Income of the Company has increased by 22% to ₹ 1,275 Cr in FY 2024-25 (FY 2023-24: ₹ 1,045 Cr). The Company has witnessed the highest ever Profit Before Tax (PBT) of ₹ 281 Cr in FY 2024-25 against ₹ 183 Cr in FY 2023-24 demonstrating growth of 53% (YoY), supported by a growth in Net Interest Margin (NIM) of 8.7% in FY 2024-25 as compared to 8.3% in FY 2023-24.



OPPORTUNITIES, CHALLENGES AND OUTLOOK

Strengths

- Backed by TPG - leading global alternative asset management firm, with a controlling stake of 98.3% as on 31 March 2025.
- National Scale Affordable Housing finance company with higher share of home loans in the overall product mix with complete reliance on direct sourcing to acquire superior quality assets.
- Strengthened capital position with significantly lower leverage provides significant headroom for further growth.
- Extensive branch network (More than 200 branches) and geographically diversified loan book (with presence in 18 States & UTs) catering to more than 85,000+ customers, with no single region contributing greater than 20% in overall loan book, to mitigate any local geo-political

issues. The Company enjoys a distinct competitive advantage by reaching to a varied geographic clientele. This extensive distribution enables Company to expand its market presence and shares strategically.

- Deep understanding of customer segment; Strong knowledge of local market and regional dynamics.
- 100% mortgage-backed retail loans. No wholesale exposure to builder/developer. Majority of the collateral is self-occupied residential properties.
- Scalable Model and Independent 'Unit' Structure. The unit model in a usual scenario can operate independently within the policy framework and is required to approach the hierarchy only for exceptions. This model is efficiently aided by technology enablers to make the process seamless from sourcing to disbursement.
- Robust Credit Underwriting & Appraisal. The decentralised and vertical approach with segregated legal, technical and credit underwriting team has ensured superior portfolio quality.
- Growing at a healthy rate i.e. 5 year CAGR of 27% (earning assets) and the capital infusion should further accelerate the growth.
- Experienced leadership team with demonstrated track record of scaling of the HFC business.
- Enhanced credit rating of 'CRISIL AA/Stable'.
- Enjoys credit facilities from 30 leading banks and financial institutions.

Challenges, Risks and Concerns

- The customers of the Company are a mix of self-employed and salaried with majority of them in Tier II to Tier VI cities; thereby exposing the Company to the relatively economically vulnerable borrower segment. Since this segment is highly susceptible to the impact of economic downturn, maintaining good asset quality while increasing the scale of operations is a key sensitivity. However, the Company maintains average LTV ratio in the range of 50%-60% and most of the assets are self-occupied thus the borrowers are tied up with moral obligation to pay, thereby mitigating this risk.
- Competition from banks and other large non-bank players in the industry will always prove to be a challenge for the housing finance companies with high risk of balance transfers.

Opportunities

- Favourable growth prospects for affordable housing in India; India having one of the lowest Mortgage-to-GDP ratios vis-à-vis advanced economies indicates strong growth potential.





- Government's initiative like PMAY 2.0 and emphasis on promoting 'Housing for All'.

Threats

- Slower than envisaged economic growth due to global geo-political issues, can impact credit growth. However, the Company is better-off placed in comparison to its peers due to its unique business model and direct sourcing abilities.
- Inflation affects the purchasing power of people which is not a desirable phase of economic activity. Rising inflation may affect the savings of people and their repayment obligations consequently. However, the Company follows a strict policy on maximum allowable debt burden ratio to mitigate this risk.

Outlook for the Company

In view of the overall sector outlook detailed above, the Company is well poised towards becoming a most trustworthy brand in the affordable housing finance space with its pan-India presence and it is likely to keep growing considering the following:

- The Company has a robust business model with strong direct sourcing capabilities to acquire superior quality assets.
- Synergies between the Company and TPG's investee companies in the form of development of digital infrastructure and process efficiency practices.
- The Company has a well-skilled and experienced management team with extensive domain knowledge and excellent execution track record in the lending business.
- The Company has implemented robust risk management and credit underwriting policies/procedure.
- The Company has been continuously investing to build robust, updated technological infrastructure along with paperless workflows for better customer experience.

INTERNAL CONTROL SYSTEM

The Company has established a robust internal control system, tailored to the nature, scale, and complexity of its operations. Its policies, procedures, and controls are thoroughly documented across all financial and operational activities. The internal control framework includes IT general controls, IT application controls, and other mechanisms that provide reasonable assurance regarding the reliability of financial reporting, the operational efficiency and effectiveness, safeguarding of assets against unauthorised use or loss, compliance with relevant regulations, prevention and detection of fraudulent activities and other irregularities. The Company continuously endeavors to align its processes and controls with industry-leading practices, ensuring compliance with the highest standards of governance and operational excellence.

The Internal Audit function, independent and well-established, provides reasonable assurance on the adequacy and effectiveness of the Company's internal control system, risk management, and governance processes. Internal audit activities are conducted in accordance with a Risk-Based Internal Audit (RBIA) framework, which ensures thorough evaluation of the quality and effectiveness of internal controls, risk management, and governance-related systems. The scope and authority of the Internal Audit function are formally defined by the Internal Audit Charter, which is duly approved by the Audit Committee. To preserve independence, the Internal Audit team reports functionally to the Audit Committee. An annual risk-based audit plan is prepared and approved by the Audit Committee, with quarterly reviews of significant audit findings and the status of management action plans for continuous monitoring and implementation.

Furthermore, the Company has implemented an effective internal control system over financial reporting (ICFR) that adequately addresses the risk of material misstatement in its financial statements. These controls are designed to ensure that errors or irregularities are prevented or detected and corrected on a timely basis, thus supporting the integrity and reliability of the Company's financial reporting process.

Internal Financial Control

The Company has established a robust framework of internal financial controls, commensurate with the size, scale, and complexity of its operations. These controls are designed to ensure orderly and efficient business conduct, adherence to policies, safeguarding of assets, prevention and detection of fraud and errors, the accuracy and completeness of accounting records, and the timely preparation of reliable financial information.

A review of the internal financial controls environment of the Company was undertaken during the year, which included the testing of Entity Level Controls, Process Controls, and IT Controls, along with an evaluation of key business processes for updating the Risk and Control Matrices. The Risk and Control Matrices are reviewed annually, and control measures are appropriately tested and documented. In addition, the Company continuously upgrades its systems and periodically updates its policies, guidelines, manuals, and authority matrix to align with evolving business needs and compliance requirements.

The internal financial control framework is supplemented by internal audits, regular management reviews, and standard policies and guidelines to ensure the reliability of financial and other records used in the preparation and reporting of financial statements and related data. The Audit Committee of the Board reviews internal audit reports along with management responses and monitors the implementation of suggested corrective actions. The Company has, in all material respects, adequate internal financial controls over financial reporting, and these controls are operating effectively.

"Based on these evaluations, the Board is of the considered view that the Company has adequate and effective internal financial controls in place, in all material respects.

HUMAN RESOURCES

The Company considers people, processes, product, and technology as essential elements of the business. The goal of the Company is to create a conducive environment where these four pillars work together efficiently for the betterment of the organisation and its people. At Grihum, we have a multifaceted workforce of 4131 employees spread across 18 states and 200+ locations. We leverage technology to stay connected and streamline our Human Resources (HR) processes.

Learning and Development

In a world of constant change, learning is the key to innovation and shaping a workforce ready for tomorrow. We are committed to empowering our employees through programs that nurture skills and inspire professional development. During the year under review, we launched a range of learning initiatives focused on collaboratively developing innovative learning approaches and seamlessly incorporating them into our business processes for maximum impact. This enabled us to establish a balance between learning and development and broader business objectives. In addition to the onboarding program, which is a comprehensive introduction for all new employees, covering crucial information such as the Company's history, products, policies, and other significant details, we also implemented several key learning initiatives with the aim of enhancing business outcomes.

- Upon joining the organisation, new employees are immediately enrolled in a self-learning platform, where they are assigned a course, followed by certification. The courses on Know Your Customer (KYC), Anti Money Laundering (AML), Prevention and Redressal of Sexual Harassment (POSH), Infosec and Data Loss Protection (DLP) are assigned to participants for completion after their HR orientation. All new employees mandatorily complete the Mandatory Training Modules to build knowledge on AML, KYC, POSH, Infosec & DLP.
- We offer comprehensive functional training to our employees who interact with customers regularly, covering areas such as sales techniques, credit policies, credit technicalities and legal aspects, collection methodologies and complete training on all business applications. This training is delivered through a variety of platforms, including training modules, videos, webinars, and concise learning nuggets.
- We also have monthly training on any functional/behavioral topic which happens in the first week of every month, to provide important and critical information to all the employees. This training program is designed and delivered zone wise so that the participants have ease of understanding.

- Some of the recent initiatives include monthly knowledge building series wherein Leaders' share know-how with PAN India employee on strategic business topics. The motive of the program is to sensitise people about the key focus areas of the organisation. Additionally, we do a case study-based activity for sales & credit employees once every week to enhance the practical knowledge of policies and processes of the Company.

The emphasis has been on co-creating innovative learning methods and integrating them into business processes to achieve optimal results, demonstrating the close partnership between learning & development and the wider business outcomes.

Propelled by Technology

Our in-house HRMS platform offers a comprehensive suite of online modules, covering the entire employee lifecycle—from recruitment and performance management to learning and development with integration in process for people and business applications. Committed to a seamless digital experience, we ensure that employees can easily navigate everything from onboarding formalities to accessing HR policies, fostering efficiency and engagement at every stage.

Key HR Initiatives

The Company has implemented various initiatives aimed at retaining employees throughout their entire life cycle with our company. These key strategies include:

- R&R/Culture of Excellence: At Grihum, we believe that recognizing and rewarding employees for their contributions is key to fostering a motivated and high-performing workforce. Our structured Rewards & Recognition programs are designed to celebrate excellence, reinforce our core values, and inspire employees to go the extra mile. Through performance-based rewards, peer recognition initiatives, and leadership acknowledgments, we ensure that achievements—both big and small—are valued. This is achieved by various programs including Kudos recognition, High Performance/Achiever recognition and Long-Term Service recognition.
- Enhanced Employee Benefits: This year, we introduced new policies to support our employees' well-being and financial growth, including:
  - Employee Home/LAP Loan Scheme: Offering home loans, loans against property, top-ups, and balance transfers at subsidised rates, making homeownership more accessible for our employees.
  - Employee Staff Loan Scheme: Providing personal loans at preferential interest rates, offering financial flexibility and support when needed.





- Car Lease Scheme: Delivering a cost-effective and convenient transport solution for employees.
- Insurance for Employees and Family Members: Ensuring comprehensive health coverage for employees and their loved ones, fostering well-being and financial security for the entire family.
- Promoting the practice of career progression within the organisation including cross functional movements with many important roles being filled through Internal job postings.
- Selecting candidate's basis their experience, skills & competency matching to the job requirements and cultural values aligned to the organisational philosophy.
- HR Helpdesk: Consolidated platform for all HR related queries and facilitate faster communication and resolution of employee queries and requests.

Retention of Top Performers

To enhance employee retention, the Company has implemented several strategies, including:

- Providing training and coaching to enhance managerial capabilities.
- Monitoring Early Warning Signals to identify potential issues and provide timely counselling.
- Implementing Ringfencing Model to drive career progression.
- Encouraging inclusivity by promoting internal job postings and succession planning.

Engagement

We are committed to building a workplace where employees feel valued, connected, and motivated to contribute their best. Our engagement initiatives are designed to foster a sense of belonging, enhance collaboration, and create a positive work environment. Through town halls, recognition platforms, wellness programs, and continuous feedback mechanisms, we ensure that employees remain engaged and aligned with our organisational vision. By prioritizing open communication and meaningful experiences, we strive to create a culture where every employee feels heard, empowered, and inspired to grow.

At Grihum, employee engagement goes beyond activities—it's about creating a workplace where every individual feels heard, appreciated, and valued. We strive to build a culture that is supportive, inclusive, and empowering, ensuring our employees thrive both personally and professionally.

D.E.E.P. Philosophy: Listening, Feeling, Empowering, and Unlocking Potential

Our engagement initiatives are rooted in the D.E.E.P. philosophy—Deep Listening, Emotion, Empowerment, and Potential—reflecting what matters most to our teams.

- Personalised Conversations: We foster strong connections through one-on-one dialogues with our regional leaders and branch employees, creating open channels for meaningful conversations and feedback. These conversations span diverse themes, including functional insights, leadership impact, process efficiency, personal aspirations, and growth journeys.
- Leadership 360: A transformative leadership program for our senior leadership, designed to unlock potential through a comprehensive 360-degree feedback system. This initiative provides a multi-dimensional perspective, incorporating stakeholder relationships, personal values, and holistic growth, enabling leaders to drive positive individual and organisational change.
- Branch Connect: A nationwide initiative to deepen emotional engagement by embedding company values across teams. This program extends beyond functional HR interactions, involving senior leaders and HR personnel in meaningful conversations with employees across the country. Our teams travelled extensively to branches, engaging directly with teams at ground level to foster personal and professional growth.
- Employee Experience & Celebrations: Strengthening team spirit through vibrant celebrations across branches, including Independence Day, Navratri, Diwali, Christmas, Republic Day, and Women's Day. We also engaged employees in volunteering activities, such as tree plantations, fostering a sense of purpose and community.

INFORMATION TECHNOLOGY

In the past year, Grihum Housing Finance has successfully executed the ambitious digital transformation journey outlined in our strategy, reinforcing our commitment to operational efficiency, credit underwriting accuracy, and enhanced customer satisfaction. Through the adoption of cutting-edge technologies and the implementation of a low-code development platform, we have built a robust digital ecosystem that seamlessly integrates employees, partners, and customers.

Key Achievements in Digital Transformation:

Customised Low-Code Platform for Core Lending Systems We have developed a suite of digital solutions using Out systems, a low-code platform, enabling agility and efficiency in our operations. This includes a fully integrated Lead Management System, Loan Origination System (LOS), Customer Relationship Management (CRM), Customer & Partner Portals, and a Helpdesk for employees and partners.

Empowering the Sales Force with a Modern Mobile App Our field sales teams now operate through a state-of-the-art mobile application, allowing a completely paperless customer onboarding journey. By leveraging integrated Fintech APIs, we have achieved 100% digital KYC verification through UIDAI Aadhaar, NSDL and similar authorities.

Enhanced Credit Underwriting with Risk-based Models

- Customised LOS on the low-code platform ensures faster loan processing times and increased operational agility.
- Integration of Fintech APIs expedites underwriting, enabling real-time decision-making. Additionally, real-time Income Tax Return (ITR) verification and Account Aggregator services have significantly improved our underwriting accuracy.
- Risk-based credit scoring model developed using internal data and customer payment behavior insights.
- Business Rule Engine (BRE) implementation ensures strict adherence to credit policy, eliminating deviations and enhancing risk management.

Optimised Loan Processing & Fraud Prevention

- Improved overall application processing Turnaround Time (TAT) with higher accuracy and zero instances of identity fraud.
- Enhanced automation and streamlined workflows across departments, reducing manual intervention.

Seamless Customer Experience & Self-service Options

- Customers can now manage their loans through a self-service loan servicing portal.
- A new CRM system provides real-time online assistance, ensuring prompt query resolution and enhancing customer engagement.

Automation of Internal Operations

- Re-KYC processes, and helpdesk services have been automated, improving efficiency and reducing manual dependencies.
- The newly developed digital platform ensures seamless coordination between employees, customers, and partners, fostering a connected ecosystem.

Future Roadmap & Work-in-Progress Initiatives:

Building upon the foundation of our digital transformation, Grihum Housing Finance is actively developing AI-driven solutions to further enhance automation, intelligence, and customer experience.

- Auto-generation of Credit Appraisal Memo (CAM) using AI, reducing manual effort and enhancing accuracy.
- AI-assisted question bank generation for personal discussions with customers, customised by their occupation and region.
- Automated Tradeline and DPD (Days Past Due) string analysis from credit bureau reports for better credit decisioning.

- AI/ML-driven collection assistance, with statistical models predicting customers' propensity to pay or default, enabling proactive engagement.
- Also, developing a incentive payout system, to reduce the incentive processing TAT substantially.

Grihum Housing Finance remains steadfast in its commitment to leveraging technology to drive financial inclusion, improve operational efficiencies, and create a seamless homeownership journey for our customers. Our digital transformation journey is not merely about adopting new technologies but about empowering communities, enhancing decision-making, and shaping the future of affordable housing finance in India.

Cybersecurity and Information Security

Cybersecurity and information security are vital priorities for the Company, given the sensitive nature of customer data and its critical role in our operations. The Company has implemented a comprehensive security strategy that spans all aspects of information security, utilizing advanced tools, technologies, and processes.

- **Network & Perimeter Security:** The communication to and from the Company's IT infrastructure is safeguarded by next-generation firewalls, along with additional protective layers such as the "Network Intrusion Prevention System" and "Distributed Denial of Service Protection."
- **Data Security:** To secure outgoing data, the Company uses a Data Loss Prevention (DLP) tool. We also employ an Information Rights Management (IRM) tool to ensure that Personally Identifiable Information (PII) and sensitive customer data are encrypted and protected with access authorisation, whether shared internally or externally. Additionally, we have instituted a PII Data Sharing Process, which ensures that any retrieval of confidential or PII data from information systems is done only with the necessary high-level approvals. In compliance with the DPDP Act, a robust Data Protection framework is in place to address data privacy concerns.
- **Endpoint Security:** The Company's devices—including laptops, desktops, servers, and mobile devices—are protected by a multi-layered security approach. This includes anti-malware and ransomware protection, data encryption, an endpoint proxy solution, and Mobile Device Management (MDM) to ensure that all mobile devices are securely managed, compliant with company policies, and protected from potential security threats. The MDM system allows for remote management, monitoring, and the enforcement of security policies across all mobile devices.
- **Security Operations Centre (SOC):** The Company strengthens its information security posture with a





CORPORATE GOVERNANCE REPORT

COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE

Our Corporate Governance approach is deeply rooted in our core values, which reflect our legacy, culture, vision, mission, policies, and engagement with stakeholders. We strongly believe that an effective Corporate Governance framework is crucial for the long-term success of any financial services firm. The Company maintains high standards of governance through the adoption of comprehensive policies and procedures, which are regularly reviewed and enforced by the Board or its Committees at defined intervals. The framework is structured to create a strong system of checks and balances among key participants, including the board, its committees, management, auditors, and stakeholders. With a focus on oversight and integrity, the Board of Directors and management are committed to upholding exceptional standards in governance and business operations.

BOARD OF DIRECTORS

The Board of Directors ("Board") holds the responsibility of protecting the Company's best interests and ensuring the creation of value for all stakeholders, as it is entrusted with a fiduciary duty. By upholding principles of transparency, fairness, and independence in its decision-making, the Board, alongside its committees, fulfils its obligations to all Company stakeholders.

The Board's role is crucial in providing strategic leadership, defining vision, shaping policies, overseeing performance, ensuring accountability to shareholders and stakeholders, and driving continuous improvement. Its guidance is essential for maintaining long-term success while adhering to the highest corporate governance standards.

Additionally, the Company values the importance of a diverse and inclusive board. A varied board brings a broad spectrum of perspectives, ideas, and solutions, which enhance decision-making and problem-solving. Board diversity fosters a more inclusive corporate culture, positively influences the Company's operations, and helps it remain agile in responding to evolving market demands and a diverse consumer base.

The Company is in Compliance with the Companies Act, 2013 ("the Act"), Master Direction on Non-Banking Financial Company(NBFC) - Housing Finance Company (HFC) (Reserve Bank) Directions, 2021 ("RBI Directions"), the Companies Act, 2013 ("Act"), Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations") as applicable during the year, and all other applicable rules, regulations, circulars and notifications issued by Reserve Bank of India (RBI), Securities and Exchange Board of India (SEBI), Ministry of Corporate Affairs (MCA), Insurance Regulatory and Development Authority (IRDAI) and other statutory bodies.

Composition of Board:

The Board comprises of total six (6) Directors, out of which one (1) is Executive Director – designated as Managing Director & Chief Executive Officer (MD & CEO), two (2) are Non-Executive Non-Independent Directors and three (3) are Non-Executive Independent Directors including one (1) woman director. Six Directors on the Board have relevant experience of having worked in an NBFC/ HFC/ Financial Institutions. None of the Directors are related to each other and none of the Directors have any pecuniary relationship or transactions with the Company, except as disclosed in this Annual Report. During the year under review there were no changes in the Composition of the Board of Directors of the Company.

Board Proceedings:

Board meetings, including Committee meetings, are scheduled well in advance, with a tentative annual calendar shared with all Directors to facilitate their planning and ensure active participation. To further promote involvement, Directors are given the option to attend meetings via video conferencing. In cases of urgent business, the Board approves resolutions through circulation, in compliance with applicable laws. These resolutions are then reviewed and ratified at the subsequent Board or Committee meeting. The Company Secretary, in collaboration with the MD & CEO, prepares a comprehensive agenda for both Board and Committee meetings.

The agenda is shared in advance, adhering to all legal requirements, and includes relevant notes and information to assist Directors in making informed decisions. All meeting materials are made available on the Board Meeting portal, a digital platform where Directors can easily access these documents. Additionally, Board members may suggest items for inclusion in the agenda. Directors have full access to all pertinent information in electronic format with just a click. The Board is provided with complete access to relevant Company information, including Unpublished Price Sensitive Information (UPSI), which is circulated to the Board and its Committees prior to meetings, in line with Secretarial Standards issued by ICSI. The minutes of each meeting are circulated to the Directors, finalised, and recorded in the official minute book maintained by the Company Secretary.

Board Meetings:

In the FY 2024-25, the Company conducted five (5) Board Meetings on the following dates: 03 May 2024, 31 May 2024, 05 August 2024, 22 October 2024 and 22 January 2025. The time interval between consecutive meetings did not exceed 120 days. Quorum was present for each meeting. All Board meetings were duly convened with proper notice and followed a structured agenda. The agenda items were supported by detailed information and documentation, enabling the Board to make informed decisions.

24/7 Security Operations Centre (SOC), which actively monitors, investigates, and responds to security alerts, events, and threats in real-time.

- **Brand & Dark Web Monitoring:** The Company continuously monitors its brand name, "Grihum," across various online platforms, including social media and other internet sources, while also conducting dark web monitoring to detect and address any potential security risks.
- **Employee Awareness Programmes:** To enhance overall security, the Company prioritises employee awareness. All employees are required to undergo mandatory security training, and information security awareness materials, such as flyers, are regularly distributed. Phishing simulation exercises are also conducted to reinforce practical security skills and awareness.

By integrating these robust cybersecurity and information security measures, the Company ensures the protection of its systems, data, and customer information across all touchpoints.
























CORPORATE SOCIAL RESPONSIBILITY (CSR)

The Company's Corporate Social Responsibility (CSR) philosophy is centred on uplifting and enhancing the lives of individuals within the affordable housing sector, with our core mission of ensuring dignity of living for all. Through our focused initiatives, we are committed to creating opportunities for improved livelihoods. Our programs emphasize skill development, provide educational opportunities & support for children, and offer comprehensive support to empower women through health, and education, while also promoting environmental sustainability. These efforts reflect our dedication to creating a more equitable and sustainable future for the communities we serve.

During the year under review, the Company has spent ₹ 281.39 Lakhs as compared to the spent of ₹ 167.68 Lakhs made in FY 2023-24. The Company's CSR initiatives focus on key areas such as education, health, and environmental sustainability. The comprehensive details regarding CSR expenditure and activities undertaken by the Company are included in the Board's Report.



































The attendance of the directors at the above-mentioned board meetings listed below:

Name of Director	Date of Board Meeting/Attendance				
	03 May 2024	31 May 2024	05 August 2024	22 October 2024	22 January 2025
Mr. Manish Jaiswal		*			
Mr. Nitin Gupta		*	*		
Mr. Puneet Bhatia		*			*
Mr. Prem Manjooran				*	
Ms. Richa Arora					
Mr. Sanjeev Mehra					

 Chairperson  Member

\*Members were granted Leave of Absence (LOA)

Membership of Directors in Board Committees during FY 2024-25:

Particulars	Mr. Manish Jaiswal	Mr. Nitin Gupta	Mr. Prem Manjooran	Mr. Puneet Bhatia	Richa Arora	Sanjeev Mehra
Audit Committee (AC)*	-			-		
Nomination and Remuneration Committee (NRC)	-			-	-	
Risk Management Committee (RMC)				-	-	
Stakeholders Relationship Committee (SRC)			-	-		-
Asset Liability Management Committee (ALCO)#				-	-	
Corporate Social Responsibility Committee (CSR)		-		-		
IT Strategy Committee (ITSC)#			-	-		
Review Committee (RC)		-		-		-
Management Committee (MC)			-	-	-	

 Chairperson  Member

\* Ms. Richa Arora was appointed as Member of the Audit Committee w.e.f. 23 November 2024.

# The Composition of the Committee also comprises senior management of the Company.

During the financial year under review, no Director held directorship in more than ten public companies, nor did any Director serve as a director in more than seven listed companies, including the Company. Additionally, none of the Directors served as a member of more than ten committees or as chairperson of more than five committees across all public companies in which they held directorships. None of the Directors are related to each other inter-se. The Independent Directors maintain independence from the management. All Directors have confirmed that they meet the “fit and proper” criteria as stipulated under the applicable regulations. The Company has also established a Policy on Fit & Proper Criteria for Directors, in accordance with the provisions of the RBI Directions.

FAMILIARISATION PROGRAMME FOR INDEPENDENT DIRECTORS (ID’S)

Pursuant to SEBI Listing Regulations read with Schedule IV to the Act, the Company familiarise the Independent Directors of their role, rights and responsibilities in the Company, nature of the industry in which the Company operates, business model and operations of the Company, updates on legal and regulatory changes etc.

Through the familiarisation programme, the Company apprises the independent directors about the business model, corporate strategy, business plans and operations of the Company. The directors are also informed about the

financial performance, annual budgets, internal control system, statutory compliances etc. They are also familiarised with the Company's vision, core values, ethics and corporate governance practices. At the time of the appointment of the Independent Director, a formal letter of appointment is given to them, which explains their role, responsibilities and rights in the Company.

Based on the declarations received from the Independent directors of the Company, the Board is of the opinion that the independent directors satisfy the criteria for independence, and have the necessary integrity, expertise and experience (including proficiency).

The Brief details of the familiarisation programme of Independent Directors are available on the website of the Company at griumhousing.com

Meeting of Independent Directors

During the year under review, a separate meeting of the Independent Directors was held on 12 September 2024, without the presence of Non-Independent Directors and the Members of the management as per the provisions of the Act and SEBI Listing Regulations. All the Independent Directors of the Company attended the said meeting. At this meeting, the Independent Directors inter alia:

- reviewed the performance of Non-Independent Directors and the Board of Directors as a whole;
- considering the views of Executive and Non-Executive Directors, performance of Mr. Nitin Gupta, Chairperson of the Board Meeting held on 22 October 2024 was reviewed.
- assessed the quality, quantity and timelines of flow of information between the Company management and the Board that is necessary for the Board to effectively and reasonably perform its duties.



Composition and Category of the Board of Directors:

The composition and details of the Directors, their attendance at the meetings, other directorships, committee membership and chairpersonship as on 31 March 2025 are as follows:

Sr. No.	Name of the Director/ DIN	Director Since	Capacity/ Category of Directors	Number of Board Meetings		Attendance at 20 <sup>th</sup> AGM held on 14 May 2024	No of other Directorships <sup>2</sup>		Remuneration (₹ in Lakhs)			No. & (%) of Equity and Convertible Instruments Held	Directorships in other equity listed companies	Other Committee Memberships <sup>3</sup>	Other Committee Chairpersonships <sup>3</sup>
				Held	Attended		Members	Chairperson	Salary and other compensations	Sitting Fee	Commission				
1	Mr. Manish Jaiswal (DIN: 07859441)	26.06.2017	Managing Director & Chief Executive Officer	5	4	Yes	-	-	574.00	-	-	50,40,001 (1.54%) <sup>1</sup>	-	-	-
2	Mr. Puneet Bhatia (DIN: 00143973)	08.09.2023	Non-Executive Non-Independent Director	5	3	No	3	-	-	-	-	Nil	1 <sup>4</sup>	-	-
3	Mr. Sanjeev Mehra (DIN: 07491208)	08.09.2023	Non-Executive Non-Independent Director	5	5	Yes	2	-	-	-	-	Nil	-	-	-
4	Mr. Prem Manjooran (DIN: 10310018)	08.09.2023	Non-Executive Independent Director	5	4	Yes	-	-	-	14.00	-	Nil	-	-	-
5	Mr. Nitin Gupta (DIN: 02404862)	08.09.2023	Non-Executive Independent Director	5	3	Yes	-	-	-	-	-	Nil	-	-	-
6	Ms. Richa Arora (DIN: 07144694)	13.03.2024	Non-Executive Independent Director	5	5	Yes	2	-	-	9.00	-	Nil	2 <sup>5</sup>	3	-

<sup>1</sup> Beneficial interest of 1 (one) equity share held by Mr. Manish Jaiswal is with Perseus SG Ptd Ltd.

<sup>2</sup> Excludes directorship in the Company, private companies, foreign companies, and companies under section 8 of the Companies Act, 2013.

<sup>3</sup> Pertains to memberships/chairpersonships of the Audit Committee and Stakeholders' Relationship Committee of Indian public companies (excluding the Company).

<sup>4</sup> Mr. Puneet Bhatia is serving as Non-Executive Non- Independent Director on the Board of Havells India Limited.

<sup>5</sup> Ms. Richa Arora is serving as Non-Executive Non- Independent Director on the Board of Sundrop Brand Limited (Formerly, Agro Tech Foods Limited) and Relaxo Footwears Limited.

SKILLS AND COMPETENCIES

The Board ensures that the necessary expertise, knowledge, and experience to effectively guide the Company are well-represented. The process for selecting and appointing Directors is designed to ensure that their specific skills, knowledge, and experience meet the Board's distinct requirements. While not all Directors are expected to possess every skill, collectively, the Board must encompass the full range of necessary expertise. Additionally, the skills,

knowledge, and experience required on the Board will evolve as the organisation grows and develops. The Board consists of qualified members who bring the essential skills, competence, and expertise to contribute meaningfully to discussions at Board and Committee meetings. In line with SEBI Listing Regulations, the table below outlines the key skills, expertise, and competencies of each Director, which are vital for which are vital for corporate governance and Board effectiveness:

All the identified skills, expertise and competencies reflected in the Board as on 31 March 2025 are as follows:

Parameters	Mr. Manish Jaiswal	Mr. Puneet Bhatia	Mr. Sanjeev Mehra	Mr. Prem Manjooran	Mr. Nitin Gupta	Ms. Richa Arora
Industry Experience	√	√	√	√	√	-
Financial Management	√	√	√	√	√	√
Business Administration	√	√	√	√	√	√
Risk Management	√	-	√	√	-	-
Capital Market Expertise	√	√	√	√	√	-
Corporate Governance	√	√	√	√	√	√
Strategy and Decision Making	√	√	√	√	√	√
Information Technology and Cyber Security	-	-	√	-	√	√

COMMITTEES OF THE BOARD

To enhance focused decision-making, the Board has established Committees with formal approval and clearly defined roles. These Committees concentrate on specific areas, make informed decisions within their delegated authority, and provide targeted recommendations to the Board on relevant matters. The decisions and recommendations of the Committees are then presented to the Board for information or approval, as needed.

The Board Committees constitute an important element of the governance process of the Company and are an integral arm of the Board to carry out its wide and diverse functions. The Board has constituted Board lead Committees namely Audit Committee, Nomination and Remuneration Committee, Risk Management Committee, Asset Liability Management Committee, Stakeholder Relationship Committee, Corporate Social Responsibility Committee, Information Technology Strategy Committee, Management Committee, Review Committee.

In addition to the above Management Level Committees includes IT Steering Committee, Information Security Committee, Willful Defaulter Committee, Grievance Redressal Committee, Special Committee of the Executives for Monitoring and Follow-up of cases of Frauds, Product Policy / Process Approval Committee, Business Continuity Plan (BCP) Steering Committee, Ethics and Disciplinary Committee and Environment Social Governance (ESG) Committee.

The Chairperson of the respective Committees briefs the Board on significant discussions and decisions taken at their respective meetings. Minutes of the Committee Meetings are circulated and placed before the Board of Directors in the subsequent Board Meeting for their noting. All decisions and recommendations of the various Committees were accepted by the Board during the FY 2024-25. The Company Secretary acts as a secretary to all the Committees of the Board.

Detailed terms of reference, composition, meetings and other information of each of the Committees of the Board is detailed herein below:

A. AUDIT COMMITTEE

The Board has constituted the Audit Committee in terms of provisions of Section 177 of the Act, SEBI Listing Regulations, RBI Directions and other applicable provisions and laws. The Audit Committee is chaired by an Independent Director and all Members of the Audit Committee are financially literate and have accounting and related financial management expertise.

The Committee is composed of Members who are financially literate and have extensive expertise in accounting and financial management. The MD & CEO, Chief Financial Officer, Statutory Auditors, and Internal Auditors are invited to attend the Audit Committee meetings. The Company's Secretary serves as the Committee's Secretary. As per the RBI Directions, the Head of Internal Audit and Chief Compliance Officer meet with the Audit Committee Members on a quarterly basis, separately from the management.





During the financial year ended 31 March 2025, Five (5) Audit Committee Meetings were held on 02 May 2024, 31 May 2024, 05 August 2024, 22 October 2024 and 22 January 2025. All the recommendations made by the Audit Committee during the year were accepted by the Board.

The composition of Audit Committee and attendance thereat of each member is as under:

Sr. No.	Name of Director	Capacity	Date of Appointment	Category of Director	Number of Meeting held	Number of Meeting Attended
1	Mr. Nitin Gupta		8 September 2023	Non-Executive Independent Director	5	5
2	Mr. Prem Manjooran		8 September 2023	Non-Executive Independent Director	5	5
3	Ms. Richa Arora		23 November 2024	Non-Executive Independent Director	1	1
4	Mr. Sanjeev Mehra		8 September 2023	Non-Executive Non-Independent Director	5	5

Chairperson Member

TERMS OF REFERENCE:

The terms of reference of the Audit Committee are in line with the provisions of Section 177 of the Act, SEBI Listing Regulations, the RBI Directions, and other applicable provisions and laws and was duly approved by the Board of Directors. These broadly include:

➤ **Role of Audit Committee as per Companies Act, 2013 and SEBI Listing Regulations**

- Recommend to the Board for appointment, remuneration and terms of appointment of auditors of the Company;
- To approve rendering of services by the statutory auditor other than those expressly barred under section 144 of the Companies Act, 2013 and remuneration for the same.
- Oversight of the listed entity's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible.
- Examination of the financial statements and the auditors' report thereon before submission to the Board with particular reference to:
  - a. Matters required to be included in the director's responsibility statement to be included in the board's report in terms of clause (c) of sub-section (3) of Section 134 of the Companies Act, 2013;
  - 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;
- g. Modified opinion(s) in the draft audit report;

- Reviewing with the management the quarterly financial statements before submission to the Board for Approval.
- Reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilised for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a [public issue or rights issue or preferential issue or qualified institutions placement], and making appropriate recommendations to the board to take up steps in this matter;
- Recommend on any matter relating to financial management
- Comply with the going concern assumptions.
- Compliance with accounting standards.
- To oversee the functioning of the whistle blower/ vigil mechanism, if any.
- Review and monitor the independence and performance of statutory and internal auditors, and effectiveness of audit process and adequacy of the internal control systems, any concerns in this regard may be flagged by the Audit Committee to the Board of Directors of the and concerned Senior Supervisory Manager (SSM)/Regional Office (RO) of RBI.

- Scrutinise inter-corporate loans and investments;
- Valuation of undertakings or assets of the company, wherever it is necessary;
- 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.
- Evaluation of internal financial controls and risk management systems;
- Approve and recommend to the Board the transactions of the Company with Related Parties or any subsequent modification thereof.
- Monitor the end use of funds raised through public offers and making appropriate recommendations to the Board to take up steps in this matter.
- Discuss with the Auditors periodically about the adequacy of Internal Control System, the scope of Audit including the observations of the Auditors and review of financial statement before their submission to the Board and also ensure compliance of Internal control systems and may also discuss any related issues with the internal and statutory auditors and the management of the company.
- Investigate into any matter in relation to the items within the purview of the Terms of Reference/ Charter of the Audit Committee of the Board or referred to it by the Board or auditor of the Company and for this purpose, shall have full access to information contained in the books, records, facilities, personnel of the Company and the External professional consultants and their advice, if necessary
- To appoint registered valuers
- To formulate the scope, functioning, periodicity and methodology for conducting the internal audit.
- To discuss with internal auditors and the management of any significant findings, status of previous audit recommendations and follow up there on.
- Grant omnibus approval for entering into related party transactions in accordance with applicable laws and as per the policy adopted by the Board
- Review the statement indicating the utilisation of issue proceeds of non-convertible securities
- Review of statement of deviation(s) or variation
- Review of the compliance under SEBI (Prohibition of Insider Trading) Regulations 2015 including any amendments thereto and verify the adequacy of

internal control systems under the said Regulations on an annual basis.

- Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board.
  - To look 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.
  - Approval of appointment of chief financial officer after assessing the qualifications, experience and background, etc. of the candidate.
  - Consider and comment on rationale, cost-benefits and impact of schemes involving merger, demerger, amalgamation etc., on the listed entity and its shareholders.
  - The audit committee shall mandatorily review the following information:
    - a. Management discussion and analysis of financial condition and results of operations.
    - b. Management letters / letters of internal control weaknesses issued by the statutory auditors.
    - c. Internal audit reports relating to internal control weaknesses; and
    - d. The appointment, removal and terms of remuneration of the chief internal auditor shall be subject to review by the audit committee.
    - e. Statement of deviations:
      - i. Quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) in terms of Regulation 32(1) of listing regulation.
      - ii. Annual statement of funds utilised for purposes other than those stated in the offer document/prospectus/notice in terms of Regulation 32(7) of listing regulation.
  - Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post audit discussion to ascertain any area of concern.
- **Role of Audit Committee as per RBI Directions**
- To ensure information system audit of the internal systems and processes are conducted at least once in two years to assess operational risk faced by the HFCs.



- Ageing analysis of entries pending reconciliation with outsourced vendors shall be placed before the Committee.
- Monitor system of internal audit of all outsourced activities.
- Any adjustments to the Expected Credit Loss model output (i.e. a management overlay) should be approved by the Audit Committee of the Board (ACB) and its rationale and basis should be clearly documented.
- Monitoring and review of all the frauds involving an amount of ₹ 25 Lakhs and above.
- To ensure adherence to instructions for classifying a borrower as a wilful defaulter.
- To periodically review the cases of wilful default and recommend steps to be taken in order to prevent such occurrences, their early detection and to identify root causes of wilful default, adopt classification processes and address deficiencies.

#### ➤ Other Roles of Audit Committee as per Business Requirements

- Any other matter as delegated by the Board of Directors of the Company from time to time

- Ensuring compliance of Know your Customer and Anti Money Laundering Policy
- Administration of Floating Reference Rate (FRR) from time to time.
- To monitor implementation of the Fair Practices Code and Complaint Redressal Policy.
- To review effectiveness of customer service initiatives & processes.
- To review status of grievance redressal mechanism on periodical basis.
- The Committee shall annually review and reassess the adequacy of this Charter and recommend any proposed changes to the Board for its approval.

#### B. NOMINATION AND REMUNERATION COMMITTEE:

The Nomination & Remuneration Committee (NRC) is constituted in accordance with the provisions of Section 178 of the Act, SEBI Listing Regulations, RBI Directions and other applicable provisions and laws. The Company Secretary of the Company acts as Secretary to the NRC Committee.

During the financial year ended 31 March 2025, Two (2) NRC Meetings were held on 31 May 2024 and 21 October 2024.

The composition of NRC and attendance there at of each member as under:

Sr. No.	Name of Director	Capacity	Date of Appointment	Category of Director	Number of Meetings held	Number of Meetings Attended
1	Mr. Prem Manjooran		8 September 2023	Non-Executive Independent Director	2	2
2	Mr. Nitin Gupta		8 September 2023	Non-Executive Independent Director	2	2
3	Mr. Sanjeev Mehra		8 September 2023	Non-Executive Non-Independent Director	2	2

 Chairperson  Member

#### TERMS OF REFERENCE:

The terms of reference of the NRC are in line with the applicable laws and these broadly include:

#### ➤ Review of Items by the Committee

- Formulate criteria and carry out evaluation of performance of all the directors of the Company.
- Review overall compensation philosophy and framework of the Company.
- Review outcome of the annual performance appraisal of the employees of the Company.

- Conduct annual review of the Committee's performance and effectiveness at the Board level.
- Examine and ensure 'fit and proper' status of the proposed/existing directors of the Company
- The Committee shall ensure that there is no conflict of interest in the appointment of directors and their independence is not subject to potential threats.
- To ensure that compensation levels are supported by the need to retain the earnings

of the Company and the need to maintain adequate capital based on Internal Capital Adequacy Assessment Process (ICAAP).

#### ➤ Items for approval by the Committee

- To formulate criteria for:
  - determining qualifications, positive attributes and independence of a director;
  - evaluation of independent directors and the Board
- Based on the Policy mentioned in Clause No. III.C(5), determine remuneration packages for the following:
  - Approve remuneration packages and service contract terms of KMP and SMP including the structure, design and target setting for short and long term incentives / bonus.
  - Approve framework and broad policy in respect of all Employees for increments.
- Stock Options: Approve grant and allotment of shares to the eligible employees of the Company under the Stock Option Schemes as and when floated by the Company and duly approved by the shareholders of the Company and authorise any official of the Company to offer Stock Options to the new joiners in the Company in accordance with the authority matrix approved by the Committee from time to time;
- Review and approve succession plan.
- Approval of the annual compensation revision cycle of the employees of the Company.
- For every appointment of an independent director, 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:
  - Use the services of an external agencies, if required;

- Consider candidates from a wide range of backgrounds, having due regard to diversity; and
- Consider the time commitments of the candidates.

- Recommend to the board all remuneration, in whatever form, payable to senior management.
- Devising a Policy on Diversity of Board of Directors.
- 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.

#### ➤ Review of items by the Committee for recommendation to the Board for approval

- Recommending the size and an optimum mix of promoter directors, executive, independent and non-independent directors keeping in mind the needs of the Company.
- Identifying, evaluating and recommending to the Board:
  - Persons who are qualified for appointment as Independent and Non-Executive Directors/Executive Directors/Whole time Directors/Managing Directors in accordance with the criteria laid down;
  - Appointment of Key Managerial Personnel (KMP) and Senior Management Personnel (SMP) in accordance with the criteria laid down;
  - Removal of Directors, KMP, SMP.
- Determining processes for evaluating the skill, knowledge, experience, effectiveness and performance of individual directors as well as the Board as a whole.
- To devise a policy on remuneration including any compensation related payments of the directors, KMP, SMP and other employees and recommend the same to the Board of Directors of the Company.
- Based on the Policy as aforesaid, determine remuneration packages for the following:
  - Recommend remuneration package of the Directors of the Company, including



Commission, Sitting Fees and other expenses payable to Non-Executive Directors of the Company.

- b. Recommend changes in compensation levels and one time compensation related payments in respect of Managing Director/Whole-time Director/Executive Director.

- Evolve a policy for authorizing expenses of the Chairman and Managing Director of the Company.

#### Remuneration Policy:

The Board has, on the recommendation of the Nomination & Remuneration Committee adopted the Remuneration Policy as prescribed under Section 178 of the Act, RBI Direction, Scale Based Regulation (SBR): A Revised Regulatory Framework for NBFCs, Guidelines on Compensation of Key Managerial Personnel (KMP) and Senior Management in NBFCs dated 29 April 2022 issued by the Reserve Bank of India and other applicable provisions and laws, which inter-alia includes policy for selection and appointment of Directors, Managing Director & CEO (MD & CEO), Key Managerial Personnel, Senior Management Personnel and their remuneration. Familiarisation Program forms part of the Remuneration Policy. The Remuneration Policy was amended by the Board of Directors on 22 January 2025. The said policy adopted by the Company is available on the website of the Company at the web-link: grihumhousing.com. The salient features of the Policy are:

#### 1. Criteria of selection of Directors, Senior Management Personnel and Key Managerial Personnel:

- 1.1 Selection of Executive Director/s shall be in line with the selection criteria laid down for independent directors, in so far as those criteria are not inconsistent with the nature of appointment and in accordance with the provisions of Articles of Association; Nomination and Remuneration Committee (NRC) is responsible for identification, shortlisting and recommending candidature of person for the position of Managing Director to the Board of Directors of the Company;
- 1.2 Nominee Directors shall be taken on board, as and when nominated by the investor/s to protect such investor/s interests and such appointments shall usually be governed by

the investment/ subscription agreement/s the Company has/will have with such investor/s;

- 1.3 Independent Directors will be selected on the basis of identification of industry/ subject leaders with strong experience. The advisory area and therefore the role, may be defined for each independent director;
- 1.4 In your Company's context: 'Senior Management Personnel' would cover members of management at the Senior - VP level and above reporting to Managing Director & Chief Executive Officer, and shall specifically include the functional heads, by whatever name called and the Company Secretary and the Chief Financial Officer;
- 1.5 For any Senior Management Personnel recruitment, it is critical to identify the necessity for that role. In order to validate the requirement –
  - i. Job Description (JD) along with profile fitment characteristics from a personality, experience and qualification point of view shall be created;
  - ii. The recruitment process shall generally involve meetings with Head-Human Resources, MD&CEO and/or identified members of the NRC, basis which the candidature will be finalised;
  - iii. The total remuneration to be offered to the new candidate as above, shall be placed before the NRC for their concurrence and recommendation to the Board. Thereafter, the offer shall be rolled out to the new candidate;

#### 2. Determination of qualification, positive attributes and independence test for the Independent Directors to be appointed:

- 2.1 For each Independent Director, the appointment shall be based on the need identified by the Board;
- 2.2 The role and duties of the Independent Director shall be clearly specified by highlighting the committees they are expected to serve on, as well as the expectations of the Board from them;
- 2.3 At the time of selection, Board shall review the candidature on skill, experience and knowledge to ensure an overall balance in the Board so as to enable the Board to discharge its functions and duties effectively;

- 2.4 Any appointment of the Independent Director shall be approved at the meeting of the shareholders, in accordance with extant laws;
- 2.5 Director's Independence test shall be conducted as per the conditions specified in the Companies Act, 2013 and the rules thereunder;
- 2.6 MD & CEO along with the Company Secretary shall be involved in the familiarisation/ induction process for the independent director/s.

#### 3. Remuneration Policy for the Directors (including Independent Directors), Key Managerial Personnel and Senior Management Personnel:

- 3.1 Remuneration: The remuneration of Directors shall be established on the reasonability and sufficiency of level to attract, retain and motivate the Directors:
- 3.2 Sitting Fee: The Non-executive Directors including Independent Directors would be paid sitting fees subject to the limits prescribed under the Act, or any amendments thereto, as may be determined by the NRC from time to time, for attending each meeting(s) of the Board and Committees thereof.
- 3.3 The sitting fees paid to the independent directors and the women directors, should not be less than the sitting fees paid to other directors.
- 3.4 Reimbursement of Travel or other Expenses: Directors shall be reimbursed any travel or other expenses, incurred by them, for attending the Board and Committee meetings.
- 3.5 Commission: Additionally, the Independent Directors may be paid remuneration by way of commission for each financial year.
- 3.6 Total commission pay out to all Independent Directors (including non-executive directors) in aggregate shall be restricted to a limit of 1% of net profits of the Company as determined in accordance with Section 198 of the Companies Act, 2013, further subject to recommendation by the NRC and determination by the Board, as further subject to approval by the shareholders of the Company at the Annual General Meeting.
- 3.7 The Independent Directors may be paid remuneration in case of no profits or inadequate profit in addition to the sitting

fees as per the provisions of Schedule V of the Act.

- 3.8 NRC shall recommend quantum of commission which, in its best judgement and opinion is commensurate with the level of engagement each Independent Director would have with SMP/KMP and/or other Board members, towards providing inputs, insights and guidance on various matters of importance from time to time.
- 3.9 Pursuant to the provisions of the Act, an Independent Director shall not be entitled to any stock option of the Company.
- 3.10 The Directors shall be covered under the Directors and Officers Liability Insurance (D&O) Policy of the Company.

#### PERFORMANCE EVALUATION

Pursuant to the provisions of the Act and the SEBI Listing Regulations, the evaluation process for performance of the Board, its various committees, individual directors and the Chairperson of the Board and respective Committees was carried out during the year. The aforementioned manner of performance evaluation is as per the provisions of the Act and SEBI Listing Regulations. The above manner is based on the Guidance Note on Board Evaluation issued by the SEBI Circular no. SEBI/HO/CFD/CMD/CIR/P/2017/004 dated January 05 2017. Each director was provided with a questionnaire to be filled up providing feedback on the overall functioning of the Board, its committees and the contribution of individual directors. The questionnaire covered various parameters such as structure of the Board/Committees, board meeting practices, overall board effectiveness, attendance/ participation of directors in the meetings, etc. The directors were also asked to provide their suggestions for areas of improvement to ensure a higher degree of engagement with the management.

All the Directors were satisfied with the effectiveness of the evaluation carried out during the year. The Independent Directors during the year completed evaluation of Non-independent/Non-promoter Directors and the entire Board including the Chairperson. The Independent Directors expressed satisfaction with the overall functioning of the Board, and various committees as well as all the directors of the Company. The Board also discussed the report of performance evaluation and its outcome.

#### Outcome of the evaluation

Based on inputs received from the Committee Members / Directors, it emerged that the overall performance evaluation of the Board, composition and quality, understanding the business including risks, process and procedures, oversight of financial reporting process including internal controls and



audit functions, ethics and compliances and monitoring activities, has been found to be excellent. Similarly, the effectiveness of Board Committees and the performance of the Chairperson of the has been rated excellent. Overall, the Board was functioning very well in a cohesive and interactive manner.

Details of remuneration including commission and other payments to the Directors

Executive Director- Mr. Manish Jaiswal, Managing Director & Chief Executive Officer (MD & CEO)

Mr. Manish Jaiswal was re-appointed as the MD & CEO of the Company for a period of five years w.e.f. 26 June 2022 by the Members of the Company at the 18th Annual General Meeting held on 21 June 2022. The Members of the Company approved the revision in terms of appointment and remuneration of Mr. Manish Jaiswal vide the resolution passed at the Extra-Ordinary General Meeting held on 03 June 2024. The revised terms and conditions of his appointment and remuneration are as follows:

Sr. No.	Particulars	Disclosures	
		Category	Amount
1	All elements of remuneration package such as salary, benefits, bonuses, stock options, pension, etc., of all the directors	Basic Salary	₹ 1,40,00,000 (Rupees One Crore Forty Lakhs only) per annum
		Perquisites / Benefits:	
		House Rent Allowance	₹ 70,00,000 (Rupees Seventy Lakhs only) per annum
		Special Allowance	₹ 1,16,46,600 (Rupees One Crore Sixteen Lakhs Forty-Six Thousand and Six Hundred only) per annum
		Provident Fund	₹ 16,80,000 (Rupees Sixteen Lakhs Eighty Thousand only) per annum
		Gratuity	₹ 6,73,400 (Rupees Six Lakhs Seventy-Three Thousand Four Hundred only) per annum.
		Leave Travel Allowance, Medical Coverage, Health Insurance and Personal Accident coverage, Encashment of unavailed leave and other perquisites as per the policies / rules of the Company.	
		Targeted Annual Performance Bonus	₹ 3,00,00,000/ (Rupees Three Crores only) or such higher amount as may be decided by Board of Directors based on the recommendation of Nomination and Remuneration Committee at its absolute discretion.
		Stock Options*	15,00,000 Employee Stock Options and 7,50,000 Compulsorily Convertible Preference Options under the Grihum Housing Employee Stock Option Plan 2021. Additionally, he holds 50,40,000 equity shares in the Company.
		Yearly Revision	Yearly revision shall be decided by the Board of Directors based on the recommendation of Nomination and Remuneration Committee at its absolute discretion.
	Minimum Remuneration	In the event of loss or inadequacy of profits in any financial year during the term of office of Mr. Jaiswal as MD & CEO, the Company will pay to Mr. Jaiswal in respect of such financial years in which such inadequacy or loss arises or a period of three years, whichever is lower, the remuneration as set herein by way of consolidated salary, perquisites and allowances as minimum remuneration, in accordance with the provisions of Section 197 and/or Schedule V of the Act or such higher limit as may be approved by the Central Government or other appropriate authority, if any, required in this regard.	
2.	Details of fixed component and performance linked incentives along with the performance criteria	As mentioned in Point 1 above	

Sr. No.	Particulars	Disclosures	
		Category	Amount
3	Service contracts, notice period, severance fees	Appointed for a term of 5 years w.e.f. 26 June 2022 up to 25 June 2027. Three months of notice period.	
4	Stock option details, if any, and whether the same has been issued at a discount as well as the period over which accrued and over which exercisable	As mentioned in Point 1 above	

\*Note: The Company had allotted to Mr. Jaiswal 33,60,000 Equity Shares under Grihum Housing Restricted Stock Option Plan 2018 ('RSO 2018'). Additionally, on 28 March 2024, the Company issued 16,80,000 0.001% Compulsory Convertible Preference Shares (CCPS) which were subsequently converted into Equity Shares of the Company on 04 June 2024.

During the year under review, the Company has exceptionally performed well, however, it is imperative to note that if the payout to managerial personnel exceeds the limits outlined in section 197 of the Act such remuneration is considered to be drawn from the provisions of Schedule V of the Act. In this regard, managerial remuneration paid to Mr. Jaiswal, during FY 2024-25 encompasses the perquisite value of the ESOPs exercised by him under the RSO, 2018, of the Company. As a result of this exercise, the total payout exceeds the prescribed limits, although it remains well within the limits of managerial remuneration approved by the shareholders at their meeting held on 03 June 2024.

Further, the future outlook of the Company forms part of the Management Discussion and Analysis Report which forms a part of this Board's Report. The aforesaid explanation be considered as the requisite information as per Schedule V of the Act.

Non-Executive and Independent Directors

Non-Executive Directors of the Company are not paid any remuneration or sitting fees. The Independent Directors of the Company are paid sitting fees and other expenses on actual basis (travelling, boarding and lodging) incurred for attending the Board/Committee meetings.

No sitting fees is paid to Independent Directors for attending the separate meeting of the Independent Directors. The details of sitting fees paid to the Directors for attending meetings held during the FY 2024-25 forms part to this report.

Senior Management Personnels (SMP's)

During the year under review, Mr. Naveen Manghani, Chief Compliance Officer (CCO), stepped down from his role effective 21 August 2024. Mr. Mohit Sharma was subsequently appointed as the new CCO, effective 11 November 2024. Additionally, Mr. Rishi Kant Dubey, Chief Risk Officer (CRO), concluded his tenure as CRO on 11 November 2024, with Mr. Archna Bhatia taking over the position effective 27 February 2025. Furthermore, Mr. Rahul Mishra, Head of Internal Audit, tendered his resignation, effective from the close of business hours on 13 February 2025 and Mr. Vivek Gupta was subsequently appointed as the Head of Internal Audit w.e.f. 23 May, 2025. The said appointments were as per the Remuneration Policy of the Company and in compliance with the revised RBI guidelines issued for KMPs and SMPs prescribed under the Scale Based Regulations read with RBI Circular No. RBI/2022-23/36 DOR.GOV.REC. No.29/ 18.10.002/2022-23 dated 29 April 2022. Further, the appointments of SMP's are approved by the Board of Directors upon recommendation of NRC.

C. RISK MANAGEMENT COMMITTEE:

The Risk Management Committee (RMC) has been constituted with its defined terms of reference in accordance with SEBI Listing Regulations, RBI Directions and other applicable provisions and laws. Following the resignation of the former Chief Risk Officer (CRO), effective from the close of business hours on 11 November 2024, Ms. Archna Bhatia has been appointed as the CRO of the Company with effect from 27 February 2025. As per the RBI Directions, CRO meets with the RMC Members on a quarterly basis, separately from the management.

During the financial year ended 31 March 2025, Four (4) Risk Management Committee Meetings were held on 02 May 2024, 05 August 2024, 21 October 2024 and 22 January 2025. All the recommendations made by the RMC during the year were accepted by the Board.

The composition of RMC and the attendance of each member is as under:



Sr. No.	Name of Director	Capacity	Date of Appointment	Category of Directors	Number of Meetings Held	Number of Meetings Attended
1	Mr. Nitin Gupta		8 September 2023	Non-Executive Independent Director	4	4
2	Mr. Prem Manjooran		22 March 2024	Non-Executive Independent Director	4	4
3	Mr. Sanjeev Mehra		8 September 2023	Non-Executive Director	4	4
4	Mr. Manish Jaiswal		27 July 2017	Managing Director and Chief Executive Officer	4	4

 Chairperson  Member

TERMS OF REFERENCE:

The terms of reference of the RMC are in line with the applicable laws and these broadly include:

➤ **Role of Risk Management Committee in accordance with the Risk Management Policy of the Company**

- Review and recommend to the Board on a regular basis the risk management policies recommended by Credit Risk Management Committee, Asset Liability Management Committee, Operational Risk Management Committee and other policies concerning Operational Risk, Credit risk, Market risk etc.
- Final approval of risk management processes and framework.
- Approval of risk management governance structure at Company.
- Defining the risk appetite and risk tolerance limits of Company for approval of the Board.
- Approval of revision in existing systems, policies and procedures to address risk management requirements and good practices.
- Considering the overall risk management framework and reviewing its effectiveness in meeting sound corporate governance principals and identifying, managing and monitoring the key risks.
- To oversee and monitor Company's compliance with regulatory capital requirements.
- Obtain on a regular basis reasonable assurance that Company's risk management policies for significant risks are being adhered to.
- Evaluate, on a regular basis, the effectiveness and prudence of senior management in managing the risks to which Company is exposed to.

- Approve delegation of risk limits to management and approve any transactions exceeding those delegated authorities.
- Review risk reporting on significant risks, including the amount, nature, characteristics, concentration and quality of the credit portfolio, as well as all significant exposures to credit risk through reports on significant credit exposure presented to the Committee.
- Review risk mitigation plans on significant risks which affects policy or procedure level changes for effective implementation.

➤ **Role of Risk Management Committee as per Business Requirements**

- Reviewing the results of and progress in implementation of the decisions made in the previous meetings;
- Review the economic situation & its impact on industry;
- Review of the RCU report during customer acquisition and review of the exceptional items;
- Review of the early warning report and necessary action thereof;
- Commission the risk assessment process to identify significant business, operational, financial, compliance, reporting and other risks;
- Review of risk assessment results and ensure that these are appropriately and adequately mitigated and monitored;
- Monitor the progress in implementation of risk mitigation strategies including the status of risk assessment programme;
- Review of the top ten delinquent customers PAN India;
- Approve exceptions/deviations from Risk Management Policy.

➤ **Role of Risk Management Committee in line with the RBI Directions**

- Administering the material outsourcing and adherence thereof with the Outsourcing policy and seek reports on the implementation or exceptions to the same;
- Laying down appropriate approval authorities and limits for outsourcing depending on risks and materiality (Refer Outsourcing Policy of the Company for determining threshold of material outsourcing arrangements);
- Review of outsourcing strategies and arrangements for their continued relevance, and safety and soundness and identify new material outsourcing risks as they arise;
- To review and update the central record of all material outsourcing on half yearly basis;
- Consider any reporting done by Chief Risk Officer;
- The Board shall have the right to ratify any deviations from the Outsourcing Policy

➤ **Role of Risk Management Committee in line with the Listing Regulations**

- To formulate a detailed risk management policy which shall include:
  - A framework for identification of internal and external risks specifically faced by the listed entity, 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.

- Measures for risk mitigation including systems and processes for internal control of identified risks.
- Business continuity plan.
- To ensure that appropriate methodology, processes and systems are in place to monitor and evaluate risks associated with the business of the Company;
- To monitor and oversee implementation of the risk management policy, including evaluating the adequacy of risk management systems;
- To periodically review the risk management policy, at least once in two years, including by considering the changing industry dynamics and evolving complexity;
- To keep the board of directors informed about the nature and content of its discussions, recommendations and actions to be taken;
- The appointment, removal and terms of remuneration of the Chief Risk Officer (if any) shall be subject to review by the Risk Management Committee.

**D. ASSET LIABILITY MANAGEMENT COMMITTEE**

The Asset Liability Management Committee (ALCO) is constituted as per provisions of the RBI Directions, the 'Guidelines on Liquidity Risk Management Framework' prescribed by the RBI and other applicable provisions and laws including circulars, directions, guidelines etc. issued by regulatory authorities.

During the financial year ended 31 March 2025, Four (4) Asset Liability Management Committee Meetings were held on 02 May 2024, 05 August 2024, 21 October 2024 and 22 January 2025.

The composition of ALCO and attendance of each member is as under:

Sr. No.	Name of Director/ Member*	Capacity	Date of Appointment	Capacity/Category of Directors	Number of Meetings Held	Number of Meetings Attended
1	Mr. Manish Jaiswal		27 June 2017	Managing Director and Chief Executive Officer	4	4
2	Mr. Nitin Gupta		22 March 2024	Non-Executive Independent Director	4	4
3	Mr. Prem Manjooran		8 September 2023	Non-Executive Independent Director	4	4
4	Mr. Sanjeev Mehra		8 September 2023	Non-Executive Director	4	4
5	Mr. Pankaj Rathi		20 July 2021	Chief Financial Officer	4	4

 Chairperson  Member


\*The Composition of the Committee also comprises senior management of the Company.



TERMS OF REFERENCE:

The terms of reference of ALCO are in line with the applicable laws and these broadly include:

- Liquidity risk management through Asset Liability Mismatches across various time buckets and strategise action to mitigate the risk associated.
- Management of interest rate risks through articulation on current interest rate view & its future direction.
- Funding and capital planning – source & mix of liabilities.
- Forecasting and analysing 'What if scenario' and preparation of contingency plans through review of treasury strategy at regular interval.
- Regulatory updates.

Sr. No.	Name of Director	Capacity	Date of Appointment	Category of Directors	Number of Meetings Held	Number of Meetings Attended
1	Ms. Richa Arora		22 March 2024	Non-Executive Independent Director	1	1
2	Mr. Manish Jaiswal		18 October 2023	Managing Director and Chief Executive Officer	1	1
3	Mr. Nitin Gupta		18 October 2023	Non-Executive Independent Director	1	1

 Chairperson  Member

TERMS OF REFERENCE:

The terms of reference of the SRC are in line with the applicable laws and these broadly include:

- Resolving the grievances of the security holders of the listed entity including complaints related to transfer/transmission of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new/duplicate certificates, general meetings etc.
- Review of measures taken for effective exercise of voting rights by shareholders.
- Review of adherence to the service standards adopted by the listed entity in respect of various services being rendered by the Registrar & Share Transfer Agent.
- Review of the various measures and initiatives taken by the listed entity for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the company.

Details of Investor Complaints:

All the shares and debentures of the Company are in dematerialised form. MFUG Intime India Private Limited (Formerly, Link Intime India Private Limited) is the Registrar and Transfer Agent (RTA) with respect to all

- Review of statutory compliances
- Product Pricing for both advances and borrowing.
- Review of Internal Capital Adequacy assessment.

E. STAKEHOLDERS RELATIONSHIP COMMITTEE

The Stakeholder Relationship Committee (SRC) was constituted in accordance with the provisions of the SEBI Listing Regulations and other applicable provisions and laws. During the financial year ended 31 March 2025, One (1) SRC Meeting was held on 21 October 2024.

Ms. Vaishnavi Surawala is the Company Secretary and the Compliance officer of the Company.

The composition of SRC and attendance of each member is as under:

the non-convertible debt securities outstanding as on 31 March 2025. The said RTA have appropriate systems to ensure that requisite service is provided to investors of the Company in accordance with the applicable corporate and securities laws and within the adopted service standards.

The Company did not receive any complaints from any shareholders or debenture holders during the FY 2024-25.

F. CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

The Corporate Social Responsibility (CSR) Committee is constituted in line with the requirements of Section 135 of the Act read with the Companies (Corporate Social Responsibility Policy) Rules, 2014 (CSR Rules).

The said Committee has been entrusted with the responsibility of formulating and recommending to the Board, a CSR Policy indicating the activities to be undertaken by the Company, monitoring the implementation of the framework of the CSR Policy and recommending the amount to be spent on CSR activities. The CSR Policy is available on the Company's website at weblink: grihumhousing.com

During the financial year ended 31 March 2025, Three (3) CSR Meetings were held on 02 May 2024, 21 October 2024 and 22 January 2025.

The composition of CSR and attendance of each member is as under:

Sr. No.	Name of Director	Capacity	Chairperson/ Member of Committee since	Category of Directors	Number of Meetings Held	Number of Meetings Attended
1	Ms. Richa Arora		22 March 2024	Chairperson, Non-Executive Independent Director	3	3
2	Mr. Manish Jaiswal		27 June 2021	Member, Managing Director and Chief Executive Officer	3	3
3	Mr. Prem Manjooran		08 September 2023	Member, Non-Executive Independent Director	3	3
4	Mr. Sanjeev Mehra		08 September 2023	Member, Non-Executive Director	3	2

 Chairperson  Member

TERMS OF REFERENCE:

The terms of reference of the CSR Committee are in line with the applicable laws and these broadly include:

- Frame the CSR Policy (including any modifications thereto from time to time) which shall provide approach and guiding principles for selection, implementation and monitoring of CSR activities to be undertaken by the Company as well as formulation of the annual action plan;
- Approve and recommend annual action plan, and any modifications thereof, to the Board comprising of following information:
  - a. the list of CSR Programs that are approved to be undertaken in areas or subjects specified in Schedule VII of the Act;
  - b. the manner of execution of such projects or programmes;
  - c. the modalities of utilisation of funds and implementation schedules for the projects or programmes;
  - d. monitoring and reporting mechanism for the projects or programmes; and
  - e. details of need and impact assessment, if any, for the projects undertaken by the Company;
- Approve specific projects, either new or ongoing, in pursuance of the focus areas outlined in this Policy, either for undertaking such projects by the Company itself, directly or through its holding, for inclusion in the annual action plan;

- Recommend the amount of CSR Expenditure in the activities to be undertaken to the Board for approval of the annual CSR Budget and the amount to be transferred in case of ongoing projects and unspent amounts;
- Monitor the implementation of CSR Policy and closely monitor the spending on a 'project basis' regularly;
- Review and recommend to the Board, the Annual Report on CSR activities to be included in Board's Report and the certificate submitted by the Chief Financial Officer;
- Review and recommend to the Board, the impact assessment report obtained by the Company from time to time, wherever applicable;
- Undertake such activities and carry out such functions as may be provided under section 135 of the Act and the Rules.

G. INFORMATION TECHNOLOGY STRATEGY COMMITTEE (ITSC)

The ITSC has been constituted in compliance with RBI Directions read with the Information Technology Framework for the NBFC Sector prescribed by the RBI and other applicable provisions and laws including circulars, directions, guidelines etc. issued by regulatory authorities.

During the financial year ended 31 March 2025, four (4) ITSC Meetings were held on 02 May 2024, 05 August 2024, 21 October 2024 and 22 January 2025.



The composition of ITSC and attendance of each member are as under:

Sr. No.	Name of Director/ Member*	Capacity	Date of Appointment	Category of Directors	Number of Meetings held	Number of Meetings Attended
1	Mr. Nitin Gupta		8 September 2023	Non-Executive Independent Director	4	3
2	Mr. Manish Jaiswal		8 May 2019	Managing Director and Chief Executive Officer	4	4
3	Mr. Sanjeev Mehra		19 January 2024	Non-Executive Non-Independent Director	4	4
4	Ms. Richa Arora		22 March 2024	Non-Executive Independent Director	4	4
5	Head-Operations		8 September 2023	Member	4	4
6	Chief Information Officer		8 September 2023	Member	4	4
7	Chief Business Officer		8 September 2023	Member	4	4

 Chairperson  Member

\*The Composition of the Committee also comprises senior management of the Company.

TERMS OF REFERENCE:

The terms of reference of the ITSC are in line with the applicable laws and these broadly include:

➤ Roles and Responsibilities of the Committee:

- Approving IT strategy and policy documents and ensuring that the management has put an effective strategic planning process in place;
- Ascertaining that management has implemented processes and practices that ensure that the IT delivers value to the business;
- Ensuring IT investments represent a balance of risks and benefits and that budgets are acceptable;
- Monitoring the method that management uses to determine the IT resources needed to achieve strategic goals and provide high-level direction for sourcing and use of IT resources;
- Ensuring the IT Risk Assessment exercise is executed fully. Specific responsibilities include the following activities.
  - a. Review & Approve the IT Risk Register annually.
  - b. Guide management on how to prioritise IT Risks.
  - c. Review & Approve the Risk mitigation plans provided by IT
- Ensuring proper balance of IT investments for sustaining Company's growth and becoming aware about exposure towards IT risks and controls;

- Periodically reviewing the process for development, approval and modification of the Company's IT strategy and strategic plan in line with the corporate strategies, Board Policy reviews, cyber security arrangements and any other matter related to IT Governance;
- Review the key issues, options and external developments impacting the Company's IT strategy including acquisition and development of Information Systems (New Application Software) and Change Management;
- Monitor enterprise risks assigned to the Committee by the Board under the Company's Enterprise Risk Management Programme and report thereon to the Audit Committee of the Board;
- Review the Information System (IS) audit report and further present to the Board or the Audit Committee, as may be decided, the IS Audit report with their comments thereon. The periodicity of IS audit should be at least once in a year. IS Audit should be undertaken preferably prior to the statutory audit so that IS audit reports are available to the statutory auditors well in time for examination and for incorporating comments, if any, in the audit reports;
- Ongoing review of third party / outsourcing arrangements including onboarding, commercial/key terms and conditions and risk associated therewith;

- Review the IT Policies of the Company;
- Approving Information Security strategy, Information Security budget and Information Security resources;
- The Committee may delegate, as it deems appropriate, its responsibilities and duties to subcommittees or individual members of the Committee;
- Review the proceedings of the meetings of IT Steering Committee and its recommendations;
- The Committee shall annually review and reassess the adequacy of this Charter and recommend any proposed changes to the Board for its approval;
- Any other matter as delegated by the Board of Directors of the Company from time to time.

➤ Roles and Responsibilities of the Committee related to outsourced operations:

- Instituting an appropriate governance mechanism for outsourced processes, comprising of risk based policies and procedures, to effectively identify, measure, monitor and control risks associated with outsourcing in an end to end manner;
- Defining approval authorities for outsourcing depending on nature of risks and materiality of outsourcing;
- Developing sound and responsive outsourcing risk management policies and procedures commensurate with the nature, scope, and complexity of outsourcing arrangements;

- Undertaking a periodic review of outsourcing strategies and all existing material<sup>1</sup> outsourcing arrangements;
- Overview compliance with the Outsourcing policy, wherever applicable;
- Evaluating the risks and materiality of all prospective outsourcing based on the framework developed by the Board;
- Periodically reviewing the effectiveness of policies and procedures;
- Communicating significant risks in outsourcing to the Company's Audit Committee of the Board or the Board on a periodic basis;
- Ensuring an independent review and audit in accordance with approved policies and procedures;
- Ensuring that contingency plans have been developed and tested adequately;
- Ensuring that the business continuity preparedness is not adversely compromised on account of outsourcing. Ensuring sound business continuity management practices as issued by RBI and seeking proactive assurance that the outsourced service provider maintains readiness and preparedness for business continuity on an ongoing basis.

H. MANAGEMENT COMMITTEE

During the financial year ended 31 March 2025, Four (4) Management Committee Meetings were held on 31 May 2024, 24 June 2024, 22 September 2024 and 19 December 2024.

The composition and attendance of each member of Management Committee are as under:

Sr. No.	Name of Director	Capacity	Date of Appointment	Category of Directors	Number of Meetings Held	Number of Meetings Attended
1	Mr. Manish Jaiswal		22 October 2021	Managing Director and Chief Executive Officer	4	4
2	Mr. Nitin Gupta		8 September 2023	Non-Executive Independent Director	4	2
3	Mr. Sanjeev Mehra		8 September 2023	Non-Executive Non Independent Director	4	4

 Chairperson  Member

TERMS OF REFERENCE:

The Management Committee constituted by the Board of Directors is to execute Board's directions and facilitate operational matters and to perform its executive role on matters which are within the purview of delegated powers by the Board from time to time subject to the provisions of the Companies Act, 2013 and rules made thereunder.

- To do all such acts, deeds and things and decide on all such matters relating to signing and filing of application / execution / registration of Lease Agreement/ Leave & License Agreement/ Electricity/ telephone connection/ State Electricity Board / obtaining Trade License and Certificate under Shops and Establishment Act / telephone etc. and transferring old as well as new connection for the purpose of the business of the Company and for this purpose issue various Power of Attorneys in favour of the Officials of the Company for legal and administrative purposes as per the business requirement from time to time.
- To authorise officials of the Company in relation to Provident Fund, Labour Welfare Fund, Employee State Insurance matters, Professional Tax, National Pension System and also to comply with statutory matters in relation to Goods and Services Tax or other applicable taxes and other statutory authorities.
- To decide on matters relating to filing, application / execution / registration of VAT/Sales Tax / Income Tax, Service Tax and such other tax and / or defending of cases in various Courts of law in India with reference to the abovementioned matter and for this purpose issue Power of Attorneys in favour of the Officials/ Authorised Representative of the Company for legal and administrative purposes from time to time.
- To do all such acts, deeds and things and decide on all such matters relating to Opening and Closing of Current/Cash Credit/Demat/ Fixed Deposit/ CSDL Account and Inclusion and Deletion of the Authorised Signatories to the said Current/Cash Credit/Demat/ Fixed Deposit/ CSDL Account opened in the name of the Company for the purpose of the business requirement of the Company and for availing various services viz. viewing right facility, cash management services etc. in respect of the Accounts as mentioned above.
- To enter into Non-Disclosure Agreements and various other type of Agreements with various entities from time to time relating to the business of the Company including- Rental / Lease Agreements for obtaining premises for maintaining the operations of the Company across the country, entering into Memorandum of understandings / tie-ups with various builders/agencies, in the context of Company's business etc., and to authorise officials of the Company from time to time to sign and execute such Agreements and documents on behalf of the Company.
- To issue authorisation and/or Power of Attorney(s) in favour of such persons as it may be deemed to be fit and expedient to act as true and lawful Attorney of the Company to, inter alia, represent, the Company before the courts of law - civil or criminal, tribunals (including but not limited to arbitration tribunals), quasi-judicial, Lok Adalat and other statutory authorities and such other forums (the 'Judicial Authorities'), to verify all complaints, written statements, writs petition and other pleadings, applications, petitions or documents to be submitted to such Judicial Authorities; to receive and acknowledge notice(s) and to consent or submit to or appeal against, any judgment, order or award in any such suit, criminal case including complaints, action or proceedings before such Judicial Authorities; to compromise or discontinue any such suit, criminal cases including complaints, action or proceedings; to deposit, withdraw and receive documents and any money or monies to and from the court or any such suit, or any such authorities either in execution of decree or otherwise and sign and deliver proper receipts thereof and to engage and appoint any solicitor, advocate or counsel to act and plead and otherwise conduct the cases / legal proceedings instituted by or against the Company, for all the offices of the Company from time to time as may be required.
- To issue authorisation and/or Power of Attorney(s) in favour of such persons as may be deemed fit and expedient, to act as true and lawful Attorney of the Company to, inter alia, sign and execute Mortgage Deeds, Memorandum of Entry, Release Deeds etc. as may be required from time to time with respect to loan facilities granted by the Company; to get the Memorandum of Entry, Mortgage Deeds, etc. as may be required, registered with the Registrar/Sub-Registrar of Assurance in the respective states; to cancel the said Mortgage Deeds, Memorandum of Entry etc., after repayment of loan/dues by the customer; to issue satisfaction letters to customers upon receipt of loan/ dues from the customer and to do every other necessary and lawful act as deemed necessary in the matters as mentioned aforesaid.
- To discuss, negotiate, accept and/or convey the acceptance of such Terms and Conditions in connection with the Term Loans, Credit Facilities of any type, inter corporate deposits, Issuance of Commercial Papers, other borrowings etc. on such terms and conditions to be contained in the Agreements and/or any other document to be issued/made by any Banks, Foreign Banks, Financial Institutions, Finance Companies, Foreign Institutional Investors (FII) and/or any other Lenders / Investor, Body Corporates, Firms and Individuals and to sign and execute the, Loan Agreements, Deed of Hypothecation and / or any other related documents, Agreement as may be required by Banks, Foreign Banks, Financial Institutions, Finance Companies, Foreign Institutional Investors (FII) and /or any other Lenders / Investor, Body Corporates, Firms and Individuals in connection with the Term Loans, Credit facilities of any type, inter corporate deposits, other borrowings, to appoint Issuing and Paying Agent and also to modify the same as may be required, upto the overall borrowing limits as approved by the Shareholders' of the Company under Section 180(1)(c) of the Companies Act, 2013 from time to time.
- To consider and transact the matter of issue and allotment of Non Convertible Redeemable Debentures to the proposed allottees on private placement basis upto the overall limits as approved by the Shareholders' of the Company.
- Authorisation to Management Committee of the Board of Directors of the Company to deal with the matter relating to any amendment, modification or change in the terms of issue of the instruments (i.e. issue of Debentures, Bonds, Commercial Papers etc.) including, if necessary, the agreements already entered by the Company.
- To deal with the matters relating to the Investments of the Company in Debentures including investment of surplus funds in short term liquid schemes of mutual funds, Term fixed deposits with banks including scheduled banks, small finance banks etc. as envisaged in detail in the Investment Policy of the Company and to do all such acts, deeds, and things and decide on all such matters as may be necessary to deal with in this regard on behalf of the Company.
- Delegation authority to Signing of No Objection Certificate, System generated statements, Letters for release of charge on mortgaged property to the builder/Society, Letters to the customers in response to their queries and Rate Drop Letters to the customer for the cases in which rate drop is considered appropriate by senior management team of the Company in accordance with established decision grid from time to time.
- To do all such acts, deeds and things and decide on all such matters relating to securitisation and Direct Assignment deal with various Banks, NBFCs and HFCs from time to time.
- To approve any scheme of arrangement or amalgamation, which is in the interest of the Company, between the entities to whom the Company has extended various loan facilities, authorise any person of the Company to sign and issue No Objection Certificate (NOC) as required under various laws for the amalgamation or arrangement of one entity with the other entity, to appear before the competent authority on behalf of the Company as and when required and to do any other acts, deeds and matters incidental thereto.
- Consider and approve for and on behalf of the Company such borrowings (Inter Corporate Loans for an amount as approved by the Board at such rate of interest as may be mutually decided between Lender and the Company from time to time) including fixing the other terms and conditions.
- To issue authorisation in favour of officials for matters pertaining to SARFAESI for the purpose of the business of the Company.
- To issue authorisation in favour of officials for matters pertaining to Trademark/Copyright for the purpose of the business of the Company and availing various services including but not limited to obtaining external consultancy/support.
- To issue authorisation in favour of officials for matters pertaining to Depositories for the purpose of the business of the Company and availing various services.
- To consider, evaluate and finalise write-off of assets/ portfolio (excluding fraud cases) basis approved Policy on Provisioning for NPAs and Write-off wherein write-off is required due to reasons other than delays in the portfolio
- Exercise such powers which may be delegated by the Board from time to time subject to provisions of the Companies Act, 2013 and the rules made thereunder as amended from time to time, Memorandum and Articles of Association of the Company.

#### I. REVIEW COMMITTEE

During the financial year ended 31 March 2025, no meeting of Review Committee was held. The composition of the Review Committee constituted pursuant to RBI HFC Master Directions and other applicable provisions and laws is as under:



Sr. No.	Name of Director	Capacity	Date of Appointment	Category of Directors	Number of Meetings Held	Number of Meetings Attended
1	Mr. Manish Jaiswal		27 June 2017	Chairperson, Managing Director and Chief Executive Officer	-	-
2	Mr. Prem Manjooran		8 September 2023	Member, Non-Executive Independent Director	-	-
3	Ms. Richa Arora		22 March 2024	Member, Non-Executive Independent Director	-	-

 Chairperson  Member

TERMS OF REFERENCE:

The terms of reference of the Review Committee are in line with the applicable laws and these broadly include:

- Review the findings of the Identification Committee (IC) and take into consideration the written response and contentions of the Borrower
- Seek necessary information from the IC;
- Make classification as a willful defaulter by explaining the reasons in writing
- Allow the borrower and / or Guarantor an opportunity of being heard by way of written representations as well through a personal hearing or representation by a lawyer.
- Consider any error in judgement or bias, in the decision of the IC.
- Pass the final reasoned order, as to whether to classify a borrower and / or Guarantor as willful defaulter or not, after due consideration of all the facts, supporting evidence and documentation of the case. The order so passed shall be treated binding on the borrower and / or Guarantor and the same shall be communicated to the willful defaulter.
- Consider and decide on publication of photographs of Wilful Defaulters based on criteria mentioned in the Wilful Default Policy.

- Consider and decide the involvement of statutory auditors of the Borrower and third parties in the Willful Default.
- Authorise a person to, review and determine the removal of the name of any Willful Defaulter from the List of Willful Defaulter (LWD), as per the provisions of the Master Directions and Policy.

Directors and Officers Insurance ('D&O')

In terms of SEBI Listing Regulations, 2015, the Company has taken a D&O Insurance Policy with adequate quantum and coverage.

Code of Conduct for Board Members and Senior Management Personnel's (SMP)

The Company has adopted and made applicable Code of Conduct for the Board Members and SMPs of the Company ("the Code"). The SMPs of the Company have made disclosures to the Board confirming that there are no material financial and/or commercial transactions between them and the Company that could have potential conflict of interest with the Company. All the Board Members and SMPs have confirmed compliance with the Code during the financial year under review.

GENERAL MEETING

Annual General Meeting

The details of date, time and location of the Annual General Meetings (AGM) held in the last 3 years are as under:

AGM	Date and Time	Venue / Deemed Venue	Special resolutions passed
20 <sup>th</sup>	14 May 2024 at 05:00 p.m.	Registered office of the Company through Video Conferencing / Other Audio-Visual Means	-
19 <sup>th</sup>	2 June 2023 at 05:00 p.m.	Registered office of the Company through Video Conferencing / Other Audio-Visual Means	Increase in borrowing limit under section 180(1)(c) of the Companies Act, 2013 upto ₹ 8,000 Cr.
18 <sup>th</sup>	21 June 2022 at 11:30 a.m.	Registered office of the Company through Video Conferencing / Other Audio-Visual Means	Reappointment of Mr. Manish Jaiswal as Managing Director and Chief executive Officer of the Company

Extraordinary General Meeting

The details of date, time and location of the Extra Ordinary General Meetings (EGM) held during the year under review are as follows:

EGM	Date and Time	Venue / Deemed Venue	Resolutions passed
38 <sup>th</sup>	03 June 2024 at 05:30 p.m.	Registered office of the Company through Video Conferencing / Other Audio Visual Means	Revision in remuneration of Mr. Manish Jaiswal (DIN: 07859441), Managing Director & Chief Executive Officer of the Company

POSTAL BALLOT

During the year, no transaction was approved by postal ballot by the Members of the Company.

Means of Communication

- a) Financial Results:** The quarterly and annual results of the Company are duly submitted to the Stock Exchange after they are approved by the Board.
- b) News Releases:** In terms of Regulation 52 of SEBI Listing Regulations, the quarterly and annual results of the Company are published in the prescribed format within 48 hours of the conclusion of the meeting of the Board in which they are considered and approved, in English newspaper circulating in the whole or substantially the whole of India (usually Business Standard).
- c) Website:** The Company's website grihumhousing.com has a separate dedicated section 'Investors' where latest information required under Regulation 62 and other applicable provisions of the SEBI Listing Regulations are available. Other than the quarterly and annual results, information about the Company, its business and operations etc. are hosted on the website.
- d)** During the FY 2024-25, no presentations were made to analysts or investors.
- e) BSE Listing Centre (Listing Centre):** Listing Centre is a web-based application designed by BSE for corporates. All periodical and other compliance filings are filed electronically on the Listing Centre.
- f) News and Media releases:** Official news and media releases are disseminated to stock exchanges and displayed on the Company's website.

General Shareholder Information

- a) Annual General Meeting:** Annual General Meeting is held within the stipulated time period under the Companies Act, 2013

- b) Financial year:** The Company follows the Financial Year starting from April 01 to March 31, every year. The reporting period for FY 2024-25 was from 1 April 2024 to 31 March 2025
- c) Dividend payment date:** Not Applicable
- d)** The Company's non-convertible debentures are listed on BSE Limited (BSE) having a registered office address as PJ Towers, Dalal Street, Fort, Mumbai - 400 001 and the Company's Security code is 10828. The Company has duly paid the annual listing fees to BSE Limited.
- e)** None of the listed securities of the Company are suspended from trading.
- f)** The Company's equity shares are not listed on stock exchanges. Hence, the details of market price data and comparison to broad-based indices are not applicable to the Company.
- g)** Registrar and Share Transfer Agent:

Equity & CCPS	Non-Convertible Debentures (NCDs)
<b>MUFG Intime India Private Limited (Formerly, Link Intime India Private Limited)</b> Address: C-101, 247 Park, L.B.S Marg, Vikhroli (West), Mumbai-400083.	<b>MUFG Intime India Private Limited (Formerly, Link Intime India Private Limited)</b> Address: C-101, 247 Park, L.B.S Marg, Vikhroli (West), Mumbai-400083.

- h)** Dematerialisation of shares: All the securities issued by the Company are in dematerialised mode and are not listed on stock exchanges.
- i)** No physical share transfer requests were received by the Company during the year under review.

## j) Distribution of Shareholding:

Sr. No.	Category	Equity Shares				Compulsory Convertible Preference Shares			
	(No. of Shares)	Number of Holders	% To Total Holders	Number of Shares	% To Total Equity	Number of Holders	% To Total Holders	Number of Shares	% To Total Equity
1	1 - 5,000	6	33.33	6*	0	-	-	-	-
2	5,001-10,000	-	-	-	0	-	-	-	-
3	10,001-20,000	3	16.67	44,325	0.01	-	-	-	-
4	20,001-30,000	2	11.11	47,250	0.01	-	-	-	-
5	30,001-40,000	2	11.11	62,775	0.02	-	-	-	-
6	40,001-50,000	1	5.56	49,500	0.02	-	-	-	-
7	50,001-1,00,000	1	5.55	83,024	0.03	-	-	-	-
8	1,00,001 & above	3	16.67	32,64,83,564	99.91	1	100	16,06,28,339	100
	<b>Total</b>	<b>18</b>	<b>100</b>	<b>32,67,70,444</b>	<b>100</b>	<b>1</b>	<b>100</b>	<b>16,06,28,339</b>	<b>100</b>

\*Beneficial interest of these shares lies with Perseus SG Pte Ltd, Promoter of the Company

- k) Outstanding GDRs / ADRs or Warrants or any Convertible Instrument, conversion dates and likely impact on equity: NIL
- l) Commodity price risk or foreign exchange risk and hedging activities: Company does not have exposure to foreign exchange risk and Commodity price risk. Hence no hedging activities were performed during the FY 2024-25.
- m) Address for correspondence: Registered Office - 6th Floor, B-Building, Ganga Trueno, Lohegaon, Pune - 411014, Maharashtra
- n) The Credit Rating obtained by the Company forms part of the Board's Report.

**Other Disclosures**

- a) During the year, the Company had no materially significant related party transactions which were considered to have potential conflict with the interests of the Company at large.
- b) The Company has complied with the requirements of the stock exchanges, SEBI, RBI and other statutory authorities or regulators on all matters related to capital markets during the last three years and accordingly no penalties or strictures were imposed on the Company by the stock exchanges, SEBI, RBI or any other statutory or regulatory authority.
- c) The Board of Directors of the Company has adopted a Vigil Mechanism/Whistle Blower Policy for the Directors and employees. The employees are encouraged to report to the Whistle-blower Administrator, if they observe any fraudulent financial or other information or conduct those results in the instances of unethical behavior,

actual or suspected violation of the Company's Code of Conduct and the Ethics Policy. This policy and practices provide adequate safeguards against victimisation of employees who report to the Whistle-blower Administrator. No Personnel have been denied access for making disclosure or report under the Policy to the Vigilance Officer and/or Audit Committee.

- d) The Company does not have any subsidiary and hence, the policy for determining material subsidiaries is not applicable to the Company.
- e) Policy on dealing with related party transaction has been disclosed on the Company's website at grihumhousing.com
- f) Policy on dealing with Policy on Diversity of Board has been disclosed on the Company's website at grihumhousing.com
- g) The Company has complied with the provisions of the Companies Act, including accounting and secretarial standards. There has been no instance of breach of covenant of loan availed or debt securities issued by the Company.
- h) During the year under review, the Company has not granted any Loans and advances in the nature of loans to firms/companies in which directors are interested.
- i) The Company has implemented a Policy on Prevention, Prohibition, and Redressal of Sexual Harassment at the Workplace (POSH), in accordance with the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. During the year under review, no complaints were received or addressed under the POSH policy, and there were no pending complaints.

**Affirming Compliance with Code of Conduct**

As provided under Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, I hereby declare that all the Members of the Board and Senior Management Personnel of the Company have affirmed Compliance with the Code of Conduct for Board and Senior Management Personnel of the Company during the financial year ended 31 March 2025.

**For and on behalf of the Board of Directors of  
Grihum Housing Finance Ltd**  
(Formerly, Poonawalla Housing Finance Limited)

**Manish Jaiswal**

Managing Director and Chief Executive Officer  
DIN: 07859441

Date: 22 May 2025

Place: Pune





INDEPENDENT AUDITOR'S REPORT

To the members of

Grihum housing Finance Limited

(Formerly Poonawalla Housing Finance Limited)

Report on the audit of the financial statements

OPINION

We have audited the accompanying financial statements of **Grihum Housing Finance Limited** (Formerly Poonawalla Housing Finance Limited) ('the Company'), which comprise the balance sheet as at 31 March 2025, the statement of profit and loss (including other comprehensive income), the cash flow statement and the statement of changes in equity for the year ended and notes to the financial statements, including a summary of significant accounting policies and other explanatory information ('the financial statements').

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

We have determined the key audit matters as described below:

Key Audit Matters	How our audit addressed the key audit matters
<b>Impairment of loans to customers:</b>  As at 31 March 2025, the Company has reported total gross loan assets of ₹ 7,863.71 Cr against which an impairment loss of ₹ 102.60 Cr has been recorded.  The accounting policies in respect of impairment losses on loans is given vide Note no. 2(h)(v) to the financial statements.  The calculation of impairment losses on loans is complex and is based on application of significant management judgement and the use of different modelling techniques and assumptions which have a material impact on reported profits.	<b>Our key audit procedures included:</b> <ul style="list-style-type: none"><li>Reviewed the Company's accounting policies for impairment of loan assets in accordance with the accounting principles laid down in Ind AS 109 'Financial Instruments' and the governance framework as per the guidelines issued by the Reserve Bank of India from time to time.</li><li>Reviewed the ECL model, including assumptions and underlying computation and ensured that there is no management intervention and bias in computing these fundamental parameters for provisioning.</li><li>Carried out audit procedures to ensure the accuracy of DPD (Days Past Due) calculation and the appropriate classification of ECL stages..</li></ul>

BASIS FOR OPINION

We conducted our audit in accordance with the Standards on Auditing ('Standards' or 'SAs') specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the *Auditor's responsibilities for the audit of the financial statements* section of our report.

We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ('ICAI') 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 opinion on the financial statements.

KEY AUDIT MATTERS

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements for the financial year ended March 31, 2025. These matters were addressed in the context of our audit of financial statements taken as a whole, in forming our opinion thereon and we do not provide a separate opinion on these matters.

Key Audit Matters	How our audit addressed the key audit matters
Considering the significance of the above matter to the overall financial statements, and extent of management's estimates and judgements involved, we have identified this as a key audit matter for the audit of current year.	<ul style="list-style-type: none"><li>Reviewed the completeness of the ECL provision by reconciling loan data dumps with the financial statements, and ECL schedules to ensure that the entire loan portfolio was subjected to the ECL provision.</li><li>We have examined, on a test basis, the data inputs to the discounted cash flow models, including the forecast of future cash flows with reference to the agreed repayment schedules and their present values.</li><li>Compared the provision for ECL vis-à-vis provision as per the Reserve Bank of India (RBI) IRAC norms and confirmed that there is no shortfall of ECL when compared to the IRAC norms.</li><li>Performed analytical reviews of disaggregated data to observe any unusual trends warranting additional audit procedures.</li><li>Assessed disclosures included in the financial statements in respect of expected credit losses.</li></ul>
<b>IT systems and controls:</b>  The Company's key financial accounting and reporting processes are highly dependent on the automated controls in information systems, such that there exists a risk that gaps in the IT control environment could result in the financial accounting and reporting records being materially misstated.  Accordingly, we identified IT systems and controls over financial reporting as a key audit matter for the Company.	<ul style="list-style-type: none"><li>We involved our internal IT expert to carry out the testing of IT general controls and other controls relevant for financial reporting</li><li>Obtained an understanding of the Company's IT related control environment, IT applications and databases relevant for the purpose of our audit of the financial statements.</li><li>Tested the design and operating effectiveness of the Company's IT general controls over the IT applications and databases. Tested IT general controls particularly, Logical Access Management, Change Management, Backup Management and other aspects of IT operational controls.</li><li>Where there is a dependency on vendor for software service, we have reviewed SOC 2 type 2 of the respective vendors to evaluate the design and operating effectiveness of controls.</li></ul>

INFORMATION OTHER THAN THE FINANCIAL STATEMENTS AND AUDITOR'S REPORT THEREON

The Company's Management and Board of Directors are responsible for the preparation of the other information. The other information comprises the Board's report, management discussion and analysis included in the annual report but does not include the financial statements and our auditor's report thereon. The Annual Report is expected to be made available to us after the date of this auditor's report.

Our opinion on the financial statements does not cover the other information, and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information

is materially inconsistent with the financial statements or our knowledge obtained during the course of our audit, or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact to communicate the matter to those charged with governance.

MANAGEMENTS AND BOARD OF DIRECTORS RESPONSIBILITIES FOR THE FINANCIAL STATEMENTS

The Company's Management and Board of Directors are responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance, cash flows and changes in equity of the Company in accordance with the accounting

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

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

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

#### AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS

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

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

- A. Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- B. 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 system in place and the operating effectiveness of such controls.

- C. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- D. Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- E. Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the 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

The financial statements for the year ended 31 March 2024, were audited by the predecessor auditor whose report dated 03 May 2024 expressed an unmodified opinion on those statements.

Our opinion is not modified in respect of this other matter.

#### 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 A**', a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by section 143 (3) of the Act and based on our audit, we report that:
  - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
  - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
  - c) The balance sheet, the statement of profit and loss (including other comprehensive income), statement of changes in equity and the statement of cash flows dealt with by this report are in agreement with the books of account;
  - d) In our opinion, the aforesaid financial statements comply with the Ind AS specified under section 133 of the Act, read with rule 7 of the Companies (Accounts) Rules, 2014.
  - e) On the basis of the written representations received from the directors as on 31 March 2025 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2025 from being appointed as a director in terms of section 164 (2) of the Act;
  - f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in '**Annexure B**'; our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.

- g) As required by section 197 (16) of the Act, based on our examination of the books of the accounts and other records of the company and to the best of our information and according to the explanations given to us, the remuneration paid by the company to its directors during the year is in accordance with the provisions of section 197 of the Act,
- h) With respect to the other matters to be included in the auditor's report in accordance with rule 11 of the Companies (Audit and Auditors) Rules, 2014, 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 litigation on its financial position in its financial statements vide note no. 48 to the financial statements.
  - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses as at 31 March 2025.
  - iii. There were no amounts which were required to be transferred to the investor education and protection fund by the company during the year ended 31 March 2025.
  - iv. Reporting on rule 11(e):
    - (a) The Management has represented that, to the best of its knowledge and belief, as stated in Note no. 53 no funds (which are material either individually or in aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other source or kind of funds) by the company to or in any other person (s) or entity (ies) including foreign entity (intermediaries) with the understanding whether recorded in writing or otherwise, that the intermediary shall, whether directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (ultimate beneficiaries) or provide any guarantee, security or the like on behalf of ultimate beneficiaries.
    - (b) The Management has represented, that, to the best of its knowledge and belief, as stated in Note no. 54 no funds (which are material either individually or in the aggregate) have been received by the Company from any person(s) or entity(ies), including foreign entities ('Funding Parties'), with



- the understanding, whether recorded in writing or otherwise, that the Company shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ('Ultimate Beneficiaries') or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- (c) Based on the audit procedures that has been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of rule 11(e), as provided under (a) and (b) above, contain any material misstatement.
- v. During the previous year, the Company has not declared/paid dividend. Accordingly, reporting under section 123 of the Act is not applicable.
- vi. Based on our examination which included test checks, the Company has used an accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software, except for following instances:

- (a) The Company makes use of a third party service provider for an accounting software. The Company has provided us the Service Organisation Controls 2 ('SOC 2') report covering the period from 01 October 2023 to 30 September 2024. A bridge letter issued by said third party service provider covering the period from 01 October 2024 to 31 March 2025 confirms no change in the internal control environment during the said period.
- (b) One of the collection software, the audit trail feature was not enabled at the database level to log any direct data changes.

Further, during the course of our audit, except for mentioned above, we did not come across any instance of audit trail feature being tampered with and additionally, the audit trail has been preserved by the company as per the statutory requirements for record retention. - Refer note 68 to the financial statements.

For **Sharp & Tannan Associates**  
Chartered Accountants  
Firm's Registration no. 109983W

**CA. Arnob Choudhuri**  
Partner  
Membership no.(F) 156378  
UDIN: 25156378BMMJYG8212  
Pune, 22 May 2025

## ANNEXURE A TO THE INDEPENDENT AUDITOR'S REPORT

With referred to paragraph 1 under 'Report on Other Legal and Regulatory Requirements' of our report to the members of Grihum Housing Finance Limited ('the Company') on even date we report the following

To the best of our information and according to the explanations provided to us by the Company and the books of account and records examined by us in the normal course of audit, we state that:

- (i) (a) (A) The Company is maintaining proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment.
- (B) The Company has maintained proper records showing full particulars of intangible assets.
- (b) The Property, Plant and Equipment have been physically verified by the management at regular intervals based on the programme of verification in a phased manner which in our opinion is reasonable. No material discrepancies were noticed during such physical verification conducted by the Company during the year.
- (c) The Company does not hold any immovable properties (other than properties where the Company is the lessee, and the lease agreements are duly executed in favour of the lessee). Accordingly, reporting under paragraph 3(i)(c) of the order is not applicable.
- d) During the year, the Company has not revalued its Property, Plant and Equipment (including Right of Use assets) or Intangible Assets. Accordingly, reporting under paragraph 3(i)(d) of the Order is not applicable.
- (e) No proceedings have been initiated or are pending against the Company as at 31 March 2025 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder. Accordingly, reporting under paragraph 3(i)(e) is not applicable.
- (ii) (a) The Company is a housing finance company primarily engaged in the business of lending towards housing loans and does not hold any inventories. Accordingly, reporting under Paragraph 3(ii)(a) of the said Order is not applicable.
- (b) During the year, the Company has been sanctioned working capital limits in excess of five crore rupees, in aggregate, from banks on the basis of security of current assets. The management of the Company has provided us the quarterly returns/statements, which they have represented to us have been filed by the Company with such banks. These quarterly returns/statements are in agreement or have been

reconciled with the books of account.

- (iii) (a) The Company is a housing finance company primarily engaged in the business of lending.
- Accordingly reporting under Paragraph 3(iii) (a) of the Order is not applicable;
- (b) During the year the Company has not provided any advances in the nature of loans, guarantee or security to any other entity. The company has not made any investments in companies, firms, limited liability partnerships or any other parties. Further, the investments made and the terms and conditions of the grant of loans during the year, are not prima facie prejudicial to the interest of the Company.
- (c) In respect of loans and advances in the nature of loans granted during the year in the ordinary course of business, the terms for repayment of principal and payment of interest have been stipulated, and repayments have generally been regular. However, there have been instances of overdue amounts.
- Considering the large volume of loan transactions, it is not practicable to provide party-wise details of such irregularities in this report. However, such details are available with the Company. As of March 31, 2025, there were 5,751 loan accounts with overdue amounts aggregating to ₹ 22.93 Cr [post Minimum Retention Requirement ('MRR')].
- (d) The following amounts are overdue for more than ninety days from any other parties to whom loan has been granted. The Company has taken reasonable steps for recovery of the overdue amount of principal and interest.

(₹ in Cr.)

Number of Cases	Principal Amount Overdue	Interest Overdue	Total Overdue	Remark
1644	1.96	11.58	13.54	Figures are post MRR

- (e) The Company is a housing finance company primarily engaged in the business of lending towards housing loans. Accordingly reporting under Paragraph 3(iii) (e) of the Order is not applicable.
- (f) The Company has not granted any loans or advances in the nature of loans that were either repayable on demand or without specifying any terms or period of repayment during the year.

(iv) The Company has not advanced loans or made investments in or provided guarantees or security to parties covered by section 185 and 186 of the Companies Act, 2013. Accordingly, reporting under paragraph 3(iv) of the Order is not applicable.

(v) The Company is registered with National Housing Bank (NHB) to carry on the business of housing finance without accepting public deposits as such provisions of section 73 are not applicable to the company. The company has not accepted any public deposits and amounts deemed to be deposits as per the provisions of Companies Act and rules made thereunder. Further the Company has not accepted any deposits before the commencement of the Act. As such provisions of Section 74, 75 & 76 of the Act are not applicable to the Company.

No order has been passed by Company Law Board or National Company Law Tribunal or Reserve Bank of India or any court or any other tribunal.

(b) According to the information and explanations given to us and on the basis of examination of books of account and records of the company, we report that there are no dues in respect of provident fund, income tax, employees state insurance, goods and services Tax, cess and other material statutory dues which have not been deposited on account of any dispute except as stated under:

Name of the Statute	Nature of the Dues	Amount (₹ in Cr)	Period to which the amount relates	Forum where the dispute is pending	Remark, if any
Income Tax Act, 1961	Income Tax	1.93	FY 2018-19	Income Tax Appellate Tribunal	Income Tax Department have filled Appeal with Tribunal (ITAT) against favourable order received from CIT(A) Ahmedabad
Goods and Service Tax, 2017	GST	0.29	FY 2019-20	Commissioner (Appeals) - Delhi	The company has filed an appeal with the Appellate Authority (AA) against the demand order received in August 2024. Currently, the matter is pending, and the company is awaiting a hearing.

(viii) There are no transactions which are not recorded in the books of account and have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961

(ix) (a) The company has not defaulted in repayment 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 wilful defaulter by any bank or financial institution or other lender.

(c) The term loans availed by the Company during the year, were applied by the Company for the purposes for which the loans were obtained.

(d) Funds raised on short term basis have not been utilised for long term purposes.

(vi) The Central Government has not specified maintenance of cost records under sub-section (1) of section 148 of the companies Act, 2013 in respect of Company's services. Accordingly, the provisions of Paragraph 3(vi) of the Order are not applicable to the company.

(vii) In respect of statutory dues:

(a) The company is generally regular in depositing the undisputed statutory dues including provident fund, income tax, employees state insurance, goods and services Tax, Cess and other material statutory dues as applicable with appropriate authorities except for few delays in respect of State Profession Taxes and Employee State Insurance Plan. We further report that there were no undisputed statutory dues as at the last day of the financial year which were outstanding for a period of more than six months.

(e) The Company does not have subsidiary, associate, or joint venture. Accordingly, reporting on paragraph 3(ix)(e) of the Order is not applicable.

(f) The Company does not have subsidiary, associate, or joint venture. Accordingly, reporting on paragraph 3(ix)(f) of the Order is not applicable

(x) (a) During the year, the Company has not raised any money by way of initial public offer or further public offer (including debt instruments). As such, reporting under Paragraph 3(x)(a) is not be applicable.

(b) During the year, the company has not made any preferential allotment or private placement of shares or convertible debentures (fully, partially or optionally convertible).

(xi) (a) Except for cases aggregating to ₹ 2.05 Cr (has been fully provided for/written-off), which primarily relate to cheating and forgery, we have not come across any other instances of fraud committed by the Company or any material instances of fraud on the Company by its officers or employees that have been noticed or reported.

(b) No report under section 143(12) of the Companies Act, 2013 has been filed during the year by the auditors in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.

(c) No whistle-blower complaints were received during the year by the Company.

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

(xiii) Based on the audit procedures performed, we report that the transactions with the related parties are in compliance with Sections 177 and 188 of the Act where applicable and the details as required by the applicable Indian Accounting Standards have been disclosed in the Note No. 39 to the Financial Statements.

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

(b) The internal audit reports issued to the Company during the year have been considered by us during the course of our audit.

(xv) Company has not entered into any non-cash transactions of the nature as described in Section 192 of the Act. As such, reporting under clause 3 (xv) is not applicable. .

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

(b) The company is a housing finance company, and it holds a Certificate of Registration (CoR) from the Reserve Bank of India and has accordingly conducted housing finance activities during the year.

(c) The Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Accordingly, reporting on paragraph 3(xvi)(c) of the Order is not applicable.

(d) The Group does not have CIC. Accordingly, reporting on paragraph 3(xvi)(d) of the Order is not applicable

(xvii) The Company has not incurred cash losses in the financial year and in the immediately preceding financial year.

(xviii) There has been no resignation of the statutory auditors during the year. Accordingly, reporting on para 3(xviii) of the order is not applicable.

(xix) On the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements, 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) As disclosed in Note No. 49 to the financial statements, the Company does not have unspent amounts which are required to be transferred to a Fund specified in Schedule VII to the Companies Act within a period of six months of the expiry of the financial year in compliance with second proviso to sub-section (5) of section 135 of the said Act.

(b) The Company does not have any amount remaining unspent under sub-section (5) of section 135 of the Companies Act, pursuant to any ongoing project, which is required to be transferred to special account in compliance with the proviso to sub-section (6) of section 135 of the said Act;

(xxi) The Company does not have subsidiary, associate or joint venture hence is not required to prepare consolidated financial statements. Accordingly, reporting on paragraph 3(xxi) of the Order is not applicable.

**For Sharp & Tannan Associates**  
Chartered Accountants  
Firm's Registration no.109983W

**CA. Arnob Choudhuri**  
Partner  
Membership no. (F) 156378  
UDIN:25156378BMMJYG8212  
Pune, 22 May 2025





ANNEXURE B TO THE INDEPENDENT AUDITOR’S REPORT

Referred to in paragraph 2 (F) under the heading, 'Report on other legal and regulatory requirements' of our report on even date:

Report on the Internal Financial Controls

[under Clause (i) of section 143 (3) of the Companies Act, 2013 ('the Act')]

OPINION

We have audited the internal financial controls over financial reporting of Grihum Housing Finance Limited (Formerly known as Poonawalla Housing Finance Limited) ('the Company') as at 31 March 2025 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

In our opinion and to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March 2025, based on the internal financial control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting ('the guidance note') issued by the Institute of Chartered Accountants of India ('ICAI').

MANAGEMENTS AND BOARD OF DIRECTORS RESPONSIBILITY FOR INTERNAL FINANCIAL CONTROLS

The Company's Management and Board of Directors are 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 issued by the 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.

AUDITOR'S RESPONSIBILITY

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

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness.

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

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

MEANING OF INTERNAL FINANCIAL CONTROLS OVER FINANCIAL REPORTING

A Company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in

accordance with generally accepted accounting principles. A Company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with 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 OVER FINANCIAL REPORTING

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls,

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

For Sharp & Tannan Associates

Chartered Accountants

Firm's Registration no. 109983W

CA Arnob Choudhuri

Partner

Membership no. (F) 156378

UDIN: 25156378BMMJYG8212

Pune, 22 May 2025

**Independent Auditor's Additional Report for the year ended 31 March 2025 pursuant to the requirements of Non-Banking Financial Company - Housing Finance Company (Reserve Bank) Directions, 2021 issued by the Reserve Bank of India**

To,  
Board of Directors  
Grihum Housing Finance Limited  
(Formerly Poonawalla Housing Finance Limited)  
6th Floor, B Building, Ganga Trueno,  
Lohegaon, Pune, Maharashtra 411014

1. In addition to the report made under section 143 of the Companies Act, 2013 (the 'Act') on the Financial Statements of Grihum Housing Finance Limited (formerly Poonawalla Housing Finance Limited) (the 'Company') for the quarter and year ended 31 March 2025 and as required by Non-Banking Financial Company - Housing Finance Company (Reserve Bank) Directions, 2021 (the 'Directions') issued by the Reserve Bank of India (the 'RBI') and amended from time to time, we report as follows on the matters specified in paragraphs 70 and 71 of the said Directions, to the extent applicable.
2. We have audited the accompanying financial statements of the Company which comprise the Balance Sheet as at 31 March 2025, the Statement of Profit and Loss (including Other Comprehensive Income), Statement of Cash Flow and the Statement of Changes in Equity for the year then ended, and notes to the financial statements, including a summary of material accounting policies and other explanatory information (the 'Financial Statements') annexed thereto, on which we have issued an unmodified opinion dated 22 May 2025.

**MANAGEMENT'S RESPONSIBILITY:**

3. The Company's management and the Board of Directors are responsible for the matters stated in section 134(5) of the Act with respect to the preparation of the Financial Statements that give a true and fair view of the state of affairs, profit/loss and other comprehensive income, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards ('Ind AS') specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the accuracy and completeness of the

accounting records, relevant to the preparation and presentation of the Financial Statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

4. The Company's management is also responsible for ensuring that the Company complies with the requirements of the Reserve Bank of India Act, 1934 (the 'RBI Act'), National Housing Bank Act, 1987 (the 'NHB Act'), the Master Directions, and other circulars and directions issued by the RBI thereunder, and other applicable laws and regulations, as applicable and for providing all the required information to the RBI and the National Housing Bank (the 'NHB').

**AUDITOR'S RESPONSIBILITY:**

5. Pursuant to the requirements of the Master Directions, it is our responsibility to provide reasonable assurance whether anything has come to our attention which causes us to believe that the Company has not complied with the matters specified in paragraph 70 and 71 of the Master Directions, to the extent applicable to the Company.
6. We conducted our examination in accordance with the Guidance Note on Reports or Certificates for Special Purposes (Revised 2016) (the 'Guidance Note') issued by Institute of Chartered Accountants of India (the 'ICAI'). The Guidance Note requires that we comply with the ethical requirements of the code of Ethics issued by the ICAI.
7. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements issued by the ICAI.

**OPINION:**

8. Based on our audit of the financial statements for the quarter and year ended March 31, 2025 and examination on test check basis, evidences obtained and the information and explanations, we further report that:

- a. The Company is holding Certificate of Registration (no. DOR-00155) issued by Department of Regulation, Reserve Bank of India (RBI) dated 02 August 2021 (issued in lieu of earlier certificate dated 12 July 2017 issued by NHB) to carry on business of a housing finance institution without accepting public deposits, as required under Section 29A of the NHB Act, 1987. The Company meets the 'Principal Business Criteria' as laid down under Paragraph 4.1.17 of the Master Directions as disclosed in Note No. 61 of the Financial Statements, the 'percentage of total assets towards housing finance' and 'percentage of total assets towards housing finance for individuals' as at 31 March 2025 are 63.18% and 63.17% respectively as against the minimum regulatory requirement of 60% and 50% respectively. As such the conditions specified in paragraph 4.1.17 of the Master Directions, dated February 17, 2021, in respect of Principal Business Criteria are met;
- b. The Company as on 31 March 2025 has met the requirements in respect of Net Owned Fund ('NOF') as prescribed under Section 29A of the National Housing Bank Act, 1987;
- c. The Company has complied with the provisions of Section 29C of the NHB Act relating to 'Reserve Fund';
- d. The total borrowings of the Company are within the limits prescribed under paragraph 27.2 of the Master Directions;
- e. The Company has complied with the prudential norms relating to income recognition, accounting standards, asset classification, loan to value ratio, provisioning requirements, disclosure in balance sheet, investment in real estate, exposure to capital market and engagement of brokers, and concentration of credit/investments as specified in the Master Directions as applicable;
- f. The capital adequacy ratio as disclosed in the half yearly statutory returns for the period ended 30 September 2024, submitted to the NHB, as per directions issued by the NHB has been correctly determined and such ratio is in compliance with the prescribed minimum capital to risk weighted asset ratio (CRAR);
- g. The Company has furnished the half-yearly statutory return to the NHB, as specified in the directions issued by NHB, within the stipulated period;
- h. The Company has neither accepted any public deposits nor it is holding any public deposits. Accordingly, submission of quarterly statutory returns on Statutory Liquid Assets to the NHB in format as per in Schedule III, as specified in the directions issued by NHB, is not applicable;

- i. Based on our review on sample basis of the intimations to NHB in respect of opening of new branches / closure of existing branches, the Company has complied with the requirements of the Master Directions in respect of new branches/offices opened and closed during the year;
- j. During the year ended 31 March 2025, the Company has not granted any loan against security of shares or security of single product - gold jewellery in terms of paragraph 3.1.3 and 3.1.4 of the Master Directions. Further, during the year ended March 31, 2025 the Company has not granted any loan against its own shares in terms of paragraph 18 of the Master Directions;
- k. The Board of Directors of the Company has passed a resolution by circulation dated April 3, 2025 for non-acceptance of any public deposits for the financial year 01 April 2024 to 31 March 2025; and
- l. The Company has not accepted any public deposits during the year ended 31 March 2025;

**RESTRICTION ON USE:**

9. Our work was performed solely to assist you for ensuring compliance of the Company with the Master Directions. Our obligations in respect of this report are entirely separate from, and our responsibility and liability are in no way changed by any other role we may have as statutory auditors of the Company or otherwise. Nothing in this report, nor anything said or done in the course of or in connection with the services that are the subject of this report, will extend any duty of care we may have in our capacity as statutory auditors of the Company.
10. This report is addressed to and provided to the Board of Directors of the Company pursuant to our obligations under the Master Directions requiring us to submit a report on the additional matters as stated in the aforesaid directions and should not be used by any other person or for any other purpose. Accordingly, we do not accept or assume any liability or any duty of care or for any other purpose or to any other party to whom it is shown or into whose hands it may come without our prior consent in writing. We have no responsibility to update this report for events and circumstances occurring after the date of this report.

**SHARP & TANNAN ASSOCIATES**  
Chartered Accountants  
ICAI Firm Reg. No. 109983W

**CA Arnob Choudhuri**  
Partner  
Membership No.: (F) 156378  
UDIN: 25156378BMMJYE9089  
Pune, 22 May 2025



BALANCE SHEET

AS AT 31 MARCH 2025

(All amounts ₹ in Cr unless otherwise stated)

Particulars	Notes	As at 31 March 2025	As at 31 March 2024
<b>ASSETS</b>			
<b>Financial Assets</b>			
(i) Cash and cash equivalents	3	557.97	640.48
(ii) Bank balances other than cash and cash equivalents	4	418.90	94.93
(iii) Receivables			
(I) Trade receivables	5	-	-
(II) Other receivables	5	12.19	11.23
(iv) Loans	6	7,761.11	7,089.43
(v) Investments	7	201.41	207.71
(vi) Other financial assets	8	213.18	180.51
		<b>9,164.76</b>	<b>8,224.29</b>
<b>Non-Financial Assets</b>			
(i) Current tax assets (net)	9	6.18	4.44
(ii) Property, plant and equipment	10	19.24	20.91
(iii) Intangible assets under development	11	11.56	2.79
(iv) Other intangible assets	12	6.59	4.64
(v) Right of use assets	13	63.09	56.32
(vi) Other non-financial assets	14	36.26	33.03
		<b>142.92</b>	<b>122.13</b>
<b>Total Assets</b>		<b>9,307.68</b>	<b>8,346.42</b>
<b>LIABILITIES AND EQUITY</b>			
<b>LIABILITIES</b>			
<b>Financial Liabilities</b>			
(i) Payables			
(I) Trade payables			
(ii) total outstanding dues of micro enterprises and small enterprises	15	-	0.04
(ii) total outstanding dues of creditors other than micro enterprises' and small enterprises	15	3.63	2.59
(II) Other payables			
(i) total outstanding dues of micro enterprises and small enterprises	15	-	-
(ii) total outstanding dues of creditors other than micro enterprises' and small enterprises	15	10.53	14.99
(ii) Debt securities	16	434.29	933.77
(iii) Borrowings (other than debt securities)	17	5,960.95	4,731.06
(iv) Subordinated liabilities	18	99.93	99.82
(v) Lease liabilities	13	70.39	61.78
(vi) Other financial liabilities	19	77.52	66.05
		<b>6,657.24</b>	<b>5,910.10</b>
<b>Non-financial Liabilities</b>			
(i) Provisions	20	5.47	4.31
(ii) Deferred tax liabilities (net)	21	34.00	25.38
(iii) Other non-financial liabilities	22	9.90	16.74
		<b>49.37</b>	<b>46.44</b>
<b>EQUITY</b>			
(i) Equity share capital	23A	326.78	324.83
(ii) Instruments entirely equity in nature	23B	160.62	162.41
(iii) Other equity	24	2,113.67	1,902.64
		<b>2,601.07</b>	<b>2,389.88</b>
<b>Total Liabilities and Equity</b>		<b>9,307.68</b>	<b>8,346.42</b>
Notes 1 to 71 Form an integral part of these financial statements			

This is the Balance Sheet referred to in our report of even date

**For Sharp & Tannan Associates**  
Chartered Accountants  
Firm Registration No: 109983W

For and on behalf of the Board of Directors  
**Grihum Housing Finance Ltd.**  
(Formerly Poonawalla Housing Finance Limited)

**Manish Jaiswal**  
Managing Director & Chief Executive Officer  
(DIN: 07859441)

Place: Pune  
Date: 22 May 2025

**Pankaj Rath**  
Chief Financial Officer

Place: Pune  
Date: 22 May 2025

**Sanjeev Mehra**  
Director  
(DIN: 07491208)

Place: Mumbai  
Date: 22 May 2025

**Vaishnavi Suratwala**  
Company Secretary

Place: Pune  
Date: 22 May 2025

STATEMENT OF PROFIT AND LOSS

FOR THE YEAR ENDED 31 MARCH 2025

(All amounts ₹ in Cr unless otherwise stated)

Particulars	Notes	Year ended 31 March 2025	Year ended 31 March 2024
<b>REVENUE FROM OPERATIONS</b>			
(i) Interest income	25	1,133.54	931.11
(ii) Fees and commission income	26	68.25	24.52
(iii) Net gain on fair value changes	27	12.76	7.70
(iv) Net gain on de-recognition of financial instruments	28	49.93	60.50
<b>Total revenue from operations</b>		<b>1,264.48</b>	<b>1,023.83</b>
Other income	29	10.48	21.37
<b>Total income</b>		<b>1,274.96</b>	<b>1,045.20</b>
<b>EXPENSES</b>			
(i) Finance costs	30	505.04	443.86
(ii) Net loss on fair value changes	31	2.61	1.00
(iii) Impairment on financial instruments	32	84.66	37.95
(iv) Employee benefits expenses	33	290.26	260.07
(v) Depreciation, amortisation and impairment	34	21.60	19.23
(vi) Other expenses	35	89.87	99.84
<b>Total expenses</b>		<b>994.04</b>	<b>861.95</b>
<b>PROFIT BEFORE TAX</b>		<b>280.92</b>	<b>183.25</b>
<b>Tax expense:</b>	36		
(i) Current tax		61.69	33.19
(ii) Deferred tax (credit)/charge		8.73	10.02
(iii) Tax expense of earlier years		(0.21)	0.08
		<b>70.21</b>	<b>43.29</b>
<b>Profit after tax for the year</b>		<b>210.71</b>	<b>139.96</b>
<b>Other comprehensive income</b>			
<b>Items that will not be reclassified to profit or (loss)</b>			
(i) Remeasurement benefits of the defined benefit plans		(0.43)	(0.78)
(ii) Income tax relating to these items		0.11	0.19
		<b>(0.32)</b>	<b>(0.59)</b>
<b>Other comprehensive income</b>		<b>(0.32)</b>	<b>(0.59)</b>
<b>Total comprehensive income for the year</b>		<b>210.39</b>	<b>139.37</b>
<b>Earnings per equity share (Face value: ₹ 10 per share)</b>	37		
Basic (₹)		6.46	5.03
Diluted (₹)		4.32	3.15
Notes 1 to 71 form an integral part of these financial statements			

This is the Statement of Profit & Loss referred to in our report of even date

**For Sharp & Tannan Associates**  
Chartered Accountants  
Firm Registration No: 109983W

For and on behalf of the Board of Directors  
**Grihum Housing Finance Ltd.**  
(Formerly Poonawalla Housing Finance Limited)

**Manish Jaiswal**  
Managing Director & Chief Executive Officer  
(DIN: 07859441)

Place: Pune  
Date: 22 May 2025

**Pankaj Rath**  
Chief Financial Officer

Place: Pune  
Date: 22 May 2025

**Sanjeev Mehra**  
Director  
(DIN: 07491208)

Place: Mumbai  
Date: 22 May 2025

**Vaishnavi Suratwala**  
Company Secretary

Place: Pune  
Date: 22 May 2025

**Arnob Choudhuri**  
Partner  
Membership No.: 156378

Place: Pune  
Date: 22 May 2025

**STATEMENT OF CASH FLOWS**

FOR THE YEAR ENDED 31 MARCH 2025

(All amounts ₹ in Cr unless otherwise stated)

Particulars	Year ended 31 March 2025	Year ended 31 March 2024
<b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>		
Profit before tax	280.92	183.25
<b>Adjustments For:</b>		
Interest Income	(1,120.22)	(920.31)
Depreciation, amortisation and impairment	21.60	19.23
Net loss on financial instruments at fair value through profit or loss	2.61	0.83
Allowance for impairment loss	84.66	37.95
Liability no longer required written back	(0.55)	(0.52)
Loss on sale of property, plant and equipment	0.20	0.04
Net (gain) on derecognition of Financial instruments	(49.93)	(60.50)
Finance cost	505.04	443.86
Interest Income on investments	(13.32)	(11.10)
Gain on redemption of mutual fund	(12.90)	(7.67)
Expense on employee stock option scheme	0.17	3.54
	<b>(301.72)</b>	<b>(311.40)</b>
Finance cost paid	(530.79)	(414.64)
Interest Income Received on loans	1,100.12	916.26
<b>Operating profit before working capital changes</b>	<b>267.61</b>	<b>190.22</b>
<b>Changes in working capital:</b>		
(Increase) in loans	(684.97)	(1,645.78)
(Increase) in receivables	(0.96)	(4.88)
(Increase) in other financial assets	(35.29)	(43.90)
(Increase) in other non financial assets	(5.40)	(31.86)
(Increase) in other bank balances	(323.97)	(54.55)
(Decrease) in trade and other payables	(2.91)	(4.18)
Increase in other financial liabilities	11.46	81.20
(Decrease) in other non financial liabilities	(6.84)	(0.80)
Increase in provisions	1.17	1.71
<b>Cash (used) in operating activities</b>	<b>(780.10)</b>	<b>(1,512.83)</b>
Income tax paid (net of refunds)	(63.22)	(36.72)
<b>Net cash (used) in operating activities (A)</b>	<b>(843.32)</b>	<b>(1,549.55)</b>
<b>B. CASH FLOW FROM INVESTING ACTIVITIES</b>		
Purchase of property, plant and equipment including capital advances	(5.36)	(12.04)
Sale of property, plant and equipment	0.25	0.01
Purchase of intangible assets and intangible assets under development	(13.46)	(5.60)
Purchase of investments measured at amortised cost	(132.56)	(236.38)
Sale of investments measured at amortised cost	138.86	126.46
Purchase of investments measured at FVTPL	(4,633.77)	(2,794.86)
Sale of investments measured at FVTPL	4,646.67	2,802.53
Interest received on investments	11.98	10.33
<b>Net cash generated from/(used) in investing activities (B)</b>	<b>12.61</b>	<b>(109.55)</b>

**STATEMENT OF CASH FLOWS**

FOR THE YEAR ENDED 31 MARCH 2025

(All amounts ₹ in Cr unless otherwise stated)

Particulars	Year ended 31 March 2025	Year ended 31 March 2024
<b>C. CASH FLOW FROM FINANCING ACTIVITIES*</b>		
Proceeds from issue of equity shares including securities premium (net of issue expenses)	0.17	1,037.40
Proceeds from debt securities	-	900.00
Repayment of debt securities	(470.00)	(280.00)
Proceeds from borrowings other than debt securities	2,889.79	2,736.82
Repayment of borrowings other than debt securities	(1,656.26)	(2,235.84)
Payment of lease liability	(15.50)	(13.61)
<b>Net cash generated from financing activities (C)</b>	<b>748.20</b>	<b>2,144.77</b>
<b>Net (decrease)/increase in cash and cash equivalents (A+B+C)</b>	<b>(82.51)</b>	<b>485.67</b>
<b>Cash and cash equivalents at the beginning of the year</b>	<b>640.48</b>	<b>154.81</b>
<b>Cash and cash equivalents at the ending of the year</b>	<b>557.97</b>	<b>640.48</b>
<b>Components of cash and cash equivalents:</b>		
Cash on hand	-	-
<b>Balances and deposits with banks</b>		
In Current Accounts	89.53	239.15
Fixed Deposit (with original maturity of 3 months or less)	468.44	401.33
	<b>557.97</b>	<b>640.48</b>

\*Refer note 47 for reconciliation of liabilities arising from financing activities

All figures in brackets indicate cash outflow

The above Statement of Cash Flows has been prepared under the 'Indirect Method' as set out in Ind AS 7, "Statement of Cash Flows".

This is the Statement of Cash Flows referred to in our report of even date.

**For Sharp & Tannan Associates**  
Chartered Accountants  
Firm Registration No: 109983W

For and on behalf of the Board of Directors  
**Grihum Housing Finance Ltd.**  
(Formerly Poonawalla Housing Finance Limited)

**Arnob Choudhuri**  
Partner  
Membership No.: 156378

Place: Pune  
Date: 22 May 2025

**Manish Jaiswal**  
Managing Director & Chief Executive Officer  
(DIN: 07859441)

Place: Pune  
Date: 22 May 2025

**Pankaj Rathi**  
Chief Financial Officer

Place: Pune  
Date: 22 May 2025

**Sanjeev Mehra**  
Director  
(DIN: 07491208)

Place: Mumbai  
Date: 22 May 2025

**Vaishnavi Surawala**  
Company Secretary

Place: Pune  
Date: 22 May 2025



STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 31 MARCH 2025

(All amounts ₹ in Cr unless otherwise stated)

A. EQUITY SHARE CAPITAL

(1) Current reporting period

Balance at the beginning of the current reporting period	Changes in equity share capital due to prior period errors	Restated balance at the beginning of the current reporting period	Changes in equity share capital during the current year	Balance at the end of the current reporting period
324.83	-	324.83	1.95	326.78

(2) Previous reporting period

Balance at the beginning of the current reporting period	Changes in equity share capital due to prior period errors	Restated balance at the beginning of the current reporting period	Changes in equity share capital during the current year	Balance at the end of the current reporting period
252.29	-	252.29	72.54	324.83

B. INSTRUMENTS ENTIRELY EQUITY IN NATURE

(1) Current reporting period

Balance at the beginning of the current reporting period	Changes in equity share capital due to prior period errors	Restated balance at the beginning of the current reporting period	Changes during the year	Balance at the end of the current reporting period
162.41	-	162.41	(1.79)	160.62

(2) Previous reporting period

Balance at the beginning of the current reporting period	Changes in equity share capital due to prior period errors	Restated balance at the beginning of the current reporting period	Changes during the year	Balance at the end of the current reporting period
-	-	-	162.41	162.41

STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 31 MARCH 2025

(All amounts ₹ in Cr unless otherwise stated)

C. OTHER EQUITY

(1) Current reporting period

Particulars	Reserves & Surplus			Items of Other Comprehensive Income			Total
	Securities premium	Statutory reserves	Share option reserve account	Retained earnings	Cash flow hedge reserve	Remeasurement of defined benefit plans	
Balance as at 01 April 2024	1,309.02	125.12	12.74	456.56	-	(0.80)	1,902.64
Changes in accounting policy/prior period errors	-	-	-	-	-	-	-
Restated balance at the beginning of the current reporting period	1,309.02	125.12	12.74	456.56	-	(0.80)	1,902.64
Adjustments to General Reserve	-	-	-	-	-	-	-
Profit for the year	-	-	-	210.71	-	-	210.71
Employee Stock Options Expense	-	-	0.17	-	-	-	0.17
Proceeds from Private placement cum preferential allotment	-	-	-	-	-	-	-
Proceeds from Rights issue	-	-	-	-	-	-	-
Utilised for Compulsorily convertible preference shares (Bonus issue)	(0.05)	-	-	-	-	-	(0.05)
Exercise of Employee stock option plans (Refer Note 24)	0.31	-	(0.31)	-	-	-	-
Proceeds from share issued under ESOP and RSOP schemes	0.52	-	-	-	-	-	0.52
Other Comprehensive Income (Net of taxes)	-	-	-	-	-	-	-
- Remeasurement of defined benefit plans	-	-	-	-	-	(0.32)	(0.32)
Transfer to statutory reserves in terms of section 29C of the NHB Act, 1987 (including special reserve u/s 36 (1) (viii) of Income Tax Act, 1961)	-	42.14	-	(42.14)	-	-	-
Balance as at 31 March 2025	1,309.80	167.26	12.60	625.13	-	(1.12)	2,113.67

STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 31 MARCH 2025

(All amounts ₹ in Cr unless otherwise stated)

(2) Previous reporting period

Particulars	Reserves & Surplus				Items of Other Comprehensive Income		Total
	Securities premium	Statutory reserves	Share option reserve account	Retained earnings	Cash flow hedge reserve	Remeasurement of defined benefit plans	
Balance as at 01 April 2023	501.72	97.13	13.06	344.59	-	(0.21)	956.29
Changes in accounting policy/prior period errors	-	-	-	-	-	-	-
Restated balance at the beginning of the current reporting period	501.72	97.13	13.06	344.59	-	(0.21)	956.29
Adjustments to General Reserve	-	-	-	-	-	-	-
Profit for the year	-	-	-	139.96	-	-	139.96
Employee Stock Options Expense	-	-	3.54	-	-	-	3.54
Proceeds from Private placement cum preferential allotment	498.66	-	-	-	-	-	498.66
Proceeds from Rights issue	466.20	-	-	-	-	-	466.20
Utilised for Compulsorily convertible preference shares (Bonus issue)	(162.41)	-	-	-	-	-	(162.41)
Exercise of Employee stock option plans (Refer Note 24)	3.86	-	(3.86)	-	-	-	-
Proceeds from share issued under ESOP and RSOP schemes	0.99	-	-	-	-	-	0.99
Other Comprehensive Income (Net of taxes)	-	-	-	-	-	-	-
- Remeasurement of defined benefit plans	-	-	-	-	-	(0.59)	(0.59)
Transfer to statutory reserves in terms of section 29C of the NHB Act, 1987 (including special reserve u/s 36 (1) (viii) of Income Tax Act, 1961)	-	27.99	-	(27.99)	-	-	-
Balance as at 31 March 2024	1,309.02	125.12	12.74	456.56	-	(0.80)	1,902.64

Notes 1 to 71 form an integral part of these financial statements  
This is the Statement of Changes in Equity referred to in our report of even date

For Sharp & Tannan Associates  
Chartered Accountants  
Firm Registration No: 109983W

For and on behalf of the Board of Directors  
Grihum Housing Finance Ltd.  
(Formerly Poonawalla Housing Finance Limited)

Manish Jaiswal  
Managing Director & Chief Executive Officer  
(DIN: 07859441)

Place: Pune  
Date: 22 May 2025

Pankaj Rathie  
Chief Financial Officer

Place: Pune  
Date: 22 May 2025

Sanjeev Mehra  
Director  
(DIN: 07491208)

Place: Mumbai  
Date: 22 May 2025

Vaishnavi Surattwala  
Company Secretary

Place: Pune  
Date: 22 May 2025

SUMMARY OF MATERIAL ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION  
FOR THE YEAR ENDED 31 MARCH 2025

NOTE 1: COMPANY OVERVIEW

Grihum Housing Finance Ltd. (Formerly Poonawalla Housing finance limited) ("the Company") was incorporated on 21 April 2004 under the provisions of Companies Act, 1956, to carry on the business of housing finance in India. The Company was registered as a non-deposit taking housing finance company with the National Housing Bank ("NHB") in October 2004 vide certificate no. DOR-00155 on 08 December 2023. The Company commenced business operations in November 2004. The Company's product basket is mainly comprised of home loans and loans against property. The non-convertible debentures (NCDs) of the Company are listed on the Bombay Stock Exchange. Under the scale based regulation for the NBFCs, the Company has been classified as NBFC-ML (Middle layer) by the RBI vide press release dated 30 September 2022. The Company is domiciled in India and its registered office is situated at 6th Floor, B Building, Ganga Trueno, Lohegaon, Pune, Maharashtra 411014

NOTE 2: MATERIAL ACCOUNTING POLICIES AND KEY ACCOUNTING ESTIMATES AND JUDGEMENTS

a) Statement of compliance and Basis of preparation

The Financial Statements for the year ended 31 March 2025 have been prepared by the Company 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, the circulars and guidelines issued by the Reserve Bank of India (the "RBI") and National Housing Bank (the "NHB") from time to time to the extent applicable. The Company uses the accrual basis of accounting except in case of significant uncertainties.

The Balance Sheet of the Company is presented in the order of liquidity.

The Balance Sheet, Statement of Profit and Loss and Statement of changes in Equity of the Company are prepared and presented in the format prescribed in the Division III of Schedule III of the Act applicable to NBFCs, as notified by the Ministry of Corporate Affairs (MCA). The Statement of Cash Flows has been prepared and presented as per the requirements of Ind AS 7.

The Company generally reports financial assets and financial liabilities on a gross basis in the Balance Sheet. They are offset and reported net only where it has legally enforceable right to offset the recognised amounts and the Company intends to either settle on a net basis or to

realise the asset and settle the liability simultaneously as permitted by Ind AS. Similarly, the Company offsets incomes and expenses and reports the same on a net basis where the netting off reflects the substance of the transaction or other events as permitted by Ind AS.

These financial statements have been approved and adopted by the Board of Directors in their meeting held on 22 May 2025.

b) Functional and Presentation currency

These financial statements are presented in Indian Rupees (₹), which is the Company's functional currency. All amounts have been denominated in Crores (Cr) and rounded off to the nearest two decimal, except when otherwise indicated.

c) Historical cost convention

The financial statements have been prepared on a historical cost basis, except for the following material items:

- Financial instruments at Fair value through profit and loss (FVTPL) that is measured at fair value
- Net defined benefit (asset)/liability - fair value of plan assets less present value of defined benefit obligation

d) Property, Plant and Equipment

Recognition and measurement:

Property, plant and equipment (PPE) is an asset held for use or for administrative purposes, are stated in the balance sheet at cost less accumulated depreciation and accumulated impairment losses. The cost includes non-refundable taxes, duties, freight, and other incidental expenses related to the acquisition and installation of the respective assets. PPE is recognised when it is probable that future economic benefits associated with the item will flow to the Company. Subsequent expenditure on PPE after its purchase is capitalised if it is probable that the future economic benefits will flow to the enterprise.

An item of property, plant and equipment and any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain/loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the Statement of Profit and Loss when the asset is derecognised.



SUMMARY OF MATERIAL ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION  
FOR THE YEAR ENDED 31 MARCH 2025

Depreciation:

Depreciation on each part of an item of property, plant and equipment is provided using the Straight-Line Method as prescribed in Schedule II to the Act. Depreciation is calculated on a pro-rata basis from the put to use date upto the end of the useful life of the assets/date of disposal.

The estimated useful life considered by the Company are as under:

Sl. No.	Item	Life (in Years)
1	Buildings	60
2	Furniture and Fixtures	10
3	Office Equipment	3,4,5,6,10
4	Leasehold Improvements	10
5	Motor Vehicles	8

All PPE individually costing ₹ 5,000/- or less are fully depreciated in the year of installation/purchase.

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

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

De-recognition:

An item of property, plant and equipment is de-recognised 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 statement of profit or loss.

Capital work-in-progress:

PPE not ready for the intended use on the date of the Balance Sheet are disclosed as "capital work-in-progress" and carried at cost, comprising direct cost, related incidental expenses and attributable interest.

e) Intangible assets

Recognition and Measurement:

Intangible assets with finite useful lives that are acquired separately are capitalised and carried at cost less accumulated amortisation and accumulated

impairment losses. Cost includes non-refundable taxes, duties, freight and other incidental expenses related to the acquisition and installation of the respective assets. Intangible assets are recognised when it is probable that the future economic benefits that are attributable to the asset will flow to the Company.

Expenditure on software development eligible for capitalisation are carried as intangible assets under development where such assets are not yet ready for their intended use.

Amortisation:

Amortisation of intangible assets is recognised on a straight-line basis over a period of six years, which is the Management's estimate of its useful life. The estimated useful life and amortisation method are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis.

De-recognition:

The carrying amount of an intangible asset is derecognised on disposal or when no future economic benefits are expected from its use or disposal. The gain or loss arising from the de-recognition of an intangible asset is measured as the difference between the net disposal proceeds and the carrying amount of the intangible asset and is recognised in the Statement of Profit and Loss when the asset is derecognised.

f) Assets held for sale (Repossession)

To mitigate the credit risk on financial assets, the Company seeks to use collateral, as per the powers conferred under the SARFAESI Act, 2002. In its normal course of business, the Company does not physically repossess properties or other assets in its retail portfolio, but generally engages external or internal agents to recover funds through auction process. Any surplus funds over the contractual receivables are returned to the customer/obligors. Accordingly, the properties which are repossessed and where there is a reasonable certainty to recover the amount in the foreseeable future, are recorded on the balance sheet as assets held for sale at (i) fair value less cost to sell or (ii) loan outstanding, whichever is lower.

g) Impairment of non-financial assets

At each reporting date, the Company assesses whether there is any indication based on internal/external factors, that an asset may be impaired. If any such indication exists, the recoverable amount of the asset or the cash generating unit is estimated. If such recoverable

SUMMARY OF MATERIAL ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION  
FOR THE YEAR ENDED 31 MARCH 2025

amount of the asset or cash generating unit to which the asset belongs is less than its carrying amount, the carrying amount is reduced to its recoverable amount and the reduction is treated as an impairment loss and is recognised in the Statement of Profit and Loss. If, at the reporting date, there is an indication that a previously assessed impairment loss no longer exists, the recoverable amount is reassessed, and the asset is reflected at the recoverable amount. Impairment losses previously recognised are accordingly reversed in the Statement of Profit and Loss.

h) Financial Instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

i) Initial recognition and measurement:

Financial assets and financial liabilities are recognised when the Company becomes a party to the contractual provisions of the financial instruments.

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

Transaction costs and revenues of financial assets or financial liabilities carried at fair value through the profit or loss account are recognised immediately in the Statement of Profit or Loss. Trade Receivables are measured at transaction price. Trade receivables and debt securities issued are initially recognised when they are originated.

ii) Classifications:

Financial assets

On initial recognition, depending on the Company's business model and contractual cash flow characteristics for managing the financial assets and its contractual cash flow characteristics, a financial asset is classified as measured at;

- amortised cost;
- fair value through other comprehensive income (FVTOCI); or
- fair value through profit and loss (FVTPL).

Financial assets are not reclassified subsequent to their initial recognition, except if and in the period the Company changes its business model for managing financial assets.

Business model assessment

The business model in respect of any portfolio or sub-portfolio is not static, and therefore, may emerge over time. Therefore, Grihum has adopted the approach of reviewing the business model classification based on the frequency and value of disposal of loan assets during the year. In this regard, there may be requirements to re-classify the portfolio and the basis of the same has been laid down as below:

• Re-classification from FVTOCI to Amortised Cost

If there has been a considerable time period elapsed since the past sale transaction and the management estimates that there is very limited probability of selling down the portfolio other than stressed portfolio then such portfolio can be re-classified from FVTOCI to Amortised Cost category.

• Re-classification from Amortised Cost to FVTOCI

If there has been multiple sale transaction of portfolios except as allowed under Ind AS 109 i.e. for stress case scenarios, and the management estimates that the Company may continue to sell down the loan assets for the purpose of meeting other business objectives then such part of the loan assets (if specifically identified) shall be re-classified to FVTOCI measurements from Amortised Cost Category.

Financial instruments at Amortised Cost

A financial asset is measured at amortised cost only if both of the following conditions are met:

- It is held within a business model whose objective is to hold assets in order to collect contractual cash flows.
- The contractual terms of the financial asset represent contractual cash flows that are solely payments of principal and interest.

## SUMMARY OF MATERIAL ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION

FOR THE YEAR ENDED 31 MARCH 2025

### Financial assets at Fair Value through Other Comprehensive Income ('FVTOCI')

A financial asset is measured at FVTOCI only if both of the following conditions are met:

- It is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets.
- The contractual terms of the financial asset represent contractual cash flows that are solely payments of principal and interest.

### Financial assets at Fair Value through Profit and Loss (FVTPL)

- Any financial instrument, which does not meet the criteria for categorisation as at amortised cost or as FVTOCI, is classified as at FVTPL.

### Financial liabilities and equity instruments

Debt and equity instruments issued by the 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.

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss or amortised cost, as appropriate.

### Equity Instrument

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

### iii) Subsequent measurement:

#### Amortised cost

Amortised cost is the amount at which the financial asset or financial liability is measured at initial recognition minus the principal repayments, plus or minus the cumulative amortisation using the EIR method of discount or premium on acquisition and fees or costs that are an integral part of the EIR and, for financial assets, adjusted for any loss allowance.

#### FVTPL

These assets are subsequently measured at fair value. Net gains and losses, including any interest or dividend income, are recognised in the statement

of profit or loss. The transaction costs and fees are also recorded related to these instruments in the statement of profit and loss.

#### FVTOCI

Financial assets that are held within a business model whose objective is achieved by both, selling financial assets and collecting contractual cash flows that are solely payments of principal and interest, are subsequently measured at fair value through other comprehensive income. Fair value movements are recognised in the other comprehensive income (OCI). Interest income measured using the EIR method and impairment losses, if any are recognised in the statement of Profit and Loss.

### iv) Derecognition of financial assets and financial liabilities:

#### Financial assets

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily de-recognised (i.e. removed from the Company's balance sheet) when:

- The rights to receive cash flows from the asset have expired, or
- The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either
  - the Company has transferred substantially all the risks and rewards of the asset, or
  - the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Company has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Company continues to recognise the transferred asset to the extent of the Company's continuing

## SUMMARY OF MATERIAL ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION

FOR THE YEAR ENDED 31 MARCH 2025

involvement. The Company continues to recognise the assets on finance on books which has been securitised under pass through arrangement and does not meet the de-recognition criteria.

On de-recognition of a financial asset, the difference between the carrying amount of the asset (or the carrying amount allocated to the portion of the asset de-recognised) and the sum of (i) the consideration received (including any new asset obtained less any new liability assumed) and (ii) any cumulative gain or loss that had been recognised in OCI is recognised in profit or loss.

#### Financial liabilities

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in profit or loss.

### Securitisation, Assignment and Co-lending Arrangements

In case of transfer of loans through securitisation, direct assignment and co-lending transactions, the transferred loans are de-recognised and gains/losses are accounted for, only if the Company transfers substantially all risks and rewards specified in the underlying assigned loan contract.

In accordance with the Ind AS 109, on de-recognition of a financial asset under assigned transactions, the difference between the carrying amount and the consideration received are recognised in the Statement of Profit and Loss.

### v) Impairment of Financial Assets:

The Company recognises loss allowances for Expected Credit Loss (ECL) on all the financial assets that are not measured at FVTPL:

ECL are probability weighted estimate of future credit losses based on the staging of the financial asset to reflect its credit risk. They are measured as follows:

- Stage 1: Financial assets that are not credit impaired** – as the present value of all cash shortfalls that are possible within 12 months after the reporting date.
- Stage 2: Financial assets with significant increase in credit risk but not credit impaired** – as the present value of all cash

shortfalls that result from all possible default events over the expected life of the financial asset.

- Stage 3: Financial assets that are credit impaired** – as the difference between the gross carrying amount and the present value of estimated cash flows.

The Company's policy for determining significant increase in credit risk is set out in Note 42(A)(F).

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.

Financial assets are fully provided for or written off (either partially or in full) when there is no reasonable expectation of recovering a financial asset in its entirety or a portion thereof.

However, financial assets that are written off could still be subject to enforcement activities under the Company's recovery procedures, taking into account legal advice wherever appropriate. Any recoveries made are credited to impairment loss on actual realisation from customer.

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.

### Presentation of ECL allowance for financial asset:

ECL allowance for financial asset measured at Amortised Cost or is shown as a deduction from the gross carrying amount of the assets

### i) Fair value of financial instruments

The Company measures financial instruments at fair value in accordance with the accounting policies mentioned above. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

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



## SUMMARY OF MATERIAL ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION

### FOR THE YEAR ENDED 31 MARCH 2025

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy that categorises into three levels, described as follows, the inputs to valuation techniques used to measure value. The fair value hierarchy gives the highest priority to quoted prices in active markets for identical assets or liabilities (Level 1 inputs) and the lowest priority to unobservable inputs (Level 3 inputs).

**Level 1:** Quoted (unadjusted) market prices in active markets for identical assets or liabilities

**Level 2:** Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly

**Level 3:** Inputs that are unobservable for the asset or liability

For assets and liabilities that are recognised in the financial statements at fair value on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation at the end of each reporting period and discloses the same.

#### j) 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.

##### Interest Income:

Interest income from financial assets (assets on finance) is recognised on accrual basis using Effective Interest Rate ('EIR') method. EIR is applied on future principal of amortised cost of assets on finance. Interest income on stage 3 assets is recognised on net basis.

The EIR is the rate that discounts the estimated future cash flows through the expected life of the financial instrument to the gross carrying amount of the financial asset. The interest income is recognised on EIR method on a time proportion basis applied on the carrying amount for financial assets including credit impaired financial assets.

The calculation of the effective interest rate include transaction costs and fees paid or received that are an integral part of the effective interest rate. Transaction costs include incremental costs that are directly attributable to the acquisition or issue of a financial asset or financial liability.

The 'amortised cost' of a financial asset is the amount at which the financial asset is measured on initial

recognition minus the principal repayments, plus or minus the cumulative amortisation using the effective interest method of any difference between that initial amount and the maturity amount adjusted for any expected credit loss allowance.

The 'gross carrying amount of a financial asset' is the amortised cost of a financial asset before adjusting for any expected credit loss allowance.

Income from direct assignment (sale) transactions represents the present value of excess interest spread receivables on derecognised assets computed by discounting net cash flows from such assigned pools on the date of transactions.

Overdue interest and other charges are treated to accrue on realisation, due to uncertainty of realisation and is accounted for accordingly.

Income from collection and support services is recognised over time as the services are rendered as per the terms of the contract.

The Company recognises revenue from contracts with customers (other than financial assets to which Ind AS 109 'Financial instruments' is applicable) based on a comprehensive assessment model as set out in Ind AS 115 'Revenue from contracts with customers.' Revenue is measured at the transaction price allocated to the performance obligation in accordance with Ind AS 115. The Company identifies contract(s) with a customer and its performance obligations under the contract, determines the transaction price and its allocation to the performance obligations in the contract and recognises revenue only on satisfactory completion of performance obligations.

##### Other revenue from operations:

All other items of income are accounted for on accrual basis in accordance with the Five-Step Model outlined in Ind AS 115.

Dividend is recognised when the right to receive the dividend is established.

##### Net gain or loss on Fair value changes:

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

## SUMMARY OF MATERIAL ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION

### FOR THE YEAR ENDED 31 MARCH 2025

instruments measured at FVTPL and debt instruments measured at FVTOCI is recognised in net gain/loss on fair value changes.

##### Recoveries of financial assets written off:

The Company recognises income on recoveries of financial assets written off on realisation basis.

##### Net gain or loss on derecognition of financial instruments under amortised cost category:

Net gain or loss on derecognition of financial instruments under amortised cost category is recognised upfront in the statement of profit and loss, being the difference between the carrying amount (measured at the date of recognition) and the consideration received (including any new asset obtained less any new liability assumed).

#### k) Finance cost

Finance costs include interest expense computed by applying the effective interest rate on respective financial instruments measured at Amortised cost. Financial instruments include bank term loans, non-convertible debentures, commercial papers, subordinated debts,. Interest expense on lease liabilities is computed by applying the notional borrowing rate and has been included under finance costs. It also includes discounting charges paid for securitisation transactions entered under 'pass-through' arrangement.

#### l) Income Taxes

Income-tax expense comprises of current tax (i.e. amount of tax for the period determined in accordance with the income tax law) and deferred tax charge or credit (reflecting the tax effects of temporary differences between tax base and book base). It is recognised in statement of profit or loss except to the extent that it relates to a business combination, or items recognised directly in equity or in OCI.

##### Current tax:

Current tax is measured at the amount expected to be paid in respect of taxable income for the year in accordance with the Income Tax Act, 1961. Current tax comprises the tax payable on the taxable income or loss for the year and any adjustment to the tax payable in respect of previous years. It is measured using tax rates enacted or substantively enacted at the reporting date.

The amount of current tax reflects the best estimate of the tax amount expected to be paid after considering the uncertainty, if any, related to income taxes.

##### Deferred tax:

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes.

Deferred tax assets are reviewed at each reporting date and based on management's judgement, are reduced to the extent that it is no longer probable that the related tax benefit will be realised; such reductions are reversed when the probability of future taxable profits improves.

Unrecognised deferred tax assets are reassessed at each reporting date and recognised to the extent that it has become probable that future taxable profits will be available against which they can be used.

Deferred tax is measured at the tax rates that are expected to be applied to temporary differences when they reverse, using tax rates enacted or substantively enacted at the reporting date.

The measurement of deferred tax reflects the tax consequences that would follow from the manner in which the Company expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities.

Current and deferred tax are recognised as income or an expense in the Statement of Profit and Loss, except when they relate to items that are recognised in Other Comprehensive Income, in which case, the current and deferred tax income/expense are recognised in Other Comprehensive Income.

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

#### m) Provisions and contingencies related to claims, litigation, etc.

A provision is recognised if, as a result of a past event, the Company has a present obligation (legal or constructive) that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period. The discount rate used to determine the present value is a pre-tax rate that reflects current

## SUMMARY OF MATERIAL ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION

### FOR THE YEAR ENDED 31 MARCH 2025

market assessments of the time value of money and the risks specific to the liability. The increase in the provision due to the passage of time is recognised as finance cost. Provisions, contingent liabilities and contingent assets are reviewed at each Balance Sheet date.

#### Contingencies related to claims, litigation, etc.

Provision in respect of loss contingencies relating to claims, litigation, assessment, fines, penalties, etc. are recognised when it is probable that a liability has been incurred, and the amount can be estimated reliably. Provisions are reviewed at each balance sheet date and adjusted to reflect the current best estimate. If it is no longer probable that the outflow of resources would be required to settle the obligation, the provision is reversed.

#### n) Contingent liabilities and contingent assets

A contingent liability exists when there is a possible but not probable obligation, or a present obligation that may, but probably will not, require an outflow of resources, or a present obligation whose amount cannot be estimated reliably. Contingent liabilities do not warrant provisions, but are disclosed unless the possibility of outflow of resources is remote.

The Company does not recognise contingent assets in the financial statements.

#### o) Foreign Currency Transactions

Transactions in currencies other than Company's operational currency are recorded on initial recognition using the exchange rates prevailing on the date of the transaction. The foreign currency borrowing being a monetary liability is restated to ₹ (being the functional currency of the Company) at the prevailing rates of exchange at the end of every reporting period with the corresponding exchange gain/loss being recognised in statement of profit or loss. 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.

#### p) Goods and Services Input Tax Credit

Expenses and assets are recognised net of the goods and services tax/value added taxes paid, except when the tax incurred on a purchase of assets or availing of services is not recoverable from the taxation authority, in such case, the tax paid is recognised as part of the cost of acquisition of the asset or as part of the expense item, as applicable.

#### q) Cash and cash equivalents

For the purpose of presentation in the statement of cash flows, cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value, and bank overdrafts.

#### r) Employee Benefits

##### I) Short Term Employee Benefits:

Short term employee benefits are expensed as the related service is provided. A liability is recognised for the amount expected to be paid if the Company has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably. This includes performance linked incentives. Short term employee obligations are measured at undiscounted basis.

##### II) Post-employment benefit:

##### a. Defined contribution plans:

A defined contribution plan is a post-employment benefit plan under which an entity pays fixed contributions into a separate entity and will have no legal or constructive obligations to pay further amounts.

##### Provident Fund:

Contributions paid/payable to the recognised provident fund, which is a defined contribution scheme, are expensed as the related service is provided and recognised as personnel expenses in statement of profit or loss.

Recognition and measurement of defined contribution plans:

Company's Provident fund and Pension fund contributions are paid to EPFO, no actuarial assumptions are required to measure the obligation or the expense and there is no possibility of any actuarial gain or loss. Moreover, the obligations are measured on an undiscounted basis, except where they are not expected to be settled wholly before twelve months after the end of the annual reporting period in which the employees render the related service.

## SUMMARY OF MATERIAL ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION

### FOR THE YEAR ENDED 31 MARCH 2025

If the contributions payable for services received from employees before the reporting date exceeds the contributions already paid, the deficit payable is recognised as a liability after deducting the contribution already paid. If the contribution already paid exceeds the contribution due for services received before the reporting date, the excess is recognised as an asset to the extent that the prepayment will lead to, for example, a reduction in future payments or a cash refund.

#### b. Defined benefits plans:

##### Gratuity:

The Company's gratuity benefit scheme is a defined benefit plan. The Company's net obligation in respect of the gratuity benefit scheme is calculated by estimating the amount of future benefit that employees have earned in return for their service in the current and prior periods; that benefit is discounted to determine its present value, and the fair value of any plan assets, if any, is deducted.

The present value of the obligation under such defined benefit plan is determined based on actuarial valuation using the Projected Accrued Benefit Method (same as 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 obligation is measured at the present value of the estimated future cash flows. The discount rates used for determining the present value of the obligation under defined benefit plan, are based on the market yields on Government securities as at the balance sheet date. When the calculation results in a potential asset for the Company, the recognised asset is limited to the present value of economic benefits available in the form of any future refunds from the plan or reductions in future contribution to the plan.

The change in defined benefit plan liability is split into changes arising out of service, interest cost and re-measurements and the change in defined benefit plan asset is split between interest income and re-

measurements. Changes due to service cost and net interest cost/income is recognised in the statement of profit and loss. Re-measurements of net defined benefit liability/(asset) which comprise of the below are recognised in other comprehensive income:

- Actuarial gains and losses;
- The return on plan assets, excluding amounts included in net interest on the net defined benefit liability/(asset).

Remeasurements of the net defined benefit liability/(assets) recognised in other comprehensive income are not reclassified to profit or loss in subsequent period.

#### Compensated absences:

The employees of the Company are entitled to compensated absences which are both accumulating and non-accumulating in nature. The expected cost of accumulating compensated absences is determined by actuarial valuation based by using projected unit credit method on the additional amount expected to be paid as a result of the unused entitlement that has accumulated at the balance sheet date. The expenses and actuarial gain/loss on account of the above benefit plans are recognised in the statement of profit and loss on the basis of actuarial valuation.

#### Other long-term employee benefits:

##### Share based payment:

Equity-settled share-based payments to employees are measured at the fair value of the equity instruments at the grant date. The fair value determined at the grant date of the equity-settled share-based payments is expensed on a straight-line basis over the vesting period, based on the Company's estimate of equity instruments that will eventually vest, with a corresponding increase in other equity.

In case, the Company modifies the terms and condition on which the equity instruments were granted in a manner that is beneficial to the employees, the incremental cost will be recognised over the period starting from the modification date till the date of vesting



## SUMMARY OF MATERIAL ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION

### FOR THE YEAR ENDED 31 MARCH 2025

if the modification occurs during the vesting period. In case, modification occurs after the vesting period, the incremental cost will be recognised immediately.

#### s) Leases

##### l) The Company as a lessee

##### i) Right to use assets and Lease liability:

The Company assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether:

- (i) the contract involves the use of an identified asset
- (ii) the Company has substantially all of the economic benefits from use of the asset through the period of the lease and
- (iii) the Company has the right to direct the use of the asset.

##### Recognition and initial measurement:

The Company determines the lease term as the non-cancellable term of the lease, together with any periods covered by an option to extend the lease if it is reasonably certain to be exercised, or any periods covered by an option to terminate the lease, if it is reasonably certain not to be exercised. At the lease commencement date, the Company recognises a right-of-use ("RoU") asset and equivalent amount of lease liability. The right-of-use asset is measured at cost, which is made up of the initial measurement of the lease liability, any initial direct costs incurred by the Company, an estimate of any costs to dismantle and remove the asset at the end of the lease (if any), and any lease payments made in advance of the lease commencement date (net of any incentives received).

##### Subsequent measurement:

The Company depreciates the right-of-use assets on a straight-line basis from the lease commencement date to the earlier of the end

of the useful life of the right-of-use asset or the end of the lease term. The Company also assesses the right-of-use asset for impairment when such indicators exist.

At the lease commencement date, the Company measures the lease liability at the present value of the lease payments unpaid at that date, discounted using the interest rate implicit in the lease if that rate is readily available or the notional borrowing rate. Lease payments included in the measurement of the lease liability are made up of fixed payments (including in substance fixed payments). Subsequent to initial measurement, the liability will be reduced for payments made and increased for interest. It is re-measured to reflect any reassessment or modification, or if there are changes in the in-substance fixed payments. When the lease liability is re-measured, the corresponding adjustment is reflected in the right-of-use asset or is recorded in statement of profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

##### t) Earnings per equity share

Basic earnings per share have been computed by dividing net income attributable to ordinary equity holders by the weighted average number of shares outstanding during the year. Partly paid-up equity share, if any, is included as fully paid equivalent according to the fraction paid up.

Diluted earnings per share have been computed using the weighted average number of shares and dilutive potential shares, except where the result would be anti-dilutive

##### u) Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the Chief Operating Decision Maker (CODM) of the Company. The CODM is responsible for allocating resources and assessing performance of the operating segments of the Company. The Company is in a single business segment (primary segment) of providing financial services to customers in India.

Significant areas of estimation uncertainty, critical judgements and assumptions in applying accounting policies:

In preparing these financial statements, management has made judgments, estimates and assumptions that

## SUMMARY OF MATERIAL ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION

### FOR THE YEAR ENDED 31 MARCH 2025

affect the application of accounting policies and the reported amounts of assets and liabilities (including contingent liabilities and assets) as on the date of the financial statements and the reported income and expenses for the reporting period. Management believes that the estimates used in the preparation of the financial statements are prudent and reasonable. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised prospectively.

Key sources of estimation uncertainty at the date of financial statements, which may cause a material adjustment to the carrying amount of assets and liabilities within the next financial year are included in the following notes:

##### NOTE 32 - IMPAIRMENT OF FINANCIAL INSTRUMENTS:

This includes determining the relevant inputs into the Expected Credit Loss (ECL) model, including incorporation of forward-looking information and assumptions used in estimating recoverable cash flows. Also, the management regularly assesses the adequacy of provisions and if required necessary additional provisions are created over above ECL Model.

##### NOTE 40 - DETERMINATION OF THE FAIR VALUE OF FINANCIAL INSTRUMENTS WITH SIGNIFICANT UNOBSERVABLE INPUTS:

When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using various valuation techniques which requires a degree of judgment. The judgments include considerations of inputs such as liquidity risk, credit risk and volatility.

##### NOTE 33 - MEASUREMENT OF DEFINED BENEFIT OBLIGATIONS:

The cost of the defined benefit gratuity plan and the present value of the gratuity obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future.

##### NOTE 21 - RECOGNITION OF DEFERRED TAX ASSETS:

Key assumption is availability of future taxable profit against which carry-forward tax losses can be utilised.

##### NOTE 10 - DETERMINING USEFUL LIVES OF DEPRECIABLE ASSETS:

Key assumption is the estimation of the useful lives of depreciable assets, based on the expected utility of the assets.

## SUMMARY OF MATERIAL ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION

FOR THE YEAR ENDED 31 MARCH 2025

(All amounts ₹ in Cr unless otherwise stated)

### 3 CASH AND CASH EQUIVALENTS

	As at 31 March 2025	As at 31 March 2024
Cash on hand	-	-
<b>Balances with banks</b>		
In current accounts	89.53	239.15
In deposits with original maturity of 3 months or less	468.44	401.33
	<b>557.97</b>	<b>640.48</b>

### 4 BANK BALANCES OTHER THAN CASH AND CASH EQUIVALENTS

	As at 31 March 2025	As at 31 March 2024
In deposits with original maturity of more than 3 months*	418.90	94.93
	<b>418.90</b>	<b>94.93</b>

\*Includes cash collateral for securitisation of receivables amounting to ₹ 17.46 Cr (FY 2023-24: ₹ 17.46 Cr) and term deposits amounting to ₹ 80.82 Cr (FY 2023-24: ₹ 76.08 Cr) under lien towards bank guarantee issued.

### 5 RECEIVABLES

	As at 31 March 2025	As at 31 March 2024
(I) Trade receivables	-	-
(II) Other receivables		
Considered good-unsecured	12.19	11.23
Less: Impairment loss allowance	-	-
	<b>12.19</b>	<b>11.23</b>

### 6 LOANS

Particulars	As at 31 March 2025			As at 31 March 2024		
	At Amortised Cost (AC)	At Fair Value Through other comprehensive income (FVTOCI)	Total	At Amortised Cost (AC)	At Fair Value Through other comprehensive income (FVTOCI)	Total
<b>(A)</b>						
(i) Term loans						
- Housing Loans*	6,139.09	-	6,139.09	5,423.89	-	5,423.89
- Loan against properties	1,775.44	-	1,775.44	1,783.02	-	1,783.02
(ii) Loans to staff	1.87	-	1.87	-	-	-
<b>Total (A) - Gross</b>	<b>7,916.40</b>	<b>-</b>	<b>7,916.40</b>	<b>7,206.91</b>	<b>-</b>	<b>7,206.91</b>
Less: Impairment loss allowance	102.60	-	102.60	66.31	-	66.31
<b>Loans net of impairment loss allowance</b>	<b>7,813.80</b>	<b>-</b>	<b>7,813.80</b>	<b>7,140.60</b>	<b>-</b>	<b>7,140.60</b>
Add: Unamortised loan sourcing costs	54.62	-	54.62	47.81	-	47.81
Less: Unamortised loan sourcing fees	107.31	-	107.31	98.98	-	98.98
<b>Total (A) - Net</b>	<b>7,761.11</b>	<b>-</b>	<b>7,761.11</b>	<b>7,089.43</b>	<b>-</b>	<b>7,089.43</b>

## SUMMARY OF MATERIAL ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION

FOR THE YEAR ENDED 31 MARCH 2025

(All amounts ₹ in Cr unless otherwise stated)

### 6 LOANS (Contd.)

Particulars	As at 31 March 2025			As at 31 March 2024		
	At Amortised Cost (AC)	At Fair Value Through other comprehensive income (FVTOCI)	Total	At Amortised Cost (AC)	At Fair Value Through other comprehensive income (FVTOCI)	Total
<b>(B)</b>						
(i) Secured by tangible assets	7,914.53	-	7,914.53	7,206.91	-	7,206.91
(ii) Unsecured	1.87	-	1.87	-	-	-
<b>Total (B) - Gross</b>	<b>7,916.40</b>	<b>-</b>	<b>7,916.40</b>	<b>7,206.91</b>	<b>-</b>	<b>7,206.91</b>
Less: Impairment loss allowance	102.60	-	102.60	66.31	-	66.31
<b>Loans net of impairment loss allowance</b>	<b>7,813.80</b>	<b>-</b>	<b>7,813.80</b>	<b>7,140.60</b>	<b>-</b>	<b>7,140.60</b>
Add: Unamortised loan sourcing costs	54.62	-	54.62	47.81	-	47.81
Less: Unamortised loan sourcing fees	107.31	-	107.31	98.98	-	98.98
<b>Total (B) - Net</b>	<b>7,761.11</b>	<b>-</b>	<b>7,761.11</b>	<b>7,089.43</b>	<b>-</b>	<b>7,089.43</b>
<b>(C) LOANS IN INDIA</b>						
(i) Public Sector	-	-	-	-	-	-
(ii) Others	7,916.40	-	7,916.40	7,206.91	-	7,206.91
<b>Total (C) - Gross</b>	<b>7,916.40</b>	<b>-</b>	<b>7,916.40</b>	<b>7,206.91</b>	<b>-</b>	<b>7,206.91</b>
Less: Impairment loss allowance	102.60	-	102.60	66.31	-	66.31
<b>Loans net of impairment loss allowance</b>	<b>7,813.80</b>	<b>-</b>	<b>7,813.80</b>	<b>7,140.60</b>	<b>-</b>	<b>7,140.60</b>
Add: Unamortised loan sourcing costs	54.62	-	54.62	47.81	-	47.81
Less: Unamortised loan sourcing fees	107.31	-	107.31	98.98	-	98.98
<b>Total (C) - Net</b>	<b>7,761.11</b>	<b>-</b>	<b>7,761.11</b>	<b>7,089.43</b>	<b>-</b>	<b>7,089.43</b>

\*It includes receivables amounting to ₹ 229.33 Cr as at 31 March 2025 (₹ 195.06 Cr as at 31 March 2024) towards the insurance premium funded by the Company for the insurance cover availed by its customers.

The company has not granted any loans and advances that are repayable on demand or without specifying any terms or period of repayment to promoters, directors, KMPs and the related parties either severally or jointly with any other person.

### 7 INVESTMENTS

	As at 31 March 2025	As at 31 March 2024
<b>(i) At fair value through profit or loss</b>		
In Mutual Funds	-	-
In RDCL	25.00	-
	<b>25.00</b>	<b>-</b>
<b>(ii) At Amortised cost*</b>		
In Government Securities/T-Bill	176.41	207.71
	<b>176.41</b>	<b>207.71</b>
<b>Out of above:</b>		
In India	201.41	207.71
Outside India	-	-
	<b>201.41</b>	<b>207.71</b>

\*The fair value of the investments including interest accrued but not due continues to be higher than the book value of the investment. Hence, the Company carries nil provision on investments. [refer note 40b.2]



SUMMARY OF MATERIAL ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION  
FOR THE YEAR ENDED 31 MARCH 2025

(All amounts ₹ in Cr unless otherwise stated)

8 OTHER FINANCIAL ASSETS

	As at 31 March 2025	As at 31 March 2024
<b>Measured at Amortised cost:</b>		
Receivables on assigned loans*	180.37	138.89
Security deposits	5.33	5.36
<b>Measured at Fair value through profit or Loss:</b>		
Security receipt	28.04	36.85
<b>Total</b>	<b>213.74</b>	<b>181.10</b>
Less: Impairment loss allowance on receivable on assigned loans	0.56	0.59
	<b>213.18</b>	<b>180.51</b>

\*Represents present value of excess interest spread receivables on derecognised assets.

9 CURRENT TAX ASSET (NET)

	As at 31 March 2025	As at 31 March 2024
Income tax assets (net of provision ₹ 100.01 Cr)(31 March 2024: ₹ 69.95 Cr)	6.18	4.44
	<b>6.18</b>	<b>4.44</b>

10 PROPERTY, PLANT AND EQUIPMENT

	Buildings	Furniture and fixtures	Office equipment	Motor Vehicle	Leasehold improvements	Total
<b>Cost</b>						
<b>As at 01 April 2023</b>	<b>0.21</b>	<b>4.46</b>	<b>14.54</b>	-	<b>0.38</b>	<b>19.59</b>
Additions for the year	-	2.11	8.02	-	1.84	11.97
Disposals/adjustments	-	2.55	0.58	-	(1.98)	1.15
<b>As at 31 March 2024</b>	<b>0.21</b>	<b>4.02</b>	<b>21.98</b>	-	<b>4.20</b>	<b>30.41</b>
Additions for the year	-	0.83	2.81	0.32	1.40	5.36
Disposals/adjustments	0.21	0.06	0.26	-	0.15	0.68
<b>As at 31 March 2025</b>	<b>-</b>	<b>4.79</b>	<b>24.53</b>	<b>0.32</b>	<b>5.45</b>	<b>35.09</b>
<b>Accumulated Depreciation</b>						
<b>As at 01 April 2023</b>	<b>0.04</b>	<b>0.97</b>	<b>3.31</b>	-	<b>0.26</b>	<b>4.58</b>
Additions	0.01	1.02	4.74	-	0.36	6.13
Disposals/adjustments	-	0.26	0.80	-	0.15	1.21
<b>As at 31 March 2024</b>	<b>0.05</b>	<b>1.73</b>	<b>7.25</b>	-	<b>0.47</b>	<b>9.50</b>
Additions for the year	-	0.80	5.20	0.01	0.57	6.58
Disposals/adjustments	0.05	0.03	0.11	-	0.04	0.23
<b>As at 31 March 2025</b>	<b>-</b>	<b>2.50</b>	<b>12.34</b>	<b>0.01</b>	<b>1.00</b>	<b>15.85</b>
<b>Net Block</b>						
As at 31 March 2024	0.16	2.29	14.73	-	3.73	20.91
<b>As at 31 March 2025</b>	<b>-</b>	<b>2.29</b>	<b>12.19</b>	<b>0.31</b>	<b>4.45</b>	<b>19.24</b>

There were no assets were revalued during FY 2024-25 and FY 2023-24.

SUMMARY OF MATERIAL ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION  
FOR THE YEAR ENDED 31 MARCH 2025

(All amounts ₹ in Cr unless otherwise stated)

11 INTANGIBLE ASSETS UNDER DEVELOPMENT

	As at 31 March 2025	As at 31 March 2024
<b>Opening Balance as at</b>	2.79	1.28
Additions during the year	11.71	5.12
Deductions/Adjustments	2.94	3.61
<b>Closing Balance as at</b>	<b>11.56</b>	<b>2.79</b>

Intangible assets under development ageing schedule

As at 31 March 2025

Particulars	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
i) Projects in progress	10.39	1.17	-	-	<b>11.56</b>
ii) Projects temporarily suspended	-	-	-	-	-

As at 31 March 2024

Particulars	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
i) Projects in progress	2.79	-	-	-	<b>2.79</b>
ii) Projects temporarily suspended	-	-	-	-	-

12 OTHER INTANGIBLE ASSETS

	Computer software
<b>Cost</b>	
<b>As at 01 April 2023</b>	<b>5.22</b>
Additions	4.19
Disposals/adjustments	1.73
<b>As at 31 March 2024</b>	<b>7.68</b>
Additions	4.70
Disposals/adjustments	0.01
<b>As at 31 March 2025</b>	<b>12.37</b>
<b>Accumulated amortisation</b>	
<b>As at 01 April 2023</b>	<b>2.17</b>
Amortisation for the year	2.50
Disposals/adjustments	1.63
<b>As at 31 March 2024</b>	<b>3.04</b>
Amortisation for the year	2.74
Disposals/adjustments	-
<b>As at 31 March 2025</b>	<b>5.78</b>
<b>Net Block</b>	
As at 31 March 2024	4.64
<b>As at 31 March 2025</b>	<b>6.59</b>

## SUMMARY OF MATERIAL ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION

FOR THE YEAR ENDED 31 MARCH 2025

(All amounts ₹ in Cr unless otherwise stated)

### 13 RIGHT OF USE ASSETS

Information on Lease transactions as required by Ind AS - 116 - Leases are as follows :

	As at 31 March 2025	As at 31 March 2024
<b>Office Premises</b>		
<b>(i) Movement in the carrying value of the ROU assets</b>		
<b>Opening Balance</b>	<b>56.32</b>	<b>48.86</b>
Depreciation charge for the Period	(12.28)	(10.61)
Additions during the Period	25.72	25.10
Termination	(9.52)	(7.33)
Adjustment	2.85	0.30
<b>Closing Balance</b>	<b>63.09</b>	<b>56.32</b>
<b>(ii) Movement in the carrying value of the Lease Liability</b>		
<b>Opening Balance</b>	<b>61.78</b>	<b>51.31</b>
Interest Expense	6.66	6.19
Lease Payments	(15.50)	(13.61)
Additions during the year	25.72	25.10
Termination	(11.12)	(8.19)
Adjustment	2.85	0.98
<b>Closing Balance</b>	<b>70.39</b>	<b>61.78</b>
<b>(iii) The following are the amount recognised in the Profit or Loss statement</b>		
Depreciation expense of right-of-use assets	12.28	10.61
Interest expense on lease liabilities	6.66	6.19
<b>Total amount recognised in profit or loss</b>	<b>18.94</b>	<b>16.80</b>
<b>(iv) Classification of current and non current liabilities of the lease liabilities</b>		
Current liabilities	12.84	12.12
Non Current Liabilities	57.55	49.66
<b>Total Lease liabilities</b>	<b>70.39</b>	<b>61.78</b>

### 14 OTHER NON-FINANCIAL ASSETS

	As at 31 March 2025	As at 31 March 2024
Prepaid expenses	26.70	20.03
Balances with government authorities	6.64	7.17
Balances with insurance company	2.38	5.82
Others	0.54	0.01
<b>Total</b>	<b>36.26</b>	<b>33.03</b>

## SUMMARY OF MATERIAL ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION

FOR THE YEAR ENDED 31 MARCH 2025

(All amounts ₹ in Cr unless otherwise stated)

### 15 PAYABLES

	As at 31 March 2025	As at 31 March 2024
<b>Trade Payables</b>		
Total outstanding dues of micro enterprises and small enterprises*	-	0.04
Total outstanding dues of creditors other than micro enterprises and small enterprises	3.63	2.59
<b>Total</b>	<b>3.63</b>	<b>2.63</b>

	As at 31 March 2025	As at 31 March 2024
Principal amount due to suppliers under MSMED Act, as at the year end	-	0.04
Interest accrued and due to suppliers under MSMED Act, on the above amount as at the year end	-	-
Interest paid to suppliers under MSMED Act (other than section 16)	-	-
Interest paid to suppliers under MSMED Act (section 16)	-	-
Interest due and payable to suppliers under MSMED Act, for payments already made	-	-
Interest accrued and remaining unpaid at the year end to suppliers under MSMED Act	-	-

	As at 31 March 2025	As at 31 March 2024
<b>Other Payables</b>		
Total outstanding dues of micro enterprises and small enterprises*	-	-
Total outstanding dues of creditors other than micro enterprises and small enterprises	10.53	14.99
<b>Total</b>	<b>10.53</b>	<b>14.99</b>

#### Trade Payables ageing schedule

As at 31 March 2025

Particulars	Not Due	Unbilled	Outstanding for following periods from due date of payment				Total
			Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) MSME	-	-	-	-	-	-	-
(ii) Others	-	-	2.39	0.67	0.57	-	3.63
(iii) Disputed dues – MSME	-	-	-	-	-	-	-
(iv) Disputed dues – Others	-	-	-	-	-	-	-



## SUMMARY OF MATERIAL ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION

FOR THE YEAR ENDED 31 MARCH 2025

(All amounts ₹ in Cr unless otherwise stated)

### 15 PAYABLES (Contd.)

As at 31 March 2024

Particulars	Not Due	Unbilled	Outstanding for following periods from due date of payment				Total
			Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) MSME	-	-	0.04	-	-	-	0.04
(ii) Others	-	-	1.43	0.91	0.25	-	2.59
(iii) Disputed dues – MSME	-	-	-	-	-	-	-
(iv) Disputed dues – Others	-	-	-	-	-	-	-

\*The Company does not have any dues to micro, small and medium enterprises (31 March 2024: 0.04 Cr) covered under the Micro, Small and Medium Enterprises Development Act, 2006. This information is required to be disclosed under the Micro, Small and Medium Enterprises Development Act, 2006, and has been determined to the extent such parties have been identified on the basis of information available with the Company.

### 16 DEBT SECURITIES

(Measured at amortised cost)

	As at 31 March 2025	As at 31 March 2024
<b>Debt securities in India*</b>		
Secured Redeemable non-convertible debentures [refer notes (a) & (b) below]	434.29	933.77
<b>Total</b>	<b>434.29</b>	<b>933.77</b>
<b>Debt securities outside India</b>	-	-
<b>Total</b>	-	-
<b>Total</b>	<b>434.29</b>	<b>933.77</b>

#Includes interest accrued but not due

#### (a) Nature of security

During the year FY 2024-25, the Company has repaid 40,000 NCDs amounting to ₹ 400 Cr as per the their respective due dates of redemption.

Further, the Company has partially redeemed 10,000 no. of NCDs, each having an original FV of ₹ 1 Lakh by ₹ 20,000 per NCD (₹ 5 Cr each on 27 June 2024, 27 September 2024, 27 December 2024 and 27 March 2025 respectively). The outstanding FV per NCD as on 31 March 2025 stands at ₹ 70,000. Furthermore, out of 20,000 no. of NCDs originally issued with a FV of ₹ 1 Lakh each, the Company has partially redeemed ₹ 25,000 per NCD on 13 March 2025. Accordingly, the outstanding FV per NCD as on 31 March 2025 stands at ₹ 75,000.

All the NCDs outstanding as on 31 March 2025 are fully secured by way of hypothecation over the book debts/loan receivables and other eligible securities, to the extent as stated in the respective information memorandum. Further, the company has maintained security cover as stated in the respective information memorandum which is sufficient to discharge the principal amount at all times of the NCDs issued by the Company.

#### (b) Terms of repayment for Secured redeemable non-convertible debentures

As at 31 March 2025

Particulars	Interest Rate	0-3 Years	3-5 Years	>5 Years	Total
Non convertible debentures	8.20% - 9.15%	424.30	9.99	-	434.29

## SUMMARY OF MATERIAL ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION

FOR THE YEAR ENDED 31 MARCH 2025

(All amounts ₹ in Cr unless otherwise stated)

### 16 DEBT SECURITIES (Contd.)

As at 31 March 2024

Particulars	Interest Rate	0-3 Years	3-5 Years	>5 Years	Total
Non convertible debentures	8.45% - 8.65%	903.83	29.94	-	933.77

The Company has not defaulted/delayed in repayment of any principal and interest during the year.

### 17 BORROWINGS (OTHER THAN DEBT SECURITIES)

(Measured at amortised cost)

	As at 31 March 2025	As at 31 March 2024
<b>Borrowings In India*</b>		
(Secured)		
(a) Term loans from banks (refer note (a)(ii) & (b)(i) below)	5,783.59	4638.27
(b) Securitisation liability (refer note (a)(i) & (b)(ii) below)	47.43	59.76
(c) Loans repayable on demand from banks (refer note (a)(ii) & (b)(iii) below)	129.93	33.03
<b>Total</b>	<b>5,960.95</b>	<b>4,731.06</b>
<b>Borrowings outside India</b>	-	-
<b>Total</b>	-	-
<b>Total</b>	<b>5,960.95</b>	<b>4,731.06</b>

#Includes interest accrued but not due

#### (a) Nature of security

- Securitisation liability represents amounts received in respect of securitisation transactions (net of repayments & investment therein) as these transactions do not meet the de-recognition criteria specified under Ind AS.
- The term loans from Banks and loans repayable on demand from banks are secured under pari-passu arrangement by way of hypothecation over standard receivables of the Company (except for Refinance availed from National Housing Bank which is secured by way of exclusive charge over standard receivables of the Company).
- The Company has used the borrowings from banks and financial institutions for the specific purpose for which it was taken as at the balance sheet date.

#### (b) Terms of repayment

##### (i) Schedule of repayment for term loans from banks and financial institutions

As at 31 March 2025

Particulars	Interest Rate	0-3 Years	3-5 Years	>5 Years	Total
Term loan from banks	Floating*	2,442.10	1,016.23	440.33	3,898.66
Term Loan from National Housing Bank	2.94% - 8.45%	847.83	505.86	531.24	1,884.93
<b>Total</b>		<b>3,289.93</b>	<b>1,522.09</b>	<b>971.57</b>	<b>5,783.59</b>

## SUMMARY OF MATERIAL ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION

FOR THE YEAR ENDED 31 MARCH 2025

(All amounts ₹ in Cr unless otherwise stated)

### 17 BORROWINGS (OTHER THAN DEBT SECURITIES) (Contd.)

As at 31 March 2024

Particulars	Interest Rate	0-3 Years	3-5 Years	>5 Years	Total
Term loan from banks	Floating*	1,916.52	1,017.36	323.12	3,257.00
Term Loan From National Housing Bank	2.80% - 8.50%	647.62	418.51	315.14	1,381.27
<b>Total</b>		<b>2,564.14</b>	<b>1,435.87</b>	<b>638.26</b>	<b>4,638.27</b>

\*(Linked with Repo/T-Bill/MCLR/Base Rate of respective banks)

The Company has not defaulted/delayed in repayment of any principal and interest during the year

#### (ii) Terms and repayment of securitisation liability

As at 31 March 2025

Particulars	Interest Rate	0-3 Years	3-5 Years	>5 Years	Total
Securitisation liability	Floating*	20.61	9.38	17.44	<b>47.43</b>

As at 31 March 2024

Particulars	Interest Rate	0-3 Years	3-5 Years	>5 Years	Total
Securitisation liability	Floating*	21.48	11.03	27.25	<b>59.76</b>

\*(Linked with MCLR of respective banks)

- (iii) The interest rates for working capital facilities during the financial year 2024-25 carried interest rates ranging from 8.35% p.a. to 9.15% p.a. As per the prevalent practice, working capital facilities are renewed on a year to year basis and therefore, are revolving in nature.

The interest rates for working capital facilities during the financial year 2023-24 carried interest rates ranging from 8.15% p.a. to 8.50% p.a. As per the prevalent practice, cash credit facilities and working capital demand loans are renewed on a year to year basis and therefore, are revolving in nature.

The quarterly stock and receivable statements submitted by the Company to the security trustee/banks are in agreement with the books of accounts.

### 18 SUBORDINATED LIABILITIES

(Measured at amortised cost)

	As at 31 March 2025	As at 31 March 2024
<b>Subordinated Liabilities In India*</b>		
(Unsecured)(Tier II Capital):		
From banks	99.93	99.82
<b>Total</b>	<b>99.93</b>	<b>99.82</b>
<b>Subordinated liabilities outside India</b>	-	-
<b>Total</b>	-	-
<b>Total</b>	<b>99.93</b>	<b>99.82</b>

## SUMMARY OF MATERIAL ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION

FOR THE YEAR ENDED 31 MARCH 2025

(All amounts ₹ in Cr unless otherwise stated)

### 18 SUBORDINATED LIABILITIES (Contd.)

#### (i) Terms of repayment of subordinated liabilities

Frequency	Interest rate	Repayment due	No. of instalments payable	As at 31 March 2025	As at 31 March 2024
On maturity	12.50%	Mar-26	Bullet repayment	99.93	99.82
				<b>99.93</b>	<b>99.82</b>

The Company has not defaulted/delayed in repayment of any principal and interest during the year

\*Includes interest accrued but not due

### 19 OTHER FINANCIAL LIABILITIES

	As at 31 March 2025	As at 31 March 2024
Amount payable on assigned loans	40.30	26.62
Employee expenses payable	37.22	39.43
	<b>77.52</b>	<b>66.05</b>

### 20 PROVISIONS

	As at 31 March 2025	As at 31 March 2024
Provision for employee benefits		
- Provision for compensated absences	5.13	3.79
- Provision for gratuity	0.34	0.53
	<b>5.47</b>	<b>4.31</b>

### 21 DEFERRED TAX LIABILITIES (NET)

	As at 31 March 2025	As at 31 March 2024
<b>Deferred tax liability arising on account of:</b>		
Statutory reserve	30.69	21.62
Fair valuation of financial assets	45.86	35.35
Depreciation and amortisation on property, plant and equipment and Intangible assets	0.36	0.65
Others	(0.01)	(0.02)
	<b>76.90</b>	<b>57.60</b>
<b>Deferred tax asset arising on account of:</b>		
Impairment loss allowance on loan assets	25.97	16.85
Amortisation of transaction cost/income on assets on finance as per EIR model	11.04	10.98
Fair valuation of financial assets	2.76	2.05
Provision for expenses	3.13	2.34
	<b>42.90</b>	<b>32.22</b>
<b>Total deferred tax liability (net)</b>	<b>34.00</b>	<b>25.38</b>



## SUMMARY OF MATERIAL ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION

FOR THE YEAR ENDED 31 MARCH 2025

(All amounts ₹ in Cr unless otherwise stated)

### 21 DEFERRED TAX LIABILITIES (NET) (Contd.)

#### i) Movement in deferred tax liabilities for year ended 31 March 2025:

Particulars	As at 01 April 2024	Statement of Profit or Loss	Other Comprehensive Income	As at 31 March 2025
<b>Deferred tax liabilities for taxable temporary differences on:</b>				
Statutory reserve	21.62	9.07	-	30.69
Fair valuation of financial assets	35.35	10.51	-	45.86
Depreciation and amortisation on property, plant and equipment and Intangible assets	0.65	(0.29)	-	0.36
Others	(0.02)	0.30	(0.29)	(0.01)
<b>Total</b>	<b>57.60</b>	<b>19.59</b>	<b>(0.29)</b>	<b>76.90</b>
<b>Deferred tax assets for deductible temporary differences on:</b>				
Impairment loss allowance on loan assets	16.85	9.12	-	25.97
Amortisation of transaction cost/income on assets on finance as per EIR model	10.98	0.06	-	11.04
Fair valuation of financial assets				
- Security deposits	0.40	0.08	-	0.48
- Security receipt (measured at FVTPL)	1.43	0.66	-	2.09
- Assets held for sale	0.22	(0.03)	-	0.19
Provision for expenses	2.34	0.79		3.13
<b>Total</b>	<b>32.22</b>	<b>10.68</b>	<b>-</b>	<b>42.90</b>
<b>Deferred tax liabilities, net</b>	<b>25.38</b>	<b>8.91</b>	<b>(0.29)</b>	<b>34.00</b>

#### ii) Movement in deferred tax liabilities for year ended 31 March 2024:

Particulars	As at 01 April 2023	Statement of Profit or Loss	Other Comprehensive Income	As at 31 March 2024
<b>Deferred tax liabilities for taxable temporary differences on:</b>				
Statutory reserve	17.10	4.52	-	21.62
Fair valuation of financial assets	22.50	12.85	-	35.35
Depreciation and amortisation on property, plant and equipment and Intangible assets	0.78	(0.13)	-	0.65
Others	0.46	(0.29)	(0.19)	(0.02)
<b>Total</b>	<b>40.84</b>	<b>16.95</b>	<b>(0.19)</b>	<b>57.60</b>
<b>Deferred tax assets for deductible temporary differences on:</b>				
Impairment loss allowance on loan assets	15.02	1.83	-	16.85
Amortisation of transaction cost/income on assets on finance as per EIR model	7.18	3.80	-	10.98
Fair valuation of financial assets	-			-
- Security deposits	0.39	0.01	-	0.40
- Security receipt (measured at FVTPL)	1.17	0.26	-	1.43
- Assets held for sale	0.26	(0.04)	-	0.22
Provision for expenses	1.27	1.07	-	2.34
<b>Total</b>	<b>25.29</b>	<b>6.93</b>	<b>-</b>	<b>32.22</b>
<b>Deferred tax liabilities, net</b>	<b>15.55</b>	<b>10.02</b>	<b>(0.19)</b>	<b>25.38</b>

## SUMMARY OF MATERIAL ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION

FOR THE YEAR ENDED 31 MARCH 2025

(All amounts ₹ in Cr unless otherwise stated)

### 22 OTHER NON-FINANCIAL LIABILITIES

	As at 31 March 2025	As at 31 March 2024
Advances from customers	2.42	9.51
Statutory dues payable	7.30	7.23
Others	0.18	-
	<b>9.90</b>	<b>16.74</b>

### 23 SHARE CAPITAL

#### A. Equity share capital

Particulars	As at 31 March 2025		As at 31 March 2024	
	Number	Amount	Number	Amount
<b>Authorised share capital</b>				
Equity shares of ₹ 10 each	50,00,00,000	500.00	50,00,00,000	500.00
<b>Total</b>	<b>50,00,00,000</b>	<b>500.00</b>	<b>50,00,00,000</b>	<b>500.00</b>
<b>Issued, subscribed and fully paid up</b>				
Equity shares of ₹ 10 each	32,67,70,444	326.78	32,48,26,524	324.83
	<b>32,67,70,444</b>	<b>326.78</b>	<b>32,48,26,524</b>	<b>324.83</b>

#### (a) Reconciliation of the number of shares outstanding and the amount of share capital:

Particulars	As at 31 March 2025		As at 31 March 2024	
	Number	Amount	Number	Amount
Balance at the beginning of the reporting year	32,48,26,524	324.83	25,22,87,783	252.29
Equity share capital issued during the year through:				
(i) Private placement cum preferential allotment	-	-	3,74,84,321	37.48
(ii) Rights issue	-	-	3,39,62,286	33.96
(iii) Employees Stock Option (ESOP)/Restricted Stock option (RSOP) Scheme	1,06,000	0.11	10,92,134	1.09
(iv) Conversion of CCPS	18,37,920	1.84	-	-
<b>Balance at the end of the reporting year</b>	<b>32,67,70,444</b>	<b>326.78</b>	<b>32,48,26,524</b>	<b>324.83</b>

During the year FY 2024-25, on 04 June 2024, the Company allotted 17,84,920 fully paid-up Equity Shares of ₹ 10 each upon conversion of 17,84,920 Fully paid-up 0.001% Compulsorily Convertible Preference Shares (CCPS) of ₹ 10 each. Further, on 20 June 2024, the Company allotted 88,000 Equity Shares of the face value of ₹ 10 each and 44,000 fully paid-up CCPS of the face value of ₹ 10 each to the eligible employees of the Company under the Grihum Housing Employee Stock Option Plan 2018 (ESOP Plan 2018) and Grihum Housing Employee Stock Option Plan 2021 (ESOP Plan 2021). Further, On 03 September, 2024, the Company allotted 5,000 Equity Shares of ₹ 10 each and 2,500 fully paid up 0.001% CCPS of ₹ 10 each to the eligible employees of the Company under the ESOP Plan 2018. On 01 October 2024, the Company allotted 13,000 Equity Shares of ₹ 10 each and 6,500 fully paid up 0.001% CCPS of ₹ 10 each to the eligible employees of the Company under the ESOP Plan 2021. Further on 17 October 2024 the Company has allotted in aggregate 53,000 Equity Shares of ₹ 10 each upon conversion of 53,000 fully paid-up 0.001% CCPS. Consequent to the aforesaid allotments and conversions, the issued, subscribed and paid-up share capital of the Company stands at ₹ 487,39,87,830 comprising of 32,67,70,444 Equity Shares of ₹ 10 each and 16,06,28,339 0.001% CCPS of ₹ 10 each. The Equity Shares allotted as aforesaid rank pari-passu with the existing Equity Shares of the Company in all respects.

SUMMARY OF MATERIAL ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION  
FOR THE YEAR ENDED 31 MARCH 2025

(All amounts ₹ in Cr unless otherwise stated)

23 SHARE CAPITAL (Contd.)

During the year FY 2023-24, the authorised share capital of the Company increased from ₹ 2,75,00,00,000/- (Rupees Two Hundred Seventy-Five Crores only) comprising of 27,50,00,000 (Twenty-Seven Crores Fifty Lakhs only) Equity Shares of ₹ 10/- (Rupees Ten) each to ₹ 5,00,00,00,000/- (Rupees Five Hundred Crores only) comprising of 50,00,00,000 (Fifty Crores only) equity shares of ₹ 10/- (Rupees Ten only) each and ₹ 2,00,00,00,000/-(Rupees Two Hundred Crores only) comprising of 20,00,00,000 (Twenty Crores only) preference shares of ₹ 10/- (Rupees Ten only) each pursuant to the approval of the shareholders of the Company.

Further, during the year FY 2023-24, the divestment of all of the 24,98,21,117 equity shares held by Poonawalla Fincorp Limited ("PFL"), the erstwhile Holding Company of the Company and its nominees in the Company, in favour of Perseus SG Pte. Ltd., an entity affiliated with TPG ("Perseus"), was consummated on 26 July 2023, post receipt of approval of relevant regulatory authorities including the Reserve Bank of India ("RBI") and fulfilment of other terms and conditions as specified in the Share Purchase Agreement dated 14 December 2022, executed by the Company. As a result of the aforesaid divestment, the Company ceased to be a subsidiary of PFL and Perseus holds a controlling equity stake in the Company with effect from 26 July 2023.

The Company on 07 August 2023, allotted to Perseus, 3,74,84,321 Equity Shares for a total consideration of ₹ 537.70 Cr on a private placement cum preferential allotment basis. The equity shares issued and allotted as aforesaid rank pari passu with the existing equity shares of the Company in all respects.

The Company on 28 March 2024, allotted 3,39,62,286 equity shares of the face value of ₹ 10/- each to the existing shareholders of the Company in the ratio of 1:8.46 on a Rights basis for a total consideration of ₹ 500.16 Cr. The equity shares issued and allotted as aforesaid rank pari passu with the existing equity shares of the Company in all respects.

(b) Terms and rights attached to equity shares

The Company has only one class of equity shares having a par value of ₹ 10 each. Each shareholder of the Company is entitled to one vote per share. The dividend as and when proposed by the Board of Directors will be subject to the approval of the shareholders to be obtained in the Annual General Meeting, which shall be paid in Indian rupees. In the event of liquidation of the Company, the equity shareholders of the Company are entitled to receive the remaining assets of the Company after discharging all liabilities and after distribution of all the preferential amounts of the Company in proportion to the number of equity shares held by the equity shareholders. Dividend on shares is recorded as a liability on the date of approval by the shareholders at the Annual General Meeting.

(c) Shares held by Holding company and details of shareholders holding more than 5% shares in the Company

Particulars	As at 31 March 2025		As at 31 March 2024	
	Number	Percentage	Number	Percentage
Equity shares of ₹ 10 each:				
Perseus SG Pte. Ltd.#	32,12,56,684	98.31%	32,12,56,684	98.90%

#Includes 6 Shares held by nominee shareholders, the beneficial interest of which, lies with Perseus SG Pte. Ltd.

(d) Shares held by the promoters in the Company

Shares held by promoters at the end of the year (31 March 2025)

S. No.	Promoter name	No. of Shares	% of total shares	% Change during the year*
1	Perseus SG Pte. Ltd.#	32,12,56,684	98.31%	0.00%
	Total	32,12,56,684	98.31%	

#Includes 6 Shares held by nominee shareholders, the beneficial interest of which, lies with Perseus SG Pte. Ltd.

SUMMARY OF MATERIAL ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION  
FOR THE YEAR ENDED 31 MARCH 2025

(All amounts ₹ in Cr unless otherwise stated)

23 SHARE CAPITAL (Contd.)

Shares held by promoters at the end of the year (31 March 2024)

S. No.	Promoter name	No. of Shares	% of total shares	% Change during the year*
1	Perseus SG Pte. Ltd.#	32,12,56,684	98.90%	28.59%
	Total	32,12,56,684	98.90%	

#Includes 6 Shares held by nominee shareholders, the beneficial interest of which, lies with Perseus SG Pte. Ltd.

\* % change during the year are computed with respect to the number at the beginning of the year or if issued during the year for the first time then with respect to the date of issue.

B. Instruments entirely equity in nature

Compulsorily Convertible Preference Share Capital ('CCPS')	As at 31 March 2025		As at 31 March 2024	
	Number	Amount	Number	Amount
Authorised share capital				
Compulsorily convertible preference shares of ₹ 10 each	20,00,00,000	200.00	20,00,00,000	200.00
Total	20,00,00,000	200.00	20,00,00,000	200.00
Issued, subscribed and fully paid up				
Compulsorily convertible preference shares of ₹ 10 each	16,06,28,339	160.62	16,24,13,259	162.41
	16,06,28,339	160.62	16,24,13,259	162.41

(a) Reconciliation of the number of shares outstanding and the amount of share capital:

Particulars	As at 31 March 2025		As at 31 March 2024	
	Number	Amount	Number	Amount
Balance at the beginning of the reporting year	16,24,13,259	162.41	-	-
Issued during the year				
Compulsorily convertible preference shares (Bonus issue)	53,000	0.05	16,24,13,259	162.41
Conversion of CCPS	(18,37,920)	(1.84)	-	-
Balance at the end of the reporting year	16,06,28,339	160.62	16,24,13,259	162.41

During the FY 2024-25, on 04 June 2024, the Company allotted 17,84,920 fully paid-up Equity Shares of ₹ 10 each upon conversion of 17,84,920 fully paid-up 0.001% Compulsorily Convertible Preference Shares (CCPS) of ₹ 10 each. Further, on 20 June 2024, the Company allotted 88,000 Equity Shares of the face value of ₹ 10 each and 44,000 fully paid-up CCPS of the face value of ₹ 10 each to the eligible employees of the Company under the Grihum Housing Employee Stock Option Plan 2018 (ESOP Plan 2018) and Grihum Housing Employee Stock Option Plan 2021 (ESOP Plan 2021). Further, On 03 September 2024, the Company allotted 5,000 Equity Shares of ₹ 10 each and 2,500 fully paid up 0.001% CCPS of ₹ 10 each to the eligible employees of the Company under the ESOP Plan 2018.

On 01 October 2024, the Company allotted 13,000 Equity Shares of ₹ 10 each and 6,500 fully paid up 0.001% CCPS of ₹ 10 each to the eligible employees of the Company under the ESOP Plan 2021. Further on 17 October 2024 the Company has allotted in aggregate 53,000 Equity Shares of ₹ 10 each upon conversion of 53,000 fully paid-up 0.001% CCPS. Consequent to the aforesaid allotments and conversions, the issued, subscribed and paid-up share capital of the Company stands at ₹ 487,39,87,830 comprising of 32,67,70,444 Equity Shares of ₹ 10 each and 16,06,28,339 0.001% CCPS of ₹ 10 each. The Equity Shares allotted as aforesaid rank pari-passu with the existing Equity Shares of the Company in all respects.



SUMMARY OF MATERIAL ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION  
FOR THE YEAR ENDED 31 MARCH 2025

(All amounts ₹ in Cr unless otherwise stated)

23 SHARE CAPITAL (Contd.)

During the year FY 2023-24, the authorised share capital of the Company increased from ₹ 2,75,00,00,000/- (Rupees Two Hundred Seventy-Five Crores only) comprising of 27,50,00,000 (Twenty-Seven Crores Fifty Lakhs only) Equity Shares of ₹ 10/- (Rupees Ten) each to ₹ 5,00,00,00,000/- (Rupees Five Hundred Crores only) comprising of 50,00,00,000 (Fifty Crores only) equity shares of ₹ 10/- (Rupees Ten only) each and ₹ 2,00,00,00,000/-(Rupees Two Hundred Crores only) comprising of 20,00,00,000 (Twenty Crores only) preference shares of ₹ 10/- (Rupees Ten only) each pursuant to the approval of the shareholders of the Company.

On 28 March 2024, the Company allotted 16,24,13,259 fully paid-up 0.001% Compulsorily Convertible Preference Shares ('CCPS') of ₹ 10 each, as bonus shares in the ratio of 1:2 to the existing equity shareholders of the Company.

(b) Terms and rights attached to CCPS

The Company has one class of CCPS having a par value of ₹ 10 each. Each CCPS shall be a non-cumulative compulsorily convertible preference share. Each CCPS shall, at all times, rank pari-passu in all respects and without any preference or priority among themselves. Each CCPS shall carry a preferential right vis-à-vis the equity shares of the Company with respect to payment of dividend and repayment of capital, subject to the articles of association of the Company. Each CCPS shall be entitled to a preferential dividend on a non-cumulative basis at the rate of 0.001% per annum from the Company in accordance with the applicable laws. Subject to compliance with applicable laws, each CCPS shall, at the option of the holder of the CCPS, stand converted into equity shares in the ratio of 1:1 upon the earlier of: (i) 10 (ten) days from the receipt of notice from the holder of CCPS requesting for conversion of the CCPS into equity shares; (ii) 1 (one) day prior to the expiry of 5 (five) years from the date of allotment of the CCPS; and (iii) immediately prior to the consummation of an initial public offering of the shares of the Company. CCPS will not carry any voting rights except in case of any resolution placed before the Company (a) which directly affects the rights attached to such CCPS; (b) for winding up of the Company; (c) for the repayment or reduction of Company's equity or preference share capital; or as otherwise provided in the Companies Act, 2013 and other applicable law. CCPS shall also be subject to other terms and conditions as approved by the shareholders of the Company vide the special resolution passed on 22 March 2024.

(c) Shares held by Holding company and details of shareholders holding more than 5% shares in the Company

	As at 31 March 2025		As at 31 March 2024	
	Number	Percentage	Number	Percentage
<b>Compulsorily convertible preference shares of ₹ 10 each:</b>				
Perseus SG Pte. Ltd.	16,06,28,339	100.00%	16,06,28,339.00	98.90%

(d) Shares held by the promoters in the Company

Shares held by promoters at the end of the year (31 March 2025)

S. No.	Promoter name	No. of Shares	%of total shares	% Change during the year*
1	Perseus SG Pte. Ltd.	16,06,28,339	100.00%	0.00%
	<b>Total</b>	<b>16,06,28,339</b>	<b>100.00%</b>	

Shares held by promoters at the end of the year (31 March 2024)

S. No.	Promoter name	No. of Shares	%of total shares	% Change during the year*
1	Perseus SG Pte. Ltd.	16,06,28,339	98.90%	100.00%
	<b>Total</b>	<b>16,06,28,339</b>	<b>98.90%</b>	

\*% change during the year are computed with respect to the number at the beginning of the year or if issued during the year for the first time then with respect to the date of issue.

SUMMARY OF MATERIAL ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION  
FOR THE YEAR ENDED 31 MARCH 2025

(All amounts ₹ in Cr unless otherwise stated)

24 OTHER EQUITY

	As at 31 March 2025	As at 31 March 2024
<b>(i) Retained earnings</b>		
Balance as at the beginning of the year	456.56	344.59
Profit for the year	210.71	139.96
	<b>667.27</b>	<b>484.55</b>
<b>Less: Appropriations</b>		
Transfer to statutory reserve in terms of Section 29C of the NHB Act, 1987	5.99	9.95
Transfer to 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	36.15	18.04
<b>Total appropriations</b>	<b>42.14</b>	<b>27.99</b>
<b>Balance as at the end of the year (i)</b>	<b>625.13</b>	<b>456.56</b>
<b>(ii) Statutory reserves</b>		
Balance as at the beginning of the year		
(a) Statutory Reserve u/s 29C of the NHB Act, 1987	38.63	28.68
(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	86.49	68.45
<b>Addition/appropriation/withdrawal during the year</b>		
Add:		
(a) Amount transferred u/s 29C of the NHB Act, 1987	5.99	9.95
(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	36.15	18.04
Less:		
(a) Amount appropriated from the Statutory Reserve u/s 29C of the NHB Act, 1987	-	-
(b) Amount withdrawn from the Special Reserve u/s 36(1)(viii) of Income Tax Act, 1961 taken into account which has been taken into account for the purpose of provision u/s 29C of the NHB Act, 1987	-	-
<b>Balance as at the end of the year</b>		
(a) Statutory Reserve u/s 29C of the NHB Act, 1987	44.62	38.63
(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	122.64	86.49
<b>Balance as at the end of the year (ii)</b>	<b>167.26</b>	<b>125.12</b>
<b>(iii) Securities premium</b>		
Balance as at the beginning of the year	1,309.02	501.72
Add: Received during the year through		
Private placement cum preferential allotment	-	498.66

## SUMMARY OF MATERIAL ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION

FOR THE YEAR ENDED 31 MARCH 2025

(All amounts ₹ in Cr unless otherwise stated)

### 24 OTHER EQUITY (Contd.)

	As at 31 March 2025	As at 31 March 2024
Rights issue	-	466.20
Transfer from Share option reserve account	0.31	3.86
Proceeds from share issued under ESOP and RSOP schemes	0.52	0.99
Less: Utilised for Compulsorily convertible preference shares (Bonus issue)	(0.05)	(162.41)
<b>Balance as at the end of the year (iii)</b>	<b>1,309.80</b>	<b>1,309.02</b>
<b>(iv) Share options outstanding account</b>		
Balance as at the beginning of the year	12.74	13.06
Add: Additions during the year (net of reversal)	0.17	3.54
Less: Transferred to Share Premium account	(0.31)	(3.86)
<b>Balance as at the end of the year (iv)</b>	<b>12.60</b>	<b>12.74</b>
<b>(v) Other comprehensive income</b>		
Balance as at the beginning of the year	(0.80)	(0.21)
Add: Additions during the year	(0.32)	(0.59)
Less: Utilised during the year	-	-
<b>Balance as at the end of the year (v)</b>	<b>(1.12)</b>	<b>(0.80)</b>
<b>Total [(i)+(ii)+(iii)+(iv)+(v)]</b>	<b>2,113.67</b>	<b>1,902.64</b>

#### (a) Retained earnings

Retained earnings are the profits that the Company has earned till date, less any transfer to general reserves, statutory reserve, dividends and other distributions made to the shareholders.

#### (b) Statutory reserves

Statutory reserve represents the Reserve Fund created under section 29C of the National Housing Bank Act, 1987. Under section 29C, the Company is required to transfer a sum not less than twenty percent of its net profit for the financial year to the statutory reserve. The statutory reserve can be utilised for the purposes as may be specified by the National Housing Bank from time to time.

#### (c) Securities premium

Securities premium represents premium received on issue of shares. This amount can be utilised in accordance with the provisions of the Companies Act, 2013.

#### (d) Share options outstanding account

The Company instituted the Grihum Housing Finance Ltd. - Employee Stock Option Plan (ESOP 2018) in 2018, and Grihum Housing-Restricted Stock Option Plan 2018 (RSO 2018) in 2018 as amended and Grihum Employee Stock Option Plan 2021 (ESOP 2021) in 2021, which were approved by the Board of Directors and shareholders of the Company. The reserve is used to recognise the fair value of the options issued to the employees of the Company under the Plan.

Refer Note 44 for further details on employee stock options.

#### (e) Other comprehensive income

During the year FY 2024-25 and FY 2023-24, the Company has recognised remeasurement benefits of the defined benefit plans as per actuarial valuation.

## SUMMARY OF MATERIAL ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION

FOR THE YEAR ENDED 31 MARCH 2025

(All amounts ₹ in Cr unless otherwise stated)

### 25 INTEREST INCOME

	Year ended 31 March 2025			Year ended 31 March 2024		
	On financial assets measured at fair value through OCI	On financial assets measured at Amortised Cost	Total	On financial assets measured at fair value through OCI	On financial assets measured at Amortised Cost	Total
Interest on loans	-	1,091.48	1,091.48	-	870.89	870.89
Interest income from investments	-	13.32	13.32	-	11.10	11.10
Interest on deposits with banks	-	28.40	28.40	-	48.80	48.80
Other interest Income	-	0.34	0.34	-	0.32	0.32
	-	<b>1,133.54</b>	<b>1,133.54</b>	-	<b>931.11</b>	<b>931.11</b>

### 26 FEES AND COMMISSION INCOME

	Year ended 31 March 2025	Year ended 31 March 2024
Collection and support services	2.95	1.79
Foreclosure charges	6.75	2.61
Login fees	12.02	12.64
Commission from Insurance	41.58	-
Others	4.95	7.48
	<b>68.25</b>	<b>24.52</b>

Note: Also refer Note 41

### 27 NET GAIN ON FAIR VALUE CHANGES

	Year ended 31 March 2025	Year ended 31 March 2024
<b>(A) Net gain on financial instruments at fair value through profit or loss</b>		
On trading portfolio:		
Realised gain on investment at FVTPL	12.67	7.53
<b>(B) Others</b>		
Provision reversal Asset held for sale	0.09	0.17
	<b>12.76</b>	<b>7.70</b>

### 28 NET GAIN ON DE-RECOGNITION OF FINANCIAL INSTRUMENTS

	Year ended 31 March 2025	Year ended 31 March 2024
Gain from de-recognition on account of direct assignment transactions	74.44	66.00
Loss on sale of non performing assets	(24.51)	(5.50)
(Net of reversal of provision of ₹ 33.94 Cr) (31 March 2024: ₹ 8.76 Cr)		
	<b>49.93</b>	<b>60.50</b>



## SUMMARY OF MATERIAL ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION

### FOR THE YEAR ENDED 31 MARCH 2025

(All amounts ₹ in Cr unless otherwise stated)

#### 29 OTHER INCOME

	Year ended 31 March 2025	Year ended 31 March 2024
Liabilities no longer required written back	0.55	0.52
Income from other services	7.75	20.37
Gain from sale of repossessed assets*	(0.01)	-
Miscellaneous income	2.19	0.48
	<b>10.48</b>	<b>21.37</b>

\*The gain from sale of repossessed assets represents recoveries against overdue loans written off by the Company. Any excess recovery is accounted for as a financial liability and refunded to the borrower.

#### 30 FINANCE COST (ON FINANCIALS LIABILITIES MEASURED AT AMORTISED COST)

	Year ended 31 March 2025	Year ended 31 March 2024
Interest on debt securities	66.02	67.03
Interest on borrowings (other than debt securities)	414.57	348.08
Interest on subordinated liabilities	12.61	12.64
Other borrowing costs	5.18	9.92
Interest on lease liability	6.66	6.19
	<b>505.04</b>	<b>443.86</b>

#### 31 NET LOSS ON FAIR VALUE CHANGES

	Year ended 31 March 2025	Year ended 31 March 2024
<b>(A) Net loss on financial instruments at fair value through profit or loss</b>		
On trading portfolio:		
Realised gain on investment at FVTPL	-	-
<b>(B) Others</b>		
Unrealised loss on security receipts	2.61	1.00
<b>Total</b>	<b>2.61</b>	<b>1.00</b>

#### 32 IMPAIRMENT ON FINANCIAL INSTRUMENTS

	Year ended 31 March 2025			Year ended 31 March 2024		
	On financial assets measured at fair value through OCI	On financial assets measured at Amortised Cost	Total	On financial assets measured at fair value through OCI	On financial assets measured at Amortised Cost	Total
Impairment on loans	-	70.20	70.20	-	16.01	16.01
Bad debts written-off (net of recoveries)*	-	14.46	14.46	-	21.94	21.94
	-	<b>84.66</b>	<b>84.66</b>	-	<b>37.95</b>	<b>37.95</b>

\*During the year bad debts recovery for ₹ 5.73 Cr on financial assets measured at amortised cost has been netted off with bad debts written off. (31 March 2024: bad debts recovery for ₹ 18.45 Cr on financial assets measured at amortised cost has been netted off with bad debts written off)

Note: Also refer Note 50

## SUMMARY OF MATERIAL ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION

### FOR THE YEAR ENDED 31 MARCH 2025

(All amounts ₹ in Cr unless otherwise stated)

#### 33 EMPLOYEE BENEFITS EXPENSES

	Year ended 31 March 2025	Year ended 31 March 2024
Salaries	264.72	237.37
Contribution to provident and other funds	15.84	11.31
Share based payments to employees	0.17	3.54
Staff welfare expense	9.53	7.85
	<b>290.26</b>	<b>260.07</b>

##### (a) Defined contribution plans:

Eligible employees of the Company receive benefits under the Provident Fund which is a defined contribution plan wherein both the employee and the Company make monthly contributions equal to a specific percentage of covered employees' salary. These contributions are made to the Fund administered and managed by the Government of India and the Company has no further obligation beyond making its contribution. The Company's monthly contributions are charged to Statement of profit and loss in the period in which they are incurred.

##### (b) Defined benefits plans:

###### Compensated absence

The Company provides for compensated absences to its employees. The employees can carry-forward a portion of the unutilised accrued compensated absences and utilise it in future service periods or receive cash compensation on termination of employment. Since the compensated absences do not fall due wholly within twelve months after the end of the period in which the employees render the related service and are also not expected to be utilised wholly within twelve months after the end of such period, the benefit is classified as a long-term employee benefit. The Company records an obligation for such compensated absences in the period in which the employee renders the services that increase this entitlement. The scheme is unfunded and liability for the same is recognised on the basis of actuarial valuation. Expense of provision of ₹ 2.73 Cr (previous year provision of ₹ 2.32 Cr) for the year have been done on the basis of actuarial valuation at the year end and debited to the statement of profit and loss.

###### Gratuity (funded)

Gratuity is a post employment benefit and is a defined benefit plan. The gratuity plan is governed by the Payment of Gratuity Act, 1972. The liability recognised in the Balance Sheet represents the present value of the defined benefit obligation at the Balance Sheet date, less the fair value of plan assets (if any), together with adjustment for unrecognised actuarial gains or losses and past service cost. Independent actuaries calculate the defined benefit obligation annually using the Projected Unit Credit Method. Actuarial gains/losses are credited/charged to the Statement of Other Comprehensive Income in the year in which such gains or losses arise.

The following table summarises the components of defined benefit expense recognised in the Statement of Profit and Loss/ Other Comprehensive Income ('OCI') and the funded status and amounts recognised in the Balance Sheet for the respective plans:

##### (i) Change in present value of the defined benefit obligation:

	As at 31 March 2025	As at 31 March 2024
Present value of the obligations at the beginning of the year	5.21	3.81
Current service cost	1.48	1.09
Interest cost	0.35	0.26
Actuarial loss arising from financials assumptions	0.20	0.03
Actuarial (gain)/loss arising from experience adjustments	0.25	0.64
Benefits paid	(0.82)	(0.62)
<b>Present value of the obligations at the end of the year</b>	<b>6.67</b>	<b>5.21</b>

## SUMMARY OF MATERIAL ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION

FOR THE YEAR ENDED 31 MARCH 2025

(All amounts ₹ in Cr unless otherwise stated)

### 33 EMPLOYEE BENEFITS EXPENSES (Contd.)

#### (ii) Change in fair value of plan assets:

	As at 31 March 2025	As at 31 March 2024
Plan assets at the beginning of the year	4.68	5.05
Expected return on plan assets	0.34	0.37
Actual company contributions	2.12	-
Benefits paid	(0.83)	(0.62)
Actuarial Gain/(Loss) on Plan Assets	0.02	(0.12)
<b>Plan assets at the end of the year</b>	<b>6.33</b>	<b>4.68</b>

#### (iii) Reconciliation of present value of defined benefit obligation and the fair value of plan assets

	As at 31 March 2025	As at 31 March 2024
Present value obligation as at the end of the year	6.67	5.21
Fair value of plan assets as at the end of the year	6.33	4.68
<b>Net liability recognised in balance sheet</b>	<b>0.34</b>	<b>0.53</b>

#### (iv) Components of net cost charged to the Statement of profit and loss

	Year ended 31 March 2025	Year ended 31 March 2024
Employee benefits expense:		
Service cost	1.48	1.09
Interest costs	0.35	0.26
Interest income	(0.34)	(0.37)
<b>Net impact on profit before tax</b>	<b>1.49</b>	<b>0.98</b>

#### (v) Components Remeasurement losses in other comprehensive income

	Year ended 31 March 2025	Year ended 31 March 2024
Actuarial loss arising from assumption changes	0.20	0.03
Actuarial loss arising from experience adjustments	0.25	0.64
Return on plan assets (greater)/less than discount rate	(0.02)	0.12
<b>Remeasurement (gains)/losses in other comprehensive income</b>	<b>0.43</b>	<b>0.79</b>

(vi) The Company's gratuity scheme for permanent employees is administered through trust with the SBI Life and Life Insurance Corporation. The funding requirements are based on the gratuity funds actuarial measurement framework set out in the funding policies of the plan. The funding is based on a separate actuarial valuation for funding purpose for which assumptions are same as set out below. Employees do not contribute to the plan.

#### (vii) Assumptions used

With the objective of presenting plan assets and obligations of the defined benefit plans at their fair value at Balance Sheet date, assumptions used under Ind AS 19 are set by reference to market conditions at the valuation date.

	Year ended 31 March 2025	Year ended 31 March 2024
Discount rate (per annum)	6.57%	7.17%
Salary escalation rate (per annum)	5.00%	5.00%
Expected average remaining working lives of employees (years)	4.81	4.79
Mortality	"IALM(2012-14) ultimate table"	"IALM(2012-14) ultimate table"

## SUMMARY OF MATERIAL ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION

FOR THE YEAR ENDED 31 MARCH 2025

(All amounts ₹ in Cr unless otherwise stated)

### 33 EMPLOYEE BENEFITS EXPENSES (Contd.)

#### (viii) Sensitivity analysis

A quantitative sensitivity analysis for significant assumption is as shown below:

	Year ended 31 March 2025	Year ended 31 March 2024
DBO with discount rate +0.25pt	6.58	5.14
DBO with discount rate -0.25pt	6.75	5.27
DBO with +0.5% salary escalation	6.86	5.35
DBO with -0.5% salary escalation	6.48	5.06
DBO with +2% withdrawal rate	6.64	5.19
DBO with -2% withdrawal rate	6.70	5.22
DBO with +1% mortality rate	6.67	5.20
DBO with -1% mortality rate	6.67	5.20

#### Methods and assumptions used in preparing sensitivity analysis and their limitations:

The sensitivity analysis presented above may not be representative of the actual change in the defined benefit obligation as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions may be correlated. Furthermore, in presenting the above sensitivity analysis, the present value of the defined benefit obligation has been calculated using the projected unit credit method at the end of the reporting period, which is the same as that applied in calculating the defined benefit obligation liability recognised in the Balance Sheet.

#### (ix) Maturity analysis of the benefit payments:

	As at 31 March 2025	As at 31 March 2024
Year 1	0.74	0.67
2 to 5 years	3.71	2.93
6 to 10 years	2.92	2.30
<b>More than 10 years</b>	<b>1.52</b>	<b>1.30</b>

#### (c) Aforesaid defined benefit plans typically expose the Company to actuarial risks:

##### Investment risk

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

##### Market Risk (Interest Rate)

Market risk is a collective term for risks that are related to the changes and fluctuations of the financial markets. The discount rate reflects the time value of money. An increase in discount rate leads to decrease in Defined Benefit Obligation of the plan benefits & vice versa. This assumption depends on the yields on the corporate/government bonds and hence the valuation of liability is exposed to fluctuations in the yields as at the valuation date.

##### Longevity Risk

The impact of longevity risk will depend on whether the benefits are paid before retirement age or after. Typically for the benefits paid on or before the retirement age, the longevity risk is not very material.



## SUMMARY OF MATERIAL ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION

### FOR THE YEAR ENDED 31 MARCH 2025

(All amounts ₹ in Cr unless otherwise stated)

#### 33 EMPLOYEE BENEFITS EXPENSES (Contd.)

##### Actuarial Risk

Salary Increase Assumption: Actual Salary increase that are higher than the assumed salary escalation, will result in increase to the Obligation at a rate that is higher than expected.

Attrition/Withdrawal Assumption: If actual withdrawal rates are higher than assumed withdrawal rates, the benefits will be paid earlier than expected. Similarly if the actual withdrawal rates are lower than assumed, the benefits will be paid later than expected. The impact of this will depend on the demography of the company and the financials assumptions.

##### Regulatory Risk

Any Changes to the current Regulations by the Government, will increase (in most cases) or Decrease the obligation which is not anticipated. Sometimes, the increase is many fold which will impact the financials quite significantly.

#### 34 DEPRECIATION, AMORTISATION AND IMPAIRMENT

	Year ended 31 March 2025	Year ended 31 March 2024
Depreciation on property plant and equipment	6.58	6.11
Depreciation on Right of use asset	12.28	10.61
Amortisation of Intangible assets	2.74	2.51
	<b>21.60</b>	<b>19.23</b>

#### 35 OTHER EXPENSES

	Year ended 31 March 2025	Year ended 31 March 2024
Rent, taxes and energy costs	4.34	3.44
Information technology expenses	25.91	36.69
Repairs and maintenance expenses - Others	0.73	1.13
Communication costs	2.23	3.12
Printing and stationery	1.85	3.33
Advertisement and publicity	3.57	7.19
Directors fees, allowances and expenses	0.23	0.60
Auditor's remuneration*	0.50	0.50
Legal Expenses	5.96	4.13
Professional fees	23.29	17.50
Travelling and conveyance	12.50	11.88
Corporate social responsibility expenditure (refer note 49)	2.81	1.68
Office maintenance	1.80	2.44
Record retention charges	2.53	2.80
Insurance expenses	0.26	0.13
Business promotion expenses	0.66	2.52
Miscellaneous expenses	0.70	0.76
	<b>89.87</b>	<b>99.84</b>

## SUMMARY OF MATERIAL ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION

### FOR THE YEAR ENDED 31 MARCH 2025

(All amounts ₹ in Cr unless otherwise stated)

#### 35 OTHER EXPENSES (Contd.)

##### \*Payment to auditors

	Year ended 31 March 2025	Year ended 31 March 2024
Statutory Audit fees	0.28	0.23
Limited review fees	0.09	0.09
Other Services	0.12	0.17
Reimbursement of expenses	0.01	0.01
	<b>0.50</b>	<b>0.50</b>

##### Foreign exchange earnings and outgo

During FY 2024-25, the Company did not have any foreign exchange earnings in terms of actual inflow. The foreign exchange outgo in terms of actual outflow amounted to ₹ 5.97 Cr (During FY 2023-24, the Company did not have any foreign exchange earnings in terms of actual inflow. The foreign exchange outgo in terms of actual outflow amounted to ₹ 1.14 Cr).

#### 36 TAX EXPENSES

##### (a) Income tax recognised in the Statement of Profit and Loss:

	Year ended 31 March 2025	Year ended 31 March 2024
Current tax	61.69	33.19
Deferred tax	8.73	10.02
Tax expenses of earlier years	(0.21)	0.08
	<b>70.21</b>	<b>43.29</b>

##### (b) Income tax recognised in other comprehensive income:

	Year ended 31 March 2025	Year ended 31 March 2024
Tax impact on remeasurement of defined benefit plans	0.11	0.19
	<b>0.11</b>	<b>0.19</b>

##### (c) Reconciliation of income tax expense and the accounting profit for the year:

	Year ended 31 March 2025	Year ended 31 March 2024
Profit before tax	280.92	183.25
Enacted tax rates (%)	<b>25.17%</b>	<b>25.17%</b>
Income tax expense calculated at corporate tax rate	70.72	46.05
Tax expenses allowable/(disallowable) under IT act	(0.51)	(2.82)
Impact of tax relating to earlier years	-	0.06
<b>Income tax expense recognised in statement of profit and loss</b>	<b>70.21</b>	<b>43.29</b>

SUMMARY OF MATERIAL ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION  
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(All amounts ₹ in Cr unless otherwise stated)

37 EARNINGS PER EQUITY SHARE (EPS)

	Year ended 31 March 2025	Year ended 31 March 2024
Net profit attributable to equity shareholders	210.71	139.96
Nominal value of equity share (₹)	10	10
Weighted average number of equity shares for basic earning per share	32,64,00,647	27,84,62,563
Add: Diluting effect of potential equity shares issued as employee stock options	16,18,07,388	16,57,35,527
Weighted average number of equity shares for diluted earning per share	48,82,08,035	44,41,98,090
Earnings per share*		
- Basic earnings per share (₹)	6.46	5.03
- Diluted earnings per share (₹)	4.32	3.15

\*The EPS for all the prior periods presented have been restated to this effect as required by "Ind AS 33: Earnings Per Share".

38 SEGMENT REPORTING

The Company is primarily engaged in mortgage-based finance and as such no separate information is required to be furnished in terms of Ind AS 108 "Operating segments" specified under section 133 of the Act. Operating segments are reported in a manner consistent with the internal reporting provided to the Chief Operating Decision Maker (CODM) of the Company. The CODM is responsible for allocating resources and assessing performance of the operating segments of the Company. The Company is in a single business segment of providing financial services to customers in India. The entire revenues are billable within India and there is only one geographical segment.

39 RELATED PARTY DISCLOSURES

Information on related party transactions as required by "Ind AS - 24 - Related Party Disclosures" are as follows:

(A) List of related parties with whom transactions have been entered

(i) Parties where control exists

Name of the related party	Nature of Relationship	Country of incorporation	% of holding as on 31 Mar 2025	% of holding as on 31 Mar 2024
(a) Perseus SG PTE Ltd. <sup>1</sup>	Holding Company (w.e.f. 26 July 2023)	Singapore	98.31%	98.90%
(b) Rising Sun Holdings Pvt. Ltd. <sup>1</sup>	Ultimate Holding Company (Up to 25 July 2023)	India	-	-
(c) Poonawalla Fincorp Ltd. <sup>1</sup>	Holding Company (Up to 25 July 2023)	India	-	-

(ii) Subsidiary of holding company to which Company is also a subsidiary

Poonawalla Finance Private Ltd.<sup>1</sup> (Up to 25 July 2023)

(iii) Entities Under Common Control

Magma HDI General Insurance Company Ltd.<sup>2</sup> (Up to 25 July 2023)

TPG Asia VIII Management LLC (w.e.f. 26 July 2023)

TPG Asia Advisory Services, LLC (w.e.f. 26 July 2023)

SUMMARY OF MATERIAL ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION  
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(All amounts ₹ in Cr unless otherwise stated)

39 RELATED PARTY DISCLOSURES (Contd.)

(iv) Director & Key management personnel

Name of the related party	Nature of Relationship
Puneet Bhatia	Non-Executive Director (w.e.f 08 September 2023)
Sanjeev Mehra	Non-Executive Director (w.e.f 08 September 2023)
Prem Manjooran	Independent Director (w.e.f 08 September 2023)
Nitin Gupta	Independent Director (w.e.f 08 September 2023)
Richa Arora	Independent Director (w.e.f 13 March 2024)
Manish Jaiswal	Managing Director and Chief Executive Officer
Pankaj Mahesh Kumar Rathi	Chief Financial Officer (w.e.f 01 July 2021)
Vaishnavi Bhupendra Surawala	Company Secretary (w.e.f 20 May 2023)
Adar Poonawalla	Chairman & Non-Executive Director (up to 26 July 2023)
Bhama Krishnamurthy	Non Executive Independent Director (up to 08 September 2023)
Prabhakar Ramchandra Dalal	Non Executive Independent Director (up to 08 September 2023)
Amar Deshpande	Non Executive Director (up to 26 July 2023)
Priti Saraogi	Company Secretary (up to 05 April 2023)

(B) Transactions with related parties

Name of the party	Nature of transactions	Year ended 31 March 2025	Year ended 31 March 2024
(i) Holding Company			
Perseus SG PTE Ltd. <sup>1</sup>	Equity share Capital	-	71.44
	Share Premium	-	966.42
	Compulsorily Convertible Preference Shares Capital (Bonus Issue)	-	160.63
Poonawalla Fincorp Ltd. <sup>1</sup>	Purchase of Fixed Assets	-	0.08
	Inter Corporate Loan Taken	-	300.00
	Inter Corporate Loan Refunded	-	300.00
	Interest paid on Inter Corporate Loan Taken	-	4.80
	Direct Assignment Servicing Fees received	-	0.04
(ii) Entities Under Common Control			
Magma HDI General Insurance Company Ltd. <sup>2</sup>	Premium adjusted against advance given	-	0.08
	Insurance Premium advances for Medical Policies	-	0.25
	Advance Insurance premium paid (Including Mediclaim)	-	0.04
TPG Asia Advisory Services, LLC	Advisory Services	5.59	0.76



SUMMARY OF MATERIAL ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION  
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(All amounts ₹ in Cr unless otherwise stated)

39 RELATED PARTY DISCLOSURES (Contd.)

Name of the party		Nature of transactions	Year ended 31 March 2025	Year ended 31 March 2024
(iii)	<b>Directors &amp; Key Managerial Personnel</b>			
	Manish Jaiswal <sup>3,4,5</sup>	Directors' remuneration	5.74	4.25
		Equity Share Capital	1.68	0.89
		Issuance of Compulsorily Convertible Preference Shares Capital (Bonus Issue)	-	1.68
	Pankaj Rathi <sup>4</sup>	Salary	2.33	2.19
	Priti Saraogi	Salary (Net of Recovery)	-	0.01
	Vaishnavi Bhupendra Suratwala <sup>4</sup>	Salary	0.41	0.24
	Prem Manjooran	Sitting Fees	0.14	0.09
	Richa Arora	Sitting Fees	0.09	0.01
	Adar Poonawalla	Sitting Fees	-	0.01
	Amar Deshpande	Sitting Fees	-	0.14
	Bhama Krishnamurthy	Sitting Fees	-	0.18
	Prabhakar Ramchandra Dalal	Sitting Fees	-	0.16

(C) Compensation of key Managerial Personnel

Particulars	Year ended 31 March 2025	Year ended 31 March 2024
Short-term employee benefits (including remuneration)	8.38	6.59
Post-employment benefits <sup>4</sup>	0.11	0.10

<sup>1</sup>The Equity Shares held by Poonawalla Fincorp Ltd. were transferred to Perseus SG Pte. Ltd. on 26 July 2023 and consequently, the Company became a subsidiary of Perseus SG Pte. Ltd., Poonawalla Fincorp Ltd. ceased to be holding Company, Further subsequent to such share transfer Rising Sun Holdings Pvt. Ltd. ceased to be ultimate holding company and Poonawalla Finance Private Ltd. ceased to be fellow subsidiary w.e.f. 26.07.2023.

<sup>2</sup>MHDI ceased to be a Joint Venture of Poonawalla Fincorp Ltd. with effect from 09.06.2022, however MHDI continued to be related party of the Company as per IND AS. Subsequent to share transfer between Poonawalla Fincorp Ltd. and Perseus SG Pte. Ltd. MHDI ceases to be related party w.e.f. 26.07.2023.

<sup>3</sup>During the year FY 2023-24, the remuneration does not include the value of perquisites amounting to ₹ 12.10 Cr, which is attributed to the exercise of 8,93,334 Restricted Stock

<sup>4</sup>As provisions for gratuity and leave benefits are made for the company as a whole, the amount pertaining to key management personnel is not specifically identified and hence are not included above. All KMP remuneration have been reported basis benefits paid during the year ended.

<sup>5</sup>During the year 2024-25, 16,80,000 0.001% Compulsorily Convertible Preference Shares of ₹ 1.68 Cr allotted on 28.03.2024 has been converted into Equity Shares on 04.06.2024

SUMMARY OF MATERIAL ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION  
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(All amounts ₹ in Cr unless otherwise stated)

40 FAIR VALUE MEASUREMENTS

a Financial assets and liabilities

The carrying amounts and fair values of financial instruments by category as follows:

Particulars	Note	As at 31 March 2025	As at 31 March 2024
<b>(i) Financial assets measured at amortised cost</b>			
- Cash and cash equivalents	3	557.97	640.48
- Other bank balances	4	418.90	94.93
- Receivables	5	12.19	11.23
- Loans	6	7,761.11	7,089.43
- Investments	7	176.41	207.71
- Other financial assets	8	185.14	154.89
<b>(ii) Financial assets measured at fair value through profit and loss</b>			
- Investments (In RDCL)	7	25.00	-
- Other financial assets (Security receipts)	8	28.04	36.85
<b>Total</b>		<b>9,164.76</b>	<b>8,235.52</b>
<b>(i) Financial liabilities measured at amortised cost</b>			
- Trade payables	15	3.63	2.63
- Other payables	15	10.53	14.99
- Debt securities	16	434.29	933.77
- Borrowings (other than debt securities)	17	5,960.95	4,731.06
- Subordinated liabilities	18	99.93	99.82
- Lease liabilities	13	70.39	61.78
- Other financial liabilities	19	77.52	66.05
<b>Total</b>		<b>6,657.24</b>	<b>5,910.10</b>

b Fair value hierarchy

Financial assets and financial liabilities measured at fair value in the Statement of Profit and Loss and other comprehensive income are grouped into three levels of a fair value hierarchy. These three levels are defined based on the observability of significant inputs to the measurement, as follows:

**Level 1:** Quoted prices (unadjusted) for identical instruments in an active market;

**Level 2:** Directly (i.e. as prices) or indirectly (i.e. derived from prices) observable market inputs, other than Level 1 inputs; and

**Level 3:** Inputs which are not based on observable market data (unobservable inputs).

b.1 Financial assets and liabilities measured at fair value - recurring fair value measurements

The following table shows the levels within the hierarchy of financial assets and liabilities measured at fair value on a recurring basis:

As at 31 March 2025	Level 1	Level 2	Level 3	Total
<b>Assets</b>				
<b>Financial assets at fair value through profit and loss</b>				
Investments (In RDCL)	-	-	25.00	<b>25.00</b>
Other financial assets - Security receipts	-	28.04	-	<b>28.04</b>

SUMMARY OF MATERIAL ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION  
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(All amounts ₹ in Cr unless otherwise stated)

40 FAIR VALUE MEASUREMENTS (Contd.)

As at 31 March 2024	Level 1	Level 2	Level 3	Total
<b>Assets</b>				
<b>Financial assets at fair value through profit and loss</b>				
Other financial assets-Security receipts	-	36.85	-	<b>36.85</b>

b.2 Fair value of financial instruments measured at amortised cost

Fair value of instruments measured at amortised cost for which fair value is disclosed is as follows:

Particulars	As at 31 March 2025		As at 31 March 2024	
	Carrying value	Fair value	Carrying value	Fair value
<b>Financial assets</b>				
Cash and cash equivalents	557.97	557.97	640.48	640.48
Other bank balances	418.90	411.52	94.93	90.62
Receivables	12.19	12.19	11.23	11.23
Loans	7,761.11	7,833.73	7,089.43	7,144.02
Investments	176.41	176.41	207.71	207.77
Other financial assets	185.14	185.14	154.89	154.89
<b>Total</b>	<b>9,111.72</b>	<b>9,176.96</b>	<b>8,198.67</b>	<b>8,249.01</b>
<b>Financial liabilities</b>				
Trade payables	3.63	3.63	2.63	2.63
Other payables	10.53	10.53	14.99	14.99
Debt securities	434.29	442.67	933.77	957.46
Borrowings (other than debt securities)	5,960.95	5,958.46	4,731.06	4,722.84
Subordinated liabilities	99.93	99.93	99.82	99.82
Lease liabilities	70.39	70.39	61.78	61.78
Other financial liabilities	77.52	77.52	66.05	66.05
<b>Total</b>	<b>6,657.24</b>	<b>6,663.13</b>	<b>5,910.10</b>	<b>5,925.57</b>

The management assessed that fair values of cash and cash equivalents, other financial assets, trade payables, other payables, borrowings (other than debt securities), subordinated liabilities and other financial liabilities approximate their respective carrying amounts largely due to the short-term maturities of these instruments. Lease liabilities are recognised as per Ind-AS 116. The fair value of the financial assets and liabilities is included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale. The following methods and assumptions were used to estimate the fair values:

Financial instruments measured at fair value and fair value of financial instruments carried at amortised cost

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40 FAIR VALUE MEASUREMENTS (Contd.)

Type	Valuation technique	Significant unobservable input	Inter-relationship between significant unobservable inputs and fair value and sensitivity
Financial assets and liabilities measured at amortised cost	Discounted cash flows: The valuation model considers the present value of expected receipt/payment discounted using appropriate discounting rate	Not applicable	Not applicable
	For Investments Net Asset Value based method has been considered after adjusting interest accrued if any		
Financial assets measured at FVTPL	Net Asset Value based method	Not applicable	Not applicable

41 BELOW TABLE PROVIDES DISAGGREGATION OF THE COMPANY'S REVENUE FROM CONTRACTS WITH CUSTOMERS

Particulars	Year ended 31 March 2025	Year ended 31 March 2024
<b>(i) Type of Service</b>		
Collection and support services	2.95	1.79
Foreclosure charges	6.75	2.61
Login fees	12.02	12.64
Commission from Insurance	41.58	-
Others	4.95	7.48
<b>Total</b>	<b>68.25</b>	<b>24.52</b>
<b>(ii) Geographical markets</b>		
India	68.25	24.52
Outside India	-	-
<b>Total</b>	<b>68.25</b>	<b>24.52</b>
<b>(iii) Timing of revenue recognition</b>		
Performance obligation satisfied at a point in time	68.25	24.52
Performance obligation satisfied over period of time	-	-
<b>Total</b>	<b>68.25</b>	<b>24.52</b>

42 FINANCIAL RISK MANAGEMENT

The Company assumes credit risk, operational risk, market risk, compliance risk and reputational risk in the normal course of it business. This exposes the Company to a substantial level of inherent financial risk.

Risk management framework

The Company's board of directors has overall responsibility for the establishment and oversight of the Company's risk management framework. The board of directors have established the risk management committee, which is responsible for developing and monitoring the Company's risk management policies.

Efficient and timely management of risks involved in the Company's activities is critical for the financial soundness and



## SUMMARY OF MATERIAL ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION

### FOR THE YEAR ENDED 31 MARCH 2025

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#### 42 FINANCIAL RISK MANAGEMENT (Contd.)

profitability of the Company. Risk management involves the identifying, measuring, monitoring, managing and reporting of risks on a regular basis. The objective of risk management is to increase shareholders' value and achieve a return on equity that is commensurate with the risks assumed. To achieve this objective, the Company employs leading risk management practices and recruits skilled and experienced people.

The Company's risk management policies are established to identify and analyse the risks faced by the Company, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Company's activities. The Company, through its training and management standards and procedures, aims to maintain a disciplined and constructive control environment in which all employees understand their roles and obligations.

#### A Credit risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations and arises principally from the Company's asset on finance.

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

##### a) Credit risk management

The Company's exposure to credit risk is influenced mainly by the individual characteristics of each customer. However, management also considers the factors that may influence the credit risk of its customer base, including the default risk associated with the industry. A financial asset is 'credit-impaired' when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred. Credit impaired asset and significant increase in credit risk is assessed by the following observable data:

- a breach of contract such as a default or past due event;
- when a borrower becomes 90 days past due in its contractual payments;"

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

##### b) Probability of default (PD)

Days past due (DPD) analysis is the primary input into the determination of the term structure of PD for exposures. The Company collects performance and default information about its credit risk exposures analysed by jurisdictions or region and type of product or borrower as well as by DPD. The Company employs statistical models to analyse the data collected and generate estimates of the PD of exposures and how these are expected to change as a result of passage of time.

##### c) Definition of default and cure

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

The Company considers probability of default upon initial recognition of asset and whether there has been any significant increase in credit risk on an ongoing basis throughout each reporting period. To assess whether there is a significant increase in credit risk the Company compares the risk of default occurring on the asset as at the reporting date with the risk of default as at the date of initial recognition. It considers available reasonable and supportive forward-looking information. Following indicators are incorporated:

- DPD analysis as on each reporting date
- significant increase in credit risk on other financial instruments of same Borrower
- significant changes in value of the collateral supporting the obligation or in the quality of third party guarantees or credit enhancements.

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### FOR THE YEAR ENDED 31 MARCH 2025

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#### 42 FINANCIAL RISK MANAGEMENT (Contd.)

An asset migrates down the ECL Stage based on the change in the risk of a default occurring since initial recognition. If in a subsequent period, credit quality improves and reverses any previously assessed significant increase in credit risk since origination, then the loan loss provision stage reverses to 12-months ECL from lifetime ECL.

##### d) Exposure at default (EAD)

The exposure at default (EAD) represents the gross carrying amount of the financial instruments subject to the impairment calculation;

To calculate the ECL for a Stage 1 loan, the Company assesses the possible default events within 12 months for the calculation of the 12 month ECL. For Stage 2 and Stage 3 financial assets, the exposure at default is considered for events over the lifetime of the instruments.

##### e) Loss given default (LGD)

Loss given default (LGD) represents estimated financial loss the Company is likely to suffer in respect of default account and it is used to calculate provision requirement on EAD along with PD. The Company uses collection details on previously defaulted cases for calculating LGD including estimated direct cost of collection from default cases. Appropriate discounting rates are applied to calculate present value of future estimated collection net of direct collection cost. LGD thus calculated is used for all Stages, i.e. Stage 1, Stage 2 and Stage 3.

##### f) Significant increase in credit risk

The Company continuously monitors all assets subject to ECLs. In order to determine whether an instrument or a portfolio of instruments is subject to 12 months ECL or life time ECL, the Company assesses whether there has been a significant increase in credit risk since initial recognition; if contractual payments are more than 30 days past due, the credit risk is deemed to have increased significantly since initial recognition.

The Company has applied a three-Stage approach to measure expected credit losses (ECL) on loans and other credit exposures accounted for at amortised cost and FVOCI. Loss rates are calculated using a 'roll rate' method based on the probability of a receivable progressing through successive Stages of delinquency to write-off. Assets migrate through following three Stages based on the changes in credit quality since initial recognition:

**(a) Stage 1:** 12- months ECL: For exposures where there is no significant increase in credit risk since initial recognition and that are not credit-impaired upon origination, the portion of the lifetime ECL associated with the probability of default events occurring within the next 12- months is recognised.

**(b) Stage 2:** Lifetime ECL, not credit-impaired: For credit exposures where there has been a significant increase in credit risk since initial recognition but are not credit-impaired, a lifetime ECL is recognised.

**(c) Stage 3:** Lifetime ECL, credit-impaired: Financial assets are assessed as credit impaired upon occurrence of one or more events that have a detrimental impact on the estimated future cash flows of that asset. For financial assets that have become credit-impaired, a lifetime ECL is recognised and interest revenue is calculated by applying the effective interest rate to the amortised cost

##### g) Expected credit loss on Loans

The Company assesses whether the credit risk on a financial asset has increased significantly on collective basis. For the purpose of collective evaluation of impairment, financial assets are grouped on the basis of shared credit risk characteristics, taking into account instrument type, product type, collateral type, and other relevant factors.

The Company considers defaulted assets as those which are contractually past due 90 days, other than those assets where there is empirical evidence to the contrary. Financial assets which are contractually past due 30 days are classified under Stage 2 - life time ECL, not credit impaired, barring those where there is empirical evidence to the contrary. An asset migrates down the ECL stage based on the change in the risk of a default occurring since initial recognition. If in a subsequent period, credit quality improves and reverses any previously assessed significant increase in credit risk since origination, then the loan loss provision stage reverses to 12-months ECL from lifetime ECL.

SUMMARY OF MATERIAL ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION  
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42 FINANCIAL RISK MANAGEMENT (Contd.)

The Company measures the amount of ECL on a financial instrument in a way that reflects an unbiased and probability-weighted amount. The Company considers its historical loss experience and adjusts the same for current observable data. The key inputs into the measurement of ECL are the probability of default, loss given default and exposure at default. These parameters are derived from the Company's internally developed statistical models and other historical data. In addition, the Company uses reasonable and supportable information on future economic conditions including macroeconomic factors. Since incorporating these forward looking information increases the judgment as to how the changes in these macroeconomic factor will affect ECL, the methodology and assumptions are reviewed regularly.

Forward looking information

In its ECL models, the Company relies on a broad range of forward looking information such as macro economic inputs. As required by Ind AS 109, Macro Economic (ME) overlays are required to be factored in ECL Model. Overtime, new ME variable may emerge to have a better correlation and may replace ME being used now.

The following table provides information about the exposure to credit risk and expected credit loss for loans :

Loans measured at amortised cost

Particulars	Gross carrying amount	Weighted average loss rate	Loss allowance	Whether credit - impaired
<b>As at 31 March 2025</b>				
Current (not past due) (Stage 1)	7,319.59	0.22%	15.85	No
1-30 days past due(Stage 1)	185.26	1.59%	2.94	No
31-60 days past due(Stage 2)	164.58	12.11%	19.93	No
61-90 days past due(Stage 2)	66.20	20.53%	13.59	No
More than 90 days past due(Stage 3)	128.08	39.26%	50.29	Yes
	<b>7,863.71</b>	<b>1.30%</b>	<b>102.60</b>	
<b>As at 31 March 2024</b>				
Current (not past due)(Stage 1)	6,809.89	0.23%	15.68	No
1-30 days past due(Stage 1)	136.55	2.19%	2.99	No
31-60 days past due(Stage 2)	109.08	12.17%	13.28	No
61-90 days past due(Stage 2)	32.20	19.75%	6.36	No
More than 90 days past due(Stage 3)	68.02	41.16%	28.00	Yes
	<b>7,155.74</b>	<b>0.93%</b>	<b>66.31</b>	

Expected credit loss on other financial assets

Other financial assets primarily includes excess interest spread receivable and security receipts. Credit risk on excess interest spread receivable is low as it primarily falls in Stage 1. Security receipts are measured at FVTPL and hence the credit risk is already Factored in the fair value.

During the year FY 2024-25, the Company has incurred actual loss of ₹ 58.47 Cr (FY 2023-24: ₹ 14.25 Cr) from the sale of Non-Performing Assets (NPAs) to ARC's. However, in compliance with applicable accounting standards, only ₹ 24.51 Cr (FY 2023-24: ₹ 5.50 Cr) of this loss were recognised under Note No. 28, "Net gain on de-recognition of financial instruments," in the Financial Statements. The remaining Loss of ₹ 33.94 Cr (FY 2023-24: ₹ 8.76 Cr), representing impairment provisions made in earlier years, were reversed and reported under the same Note No. 28, "Net gain on de-recognition of financial instruments," instead of being adjusted under Note No. 32, "Impairment on financial instruments."

SUMMARY OF MATERIAL ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION  
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42 FINANCIAL RISK MANAGEMENT (Contd.)

Cash and cash equivalents and other Bank Balance

The Company has cash and cash equivalents and bank balance of ₹ 976.87 Cr (₹ 735.41 Cr as at 31 March 2024). These are held with bank and financial institution counterparties with acceptable credit ratings to reduce the credit risk.

An analysis of changes in gross carrying amount and corresponding ECL allowances is as follows :

(h) Movements in the gross carrying amount in respect of loans and other financial assets

(i) Loans measured at amortised cost

Reconciliation of gross carrying amount	Stage 1	Stage 2	Stage 3
<b>Gross carrying amount on 01 April 2023</b>	<b>5,318.67</b>	<b>142.10</b>	<b>37.08</b>
Transfer to Stage 1	68.69	(65.61)	(3.08)
Transfer to Stage 2	(101.07)	101.99	(0.92)
Transfer to Stage 3	(43.29)	(11.61)	54.90
Loans assets originated or purchased	2,842.97	8.11	2.85
Net Financial assets that have been derecognised/ repaid(excluding write offs)	(1,132.96)	(25.81)	(15.33)
Write offs (net of recoveries)	(6.57)	(7.89)	(7.48)
<b>Gross carrying amount on 31 March 2024</b>	<b>6,946.44</b>	<b>141.28</b>	<b>68.02</b>
Transfer to Stage 1	52.99	(44.88)	(8.11)
Transfer to Stage 2	(174.49)	176.53	(2.04)
Transfer to Stage 3	(94.05)	(11.24)	105.29
Loans assets originated or purchased	2,140.72	18.57	5.54
Net Financial assets that have been derecognised/ repaid(excluding write offs)	(1,357.84)	(45.13)	(39.43)
Write offs (net of recoveries)	(8.92)	(4.35)	(1.19)
<b>Gross carrying amount on 31 March 2025</b>	<b>7,504.85</b>	<b>230.78</b>	<b>128.08</b>

ii) Movements in the allowance for impairment in respect of loans and other financial assets

The movement in the allowance for impairment in respect of asset on finance is as follows:

Loans measured at amortised cost

Reconciliation of loss allowance	Loss allowance measured at 12 month expected losses (Stage 1)	Loss allowance measured at life-time expected losses	
		Financial assets for which credit risk has increased significantly and not credit-impaired (Stage 2)	Financial assets for which credit risk has increased significantly and credit-impaired (Stage 3)
<b>Loss allowance on 01 April 2023</b>	<b>21.31</b>	<b>17.23</b>	<b>20.74</b>
Transfer to Stage 1	9.19	(7.52)	(1.68)
Transfer to Stage 2	(1.88)	2.40	(0.51)
Transfer to Stage 3	(0.42)	(1.43)	1.85
Loans assets originated or purchased	2.95	1.28	1.10
Loans assets that have been derecognised/ repaid(excluding write offs)	(11.73)	10.57	19.76



## SUMMARY OF MATERIAL ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION

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### 42 FINANCIAL RISK MANAGEMENT (Contd.)

Reconciliation of loss allowance	Loss allowance measured at 12 month expected losses (Stage 1)	Loss allowance measured at life-time expected losses	
		Financial assets for which credit risk has increased significantly and not credit-impaired (Stage 2)	Financial assets for which credit risk has increased significantly and credit-impaired (Stage 3)
Write offs (net of recoveries)	(0.75)	(2.89)	(13.26)
<b>Loss allowance on 31 March 2024</b>	<b>18.67</b>	<b>19.64</b>	<b>28.00</b>
Transfer to Stage 1	9.15	(6.11)	(3.04)
Transfer to Stage 2	(1.21)	1.98	(0.77)
Transfer to Stage 3	(0.30)	(1.52)	1.82
Loans assets originated or purchased	2.25	2.86	2.08
Loans assets that have been derecognised/repaid(excluding write offs)	(9.40)	19.38	28.81
Write offs (net of recoveries)	(0.37)	(2.71)	(6.61)
<b>Loss allowance on 31 March 2025</b>	<b>18.79</b>	<b>33.52</b>	<b>50.29</b>

#### i) Concentration risk

Pursuant to the guidelines of the National Housing Bank, credit exposure of banks to an individual borrower must not exceed 15% of owned fund and 25% of owned fund of the Company to any single group of borrower. The Company is in compliance with these guidelines.

In addition, the Company views the concentration of risk on the basis of below product type category:

Loans	As at 31 March 2025	As at 31 March 2024
Housing Loans	6,098.61	5,385.45
Loan against property	1,763.23	1,770.29
Loans to staff	1.87	-

#### Assets obtained by taking possession of collateral

Details of financial and non-financial assets obtained by the Company during the year by taking possession of collateral held as security against loans held at the year end, are shown below:

Loans	As at 31 March 2025	As at 31 March 2024
Property	219	129
Principal outstanding and installment overdue*	24.32	11.01

\*The above amount includes principal and other dues (after factoring retention ratio).

### B) Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's approach to managing liquidity is to ensure as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due. Management monitors rolling forecasts of the Company's liquidity position and cash and cash equivalents on the basis of expected cash flows. The Company takes into account the liquidity of the market in which the entity operates.

## SUMMARY OF MATERIAL ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION

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### 42 FINANCIAL RISK MANAGEMENT (Contd.)

#### Maturities of financial liabilities

The tables below analyse the Company's financial liabilities into relevant maturity groupings based on their contractual maturities.

The amounts disclosed in the table are the contractual undiscounted cash flows :

31 March 2025	Less than 1 year	1-3 year	More than 3 years	Total
<b>Non-derivatives</b>				
Debt Securities	397.99	45.34	10.31	453.64
Borrowings (other than debt securities)	1,613.14	2,837.16	3,000.92	7,451.22
Subordinated liabilities	112.43	-	-	112.43
Payables	14.16	-	-	14.16
Other financial liabilities	77.52	-	-	77.52
Lease liabilities	12.84	24.37	33.18	70.39
<b>Total</b>	<b>2,228.08</b>	<b>2,906.87</b>	<b>3,044.41</b>	<b>8,179.36</b>

31 March 2024	Less than 1 year	1-3 year	More than 3 years	Total
<b>Non-derivatives</b>				
Debt Securities	566.40	426.30	32.23	1,024.93
Borrowings (other than debt securities)	1,247.92	2,117.50	2,453.84	5,819.26
Subordinated liabilities	12.53	112.50	-	125.03
Payables	17.62	-	-	17.62
Other financial liabilities	66.05	-	-	66.05
Lease liabilities	12.12	19.57	30.09	61.78
<b>Total</b>	<b>1,922.64</b>	<b>2,675.87</b>	<b>2,516.16</b>	<b>7,114.67</b>

#### C) Market risk

Market risk is the risk that changes in market prices will affect the Company's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return. All such transactions are carried out within the guidelines set by the Risk Management Committee. Generally, borrowings are denominated in currencies that match the cash flows generated by the underlying operations of the Company – primarily INR. In addition, interest on borrowings is denominated in the currency of the borrowing.

#### D) Interest rate risk

Exposure to interest rate risk:

The interest rate profile of the Company's interest-bearing financial instruments is as follows:

	As at 31 March 2025	As at 31 March 2024
<b>Fixed rate instruments</b>		
Financial assets	2,463.48	2,222.79
Financial liabilities	1,242.78	1,726.02

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42 FINANCIAL RISK MANAGEMENT (Contd.)

	As at 31 March 2025	As at 31 March 2024
Variable rate instruments		
Financial assets	6,701.27	6,001.50
Financial liabilities	5,414.46	4,184.08

Interest rate risk is measured by using the cash flow sensitivity for changes in variable interest rates. Any movement in the reference rates could have an impact on the Company's cash flows as well as costs.

The Company is subject to variable interest rates on some of its interest bearing liabilities. The Company's interest rate exposure is mainly related to debt obligations. The Company also uses a mix of interest rate sensitive financial instruments to manage the liquidity and fund requirements for its day to day operations like short-term loans.

Cash flow sensitivity analysis for variable rate instruments

A reasonably possible change of 100 basis points in interest rate at the reporting date would have increased or decreased equity and profit or loss by the amounts shown below:

Particulars	Profit or loss	
	100 bp increase	100 bp decrease
31 March 2025		
Variable rate instruments	12.87	(12.87)
Cash flow sensitivity (net)	12.87	(12.87)
31 March 2024		
Variable rate instruments	18.17	(18.17)
Cash flow sensitivity (net)	18.17	(18.17)

The model assumes that interest rate changes are instantaneous parallel shifts in the yield curve. Although some assets and liabilities may have similar maturities or periods to re-pricing, these may not react correspondingly to changes in market interest rates. Also, the interest rates on some types of assets and liabilities may fluctuate with changes in market interest rates, while interest rates on other types of assets may change with a lag.

The risk estimates provided assume a parallel shift of 100 basis points interest rate across all yield curves. This calculation also assumes that the change occurs at the balance sheet date and has been calculated based on risk exposures outstanding as at that date. The period end balances are not necessarily representative of the average debt outstanding during the period. This analysis assumes that all other variables remain constant.

E) Legal and operational risk

Legal risk

Legal risk is the risk relating to losses due to legal or regulatory action that invalidates or otherwise precludes performance by the end user or its counterparty under the terms of the contract or related netting agreements.

The Company has developed preventive controls and formalised procedures to identify legal risks so that potential losses arising from non-adherence to laws and regulations, negative publicity, etc. are significantly reduced. The Company also has well established legal procedures to scrutinise product offerings and manage risks arising out of its transactions.

As at 31 March 2025, there were legal cases pending against the Company aggregating ₹ 0.80 Cr (31 March 2024: ₹ 0.87 Cr). Based on the opinion of the Company's legal advisors, the management believes that no liability is likely to arise from these cases.

SUMMARY OF MATERIAL ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION  
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42 FINANCIAL RISK MANAGEMENT (Contd.)

Operational risk

Operational risk framework is designed to cover all functions and verticals towards identifying the key risks in the underlying processes.

The framework, at its core, has the following elements

1. Documented Operational Risk Management Policy
2. Well defined Governance Structure
3. Use of Identification & Monitoring tools such as Loss Data Capture, Risk and Control Self Assessment, Key Risk Indicators
4. Standardised reporting templates, reporting structure and frequency
5. Regular workshops and training for enhancing awareness and risk culture

The Company has adopted the internationally accepted 3-lines of defense approach to operational risk management.

First line-Each function/vertical undergoes transaction testing to evaluate internal compliance and thereby lay down processes for further improvement. Thus, the approach is "bottom-up", ensuring acceptance of findings and faster adoption of corrective actions, if any, to ensure mitigation of perceived risks.

Second line – Independent risk management vertical supports the first line in developing risk mitigation strategies and provides oversight through regular monitoring. All key risks are presented to the Risk Management Committee on a quarterly basis.

Third line – Internal Audit conducts periodic risk-based audits of all functions and process to provide an independent assurance to the Audit Committee.

F) Foreign Currency Risk

The Company's activities expose it to the financial risks of changes in foreign exchange rates. The Company uses derivative contracts to hedge its exposure to movements in foreign exchange.

The Company uses hedging instruments that are governed by the policies of the Company which is approved by board of directors which provide written principles on the use of such financial derivatives consistent with the risk management strategy of the Company. The Board constituted Risk Management Committee (RMC) of the company manages risk on the company's derivative portfolio. All derivative transactions that are entered into by the company are reported to the board, and the mark-to-market on its portfolio is monitored regularly by the senior management.

To hedge its risks on the principal and/or interest amount for foreign currency borrowings on its balance sheet, the company has currently used foreign exchange forward contracts. The use of these derivative contracts reduce the risk or cost to the Company and the Company does not use those for trading or speculation purposes. During the year 2024-25 and 2023-24, the company has not entered into any derivative transactions.

43 CAPITAL MANAGEMENT

The Company maintains an actively managed capital base to cover risks inherent in the business and meets the Capital Adequacy Requirements (CRAR) requirement of the National Housing Bank (NHB) of India. The adequacy of the Company's capital is monitored using, among other measures, the regulations issued by NHB. The Company has complied in full with all its externally imposed capital requirements over the reported period. The primary objectives of the Company's capital management policy are to ensure that the Company complies with externally imposed capital requirements and maintains strong credit ratings and healthy capital ratios in order to support its business and to maximise shareholder value. The funding requirements are met through equity, non-convertible debentures and other long-term/short-term borrowings. The Company's policy is aimed at appropriate combination of short-term and long term borrowings. The Company manages its capital structure and makes adjustments to it according to changes in economic conditions and the risk characteristics of its activities. No changes have been made to the objectives, policies and processes from the previous years. However, they are under constant review by the Board.



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43 CAPITAL MANAGEMENT (Contd.)

i. Regulatory capital

The Company's regulatory capital consists of the sum of the following elements :

Tier I capital, which includes ordinary share capital, retained earnings and reserves and deduction for intangible assets and other regulatory adjustments relating to items that are not included in equity but are treated differently for capital adequacy purposes.

Tier II capital, which includes qualifying subordinated liabilities and impairment provision in respect of standard assets.

	As at 31 March 2025	As at 31 March 2024
CRAR (%)	48.83	47.31
CRAR -Tier I Capital (%)	48.62	46.68
CRAR -Tier II Capital (%)	0.21	0.63

- Note :**
- (i) In pursuant to RBI circular dated RBI/2019-20/170 DOR (NBFC).CC.PD.No.109/22.10.106/2019-20 dated 13 March 2020, CRAR have been calculated with securitisation transaction being treated as zero risk weighted assets.
  - (ii) Restructured loans related to resolution framework for COVID-19-related Stress dated 06 August 2020 has been assigned normal weights considering it as regulatory dispensation given by RBI.

ii. Capital allocation

Management uses regulatory capital ratios to monitor its capital base. There is no allocation of capital required as Company is operating primarily in a single segment i.e. financing. The Company's policies in respect of capital management and allocation are reviewed regularly by the Board of Directors.

The Company monitors capital on the basis of total equity and debt on periodic basis. Equity comprises of all component of equity including the fair value impact. Debt includes long term loan and short term loan.

The Company is regular in payment of its debt service obligation and the company has not received any communication from its lenders for non compliance of any debt covenant.

44 Share Based Payments

A Description of share-based payment arrangements

The Company instituted the Grihum Housing Finance Ltd. - Employee Stock Option Plan (ESOP 2018) in 2018, Grihum Housing - Restricted Stock Option Plan 2018 (RSO 2018) in 2018 and Grihum Employee Stock Option Plan 2021 (ESOP 2021) in 2021, which were approved by the Board of Directors and Shareholders of the Company. Implementation of ESOP 2018 and RSO 2018 is through Trust route with a view to efficiently manage the Stock Option Plans. The Company had set up the Grihum Housing Finance ESOP Trust (Formerly Poonawalla Housing Finance ESOP Trust) on 31 March 2018. The ESOP Trust is managed by Independent Professionals as Trustees.

Pursuant to the resolutions passed by the Shareholders of the Company at the Extra-Ordinary General Meeting (EGM) held on 31 March 2018 and 24 October 2018, the Company had approved the ESOP 2018 and RSO 2018, respectively. Further, pursuant to the resolution passed by the Shareholders of the Company at the Annual General Meeting (AGM) held on 18 August 2021, the Company had approved the ESOP 2021. Also, pursuant to the resolution passed by the Shareholders of the Company at the EGM held on 25 January 2022, the Company had amended the RSO 2018. The Board of Directors at its meeting held on 11 May 2022 has approved the cancellation of 1,40,000 ungranted Options under the RSO 2018 based on the recommendation of the Nomination and Remuneration Committee (NRC). All the 33,60,000 Options granted under RSO 2018 to eligible employee remained operational with all its existing terms and conditions (as amended from time to time) and all the options have been exercised by the option holder and upon such exercise, the Company has allotted in aggregate 33,60,000 equity shares to the eligible employee in the following manner – 19,73,333 equity shares on 29 November 2021, 4,93,333 equity shares on 13 July 2022 and 8,93,334 equity shares on 03 January 2024.

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44 SHARE BASED PAYMENTS (Contd.)

During the year FY 2024-25, on 04 June 2024, the Company allotted 17,84,920 fully paid-up Equity Shares of ₹ 10 each upon conversion of 17,84,920 fully paid-up 0.001% Compulsorily Convertible Preference Shares (CCPS) of ₹ 10 each. Further, on 20 June 2024, the Company allotted 88,000 Equity Shares of the face value of ₹ 10 each and 44,000 fully paid-up CCPS of the face value of ₹ 10 each to the eligible employees of the Company under the Grihum Housing Employee Stock Option Plan 2018 (ESOP Plan 2018) and Grihum Housing Employee Stock Option Plan 2021 (ESOP Plan 2021). Further, On 03 September 2024, the Company allotted 5,000 Equity Shares of ₹ 10 each and 2,500 fully paid up 0.001% CCPS of ₹ 10 each to the eligible employees of the Company under the ESOP Plan 2018.

On 01 October 2024, the Company allotted 13,000 Equity Shares of ₹ 10 each and 6,500 fully paid up 0.001% CCPS of ₹ 10 each to the eligible employees of the Company under the ESOP Plan 2021. Further on 17 October 2024 the Company has allotted in aggregate 53,000 Equity Shares of ₹ 10 each upon conversion of 53,000 fully paid-up 0.001% CCPS. Consequent to the aforesaid allotments and conversions, the issued, subscribed and paid-up share capital of the Company stands at ₹ 487,39,87,830 comprising of 32,67,70,444 Equity Shares of ₹ 10 each and 16,06,28,339 0.001% CCPS of ₹ 10 each. The Equity Shares allotted as aforesaid rank pari-passu with the existing Equity Shares of the Company in all respects.

Particulars	ESOP 2018	RSO 2018	ESOP 2021
Vesting conditions	Equity Options: The actual vesting of options will depend on continuation to hold the services being provided to the Company at the time of exercise of options and such other conditions as mentioned in the ESOP Plan. CCPS Options: The actual vesting of CCPS Options will depend on continuation to hold the services being provided to the Company at the time of exercise of options and such other conditions as mentioned in the ESOP Plan or the resolution passed by the NRC for grant of CCPS Options.	The vesting conditions are linked to profitability.	Equity Options: The actual vesting of options will depend on continuation to hold the services being provided to the Company at the time of exercise of options and such other conditions as mentioned in the ESOP Plan.  CCPS Options: The actual vesting of CCPS Options will depend on continuation to hold the services being provided to the Company at the time of exercise of options and such other conditions as mentioned in the ESOP Plan or the resolution passed by the NRC for grant of CCPS Options.
Vesting period	Equity Options: The vesting period for Tranche 4 to 6 is as follows: (a) 30% of the options shall vest on the expiry of one year from the date of the Grant. (b) 30% of the options shall vest on the expiry of two years from the date of the Grant. (c) 40% of the options shall vest on the expiry of three years from the date of the Grant.  CCPS Options: The CCPS Options shall vest in the same proportion and the vesting schedule shall be the same as applicable to the original options granted to the option holders, subject to exercise of the respective Equity Options so vested from time to time.	Revised vesting criteria of RSO a) 14,80,000 to be deemed vested effective FY 2021-22 upon execution of necessary documents and resetting the AUM and RoE targets for FY 2019-20 vesting. b) Balance 14,80,000 in three tranches annually by FY'23 subject to performance conditions on AUM and ROE. c) Enable catchup of unvested component in FY'23 if average actual RoE exceeds average target RoE by 1%	Equity Options: The vesting period for all three tranches i.e. Tranche 1 to 3 is as follows: (a) 33% of the options shall vest on the expiry of one year from the date of the Grant. (b) 33% of the options shall vest on the expiry of two years from the date of the Grant. (c) 34% of the options shall vest on the expiry of three years from the date of the Grant.  CCPS Options: The CCPS Options shall vest in the same proportion and the vesting schedule shall be the same as applicable to the original options granted to the option holders, subject to exercise of the respective Equity Options so vested from time to time.

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44 SHARE BASED PAYMENTS (Contd.)

B Reconciliation of outstanding share options

The number and weighted average exercise prices of share options under the share option plans were as follows:

ESOP, 2018

Particulars	As at 31 March 2025	As at 31 March 2024
	No. of options	No. of options
Outstanding at the beginning of the year	2,86,000	3,90,000
Granted during the year	-	-
Exercised during the year	40,000	84,000
Lapsed during the year	86,000	20,000
Outstanding options at the end of the year	1,60,000	2,86,000
Exercisable at the end of the year	1,60,000	2,86,000

The options outstanding at 31 March 2025 have exercise price of ₹ 36.66 (Tranche 5), ₹ 58.39 (Tranche 6) and weighted average remaining contractual life of unvested options is NIL (31 March 2024: NIL).

RSO 2018 :

Particulars	As at 31 March 2025	As at 31 March 2024
	No. of options	No. of options
Outstanding options at the beginning of the year	-	8,93,334
Granted during the year	-	-
Forfeited during the year	-	-
Exercised during the year	-	8,93,334
Expired/lapsed during the year	-	-
Outstanding options at the end of the year	-	-
Exercisable at the end of the year	-	-

ESOP 2021

Particulars	As at 31 March 2025	As at 31 March 2024
	No. of options	No. of options
Outstanding options at the beginning of the year	48,93,950	58,15,000
Granted during the year	-	-
Exercised during the year	66,000	1,14,800
Expired/lapsed during the year	5,35,000	8,06,250
Outstanding options at the end of the year	42,92,950	48,93,950
Exercisable at the end of the year	27,90,150	15,74,100

- (i) The options outstanding at 31 March 2025 have an exercise price of ₹ 71.88 (31 March 2024: ₹ 71.88) and a weighted average remaining contractual life of 0.13 years (31 March 2024: 0.64 years).
- (ii) There are no identified employees who were granted ESOP, during any one year, equal to or exceeding 1% of the issued capital (excluding outstanding and conversions) of the Company at the time of grant.

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44 SHARE BASED PAYMENTS (Contd.)

C The fair value of the options granted is determined on the date of the grant using the “Black-Scholes model” and the inputs used in the measurement of the fair value as on grant date as follows:

	As at 31 March 2025	As at 31 March 2024
Fair market value of option as on the date of grant	20.89 - 31.76	20.89 - 31.76
Exercise price	36.66 - 71.88	10.00 - 71.88
Expected volatility (%) of share price*	41.76% - 47.65%	41.76% - 47.65%
Expected option life (weighted average)	up to 1 years	up to 1 years
Risk free interest rate (p.a.)	4.70% to 6.98%	4.70% to 6.98%

The stock based compensation expenses determined using fair value method and charged to statement of profit and loss account is ₹ 0.17 Cr (31 March 2024: ₹ 3.54 Cr).

\*Volatility used in the “Black-Scholes model” is the annual standard deviation of the continuously compounded rate of the return of the stock over a period of time. The equity shares of the company is not listed so the volatility of the listed peers has been considered.

D Reconciliation of outstanding CCPS share options

ESOP 2018

Particulars	As at 31 March 2025	As at 31 March 2024
	No. of options	No. of options
Outstanding at the beginning of the year	1,43,000	-
Granted during the year	-	1,43,000
Exercised during the year	20,000	-
Lapsed during the year	43,000	-
Outstanding options at the end of the year	80,000	1,43,000
Exercisable at the end of the year	80,000	1,43,000

ESOP 2021

Particulars	As at 31 March 2025	As at 31 March 2024
	No. of options	No. of options
Outstanding options at the beginning of the year	24,11,975	-
Granted during the year	-	24,11,975
Exercised during the year	33,000	-
Expired/lapsed during the year	2,32,500	-
Outstanding options at the end of the year	21,46,475	24,11,975
Exercisable at the end of the year	14,05,454	7,75,500



## SUMMARY OF MATERIAL ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION

### FOR THE YEAR ENDED 31 MARCH 2025

(All amounts ₹ in Cr unless otherwise stated)

- 45** The table below shows an analysis of assets and liabilities according to when they are expected to be recovered or settled. Derivatives have been classified to mature and/or be repaid within 12 months, regardless of the actual contractual maturities of the products. With regard to loans and advances to customers, the Company uses the same basis of expected repayment behaviour as used for estimating the effective interest rate.

	As at 31 March 2025		As at 31 March 2024	
	Within 12 months	More than 12 months	Within 12 months	More than 12 months
<b>Financial assets</b>				
Cash and cash equivalents	557.97	-	640.48	-
Other bank balances	348.20	70.70	18.45	76.48
Receivables	12.19	-	11.23	-
Loans	1,239.23	6,521.88	810.71	6,278.72
Investments	95.45	105.96	145.82	61.89
Other financial assets	81.96	131.22	59.79	120.72
<b>Total financial assets</b>	<b>2,335.00</b>	<b>6,829.76</b>	<b>1,686.48</b>	<b>6,537.81</b>
<b>Non-Financial assets</b>				
Current tax assets (net)	-	6.18	-	4.44
Property, plant and equipment	-	19.24	-	20.91
Intangible assets under development	-	11.56	-	2.79
Other intangible assets	-	6.59	-	4.64
Right of use assets	11.51	51.58	10.93	45.39
Other non-financial assets	14.50	21.76	5.83	27.20
<b>Total non-financial assets</b>	<b>26.01</b>	<b>116.91</b>	<b>16.76</b>	<b>105.37</b>
<b>TOTAL</b>	<b>2,361.01</b>	<b>6,946.67</b>	<b>1,703.24</b>	<b>6,643.18</b>
<b>Financial Liabilities</b>				
Payables				
Trade payables				
(i) total outstanding dues of micro enterprises and small enterprises	-	-	0.04	-
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises	3.63	-	2.59	-
Other payables				
(i) total outstanding dues of micro enterprises and small enterprises	-	-	-	-
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises	10.53	-	14.99	-
Debt securities	384.43	49.86	514.26	419.51
Borrowings (other than debt securities)	1,201.33	4,759.62	944.16	3,786.90
Subordinated liabilities	99.93	-	0.03	99.79
Lease liability	12.84	57.55	12.12	49.66
Other financial liabilities	77.52	-	66.05	-
<b>Total financial liabilities</b>	<b>1,790.21</b>	<b>4,867.03</b>	<b>1,554.24</b>	<b>4,355.86</b>

## SUMMARY OF MATERIAL ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION

### FOR THE YEAR ENDED 31 MARCH 2025

(All amounts ₹ in Cr unless otherwise stated)

- 45** (Contd.)

	As at 31 March 2025		As at 31 March 2024	
	Within 12 months	More than 12 months	Within 12 months	More than 12 months
<b>Non-Financial Liabilities</b>				
Provisions	1.28	4.19	0.94	3.37
Deferred tax liabilities (net)	-	34.00	-	25.38
Other non-financial liabilities	7.41	2.49	7.23	9.52
<b>Total non-financial liabilities</b>	<b>8.69</b>	<b>40.68</b>	<b>8.17</b>	<b>38.27</b>
<b>TOTAL</b>	<b>1,798.90</b>	<b>4,907.71</b>	<b>1,562.41</b>	<b>4,394.13</b>
<b>Shareholders fund</b>	<b>-</b>	<b>2,601.07</b>	<b>-</b>	<b>2,389.88</b>

#### 46 Transfer of financial assets

##### A Transferred financial assets that are not de-recognised in their entirety

The following tables provide a summary of financial assets that have been transferred in such a way that part or all of the transferred financial assets do not qualify for derecognition, together with the associated liabilities:

Securitisation transactions:	As at 31 March 2025	As at 31 March 2024
Carrying amount of transferred assets measured	49.27	66.89
Carrying amount of associated liabilities	47.43	59.76
Fair value of assets	51.40	68.50
Fair value of associated liabilities	54.09	64.34
Net position at fair value	(2.69)	4.16

Loans and advances to customers are sold by the Company to a Special Purpose Entity ("SPE") which in turn issues PTCs to investors collateralised by the purchased assets. In these securitisation transactions entered, the Company transfers loans and advances to an unconsolidated SPE but, it, however, it retains some credit risk (principally through credit enhancements provided by it). Since substantially all the risks and rewards of the loans transferred has been retained by the Company, it does not derecognise the loans transferred in its entirety and recognise an associated liability for the consideration received.

#### 47 Change in liabilities arising from financing activities

Particulars	As at 1 April 2024	Loan Taken	Loan Paid	Non Cash Changes*	As at 31 March 2025
Debt securities	933.77	-	(470.00)	(29.48)	434.29
Borrowings (other than debt securities)	4,731.06	2,889.79	(1,656.26)	(3.64)	5,960.95
Subordinated liabilities	99.82	-	-	0.11	99.93
<b>Total Liabilities from financing activities</b>	<b>5,764.65</b>	<b>2,889.79</b>	<b>(2,126.26)</b>	<b>(33.01)</b>	<b>6,495.17</b>

Particulars	As at 1 April 2023	Loan Taken	Loan Paid	Non Cash Changes*	As at 31 March 2024
Debt securities	283.49	900.00	(280.00)	30.28	933.77
Borrowings (other than debt securities)	4,227.45	2,733.50	(2,235.85)	5.96	4,731.06
Subordinated liabilities	99.71	-	-	0.11	99.82
<b>Total Liabilities from financing activities</b>	<b>4,610.65</b>	<b>3,633.50</b>	<b>(2,515.85)</b>	<b>36.35</b>	<b>5,764.65</b>

\*Represents adjustments on account of effective interest rate and interest accrued but not due.

## SUMMARY OF MATERIAL ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION

FOR THE YEAR ENDED 31 MARCH 2025

(All amounts ₹ in Cr unless otherwise stated)

### 48 Contingent liabilities and commitments (to the extent not provided for)

#### (a) Contingent liabilities

	As at 31 March 2025	As at 31 March 2024
<b>Claims against the Company not acknowledged as debt</b>		
(i) Income tax matters under dispute	1.93	1.93
(ii) GST matters under dispute	-	0.24
(iii) Legal cases against the company	0.80	0.87
<b>Guarantees</b>	70.00	70.00

During the year the Company has not issued any bank guarantee (During FY 2023-24, the Company has issued ₹ 55.00 Cr bank guarantee).

#### (b) Commitments

	As at 31 March 2025	As at 31 March 2024
(i) Estimated amount of contracts remaining to be executed on capital account and not provided for	4.11	4.35
(ii) Undisbursed housing/other loans	676.71	865.30

(c) The Company has a process whereby periodically all long-term contracts are assessed for material foreseeable losses. At the year end, the Company has reviewed and ensured that adequate provision required under Ind AS/RBI Regulations/any statutory requirements for material foreseeable losses on such long term contracts has been made in the books of account.

The Company has certain litigations pending with income tax authorities, service tax authorities and other litigations which have arisen in the ordinary course of business. The Company has reviewed all such pending litigations having an impact on the financial position, and has adequately provided for where provisions are required and disclosed the contingent liabilities where applicable, in its financial statements.

### 49 Details of Corporate Social Responsibility ('CSR') expenditure

A CSR committee has been formed by the Company as prescribed under section 135 of the Companies Act, 2013. CSR expenses have been incurred through out the year on the activities as specified in Schedule VII of the Act.

	Year ended 31 March 2025	Year ended 31 March 2024
<b>Excess amount spent in previous year*</b>	<b>0.03</b>	<b>0.02</b>
Gross amount required to be spent by the Company during the year	2.77	1.67
Amount spent during the year		
-Purposes other than above	2.81	1.68
<b>Excess/(Shortfall)</b>	<b>0.07</b>	<b>0.03</b>
*brought forward CSR obligation of FY 2023-24 ₹ 0.03 Cr		
<b>Disclosure for Section 135- CSR</b>		
The amount of shortfall at the end of the year out of the amount	-	-
Total of Previous years shortfall amount	-	-
Reasons for above shortfalls by way of note	N.A.	N.A.

## SUMMARY OF MATERIAL ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION

FOR THE YEAR ENDED 31 MARCH 2025

(All amounts ₹ in Cr unless otherwise stated)

### 49 DETAILS OF CORPORATE SOCIAL RESPONSIBILITY ('CSR') EXPENDITURE (Contd.)

	Year ended 31 March 2025	Year ended 31 March 2024
Nature of CSR activities undertaken by Company	Girl Child Education Programme, Skill Development programme for unemployed youths, disabled individuals, making safe drinking water available for communities across India, Women Empowerment, and Environmental Sustainability initiatives	Girl Child Education Program, Skill Development programme for unemployed youths, disabled individuals, making safe drinking water available for communities across India
Details of related party transactions	-	-
Where a provision is made with respect to a liability incurred by entering into a contractual obligation	-	-

### 50 Disclosures relating to fraud

During the year FY 2024-25, 13 fraud cases involving 13 loan accounts were reported (FY 2023-24: 9 fraud cases involving 9 loan accounts). The amount involved being ₹ 2.05 Cr (FY 2023-24: ₹ 1.40 Cr) has been fully provided for/written-off.

51 The disclosure required vide notification dated 24 March 2021 in respect of relation with struck off Companies, the Company operates primarily in the business of lending for housing to individuals and there were no such transactions which are required to be reported.

52 All charge filings with respect to creation, modification and satisfaction of charges for the borrowings have been done within the stipulated time period.

53 The Company has not advanced or loaned or invested (either from borrowed funds or share premium or any other sources or other kind of funds) to or in any other person or entity, including foreign entity ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, 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.

54 The Company has not received any funds (which are material either individually or in the aggregate) from any person or entity, including foreign entity ("Funding Parties"), 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.

55 The Company has not traded or invested in crypto currency or virtual currency during the financial year.

56 No proceedings have been initiated or are pending against the Company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (Section 45 of 1988) and rules made thereunder.

57 The Company has not been declared a willful defaulter by any bank or financial institution or government or any government authority.



## SUMMARY OF MATERIAL ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION

FOR THE YEAR ENDED 31 MARCH 2025

(All amounts ₹ in Cr unless otherwise stated)

**58** There are no transactions which are not recorded in the books of account which have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961.

### 59 RATIOS :

Sr. No	Ratio	Numerator	Denominator	FY 2024-25	FY 2023-24	% Variance	Reason for Variance (if above 25%)
1	CRAR	2,368.85	4,851.14	48.83%	47.31%	1.52%	Not applicable
2	Tier I CRAR	2,358.78	4,851.14	48.62%	46.68%	1.95%	Not applicable
3	Tier II CRAR	10.07	4,851.14	0.21%	0.63%	-0.42%	Not applicable
4	Liquidity Coverage Ratio	Refer Note no. 65					

### 60 (I) Other disclosures as required by paragraph 16 of the NBFC - HFC Directions

#### (a) Capital

	As at 31 March 2025	As at 31 March 2024
(i) CRAR (%)	48.83	47.31
(ii) CRAR -Tier I Capital (%)	48.62	46.68
(iii) CRAR -Tier II Capital (%)	0.21	0.63
(iv) Amount of subordinated debt raised as Tier- II Capital*	-	-
(v) Amount raised by issue of Perpetual Debt Instruments	-	-

Note: Restructured loans related to the resolution framework for COVID-19-related Stress dated 06 August 2020 have been assigned normal weights considering it as regulatory dispensation given by RBI.

\*The outstanding amount of subordinated debt as on 31 March 2025 is ₹ 99.93 Cr (31 March 2024: ₹ 99.82 Cr). During the FY 2024-25 and FY 2023-24, the Company had not raised any Subordinated Debt.

#### (b) Reserve Fund u/s 29C of NHB Act, 1987

	As at 31 March 2025	As at 31 March 2024
<b>Balance at the beginning of the year</b>		
a) Statutory reserve u/s 29C of the NHB Act 1987	38.63	28.68
b) Amount of Special reserve u/s 36(1)(viii) of Income Tax Act, 1961 taken into account for the purposes of Statutory reserve u/s 29C of the NHB Act, 1987	86.49	68.45
<b>c) Total</b>	<b>125.12</b>	<b>97.13</b>
<b>Additions/Appropriations/Withdrawals during the year</b>		
<b>Add:</b>		
a) Amount transferred u/s 29C of the NHB Act, 1987	5.99	9.95
b) Amount of Special reserve u/s 36(1)(viii) of Income Tax Act, 1961 taken into account for the purposes of Statutory reserve u/s 29C of the NHB Act, 1987	36.15	18.04
<b>Less:</b>		
a) Amount appropriated from the Statutory reserve u/s 29C of the NHB Act, 1987	-	-
b) Amount withdrawn from the Special reserve u/s 36(1)(viii) Income Tax Act, 1961 which has been taken into account for the purpose of provision u/s 29C of the NHB Act, 1987	-	-

## SUMMARY OF MATERIAL ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION

FOR THE YEAR ENDED 31 MARCH 2025

(All amounts ₹ in Cr unless otherwise stated)

### 60 (I) Other disclosures as required by paragraph 16 of the NBFC - HFC Directions (Contd.)

	As at 31 March 2025	As at 31 March 2024
<b>Balance at the end of the year</b>		
a) Statutory reserve u/s 29C of the NHB Act, 1987	44.62	38.63
b) Amount of Special reserve u/s 36(1)(viii) of Income Tax Act, 1961 taken into account for the purposes of Statutory reserve u/s 29C of the NHB Act, 1987	122.64	86.49
<b>c) Total</b>	<b>167.26</b>	<b>125.12</b>

#### (c) Investments

	As at 31 March 2025	As at 31 March 2024
1 Value of Investments		
(i) Gross Value of Investments		
(a) In India*	201.41	207.71
(b) Outside India	-	-
(ii) Provisions for Depreciation		
(a) In India	-	-
(b) Outside India	-	-
(iii) Net Value of Investments		
(a) In India*	201.41	207.71
(b) Outside India	-	-

\*Investment consists investment made by the company in treasury bill, G-Sec and RDCL .Investment in Security Receipts amounting to ₹ 28.04 Cr (31 March 2024 ₹ 36.85 Cr) is classified as "Other Financial Assets" and hence not included above.

	As at 31 March 2025	As at 31 March 2024
2 Movement of provisions held towards depreciation on investments		
(i) Opening balance	-	-
(ii) Add: Provisions made during the year	-	-
(iii) Less: Write-off/write-back of excess provisions during the year	-	-
(iv) Closing balance	-	-

#### (d) Derivatives

The company does not have any exposure in derivative transactions in FY 2024-25 and FY 2023-24.

SUMMARY OF MATERIAL ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION  
FOR THE YEAR ENDED 31 MARCH 2025

(All amounts ₹ in Cr unless otherwise stated)

60 (I) Other disclosures as required by paragraph 16 of the NBFC - HFC Directions (Contd.)

(e) Assets Liability Management (Maturity pattern of certain items of Assets and Liabilities)

Maturity pattern of certain items of assets and liabilities as at 31 March 2025

Particulars	1 day to 7 days	8 to 14 days	15 days to 30/31 days	Over 1 month to 2 months	Over 2 months to 3 months	Over 3 months to 6 months	Over 6 months to 1 year	Over 1 year to 3 years	Over 3 to 5 years	Over 5 years	Total
<b>Liabilities</b>											
Deposits	-	-	-	-	-	-	-	-	-	-	-
Borrowings from banks*	3.22	-	26.74	7.51	172.47	293.70	797.62	2,239.13	1,531.47	989.02	6,060.88
Market borrowings**	-	-	-	-	319.56	54.93	9.94	39.87	9.99	-	434.29
Foreign Currency Liabilities	-	-	-	-	-	-	-	-	-	-	-
<b>Assets</b>											
Advances	27.40	-	72.31	99.25	98.26	290.40	768.90	1,862.70	1,474.47	3,433.45	8,127.14
Investments***	-	-	-	49.99	26.01	19.44	-	80.96	-	25.00	201.40
Foreign Currency Assets	-	-	-	-	-	-	-	-	-	-	-

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

Particulars	1 day to 7 days	8 to 14 days	15 days to 30/31 days	Over 1 month to 2 months	Over 2 months to 3 months	Over 3 months to 6 months	Over 6 months to 1 year	Over 1 year to 3 years	Over 3 to 5 years	Over 5 years	Total
<b>Liabilities</b>											
Deposits	-	-	-	-	-	-	-	-	-	-	-
Borrowings from banks *	3.40	-	37.39	16.11	107.90	259.61	519.76	1,774.29	1,446.90	665.52	4,830.88
Market borrowings **	-	-	-	-	43.09	154.55	316.62	389.57	29.94	-	933.77
Foreign Currency Liabilities	-	-	-	-	-	-	-	-	-	-	-
<b>Assets</b>											
Advances	22.80	-	48.96	64.38	64.22	190.39	501.99	1,428.56	1,261.65	3,802.59	7,385.54
Investments***	-	9.98	-	9.94	29.62	-	96.28	57.85	4.04	-	207.71
Foreign Currency Assets	-	-	-	-	-	-	-	-	-	-	-

\*Includes Cash credit facilities and working capital demand loans from banks which are usually for a period of 1 year. As per the prevalent practice, these facilities are renewed on a year to year basis and therefore, are revolving in nature. It also includes loan from PTC investors.

\*\*Includes secured redeemable non-convertible debentures.

\*\*\*Excludes Investment in Security Receipts amounting to ₹ 28.04 Cr (31 March 2024 ₹ 36.85 Cr) as it is forming part of "Other Financial Assets"

**Note:** Borrowings and advances are inclusive of interest accrued thereon

SUMMARY OF MATERIAL ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION  
FOR THE YEAR ENDED 31 MARCH 2025

(All amounts ₹ in Cr unless otherwise stated)

60 (II) Other disclosures as required by paragraph 16 of the NBFC - HFC Directions (Contd.)

(f) i) Exposure to real estate sector\*

Category	As at 31 March 2025	As at 31 March 2024
<b>a) Direct Exposure</b>		
<b>(i) Residential Mortgages-</b>		
Lending fully secured by mortgages on residential property that is or will be occupied by the borrower or that is rented. Exposure would also include non-fund based (NFB) limits.	7,443.91	6,735.28
<b>(ii) Commercial Real Estate-</b>		
Lending secured by mortgages on commercial real estate (office buildings, retail space, multipurpose commercial premises, multifamily residential buildings, multi tenanted commercial premises, industrial or warehouse space, hotels, land acquisition, development and construction, etc.). Exposure would also include non-fund based (NFB) limits.	0.98	0.51
<b>(iii) Investments in Mortgage-Backed Securities (MBS) and other securitised exposures**</b>		
a. Residential	-	-
b. Commercial Real Estate	28.04	36.85
<b>b) Indirect Exposure</b>		
a) Fund Based - NHB and HFC	-	-
b) Non-Fund Based - NHB and HFC	-	-
<b>Total Exposure to Real Estate sector</b>	<b>7,472.93</b>	<b>6,772.64</b>

\*In addition to the exposure to Real Estate Sector disclosed above, the company also had loan exposure amounting to ₹ 416.95 Cr as on 31 March 2025 and ₹ 419.94 Cr as on 31 March 2024 where security is in form of non-residential property and exposure amounting to ₹ 1.87 Cr as on 31 March 2025 and NIL as on 31st March 2024 towards Loans to staff.

\*\*Includes security receipts, classified under "Other Financial Assets.

(ii) Exposure to Capital Market

The Company does not have any exposure to capital market as at the financial year ended 31 March 2025 and 31 March 2024.

(iii) Sectoral Exposure

Sectors	As at 31 March 2025			As at 31 March 2024		
	Total Exposure (includes on balance sheet and off-balance sheet exposure)	Gross NPAs	Percentage of Gross NPAs to total exposure in that sector	Total Exposure (includes on balance sheet and off-balance sheet exposure)	Gross NPAs	Percentage of Gross NPAs to total exposure in that sector
1) Agriculture and Allied Activities	-	-	-	-	-	-
2) Industry	-	-	-	-	-	-
3) Services*	0.98	-	-	0.51	-	-
4) Personal Loans	7,862.73	128.08	1.63%	7,155.23	68.02	0.95%
5) Others**	746.71	-	-	935.30	-	-

\*Includes Commercial Real Estate Loans.

\*\*Includes sanction under disbursement and bank guarantee.



SUMMARY OF MATERIAL ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION  
FOR THE YEAR ENDED 31 MARCH 2025

(All amounts ₹ in Cr unless otherwise stated)

60 (I) Other disclosures as required by paragraph 16 of the NBFC - HFC Directions (Contd.)

(iv) Details of financing of parent company products

The Company has not financed any products of parent company in the financial year ended 31 March 2025 and 31 March 2024.

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

The Company has not exceeded the prudential exposure limits during the financial year ended 31 March 2025 and 31 March 2024.

(vi) Unsecured advances

The Company has not given any advances against intangible securities such as charge over the rights, licenses, authorisation, etc. in the financial year ended 31 March 2025 and 31 March 2024.

(vii) Exposure to group companies engaged in real estate business

The Company does not have any exposure to group companies engaged in real estate business as at the financial year ended 31 March 2025 and 31 March 2024.

viii) Intra-group exposures

During the year FY 2024-25 and FY 2023-24, the company does not have any intra-group exposures.

ix) Unhedged foreign currency exposures

The Company did not have any exposure to unhedged foreign currency as at the financial year ended 31 March 2025 and 31 March 2024.

SUMMARY OF MATERIAL ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION  
FOR THE YEAR ENDED 31 MARCH 2025

(All amounts ₹ in Cr unless otherwise stated)

60 (I) Other disclosures as required by paragraph 16 of the NBFC - HFC Directions (Contd.)

g) Related Party Disclosure

Particulars	Parent (as per ownership or control)		Subsidiaries		Associates/Joint ventures		Key Management Personnel		Relatives of Key Management Personnel		Others		Total	
	As at 31 March 2025	As at 31 March 2024	As at 31 March 2025	As at 31 March 2024	As at 31 March 2025	As at 31 March 2024	As at 31 March 2025	As at 31 March 2024	As at 31 March 2025	As at 31 March 2024	As at 31 March 2025	As at 31 March 2024	As at 31 March 2025	As at 31 March 2024
i) Borrowings	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Maximum Outstanding	-	-	-	-	-	-	-	-	-	-	-	-	-	-
ii) Deposits	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Maximum Outstanding	-	-	-	-	-	-	-	-	-	-	-	-	-	-
iii) Placement of deposits	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Maximum Outstanding	-	-	-	-	-	-	-	-	-	-	-	-	-	-
iv) Advances given (a)	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Maximum Outstanding (a)	-	-	-	-	-	-	-	-	-	-	-	-	-	-
v) Investments	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Maximum Outstanding	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Purchase of fixed/other assets	-	0.08	-	-	-	-	-	-	-	-	-	-	-	0.08
vii) Sale of fixed/other assets	-	-	-	-	-	-	-	-	-	-	-	-	-	-
viii) Interest paid on Inter Corporate Loan Taken	-	4.80	-	-	-	-	-	-	-	-	-	-	-	4.80
ix) Interest received	-	-	-	-	-	-	-	-	-	-	-	-	-	-
x) Others	-	-	-	-	-	-	-	-	-	-	-	-	-	-
a) DA servicing Fees Received	-	0.04	-	-	-	-	-	-	-	-	-	-	-	0.04
b) DA servicing Fees Outstanding	-	-	-	-	-	-	-	-	-	-	-	-	-	-
c) Allocable Expenses Paid	-	-	-	-	-	-	-	-	-	-	-	-	-	-
d) KMP Remuneration (b)	-	-	-	-	-	-	8.48	6.69	-	-	-	-	8.48	6.69
e) Equity Share Capital(c)	-	71.44	-	-	-	-	1.68	0.89	-	-	-	-	1.68	72.33

SUMMARY OF MATERIAL ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION  
FOR THE YEAR ENDED 31 MARCH 2025

(All amounts ₹ in Cr unless otherwise stated)

60 (I) Other disclosures as required by paragraph 16 of the NBFC - HFC Directions (Contd.)

Particulars	Parent (as per ownership or control)		Subsidiaries		Associates/Joint ventures		Key Management Personnel		Relatives of Key Management Personnel		Others		Total	
	As at 31 March 2025	As at 31 March 2024	As at 31 March 2025	As at 31 March 2024	As at 31 March 2025	As at 31 March 2024	As at 31 March 2025	As at 31 March 2024	As at 31 March 2025	As at 31 March 2024	As at 31 March 2025	As at 31 March 2024	As at 31 March 2025	As at 31 March 2024
f) Compulsorily Convertible Preference Shares Capital	-	160.63	-	-	-	1.68	-	-	-	-	-	-	-	162.31
g) Share Premium	-	966.42	-	-	-	-	-	-	-	-	-	-	-	966.42
h) Advisory Services (a)	-	-	-	-	-	-	-	-	-	5.59	0.76	5.59	0.76	-
i) Adjustments of loans and advances given (a)	-	-	-	-	-	-	-	-	-	-	0.08	-	-	0.08
j) Insurance Premium paid (Mediclaim) (a)	-	-	-	-	-	-	-	-	-	-	0.04	-	-	0.04
k) Premium for Employee Mediclaim (a)	-	-	-	-	-	-	-	-	-	-	-	-	-	-
l) Insurance Premium advances for medical policies (a)	-	-	-	-	-	-	-	-	-	-	0.25	-	-	0.25
m) Director Sitting Fees	-	-	-	-	-	-	-	-	-	0.23	0.59	0.23	0.59	-
n) Inter Corporate Loan Taken	-	300.00	-	-	-	-	-	-	-	-	-	-	-	300.00
o) Inter Corporate Loan Refunded	-	300.00	-	-	-	-	-	-	-	-	-	-	-	300.00

(a) Transactions/Balances with "Entity under common control"

(b) During the year FY 2024-25, no options were exercised by the KMP. For FY 2023-24, the remuneration does not include the value of perquisites amounting to ₹ 12.10 Cr, on account of 8,93,334 numbers of Restricted Stock Options Scheme exercised by the KMP.

(c) During the year 2024-25, 16,80,000 0.001% Compulsorily Convertible Preference Shares of ₹ 168 Cr allotted on 28 March 2024 has been converted into Equity Shares on 04 June 2024

Note: Please Refer Note No. 39 for detailed RPT disclosure

SUMMARY OF MATERIAL ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION  
FOR THE YEAR ENDED 31 MARCH 2025

(All amounts ₹ in Cr unless otherwise stated)

60 (II) Miscellaneous

(a) Registration obtained from other financial sector regulators

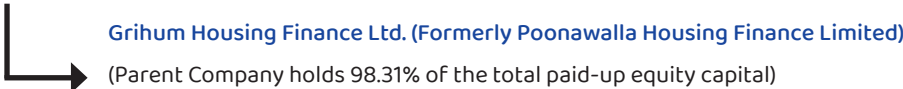
The Company has obtained registration from Insurance Regulatory and Development Authority of India to act as a Corporate Agent (composite) with effect from 01 January 2024.

(b) Group structure

Diagrammatic representation of group structure is given below:

**Perseus SG Pte. Ltd.** (an entity incorporated under the laws of Singapore)

(Parent Company)



(c) Details of ratings assigned by Credit Rating Agencies and migration of ratings during the year

Facilities	Name of rating agency	Note	As at 31 March 2025	Amount	As at 31 March 2024	Amount
(i) Long term bank facilities	CRISIL Ratings Limited	Refer Note - 1	AA (Stable)	6500	AA- (Stable)	6500
	CARE Ratings Limited	Refer Note - 2	AA- (Stable)	5200	AA- (Stable)	6200
(ii) Secured non-convertible debentures	CRISIL Ratings Limited	Refer Note - 1	AA (Stable)	1000	AA- (Stable)	1000
	CARE Ratings Limited	Refer Note - 2	AA- (Stable)	1420	AA- (Stable)	1420
(iii) Short Term Debt (Commercial debt)	CRISIL Ratings Limited	Refer Note - 3	A1+	500	A1+	500
	CARE Ratings Limited	Refer Note - 4	A1+	600	A1+	600
	ICRA Limited	Refer Note - 5	A1+	100	A1+	100
	India Ratings and Research Pvt Ltd	Refer Note - 6	A1+	200	A1+	200

Note:

- CRISIL Ratings upgraded the long-term ratings on bank facilities and secured NCDs by 1 notch to 'CRISIL AA (Stable)' vide rating letter dated 26 December 2024.
- CARE Rating reaffirmed long-term ratings on bank facilities and secured NCDs to 'CARE AA- (Stable)' vide rating letter dated 14 August 2024. At the request of the Company, CARE Ratings reduced the rated amount of long-term bank facilities from ₹ 6,200 Cr to ₹ 5,200 Cr.
- CRISIL Ratings reaffirmed short term ratings to 'CRISIL A1+' vide rating letter dated 26 December 2024.
- CARE Ratings reaffirmed short term ratings to 'CARE A1+' vide rating letter dated 14 August 2024.
- ICRA Ratings reaffirmed short term ratings to 'ICRA A1+' vide rating letter dated 24 October 2024.
- India Ratings reaffirmed short term ratings to 'Ind A1+' vide rating letter dated 06 November 2024.

(d) Disclosure of Penalties imposed by NHB/RBI and other regulators

During FY 2024-25 and FY 2023-24, there were no penalties imposed by NHB or any other regulators on the company.

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

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

(f) Revenue Recognition

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



## SUMMARY OF MATERIAL ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION

FOR THE YEAR ENDED 31 MARCH 2025

(All amounts ₹ in Cr unless otherwise stated)

### 60 (II) Miscellaneous (Contd.)

#### (g) Consolidated Financial Statements (CFS)

The company does not have subsidiary, associate or joint venture, hence is not required to prepare consolidated financial statements.

#### (h) Percentage of outstanding loans against collateral of gold jewellery to their outstanding total assets

The Company did not have any outstanding loans against collateral of gold jewellery as on 31 March 2025 and 31 March 2024.

#### (i) Remuneration of Directors\*

Name of the non-executive directors	Nature of transaction	Year ended 31 March 2025	Year ended 31 March 2024
(i) Adar Poonawalla (up to 26 July 2023)	Director sitting fee	-	0.01
(ii) Amar Deshpande (up to 26 July 2023)	Director sitting fee	-	0.14
(iii) Bhama Krishnamurthy (up to 08 September 2023)	Director sitting fee	-	0.18
(iv) Prabhakar Ramchandra Dalal (up to 08 September 2023)	Director sitting fee	-	0.16
(v) Richa Arora (w.e.f 13 March 2024)	Director sitting fee	0.09	0.01
(vi) Prem Manjooran (w.e.f 08 September 2023)	Director sitting fee	0.14	0.09
(vii) Puneet Bhatia Non-Executive Director (w.e.f 08 September 2023)	Director sitting fee	-	-
(viii) Sanjeev Mehra Non-Executive Director (w.e.f 08 September 2023)	Director sitting fee	-	-

\*Refer to the note 39 for further details in this regard

### 60 (III) Additional Disclosures

#### (a) Provisions and Contingencies

Break up of 'Provisions and Contingencies' shown under the head Expenditure in Profit and Loss Account	Year ended 31 March 2025	Year ended 31 March 2024
Provision for depreciation on investment	-	-
<b>Under "Employee Benefit Expenses"</b>		
(i) Provision for compensated absences	2.73	2.32
(ii) Provision for gratuity	1.50	0.98
<b>Under "Impairment for Loss Allowances"</b>		
(i) Provision towards non-performing assets (NPAs)	56.25	16.00
(ii) Provision for standard assets*	13.95	0.01
<b>Under "Tax expenses"</b>		
(i) Provision made towards Income tax (includes deferred tax)	70.21	43.29

\*Includes Provision in respect of Commercial Real Estate loans of amounting to ₹ 0.01 Cr (FY 2023-24: ₹ 0.01 Cr)

Break up of Loans, Advances and Provisions thereon		Housing	Non Housing*	Housing	Non Housing*
		As at 31 March 2025		As at 31 March 2024	
Standard Assets					
(i)	Total outstanding amount	5,777.84	1,957.79	5,142.37	1,945.34
(ii)	Provision made	38.20	14.11	25.73	12.58

## SUMMARY OF MATERIAL ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION

FOR THE YEAR ENDED 31 MARCH 2025

(All amounts ₹ in Cr unless otherwise stated)

### 60 (III) Additional Disclosures (Contd.)

Break up of Loans, Advances and Provisions thereon		Housing	Non Housing*	Housing	Non Housing*
		As at 31 March 2025		As at 31 March 2024	
Sub-Standard Assets					
(i)	Total outstanding amount	85.18	29.64	45.08	16.36
(ii)	Provision made	34.02	9.09	18.26	4.92
Doubtful Assets-Category-I					
(i)	Total outstanding amount	5.58	4.20	1.59	2.29
(ii)	Provision made	2.23	1.47	0.98	1.09
Doubtful Assets-Category-II					
(i)	Total outstanding amount	0.62	2.20	1.35	1.03
(ii)	Provision made	0.62	2.20	1.39	1.03
Doubtful Assets-Category-III					
(i)	Total outstanding amount	0.06	0.60	-	0.33
(ii)	Provision made	0.06	0.60	-	0.33
Loss Assets					
(i)	Total outstanding amount	-	-	-	-
(ii)	Provision made	-	-	-	-
Total					
(i)	Total outstanding amount	5,869.28	1,994.43	5,190.39	1,965.35
(ii)	Provision made	75.13	27.47	46.36	19.95

\*It includes receivables amounting to ₹ 229.33 Cr as on 31 March 2025 (₹ 195.06 Cr as 31 March 2024) towards the insurance premium funded by the Company for the insurance cover availed by its customers.

#### Note:

In compliance with Ind AS requirements, provisions are computed on Exposure at Default (EAD) and outstanding amount calculated after considering all applicable Ind AS adjustments.

#### (b) Divergence in Asset Classification and Provisioning

During the year FY 2024-25 and FY 2023-24, no divergence in asset classification and additional provisioning requirements were advised by the National Housing Bank (NHB) to the Company. Accordingly, any additional disclosures in this regard are not applicable on the Company.

#### (c) Draw down from Reserves

During the year FY 2024-25 and FY 2023-24, the Company has not drawn any amount from Special Reserves maintained u/s 29C of the NHB Act, 1987.

#### (d) Concentration of Public Deposits, Advances, Exposures and NPAs.

##### (i) Concentration of Public Deposits (for Public Deposit taking/holding HFCs)

The Company has not taken any public deposits during the financial years ended 31 March 2025 and 31 March 2024 respectively.

## SUMMARY OF MATERIAL ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION

FOR THE YEAR ENDED 31 MARCH 2025

(All amounts ₹ in Cr unless otherwise stated)

### 60 (III) Additional Disclosures (Contd.)

#### (ii) Concentration of Loans and Advances

	As at 31 March 2025	As at 31 March 2024
Total Loans and Advances to twenty largest borrowers	20.69	18.10
Percentage of Loans and Advances to twenty largest borrowers to Total Advances of the HFC	0.26%	0.25%

#### (iii) Concentration of all Exposures (including off-balance sheet exposure)

	As at 31 March 2025	As at 31 March 2024
Total Exposure to twenty largest borrowers/customers	21.00	18.38
Percentage of Exposures to twenty largest borrowers/customers to total Exposure of the HFC on borrowers/customers	0.25%	0.23%

#### (iv) Concentration of NPAs

	As at 31 March 2025	As at 31 March 2024
Total Exposure to top ten NPA accounts	5.10	4.76

#### (v) Sector-wise NPAs

Sector	Percentage of NPAs to Total Advances in that sector	
	As at 31 March 2025	As at 31 March 2024
<b>(A) Housing Loan</b>		
1 Individuals	1.56%	0.93%
2 Builders/Project Loans	-	-
3 Corporates	-	-
4 Others (specify)	-	-
<b>(B) Non-Housing Loan</b>		
1 Individuals	1.84%	1.02%
2 Builders/Project Loans	-	-
3 Corporates	0.00%	0.94%
4 Others (specify)	-	-

#### (e) Movement of NPAs

	As at 31 March 2025	As at 31 March 2024
i) Net NPAs to Net Advances (%)	1.00%	0.56%
ii) Movement of NPAs (Gross)		
a) Opening balance	68.02	44.55
b) Additions during the year	112.47	58.70
c) Reductions during the year	(52.41)	(35.24)
<b>d) Closing balance</b>	<b>128.08</b>	<b>68.02</b>

## SUMMARY OF MATERIAL ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION

FOR THE YEAR ENDED 31 MARCH 2025

(All amounts ₹ in Cr unless otherwise stated)

### 60 (III) Additional Disclosures (Contd.)

	As at 31 March 2025	As at 31 March 2024
iii) Movement of Net NPAs		
a) Opening balance	40.02	21.88
b) Additions during the year	68.88	35.60
c) Reductions during the year	(31.11)	(17.46)
<b>d) Closing balance</b>	<b>77.79</b>	<b>40.02</b>
iv) Movement of provisions for NPAs (excluding provisions on standard assets)*		
a) Opening balance	28.00	22.67
b) Provisions made during the year	43.58	23.11
c) Write-off/(write-back) of excess provisions	(21.29)	(17.78)
<b>d) Closing balance</b>	<b>50.29</b>	<b>28.00</b>

\*The provisions referred here is loss allowances for Expected Credit Loss (ECL)

The overall Gross NPAs to Gross advances for FY 2024-25 is 1.63% (FY 2023-24 is 0.95%)

#### (f) Overseas Assets

The Company does not have any overseas assets as at 31 March 2025 and 31 March 2024.

#### (g) Off- Balance sheet SPVs sponsored (which are required to be consolidated as per accounting norms)

The Company does not have any exposure to off balance sheet SPVs sponsored as at 31 March 2025 and 31 March 2024.

#### (h) Loans to directors, senior officers and relatives of directors

The Company has not provided any Loan to its directors, senior officers and relatives of directors in FY 2024-25 and FY 2023-24 respectively.

### 60 (IV) Disclosure of complaints as required by Master Direction – Non-Banking Financial Company – Housing Finance Company (Reserve Bank) Directions, 2021 as updated on 27 February 2025.

#### 1) Summary information on complaints received by the HFCs from customers

	As at 31 March 2025	As at 31 March 2024
Complaints received by the HFC from its customers		
1) Number of complaints pending at beginning of the year	2	1
2) Number of complaints received during the year	359	267
3) Number of complaints disposed during the year	360	266
3.1) of 3, which complaints rejected by HFC	-	-
4) Number of complaints pending at the end of the year*	1	2
Maintainable complaints received by the HFC from Office of Ombudsman	-	-
5) Number of maintainable complaints received by the HFC from Office of Ombudsman	Not applicable	Not applicable
5.1) of 5, number of complaints resolved in favour of the HFC by Office of Ombudsman	Not applicable	Not applicable



SUMMARY OF MATERIAL ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION  
FOR THE YEAR ENDED 31 MARCH 2025

(All amounts ₹ in Cr unless otherwise stated)

60 (IV) Disclosure of complaints as required by Master Direction – Non-Banking Financial Company – Housing Finance Company (Reserve Bank) Directions, 2021 as updated on 27 February 2025. (Contd.)

	As at 31 March 2025	As at 31 March 2024
5.2) of 5, number of complaints resolved through conciliation/ mediation/advisories issued by Office of Ombudsman	Not applicable	Not applicable
5.3) of 5, number of complaints resolved after passing of Awards by Office of Ombudsman against the HFC	Not applicable	Not applicable
6) Number of Awards unimplemented within the stipulated time (other than those appealed)	Not applicable	Not applicable

The disclosures above Sl. No. 5 and 6 are not applicable to the Company since the Company, being a Housing Finance Company, is not included under the Reserve Bank- Integrated Ombudsman Scheme, 2021.

2) Top Five grounds of complaints received by the HFCs from customers

Grounds of complaints, (i.e. complaints relating to)	Number of complaints pending at the beginning of the year	Number of complaints received during the year	% increase/ decrease in the number of complaints received over the previous year	Number of complaints pending at the end of the year	Of 5, number of complaints pending beyond 30 days
As at 31 March 2025					
Relating to Statements/Documents provided by the Company	1	235	107.96%	-	-
Relating to Collection of Dues of the Company	-	29	(21.62%)	-	-
Relating to Refund	-	25	127.27%	-	-
Relating to Particulars of the Loan like Rate of Interest, Tenor, Dues etc.	-	18	5.88%	1	-
Relating to PMAY Subsidy	-	6	(76.00%)	-	-
Others	1	46	(28.12%)	-	-
Total	2	359		1	-
As at 31 March 2024					
Relating to Statements/Documents provided by the Company	-	113	109.26%	1	-
Relating to Collection of Dues of the Company	-	37	(5.13%)	-	-
Relating to Refund	-	11	(56.00%)	-	-
Relating to Particulars of the Loan like Rate of Interest, Tenor, Dues etc.	-	17	(10.53%)	-	-
Relating to PMAY Subsidy	-	25	19.05%	-	-
Others	1	64	(20.99%)	1	-
Total	1	267		2	-

\*All complaints pending as on 31 March 2025 has been closed on 02 April 2025

A) Disclosure of modified opinion, if any express by Auditors, its impact on various financial items and views of management on audit qualifications:

The statutory auditors have issued unmodified opinion for FY 2024-25 and FY 2023-24. Hence not applicable.

SUMMARY OF MATERIAL ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION  
FOR THE YEAR ENDED 31 MARCH 2025

(All amounts ₹ in Cr unless otherwise stated)

60 (IV) Disclosure of complaints as required by Master Direction – Non-Banking Financial Company – Housing Finance Company (Reserve Bank) Directions, 2021 as updated on 27 February 2025. (Contd.)

B) Items of income and expenditure of exceptional nature:

There is no such item in FY 2024-25 and FY 2023-24.

C) Breach of covenant

There are no breaches of any of the covenants in respect of debt securities issued by the company during FY 2024-25 and FY 2023-24.

61 PRINCIPAL BUSINESS CRITERIA

	As at 31 March 2025	As at 31 March 2024
a) Individual Housing Loan to Total Tangible Assets	63.17%	62.23%
b) Total Housing Loan to Total Tangible assets	63.18%	62.24%

62 DISCLOSURES PURSUANT TO RBI CIRCULAR NO. DOR (NBFC).CC.PD.NO.109/22.10.106/2019-20 DATED 13 MARCH 2020

As at and for the year ended 31 March 2025

Asset Classifications 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	Differences between Ind AS 109 provisions and IRACP norms
1	2	3	4	5=3-4	6	7=4-6
Performing Assets						
Standard	Stage 1	7,510.69	18.45	7,492.24	30.48	(12.03)
	Stage 2	224.94	33.46	191.48	2.62	30.84
Subtotal		7,735.63	51.91	7,683.72	33.10	18.81
Non Performing Assets (NPA)						
Substandard*	Stage 1	-	-	-	-	-
	Stage 2	-	-	-	-	-
	Stage 3	114.82	43.11	71.71	16.34	26.77
Doubtful- up to 1 year*	Stage 1	-	-	-	-	-
	Stage 2	-	-	-	-	-
	Stage 3	9.77	3.69	6.08	2.32	1.37
1 to 3 years	Stage 3	2.82	2.82	-	1.14	1.68
More than 3 years	Stage 3	0.67	0.67	-	0.66	0.01
Subtotal for doubtful		13.26	7.18	6.08	4.12	3.06
Loss	Stage 3	-	-	-	-	-
Subtotal for NPA		128.08	50.29	77.79	20.46	29.83

SUMMARY OF MATERIAL ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION  
FOR THE YEAR ENDED 31 MARCH 2025

(All amounts ₹ in Cr unless otherwise stated)

62 DISCLOSURES PURSUANT TO RBI CIRCULAR NO. DOR (NBFC).CC.PD.NO.109/22.10.106/2019-20 DATED 13 MARCH 2020 (Contd.)

Asset Classifications 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	Differences between Ind AS 109 provisions and IRACP norms
1	2	3	4	5=3-4	6	7=4-6
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	675.88	0.35	675.53	-	0.35
	Stage 2	0.83	0.05	0.78	-	0.05
		676.71	0.40	676.31	-	0.40
Subtotal		8,540.42	102.60	8,437.82	53.56	49.04
Total	Stage 1	8,186.57	18.80	8,167.77	30.48	(11.68)
	Stage 2	225.77	33.51	192.26	2.62	30.89
	Stage 3	128.08	50.29	77.79	20.46	29.83
	Total	8,540.42	102.60	8,437.82	53.56	49.04

As at and for the year ended 31 March 2024

Asset Classifications 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	Differences between Ind AS 109 provisions and IRACP norms
1	2	3	4	5=3-4	6	7=4-6
Performing Assets						
Standard	Stage 1	6,949.49	18.23	6,931.26	30.76	(12.53)
	Stage 2	138.23	19.37	118.86	3.05	16.32
Subtotal		7,087.72	37.60	7,050.12	33.81	3.79
Non Performing Assets (NPA)						
Substandard*	Stage 1	-	-	-	-	-
	Stage 2	-	-	-	-	-
	Stage 3	61.44	23.19	38.25	13.64	9.55
Doubtful- up to 1 year*	Stage 1	-	-	-	-	-
	Stage 2	-	-	-	-	-
	Stage 3	3.88	2.07	1.81	1.59	0.48
1 to 3 years	Stage 3	2.37	2.41	(0.04)	2.00	0.41
More than 3 years	Stage 3	0.33	0.33	-	0.69	(0.36)
Subtotal for doubtful		6.58	4.81	1.77	4.28	0.53
Loss	Stage 3	-	-	-	-	-

SUMMARY OF MATERIAL ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION  
FOR THE YEAR ENDED 31 MARCH 2025

(All amounts ₹ in Cr unless otherwise stated)

62 DISCLOSURES PURSUANT TO RBI CIRCULAR NO. DOR (NBFC).CC.PD.NO.109/22.10.106/2019-20 DATED 13 MARCH 2020 (Contd.)

Asset Classifications 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	Differences between Ind AS 109 provisions and IRACP norms
1	2	3	4	5=3-4	6	7=4-6
Subtotal for NPA		68.02	28.00	40.02	17.92	10.08
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	861.86	0.43	861.43	-	0.43
	Stage 2	3.44	0.28	3.16	-	0.28
		865.30	0.71	864.59	-	0.71
Subtotal		8,021.04	66.31	7,954.73	51.73	14.58
Total	Stage 1	7,811.35	18.66	7,792.69	30.76	(12.10)
	Stage 2	141.67	19.65	122.02	3.05	16.60
	Stage 3	68.02	28.00	40.02	17.92	10.08
	Total	8,021.04	66.31	7,954.73	51.73	14.58

\*In accordance with the RBI circular dated 12 November 2021, on “Prudential Norms on Income Recognition, Asset Classification and Provisioning (IRACP) pertaining to Advances– Clarifications” and further clarifications provided by the RBI vide its circular dated 15 February 2022, the Company has implemented the requirements prescribed with respect to ‘Upgradation of accounts classified as NPAs’.

Note: In compliance with Ind AS requirements, provisions are computed on Exposure at Default (EAD).

\*\* Represents loan cases sanctioned but not disbursed

63 Disclosures under Master Direction - Reserve Bank of India (Securitisation of Standard Assets) Directions, 2021 dated 24 September 2021 as updated on 05 December 2022.

Securitisation¹	As at 31 March 2025	As at 31 March 2024
(i) Outstanding amount of Securitised assets as per books of the SPVs²		
1 No of SPEs holding assets for securitisation transactions originated by the originator³	4	4
2 Total amount of securitised assets as per books of the SPEs sponsored	49.22	62.04
3 Total amount of the exposures retained by the HFC to comply with MRR as on the date of balance sheet		
a) Off-balance sheet exposures		
First loss	-	-
Others	-	-



SUMMARY OF MATERIAL ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION  
FOR THE YEAR ENDED 31 MARCH 2025

(All amounts ₹ in Cr unless otherwise stated)

63 DISCLOSURES UNDER MASTER DIRECTION - RESERVE BANK OF INDIA (SECURITISATION OF STANDARD ASSETS)  
DIRECTIONS, 2021 DATED 24 SEPTEMBER 2021 AS UPDATED ON 05 DECEMBER 2022. (Contd.)

Securitisation <sup>1</sup>	As at 31 March 2025	As at 31 March 2024
b) On-balance sheet exposures		
First loss	8.87	8.87
Others	1.88	2.37
4 Amount of exposures to securitisation transactions other than MRR		
a) Off-balance sheet exposures		
(i) Exposure to own securitisation		
First loss	-	-
Others	8.43	8.43
(ii) Exposure to third party securitisations		
First loss	-	-
Others	-	-
b) On-balance sheet exposures		
(i) Exposure to own securitisation		
First loss	-	-
Others	33.01	37.99
(ii) Exposure to third party securitisations		
First loss	-	-
Others	-	-
5 Sale consideration received for the securitised assets and gain/loss on sale on account of securitisation	Nil	
6 Form and quantum (outstanding value) of services provided by way of, liquidity support, post-securitisation asset servicing etc.:	- Cash collateral in the form FD (First Loss): ₹ 8.87 Cr (Lien marked) - Liquidity support in form of Cash Collateral as FD (Second Loss): ₹ 8.43 Cr (Lien marked) <sup>4</sup> - Post Securitisation assets servicing fee charged on monthly basis @ 0.10% on the outstanding amount. <sup>5</sup>	- Cash collateral in the form FD (First Loss): ₹ 8.87 Cr (Lien marked) - Liquidity support in form of Cash Collateral as FD (Second Loss): ₹ 8.43 Cr (Lien marked) <sup>4</sup> - Post Securitisation assets servicing fee charged on monthly basis @ 0.10% on the outstanding amount. <sup>5</sup>

SUMMARY OF MATERIAL ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION  
FOR THE YEAR ENDED 31 MARCH 2025

(All amounts ₹ in Cr unless otherwise stated)

63 DISCLOSURES UNDER MASTER DIRECTION - RESERVE BANK OF INDIA (SECURITISATION OF STANDARD ASSETS)  
DIRECTIONS, 2021 DATED 24 SEPTEMBER 2021 AS UPDATED ON 05 DECEMBER 2022. (Contd.)

Securitisation <sup>1</sup>	As at 31 March 2025	As at 31 March 2024
7 Performance of facility provided : (a) Amount paid (b) Repayment received (c) Outstanding amount	A) Details of the FD placed for this purpose as under: <sup>4</sup> (i) Against First Loss : (a) Amount of FD Placed: ₹ 12.94 Cr (b) Lien Marked amount: ₹ 8.87 Cr (69% of original FD value) (ii) Against Second Loss : (a) Amount of FD Placed: ₹ 12.36 Cr (b) Lien Marked amount: ₹ 8.43 Cr (68% of original FD value) (B) Other Credit Enhancement: <sup>6</sup> Further the Company has provided credit enhancement through investment in subordinated tranches of PTC as mentioned below : (a) Amount paid: ₹ 8.09 Cr (b) Repayment received: ₹ 6.21 Cr (c) Outstanding amount: ₹ 1.88 Cr (23% of original investment)	A) Details of the FD placed for this purpose as under: <sup>4</sup> (i) Against First Loss : (a) Amount of FD Placed: ₹ 12.94 Cr (b) Lien Marked amount: ₹ 8.87 Cr (69% of original FD value) (ii) Against Second Loss : (a) Amount of FD Placed: ₹ 12.36 Cr (b) Lien Marked amount: ₹ 8.43 Cr (68% of original FD value) (B) Other Credit Enhancement: <sup>6</sup> Further the Company has provided credit enhancement through investment in subordinated tranches of PTC as mentioned below : (a) Amount paid: ₹ 8.09 Cr (b) Repayment received: ₹ 5.72 Cr (c) Outstanding amount: ₹ 2.37 Cr (29% of original investment)
8 Average default rate of portfolios observed in the past (Home Loan) :	6.68%	6.69%
9 Amount and number of additional/ top up loan given on same underlying asset (Home Loan) :	-	-
10 Investor complaints :		
(a) Directly/Indirectly received	NIL	NIL
(b) Complaints outstanding	NIL	NIL

<sup>1</sup>Securitisation(PTC) transaction do not meet the de-recognition criteria under Ind AS and accordingly are recognised on books. Accordingly income and discounting charges are included in revenue from operations and finance cost respectively. Amounts stated above are for the limited purpose of disclosure.

<sup>2</sup>The above figures are being reported based on certificate issued by the auditors of the SPE, as required by revised guidelines on transfer of assets through securitisation.

<sup>3</sup>Only the SPVs relating to outstanding securitisation transactions are reported here.

<sup>4</sup>Amount is reduced on account of dropped out in the underlying asset amount.

<sup>5</sup>Company has entered into Collection & Servicing agreement with the trust for post securitisation asset servicing. The Company has not provided any liquidity comfort or credit enhancement for collection & servicing arrangement.

<sup>6</sup>Repayment mentioned denotes repayment of the dues towards the subordinated PTCs in which the Company has invested.

## SUMMARY OF MATERIAL ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION

FOR THE YEAR ENDED 31 MARCH 2025

(All amounts ₹ in Cr unless otherwise stated)

### 63 DISCLOSURES UNDER MASTER DIRECTION - RESERVE BANK OF INDIA (SECURITISATION OF STANDARD ASSETS) DIRECTIONS, 2021 DATED 24 SEPTEMBER 2021 AS UPDATED ON 05 DECEMBER 2022. (Contd.)

#### Disclosures pursuant to Master Direction – Reserve Bank of India (Transfer of Loan Exposures) Directions, 2021

##### (i) Details of transfer through assignment in respect of loans not in default:

	As at 31 March 2025	As at 31 March 2024
Entity/Assignee	Bank	Bank
Count of Loan accounts Assigned	6396 Loans	5586 Loans
Amount of Loan accounts Assigned	₹ 631.52 Cr	524.09 Cr
Retention of beneficial economic interest (MRR)*	10%/20%	10%
Weighted Average Maturity (Residual Maturity)**	136 Months	146 Months
Weighted Average Holding Period	11 Months	15 Months
Coverage of tangible security coverage	100%	100%
Rating wise distribution of rated loans	Unrated	Unrated

##### (ii) Details of transfer through Co-lending in respect of loans not in default:

	As at 31 March 2025	As at 31 March 2024
Entity/Assignee	Bank	-
Count of Loan accounts Assigned	36 Loans	-
Amount of Loan accounts Assigned	₹ 4.44 Cr	-
Retention of beneficial economic interest (MRR)*	20%	-
Weighted Average Maturity (Residual Maturity)**	143 months	-
Weighted Average Holding Period	7 Months	-
Coverage of tangible security coverage	100%	-
Rating wise distribution of rated loans	Unrated	-

\*Retained by the originator

\*\*At the time of acquisition

##### (iii) The Company has not acquired any loan not in default during the year FY 2024-25 and FY 2023-24.

##### (iv) (a) Details of stressed loans transferred during the year ended 31 March 2025

Particulars	To ARCs	To permitted transferees	To other transferees
Number of accounts	928 Nos	-	-
Aggregate principal outstanding of loans transferred*	₹ 86.89 Cr	-	-
Weighted average residual tenor of the loans transferred	184 Months	-	-
Net book value of loans transferred (at the time of transfer)*	₹ 61.98 Cr	-	-
Aggregate consideration	₹ 37.80 Cr	-	-
Additional consideration realised in respect of accounts transferred in earlier years	-	-	-

## SUMMARY OF MATERIAL ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION

FOR THE YEAR ENDED 31 MARCH 2025

(All amounts ₹ in Cr unless otherwise stated)

### 63 DISCLOSURES UNDER MASTER DIRECTION - RESERVE BANK OF INDIA (SECURITISATION OF STANDARD ASSETS) DIRECTIONS, 2021 DATED 24 SEPTEMBER 2021 AS UPDATED ON 05 DECEMBER 2022. (Contd.)

##### (iv) (b) Details of stressed loans transferred during the year ended 31 March 2024

Particulars	To ARCs	To permitted transferees	To other transferees
Number of accounts	409 Nos	-	-
Aggregate principal outstanding of loans transferred*	₹ 24.52 Cr	-	-
Weighted average residual tenor of the loans transferred	218 Months	-	-
Net book value of loans transferred (at the time of transfer)*	₹ 15.76 Cr	-	-
Aggregate consideration	₹ 22.32 Cr	-	-
Additional consideration realised in respect of accounts transferred in earlier years	-	-	-

\*The above figures includes sale of portfolio which have been written off in the past period. Hence, the net book value of such portfolio is Nil as on date of transfer.

### 64 Public disclosure on Liquidity Risk

#### (i) Funding Concentration based on significant counterparty (both Deposits and Borrowings)

Financial Year	Number of Significant Counterparties	Amount	% of total deposits	% of total Liabilities
2024-25	17	6,315.68	NA	94.17%
2023-24	18	5,367.94	NA	90.12%

Note: A 'Significant Counterparty' is a single counterparty or group of connected or affiliated counterparties accounting in aggregate for more than 1% of the Company's total liabilities.

#### (ii) Top 20 large deposits (amount ₹ in Cr and % of total deposits)

The Company is a non-deposit taking housing finance company and does not accept any deposits from the public.

#### (iii) Top 10 borrowings (amount ₹ in Cr and % of total borrowings)

Financial Year	Sanctioned	Outstanding	% of total Borrowings
2024-25	7,845.30	5,512.55	84.96%
2023-24	6,469.30	4,366.98	76.31%

#### (iv) Funding Concentration based on significant instrument/product

Name of the Instrument	FY 2024-25		FY 2023-24	
	Amount	% of total Liabilities	Amount	% of total Liabilities
Term Loan Facilities	5,788.98	86.32%	4,641.29	77.91%
Working Capital Demand Loans	420.00	6.26%	890.00	14.94%
Non - Convertible Debentures	129.80	1.94%	29.70	0.50%
Subordinate Debt Instruments	100.00	1.49%	100.00	1.68%
Pass Through Certificates	49.28	0.73%	62.04	1.04%

A single instrument/product shall be deemed as 'significant instrument/product' if single instrument/product or group of similar instruments/products in aggregate amount to more than 1% of the Company total liabilities.



SUMMARY OF MATERIAL ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION

FOR THE YEAR ENDED 31 MARCH 2025

(All amounts ₹ in Cr unless otherwise stated)

64

PUBLIC DISCLOSURE ON LIQUIDITY RISK (Contd.)

(v) Stock Ratios:

(a) Commercial papers as a % of total public funds, total liabilities and total assets

The Company has not raised any funds through issuance of Commercial Papers (CPs) and hence this disclosure is not applicable.

(b) Non-convertible debentures (original maturity of less than one year) as a % of total public funds, total liabilities and total assets

The Company does not have any Non-convertible debentures with original maturity of less than one year and hence this disclosure is not applicable

(c) Other short-term liabilities, if any as a % of total public funds, total liabilities and total assets

Financial Year	Short term liabilities	% of Total Liabilities	% of Total Assets	% of Public Funds*
2024-25	129.80	1.94%	1.39%	2.00%
2023-24	29.70	0.50%	0.36%	0.52%

The above stated 'Other short-term liabilities' includes working capital facilities.

\*Public funds represents total gross borrowings (including debt securities and subordinated liabilities)

(vi) Institutional set-up for liquidity risk management

The Company has an Asset Liability Committee (ALCO), constituted by the Board, which periodically reviews asset liability position of the Company. It also ensures that there are no excessive concentration on either assets or liability side of the balance sheet.

ALM is monitored as a regular process and necessary steps are taken wherever required. Company also maintains sufficient liquidity buffer through credit lines and other means to meet its liability when they are due, under both normal and stressed conditions in a timely manner. Maturity profile of financial assets and financial liabilities is assessed along with borrowings and business and as a part of review of liquidity position.

The Company has obtained fund based working capital lines and Term Loans from various banks and financial institutions. Further, the Company has access to funds from debt markets through non-convertible debentures and other debt instruments. Cash Credit/WCDL limits are renewed on annual basis and are therefore revolving in nature.

The Company has an Asset Liability Management Policy (ALM Policy). Liquidity risk is managed in accordance with ALM Policy. Same is reviewed periodically to incorporate regulatory changes, economic scenario and business requirements.

(All amounts ₹ in Cr unless otherwise stated)

SUMMARY OF MATERIAL ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION

FOR THE YEAR ENDED 31 MARCH 2025

65

Disclosures in respect of Guidelines on Maintenance of Liquidity Coverage Ratio (LCR) as referred in para 3.1.2 of the Master Direction-Non-Banking Finance Company (Reserve Bank) Directions 2021 and Anne XXI referred in para 89 of the Master Direction – Reserve Bank of India (Non-Banking Financial Company – Scale Based Regulation) Directions, 2023.

Appendix 1

Particulars	As on 31 March 2025		As on 31 December 2024		As on 30 September 2024		As on 30 June 2024		As on 31 March 2024	
	Total unweighted value (Average)*	Total weighted value (Average)#	Total unweighted value (Average)*	Total weighted value (Average)#	Total unweighted value (Average)*	Total weighted value (Average)#	Total unweighted value (Average)*	Total weighted value (Average)#	Total unweighted value (Average)*	Total weighted value (Average)#
<b>High Quality Liquid Assets</b>										
1. Total High Quality Liquid Assets (HQLA)**	193.61	193.61	239.79	239.79	195.81	195.81	211.14	211.14	204.63	204.63
<b>Cash Outflows</b>										
2. Deposits (for deposit taking companies)	-	-	-	-	-	-	-	-	-	-
3. Unsecured wholesale funding	0.03	0.03	0.03	0.03	0.03	0.04	0.03	0.04	-	-
4. Secured wholesale funding	105.14	120.91	297.22	341.80	162.70	187.11	131.60	151.34	68.91	79.25
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	62.69	72.09	59.58	68.52	55.04	63.30	55.24	63.52	57.03	65.58
7. Other contingent funding obligations	232.93	267.87	217.34	249.94	231.23	265.91	333.86	383.93	288.43	331.69
8. TOTAL CASH OUTFLOWS	400.79	460.90	574.17	660.29	449.00	516.36	520.73	598.83	414.37	476.52
<b>Cash Inflows</b>										
9. Secured lending	-	-	-	-	-	-	-	-	-	-
10. Inflows from fully performing exposures	105.93	79.45	103.29	77.47	97.67	73.25	93.33	70.00	94.15	70.61

SUMMARY OF MATERIAL ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION

FOR THE YEAR ENDED 31 MARCH 2025

(All amounts ₹ in Cr unless otherwise stated)

65 (Contd.)

Particulars	As on 31 March 2025		As on 31 December 2024		As on 30 September 2024		As on 30 June 2024		As on 31 March 2024	
	Total unweighted value (Average)*	Total weighted value (Average)#	Total unweighted value (Average)*	Total weighted value (Average)#	Total unweighted value (Average)*	Total weighted value (Average)#	Total unweighted value (Average)*	Total weighted value (Average)#	Total unweighted value (Average)*	Total weighted value (Average)#
11. Other cash inflows	1,021.65	766.24	607.26	455.45	511.70	383.77	654.41	490.81	736.95	552.71
12. TOTAL CASH INFLOWS	1,127.58	845.69	710.55	532.92	609.37	457.02	747.74	560.81	831.10	623.32
13. TOTAL HQLA		193.61		239.79		195.81		211.14		204.63
14. TOTAL NET CASH OUTFLOWS		115.23		165.07		129.09		149.71		119.13
15. LIQUIDITY COVERAGE RATIO (%)		168.03%		145.26%		151.69%		141.03%		171.77%
16. NHB Requirement w.e.f. 01 Dec 24 (%)		85.00%		85.00%		60.00%		60.00%		60.00%
Components of HQLA										
1. Assets to be included as HQLA without any haircut		193.61		239.79		195.81		211.14		204.63
2. Assets to be included for HQLA with a minimum haircut of 15%		-		-		-		-		-
3. Assets to be included for HQLA with a minimum haircut of 50%		-		-		-		-		-
4. Approved securities held as per the provisions of section 45 IB of RBI Act		-		-		-		-		-
TOTAL HQLA		193.61		239.79		195.81		211.14		204.63

\*Unweighted values calculated as outstanding balances maturing or callable within 30 days (for inflows and outflows).  
#Weighted values calculated after the application of respective stress factors on inflow and outflow.  
\*\*HQLA includes Balances with Banks in current accounts, Cash on Hand and Investments in Treasury bills and Government securities.

SUMMARY OF MATERIAL ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION

FOR THE YEAR ENDED 31 MARCH 2025

(All amounts ₹ in Cr unless otherwise stated)

66 ANNEXURE AS REQUIRED IN TERMS OF MASTER DIRECTION – HOUSING FINANCE COMPANY (RESERVE BANK) DIRECTIONS, 2021, AS UPDATED ON 27 FEBRUARY 2025.

Schedule to the Balance Sheet

Particulars	As at 31 March 2025		As at 31 March 2024	
	Amount outstanding	Amount overdue	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	434.29	-	933.77	-
: Unsecured	-	-	-	-
(b) Deferred Credits	-	-	-	-
(c) Term Loans	5,783.59	-	4,638.27	-
(d) Inter-corporate loans and borrowing	-	-	-	-
(e) Commercial Paper	-	-	-	-
(f) Public Deposits	-	-	-	-
(g) Other Loans :	-	-	-	-
Loans repayable on demand	129.93	-	33.03	-
Subordinated liabilities	99.93	-	99.82	-
2) Break-up of (1)(f) above (Outstanding public deposits inclusive of interest accrued thereon but not paid):				
(a) In the form of Unsecured debentures	-	-	-	-
(b) In the form of partly secured debentures i.e. debentures where there is a shortfall in the value of security	-	-	-	-
(c) Other public deposits	-	-	-	-

\*Does not include loan from PTC investors amounting to ₹ 47.43 Cr which forms part of securitised liability classified as borrowings in the Financials Statement as the same does not meet the derecognition criteria as per provision of Ind AS.

Particulars	As at 31 March 2025	As at 31 March 2024
	Amount outstanding	Amount outstanding
Assets side		
3) Break-up of Loans and Advances including bills receivables [other than those included in (4) below]:		
(a) Secured	7,861.84	7,155.74
(b) Unsecured	1.87	-
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	-	-



## SUMMARY OF MATERIAL ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION

FOR THE YEAR ENDED 31 MARCH 2025

(All amounts ₹ in Cr unless otherwise stated)

### 66 ANNEXURE AS REQUIRED IN TERMS OF MASTER DIRECTION – HOUSING FINANCE COMPANY (RESERVE BANK) DIRECTIONS, 2021, AS UPDATED ON 27 FEBRUARY 2025. (Contd.)

Particulars	As at 31 March 2025	As at 31 March 2024
Assets side	Amount outstanding	Amount outstanding
(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	-	-
<b>5) Breakup of Investments</b>		
<b>Current Investments</b>		
<b>1 Quoted</b>		
(i) Shares		
(a) Equity	-	-
(b) Preference	-	-
(ii) Debentures and Bonds	-	-
(iii) Units of Mutual Funds	-	-
(iv) Government securities	95.45	207.71
(v) Others	-	-
<b>2 Unquoted</b>		
(i) Shares		
(a) Equity	-	-
(b) Preference	-	-
(ii) Debentures and Bonds	-	-
(iii) Units of Mutual Funds	-	-
(iv) Government securities	-	-
(v) Others	-	-
<b>Long Term Investments</b>		
<b>1 Quoted</b>		
(i) Shares		
(a) Equity	-	-
(b) Preference	-	-
(ii) Debentures and Bonds	-	-
(iii) Units of Mutual Funds	-	-
(iv) Government securities	80.96	-
(v) Others	-	-

## SUMMARY OF MATERIAL ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION

FOR THE YEAR ENDED 31 MARCH 2025

(All amounts ₹ in Cr unless otherwise stated)

### 66 ANNEXURE AS REQUIRED IN TERMS OF MASTER DIRECTION – HOUSING FINANCE COMPANY (RESERVE BANK) DIRECTIONS, 2021, AS UPDATED ON 27 FEBRUARY 2025. (Contd.)

Particulars	As at 31 March 2025	As at 31 March 2024
Assets side	Amount outstanding	Amount outstanding
<b>2 Unquoted</b>		
(i) Shares		
(a) Equity	25.00	-
(b) Preference	-	-
(ii) Debentures and Bonds	-	-
(iii) Units of Mutual Funds	-	-
(iv) Government securities	-	-
(v) Others	-	-

Category	As at 31 March 2025			As at 31 March 2024		
	Amount net of provisions			Amount net of provisions		
	Secured	Unsecured	Total	Secured	Unsecured	Total
<b>6) Borrower group-wise classification of assets financed as in (3) and (4) above:</b>						
1 Related Parties						
(a) Subsidiaries	-	-	-	-	-	-
(b) Companies in the same group	-	-	-	-	-	-
(c) Other Related parties	-	-	-	-	-	-
2 Other than related parties	7,861.84	1.87	7,863.71	7,155.74	-	7,155.74
<b>Total</b>	<b>7,861.84</b>	<b>1.87</b>	<b>7,863.71</b>	<b>7,155.74</b>	<b>-</b>	<b>7,155.74</b>

Category	As at 31 March 2025		As at 31 March 2024	
	Market Value/ Break up or fair value or NAV	Book Value (Net of Provisions)	Market Value/ Break up or fair value or NAV	Book Value (Net of Provisions)
<b>7) Investor group-wise classification of all investments (current and long term) in shares and securities (both quoted and unquoted) :</b>				
1 Related Parties				
(a) Subsidiaries	-	-	-	-
(b) Companies in the same group	-	-	-	-
(c) Other Related parties	-	-	-	-
2 Other than related parties	201.41	201.41	207.77	207.71
<b>Total</b>	<b>201.41</b>	<b>201.41</b>	<b>207.77</b>	<b>207.71</b>

SUMMARY OF MATERIAL ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION  
FOR THE YEAR ENDED 31 MARCH 2025

(All amounts ₹ in Cr unless otherwise stated)

66 ANNEXURE AS REQUIRED IN TERMS OF MASTER DIRECTION – HOUSING FINANCE COMPANY (RESERVE BANK) DIRECTIONS, 2021, AS UPDATED ON 27 FEBRUARY 2025. (Contd.)

Particulars	As at 31 March 2025	As at 31 March 2024
8) Other Information		
(i) Gross Non Performing Assets		
(a) Related Parties	-	-
(b) Other than Related parties	128.08	68.02
(ii) Net Non Performing Assets		
(a) Related Parties	-	-
(b) Other than Related parties	77.79	40.02
(iii) Assets acquired in satisfaction of debt*	23.45	10.45

\*The above amount includes principal, other dues and Ind AS adjustments (after factoring retention ratio). The amount towards 'Assets acquired in satisfaction of debt' forms part of the loan assets disclosed by the Company and the same has also been classified as NPAs.

67 DURING THE YEAR, TO RELIEVE COVID-19 PANDEMIC RELATED STRESS, THE COMPANY HAS INVOKED RESOLUTION PLANS FOR ELIGIBLE BORROWERS BASED ON THE PARAMETERS LAID DOWN IN ACCORDANCE WITH THE ONE TIME RESTRUCTURING POLICY APPROVED BY THE BOARD OF DIRECTORS OF THE COMPANY AND IN ACCORDANCE WITH THE GUIDELINES ISSUED BY THE RBI ON 06 AUGUST 2020

Disclosure pursuant to RBI/2020-21/16 DOR.No.BP.BC/3/21.04.048/2020-21 dated 06 August 2020 for the year ended 31 March 2025

Type of borrower	(A)	(B)	(C)	(D)	(E)
	Exposure to accounts classified as Standard consequent to implementation of resolution plan – Position as at the end of 30 Sept 2024 (A)	Of (A), aggregate debt that slipped into NPA during six month period ended 31st Mar 2025	Of (A) amount written off during six month period ended 31st Mar 2025#	Of (A) amount paid by the borrowers during six month period ended 31st Mar 2025 ##	Exposure to accounts classified as Standard consequent to implementation of resolution plan – Position as at the end of 31st Mar 2025
Personal Loans	125.09	2.19	-	15.29	107.61
Corporate persons*	-	-	-	-	-
Of which, MSMEs	-	-	-	-	-
Others	-	-	-	-	-
Total	125.09	2.19	-	15.29	107.61

\*As defined in Section 3(7) of the Insolvency and Bankruptcy Code, 2016

#represents amount slipped into NPA and subsequently written off during the half year ended 31 March 2025.

##Amount paid by the borrower during the half year is net off additions in the borrower account & adjustments for realisation made through sale of stress assets.

SUMMARY OF MATERIAL ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION  
FOR THE YEAR ENDED 31 MARCH 2025

(All amounts ₹ in Cr unless otherwise stated)

68 In Compliance with Section 128 of the Companies Act, 2013 read with proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014, the Company uses an accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) which has operated throughout the year for all relevant transactions recorded in the accounting software.

During the year FY 2024-25, the Company had activated some of the modules of its collection application for which data base level audit trail features were enabled in the month of May, 2025. The company had ensured compensatory system level controls were in place during FY 2024-25, such that there is no impact on the financials numbers reported.

The company uses a SaaS- based ERP platform (from third party) for which the SOC 2 Type II report up to 30 September 2024 was provided. Bridge letter from the third party was made available for the balance subsequent period till 31 March 2025 due to the temporary timing difference in completion of audit period for the Company and the third party. Further, the company has made no changes to the software during FY 2024-25.

All requirements of transaction level audit trail features were in place throughout the year ended FY 2024-25 and since all required process checks along with effective controls were in place, there is no impact on the trails of financial transactions which may affect the financial reporting as on 31 March 2025.

69 During the year the Company had shifted its registered office to 6th Floor, B-Building, Ganga Trueno, Lohegaon, Pune – 411014, Maharashtra with effect from 18 December 2024, within the local limits of the city.

70 Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time.

For the year ended 31 March 2025, MCA has notified Ind AS 117 Insurance Contracts and amendments to Ind AS 116 Leases, relating to sale and leaseback transaction applicable to the company w.e.f. 01 April 2024. The company has reviewed the new pronouncements and based on its evaluation has determined that it does not have any impact in it's financial statement.

71 Figures for the previous year have been regrouped and/or reclassified whenever considered necessary.

<b>For Sharp &amp; Tannan Associates</b> Chartered Accountants Firm Registration No: 109983W	For and on behalf of the Board of Directors <b>Grihum Housing Finance Ltd.</b> (Formerly Poonawalla Housing Finance Limited)
<b>Manish Jaiswal</b> Managing Director & Chief Executive Officer (DIN: 07859441)	<b>Sanjeev Mehra</b> Director (DIN: 07491208)
Place: Pune Date: 22 May 2025	Place: Mumbai Date: 22 May 2025
<b>Arnob Choudhuri</b> Partner Membership No.: 156378	<b>Pankaj Rath</b> Chief Financial Officer
Place: Pune Date: 22 May 2025	<b>Vaishnavi Surawala</b> Company Secretary
	Place: Pune Date: 22 May 2025



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# Grihum Housing Finance Limited

(Formerly Poonawalla Housing Finance Limited)

CIN: U65922PN2004PLC208751

## Registered Office

6th Floor, B Building, Ganga Trueno, Lohegaon, Pune, Maharashtra 411014

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