

Annual Report 2024-25



Empowering
Indians,
Strengthening India



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Theme Introduction

Empowering Indians, Strengthening India

For millions of Indians, homeownership is more than just four walls; it is an emotion. Home gives you an identity. It is where roots are planted, bonds are formed, and generations thrive. From an uncertain shelter to a secure roof, it promises a safer tomorrow. A home offers dignity and stability while navigating life's uncertainties, and the freedom to dream without any fear.

Since 2011, at Shubham Housing Development Finance Company Limited, we have been on a mission to bridge the gap between dreams and doors. Our affordable housing solutions empower the aspirations of the unserved and underserved segment who often have limited access to traditional financial services. Our product portfolio caters to salaried professionals, self-employed individuals, or to those earning in cash, ensuring we meet our customers' unique needs and challenges. With our strong distribution network and underwriting capabilities, we have been able to deliver credit solutions to this segment. Integrating technology at every step in the homeownership journey, we have consistently offered seamless and hassle-free services.

To date, we have served over 1,10,000 households and disbursed more than ₹ 11,800 Cr. Behind every loan we sanction, is a story of determination, perseverance, and hope. For every home we finance, we empower not just a family but contribute to a stronger India.

These are the stories of people who turned their dreams into reality with our support!



This report contains both AI-generated and real images. AI visuals are placed within stylized window shapes, while real photos use plain or line-art frames.

Customer Achievements

Building a Better Life for Our Customers



Stitching Dreams of Hope

As a tailor in Trichy, Anandhi had an unpredictable income stream. Owning a home and building a secure financial future often felt out of reach. Despite the challenge, she never gave up on her dreams of having a place to call her own. Our team took the time to understand her situation and supported her throughout the process of securing a home loan.

Today, she is a proud homeowner and finally has a place where her family can grow and thrive.

State Name
Tamil Nadu
Product
Grih Nirmaan Plot + Construction
Loan Amount
₹ 12,34,825



From Uncertainty to Stability

Suresh, a travel operator from Gujarat, faced challenges in qualifying for a home loan due to his fluctuating income. While earnings spiked during the holiday season, they remained inconsistent through the rest of the year, making financial planning difficult. Despite this, Suresh never gave up on his aspiration of having a home. With our team's quick and supportive home loan process, Suresh was able to secure a loan and become a homeowner in just a month.

With our affordable housing solutions and tech-led platform, first-time homebuyers like Suresh can finally live in a space built through their hard work and resilience.

State Name
Gujarat
Product
Home Loan
Loan Amount
₹ 10,30,000



Key Highlights

FY25 — A Year of Purpose and Progress

₹ 6,034 CR

AUM

₹ 2,385 CR

Net Disbursements

₹ 793 CR

Revenue from Operations

₹ 523 CR

Net Total Income

₹ 175 CR

PAT

28

Lender Partnerships

₹ 10.7 LAKH

Average Ticket Size

1.27%

Gross Non-Performing Assets

A+ (POSITIVE)/A+ (STABLE)

Credit Rating by India Rating/ICRA

Corporate Overview

Turning Aspirations to Addresses

Shubham Housing Finance was founded by experienced bankers with expertise in mortgage and financial lending to bridge the gap in formal credit access to families with informal income. We offer a diverse portfolio of residential purchase, construction, renovation, and improvement loans against housing property for various purposes. These loans cater to the unmet financial needs of the underserved segment.

With our customer-centric focus, we are one of the few organisations to move from a rigid, documentation-heavy process, to a personalised credit assessment model.

We leverage our extensive geographic presence and strong retail focus to provide affordable housing solutions to those who need it the most. Year after year, we have consistently maintained sustainable, scalable, and profitable growth while expanding financial inclusion and enabling countless Indians to own their dream home. At the same time, we continue to uphold responsible lending practices and maintain a strong asset quality imperative for the long-term stability of our business.

Key Numbers that Define Us

14+

Years of Industry Expertise

3,843

Employees

179/12

Branches/States

92%

Women Applicants

94%

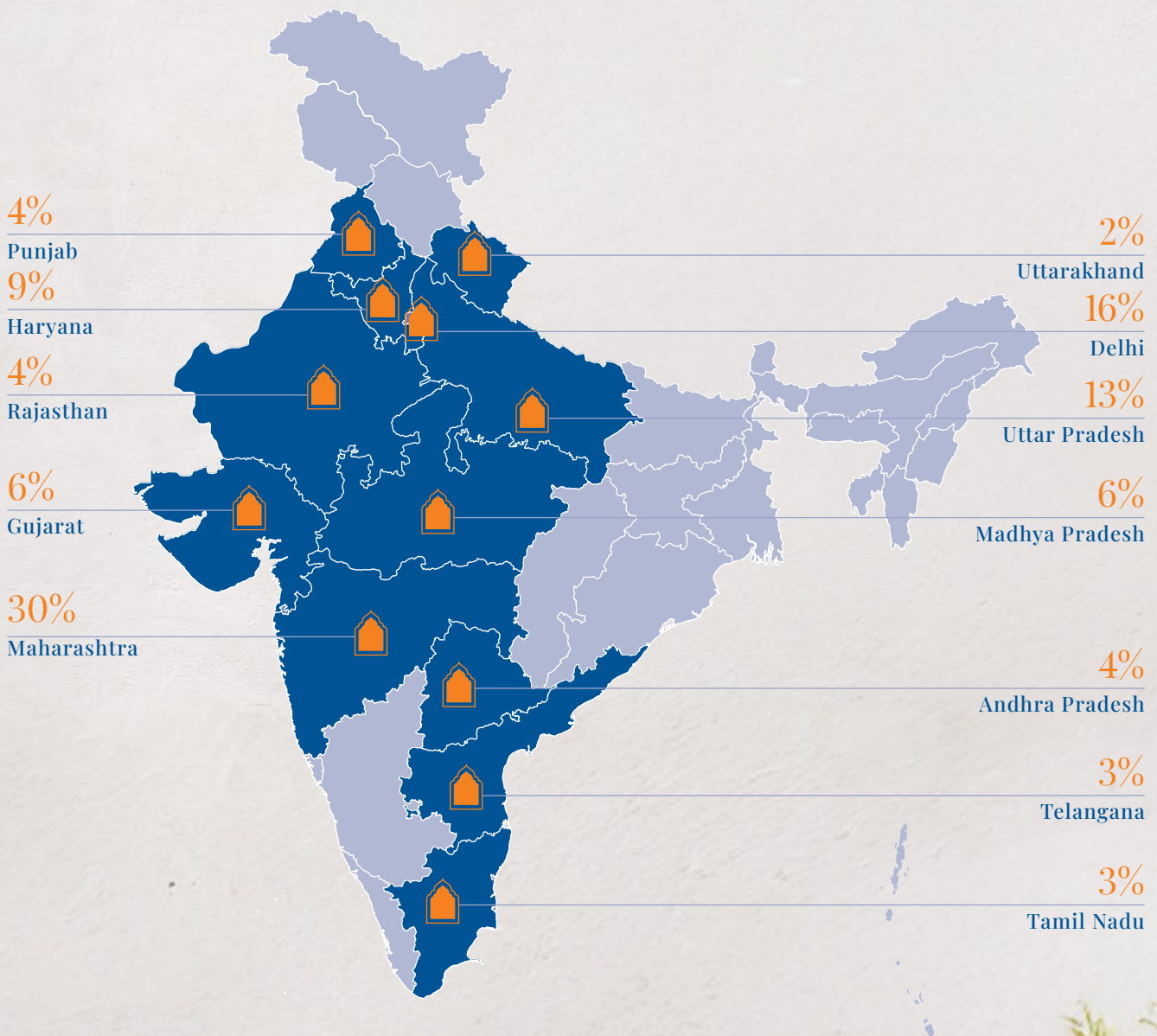
Retail Portfolio

Geographic Presence

Deepening Presence, Uplifting Lives

We have consistently expanded our presence across multiple states, offering our customers a diverse range of products. We are expanding in key markets to improve accessibility and strengthen customer relationships.

AUM Split by Geography



Journey

Shaping the Future of Affordable Housing

The Year of Inception

2010

- Incorporated as Shubham Housing Development Finance Company Private Limited (Conversion from “Private” to “Public” in 2016)
- Raised ₹ 91 Million Series A funding from Elevar and Helion

Building a Strong Foundation

2011

- Received NHB licence
- Opened first branch
- Entered four new states
- Rated BB+
- Raised ₹ 432 Million in Series B investment from Saama and Accion

2013

- Turned profitable in the third year of operation
- Rated BBB

Expanding Reach and Capabilities

2014

- Opened 50th branch
- Rated BBB with positive outlook

2015

- Raised ₹ 1.2 Billion in Series C investment from MOPE & existing investors
- Received first refinance limit of ₹ 50 Million from NHB

2016

- Established a risk unit and adopted data-driven decision-making
- Set up RCU
- Obtained SARFAESI license, significantly improving collections
- Issued first NCD of ₹ 200 Million
- Crossed ₹ 10 Billion in disbursements

2017

- Setup of Centralised Underwriting
- Received 2nd refinance limit of ₹ 500 Million from NHB
- Issued 2nd NCD of ₹ 750 Million to Triodos, Amsterdam and listed on BSE
- Completely migrated to Finnone NEO LMS



Strengthening Market Presence

2018

- Raised ₹ **2.3 Billion** in Series D funding from Premji Invest & existing investors
- Rated BBB+ with a positive outlook by ICRA/CRISIL
- Recognised by WEF and IFC as one of the top 100 FinTech companies promoting financial inclusion

2019

- Received 3rd refinance limit of ₹ **1.5 Billion** from NHB
- Rated A- with a stable outlook by ICRA/CRISIL

2020

- Received 4th refinance limit of ₹ **2.5 Billion** from NHB
- Crossed ₹ **30 Billion** in disbursements
- Invited to the 9th Annual Forum on Inclusive Business on the sidelines of the UN General Assembly, NY
- Awarded Best HFC in Affordable Housing by Inclusive Finance India
- Migrated from IGAAP to INDAS

Embracing Digital Transformation

2021

- Upgraded to Oracle Gen2 Cloud data centre
- Awarded with **The New Code of Work 2021** by People Strong

2022

- Received ₹ **1.02 Billion** from NHB under the special refinance window and ₹ **300 Million** from banks under the TLTRO-2 window
- Company was Ranked #10 in Fortune Change the World list 2022.

Scaling New Heights

2023

- Raised ₹ **8.9 Billion** in Series E funding from ADB, BII, LeapFrog Investments, and Premji Invest
- Rated A with a stable outlook by ICRA/CRISIL and A+ by India Rating
- Expanded to South
- Crossed ₹ **60 Billion** in disbursements
- Crossed ₹ **200 Crore** in disbursements in a single month

2024

- Diversified geographic presence across 12 states
- Implemented a 100% digital customer onboarding process
- AUM is well distributed across 12 states
- Implemented Executive Information System (EIS) using Power BI

2025

- Crossed ₹ **60 Billion** in Assets Under Management
- Raised ₹ **400 Crore** in primary capital in Series F funding round (₹ **600 Crore** in secondary transactions) from Multiples, ADB and BII
- Issued NCD of ₹ **200 Crore** and listed on BSE
- Migrated from FinnOne Neo to FinnOne 6.5

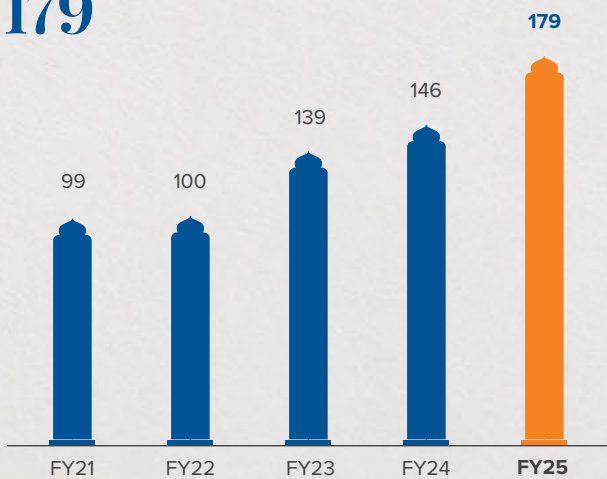
Our Performance

Advancing Growth in Numbers

We have consistently maintained our upward growth trajectory with strategic expansion and operational excellence. Our strong performance reflects our focused efforts toward scalability, market reach, and financial resilience.

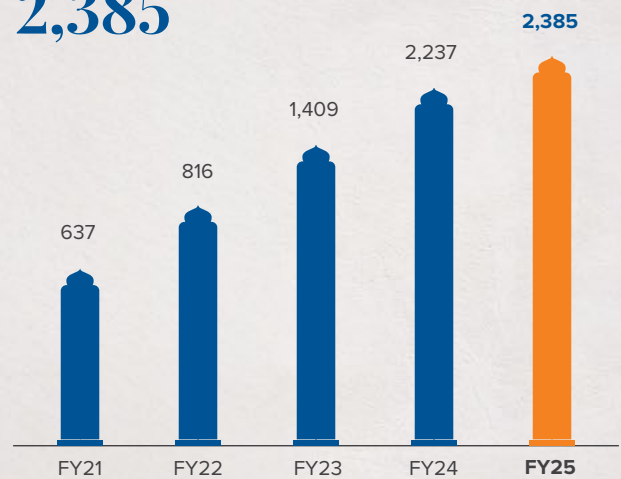
Number of Branches

179



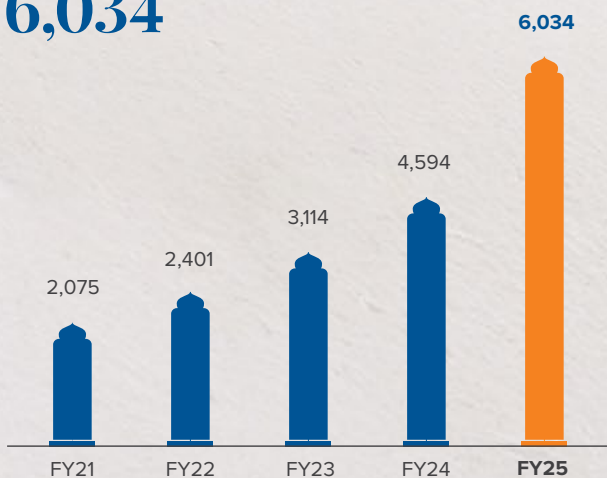
Net Disbursements (₹ in Cr)

2,385



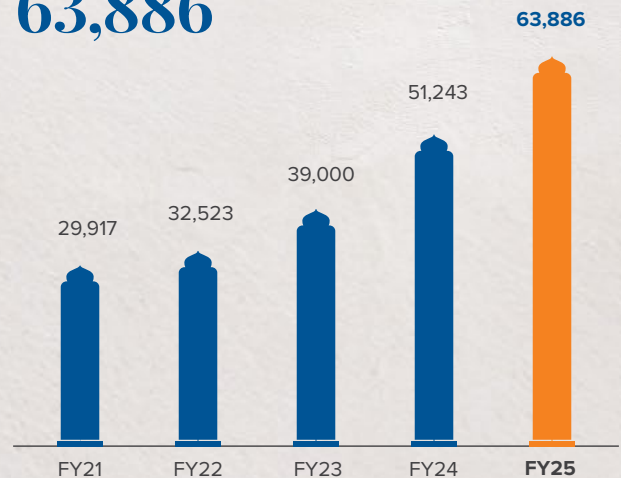
AUM (₹ in Cr)

6,034



Live Accounts

63,886



Key Institutional Partners

Backing Our Vision: Key Institutional Partners

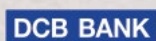
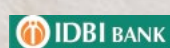
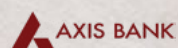
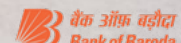
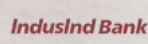
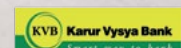
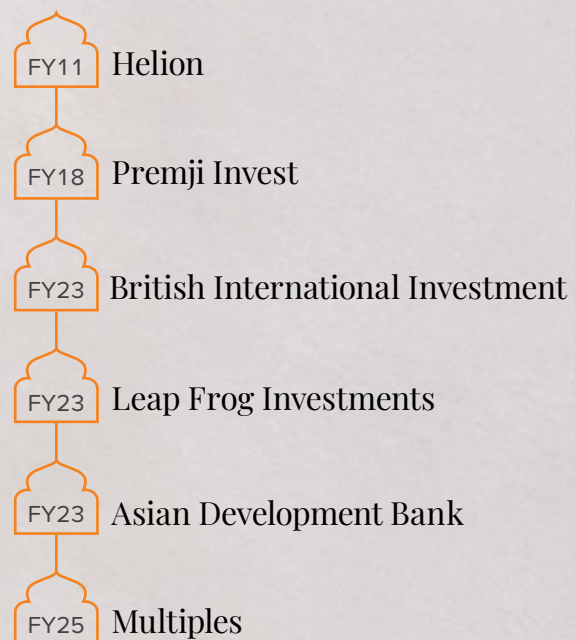
The enduring trust placed in us by our key institutional partners has enabled us to pursue our long-term goals with confidence. Their continued support is vital in driving sustainable growth and creating impact.

Credit Partners

From a single lending partner in FY12, we now have a well-established network of 28 trusted lenders.

With sanctioned credit facilities of over ₹ 5,432 Crore — of which ₹ 5,387 Crore has been effectively utilised — we continue to strengthen our financial foundation. We are currently engaging with various banks, including the State Bank of India, Bank of Baroda, and Bandhan Bank, to expand our funding access further.

Institutional Partner



Management Message

Founders' Communiqué

Dear Shareholders,

“We have continued to solidify our leadership in the affordable housing finance segment through a well-balanced approach of network expansion, customer-centric products, and digital innovation.”

It gives us great pleasure to present our notable achievements and performance for FY25. Our performance this year reflects a business model built on trust, agility, and our deep understanding of the aspirations of India's underserved households.

This year's theme, 'Empowering Indians, Strengthening India,' captures the essence of our mission, and the spirit that has guided us through 14 years of operations, successfully navigating multiple economic cycles. Our customised products have been designed to meet the financial realities of low- and middle-income households. We have continued to make inroads into the semi-urban and rural regions through a powerful combination of physical branches and digital platforms. Our commitment to robust risk management practices has helped us maintain

a healthy asset quality, even in dynamic conditions. At the same time, our strong leadership, agile operations, and technology-driven solutions are enabling faster approvals, greater transparency, and a seamless customer experience, keeping us ahead of the curve and bringing us closer to the people we serve.

The Indian Housing Sector

In the post pandemic era, the aspiration for home ownership, once considered out of reach for India's informal and low-income segment, has only intensified. Support from several government initiatives like the PMAY (Pradhan Mantri Awas Yojana), interest subsidies for first-time homebuyers, targeted support for developers on affordable housing projects, has further aided the development of India's real estate sector.

The Union Budget for FY25 introduced meaningful reforms aimed at promoting affordable housing projects and market activity. Measures such as increased tax rebates, a more favourable income tax regime, elimination of rental income on a second self-occupied property, and a higher TDS threshold are expected to provide more disposable income and improve loan eligibility for aspiring homeowners. These developments will support the expected demand for 31.2 million housing units by 2030, while strengthening the sector's contribution to inclusive economic growth.

Financial Performance

Despite facing external headwinds, FY25 was a year of strong performance for us, defined by sustainable growth and significant achievements. Our total income surged by 34% to ₹ 824 Crore, primarily driven by a 30% increase in interest income, which amounted to ₹ 715 Crore. Profit after tax registered a healthy growth of approximately 29% over FY24, reflecting our focus on operational efficiency and the strategic integration of technology across key business lines.

During this fiscal year, the Company disbursed ₹ 2,385 Crore with our Assets Under Management (AUM) crossing ₹ 6,000 Crore with 31% Y-o-Y growth. We expanded our reach by opening 33 new branches during the fiscal year. To maintain high asset quality across our loan portfolio, we regularly monitor asset performance through advanced analytics and real-time reporting mechanisms. These proactive measures help us with early detection of any signs of asset deterioration and risk mitigation. As of 31 March, 2025, our Gross NPA stood at 1.27% and Net NPA at 0.93%. We continue to maintain a strong capital position with a capital adequacy ratio of 46.24%, and our asset-liability management remains sound, positioning us well for long-term value creation.



Growth Catalysts

We have continued to solidify our leadership in the affordable housing finance segment through a well-balanced approach of network expansion, customer-centric products, and digital innovation. Over the past year, we have deepened our footprint, particularly in Tier II and Tier III cities and forged local partnerships to improve business penetration. As of 31 March, 2025, our branch network expanded from 146 to 179, with a strong focus on South India, a region that continues to exhibit high potential and strong demand for affordable housing.

On the product front, we have continued to refine our product offerings to cater to the unmet needs of the low- and middle-income segments, including simplified documentation processes that improve access and convenience. Equally important is our commitment to customer education and financial literacy, which has been instrumental in building long-term relationships and enhancing loan performance. Our programme, Shubham Ki Pathshala, promotes financial awareness among communities, empowering prospective borrowers with essential knowledge about home loans and financial planning. These combined efforts have significantly and positively impacted our brand equity, expanded our customer base, and reinforced our position as a trusted partner in the affordable housing finance space.

Integration of Technology

We have actively integrated technology at every stage of the loan disbursement ecosystem from customer acquisition, hassle-free service delivery, and risk management, to enhanced operational efficiency. This end-to-end digitisation has helped the organisation to enhance productivity and improve efficiency.

In addition to the Shubh FTR app that helps our field force to onboard customers easily, we have also introduced a mobile app that will assist our technical team in conducting a thorough property valuation. The Company has created a mobile app for underwriters to conduct personal discussions with customers. This app enables underwriters to receive customer-specific questionnaires, record discussions, and auto-generate detailed reports for further processing. To safeguard our growing digital infrastructure, we have implemented a strong cybersecurity framework that ensures the protection of critical data assets and upholds customer trust. Together, these technological advancements position us to scale effectively, while maintaining agility, compliance, and customer-centricity. We continue to leverage all available fintech solutions such as Karza, Perfios, Hunter, Teal and Bank account aggregator to optimise the efficiency and speed of loan processing.

The Road Ahead

As we forge a path ahead, we are approaching capital allocation with a balanced strategy that is aligned with our long-term vision of sustainable growth. Our strategy will focus on deploying capital efficiently across three key areas: expanding our core lending operations, investing in digital transformation to enhance customer experience, and strengthening our risk management infrastructure. With a strong capital adequacy ratio, we will remain well-positioned to capture emerging opportunities while withstanding market fluctuations. Every investment decision will be backed by rigorous financial analysis and a clear view of value creation, ensuring optimal returns for our stakeholders.

We are deeply grateful to all our stakeholders for their wholehearted support in our growth. Your trust and collaboration continue to inspire our journey forward

Sincerely,

Sanjay Chaturvedi
(Promotor and Managing Director)

Rupa Basu
(Promoter and Joint Managing Director)



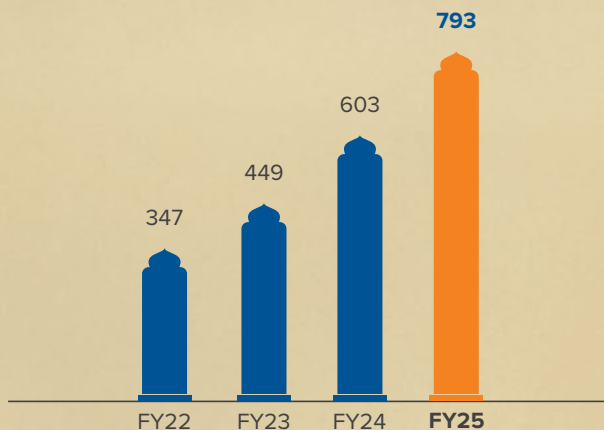
Key Financial Highlights

Driving Financial Growth Through Strategic Excellence

Our financial performance is underpinned by a strategic emphasis on maintaining asset quality and profitability. We maintain a healthy loan portfolio with minimal credit stress through disciplined lending and strong risk management, upholding our vision as the mortgage lender of choice.

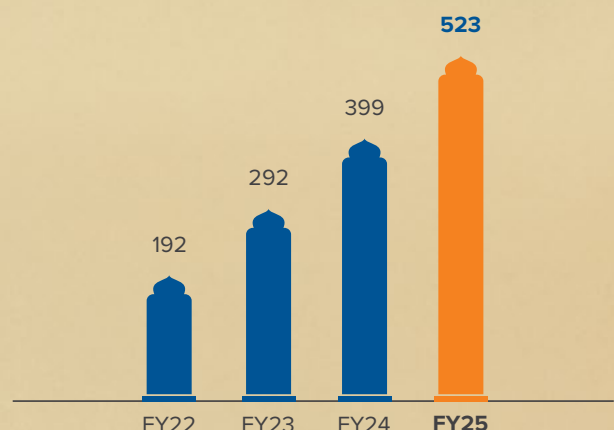
Revenue from Operations (₹ in Cr)

793



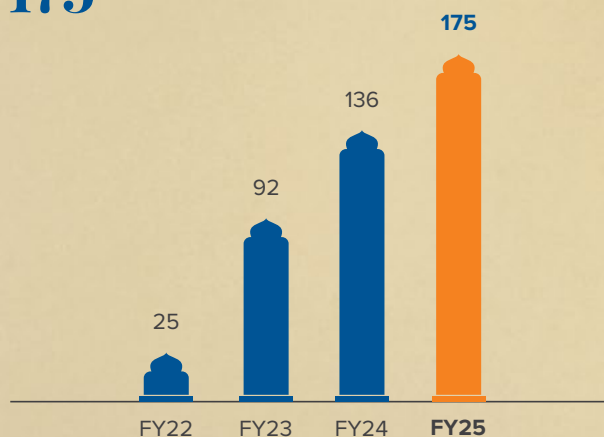
Net Total Income (₹ in Cr)

523



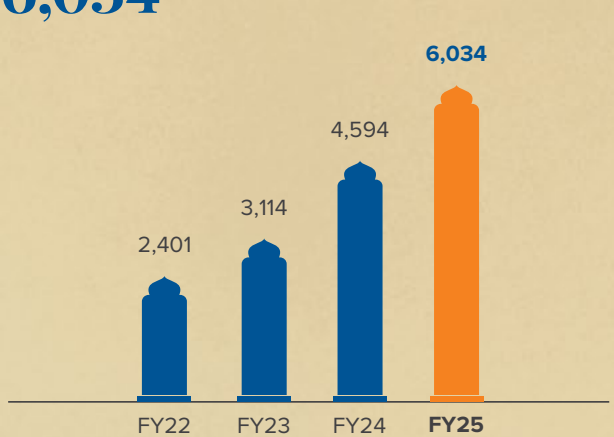
Profit After Tax (₹ in Cr)

175



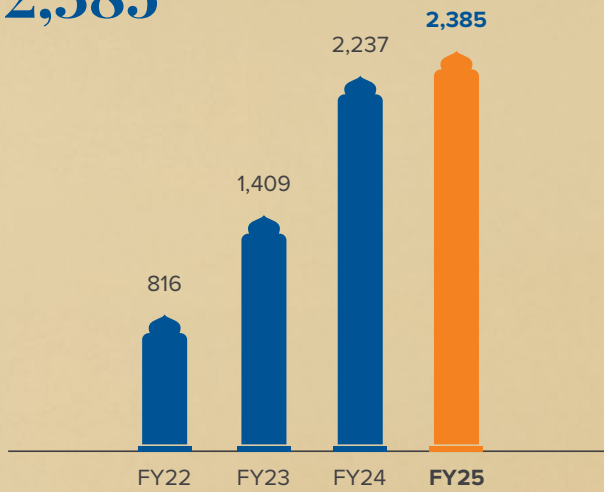
AUM (₹ in Cr)

6,034



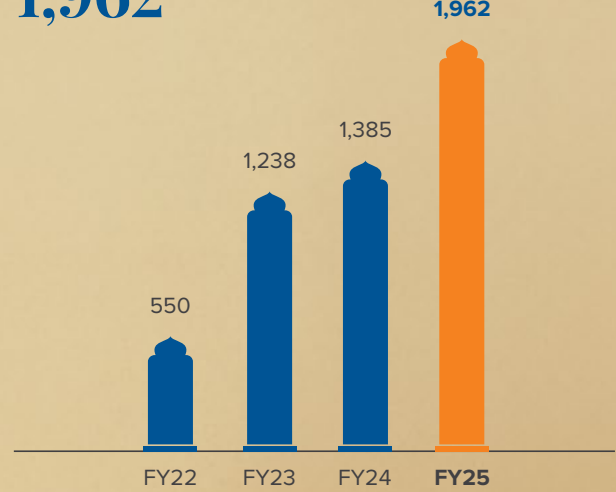
Net Disbursements (₹ in Cr)

2,385



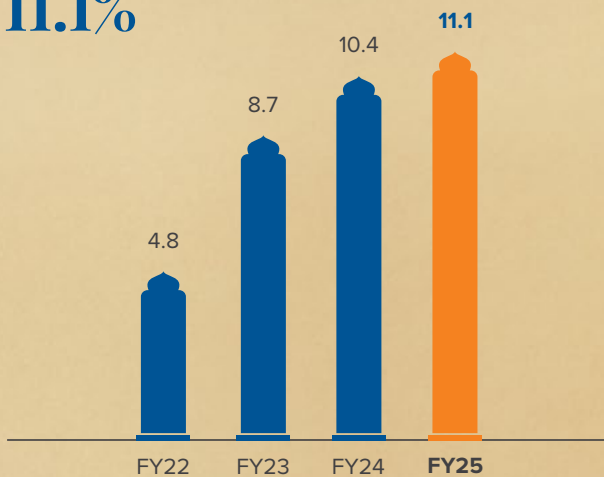
Net Worth (₹ in Cr)

1,962



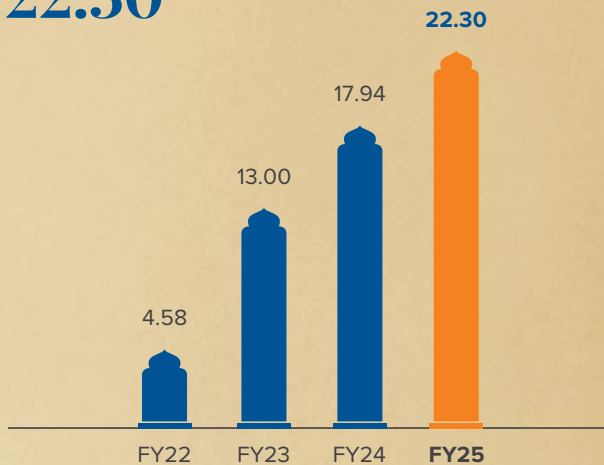
Return on Equity (%)

11.1%



Earnings Per Share (₹)

22.30



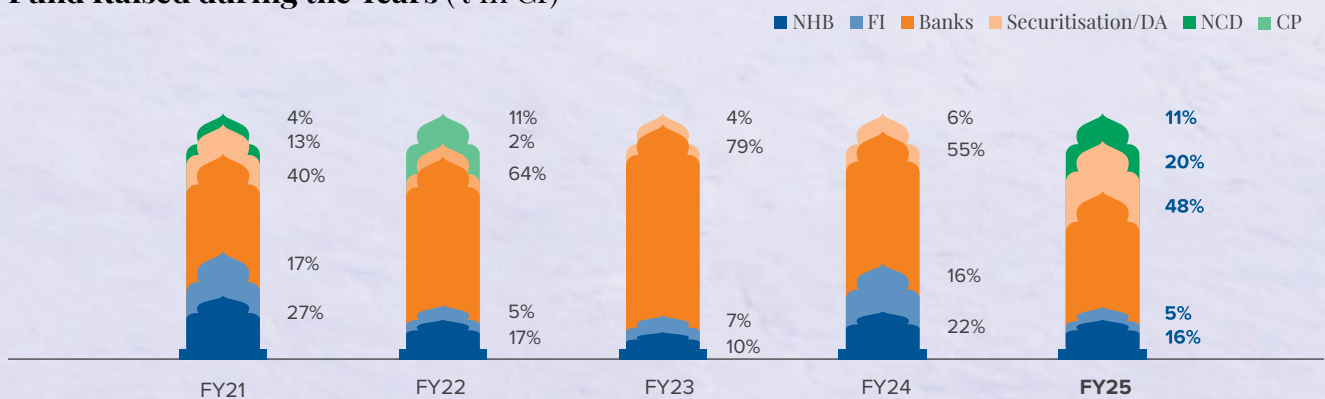
Treasury Management

Streamlining Treasury for Financial Agility

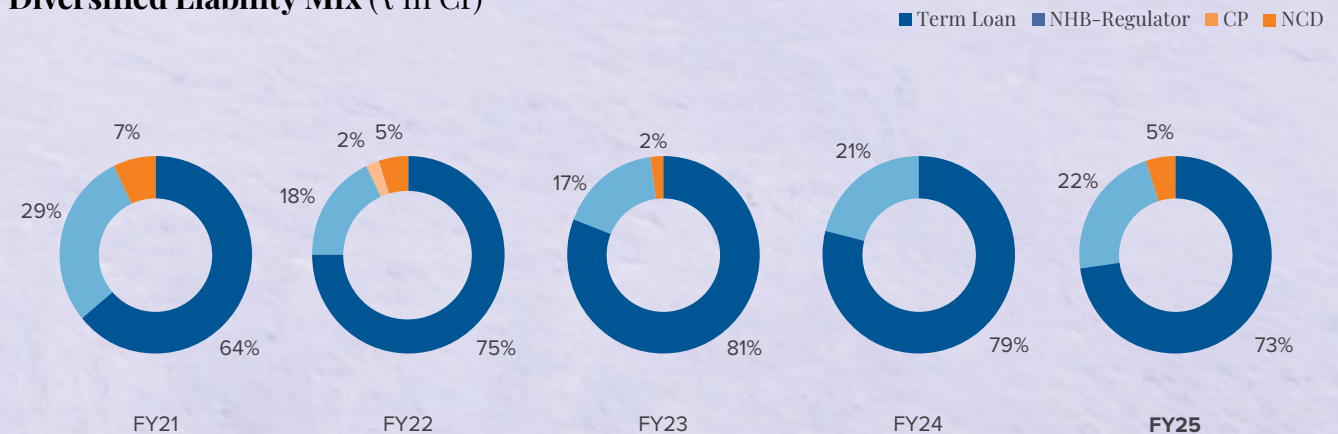
Over the years, we have demonstrated prudent and forward-looking treasury management, which has helped us navigate volatile financial environments while maintaining liquidity, creditworthiness, and cost efficiency. Our diversified liability mix, comprising term loans, regulatory borrowings, non-convertible debentures, and commercial papers, reflects a deliberate strategy to balance funding sources and optimise our cost of capital.

We have steadily strengthened our credit profile, rising from BB+ in FY11 to A+ in FY25, while maintaining disciplined borrowing costs despite interest rate fluctuations. The treasury function sustains business momentum and supports asset growth. Through strategic initiatives such as securing long-term funds, maintaining a favourable credit rating, and improving our marginal cost of borrowing, we continue to uphold financial discipline and build long-term resilience.

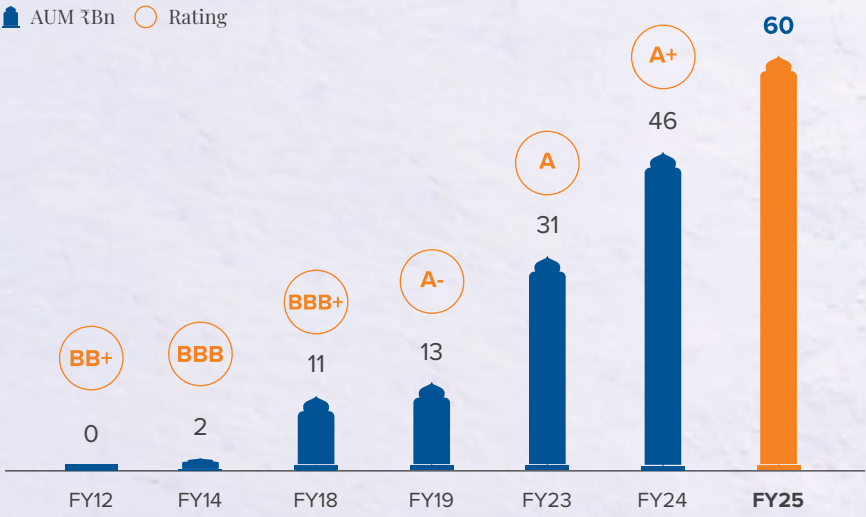
Fund Raised during the Years (₹ in Cr)



Diversified Liability Mix (₹ in Cr)



Upholding Financial Discipline
Amid Market Adversities



Rating Agency

	FY22	FY23	FY24	FY25
India Rating	-	A (Stable)	A+ (Stable)	A+ (Positive)
ICRA	A- (Stable)	A (Stable)	A (Positive)	A+ (Stable)



Board of Directors

Leading with Purpose, Powering Progress



Mr. Vinod Rai
Chairman

Mr. Vinod Rai, former Comptroller and Auditor General of India, held senior roles in Ministry of Finance and State Government of Kerala. He has been on the boards of major financial institutions and holds master's degrees from Harvard University and the Delhi School of Economics.



Mr. Sanjay Chaturvedi
Promoter and Managing Director

Mr. Sanjay Chaturvedi has over 37 years of experience in general management, sales, brand management, and operations, successfully launching new business lines at Citibank, HSBC, GE, First Gulf Bank and Reliance Retail.



Ms. Rupa Basu
Promoter and Joint
Managing Director

Ms. Rupa has 29 years in credit risk management for retail lending, including roles at Citibank India and India Mortgage Guarantee Corporation. She is a Chartered Accountant and Economics graduate from St. Xavier's College, Kolkata.



Mr. Rahul Chandra
Nominee Director

Mr. Rahul Chandra, co-founder and managing director of Helion, has extensive experience of venture capital and corporate development in technology product and services companies in India and the US. He serves on boards of UnitedLex and Getit Infoservices, Netambit, Mindworks and manages investments in Spandana and Equity.



Mr. Pranav Kumar
Nominee Director

Mr. Pranav Kumar, Investment Director at LeapFrog Investments, has 16 years in financial services. He serves on the boards of NeoGrowth and Dvara KGFS, and previously worked at the World Bank Group and McKinsey. He holds MBA from IIM, Ahmedabad and is a Engineering graduate from the IIT, Bombay.



Mr. Gaurav Malhotra
Nominee Director

Mr. Gaurav Malhotra of British International Investment (BII), advises on direct equity and debt investments in financial services for South Asia. He has extensive consulting experience and previously worked with an Indian family business and BCG in India. He holds MBA from IIM, Bangalore and a bachelor's degree in Engineering from Delhi College of Engineering.



Mr. Rakesh Rewari
Independent Director

Mr. Rakesh Rewari serves as a Director on multiple boards, including NSIC Ltd, GIIN, and MAS Financial Services Ltd. He has a distinguished career in financial institutions like IFCI, IDBI and SIDBI, specialising in SMEs and venture capital. He played a pivotal role at SIDBI Venture Capital Ltd. and advised the National Innovation Council on social impact financing.



Ms. Latika Thukral
Independent Director

Ms. Latika Thukral left a distinguished banking career to co-found iamgurgaon in 2008, catalysing citizen-driven change in Gurgaon. Recognised with prestigious awards including the Nari Shakti Award by President of India. She previously excelled at Citibank, holding senior roles across consumer banking, credit, and marketing.



Mr. Manoj Rane
Independent Director

Mr. Manoj Rane, a Chartered Accountant, heads SIONIC's India operations, specialising in financial sector consultancy. With 31 years of experience in Indian banking across BNP Paribas, Bank of America, IndusInd Bank, and Standard Chartered Bank, he has led teams in Foreign Exchange, Interest Rates, Credit, Debt Capital Markets, and Treasury/ALM. Further, he has been a Board member and Vice Chairman of both the Fixed Income Money Market and Derivatives Association of India (FIMMDA) and the Foreign Exchange Dealers Association of India (FEDAI) for many years.



Ms. Nithya Easwaran
Nominee Director

Ms. Nithya Easwaran is Managing Director of Multiples Alternate Asset Management, a leading financial services and fintech investments firm. With 27 years in finance, she has backed firms like Svatanttra, Veritas, Acko, and Niyo. Nithya is on the Board of Governors at IIM Lucknow, an Independent Director at Zerodha AMC, and mentors women through WIN PE. She was named among India's Top 100 Women in Finance and won WIN PE's Investor of the Year award in 2023. She has 14-year banking career across Citibank and ICICI, She holds degrees from VJTI, Mumbai and IIM Lucknow



Mr. Saravanan Nattanmai
Nominee Director

Mr. Saravanan Nattanmai, Partner at Premji Invest, brings 19 years of VC/PE expertise, specialising in fintech and financial services. Previously worked with AION Capital and Nereus Capital, he holds degrees from IIT Bombay and ISB Hyderabad.



Corporate Information

Company Name

SHUBHAM HOUSING DEVELOPMENT FINANCE COMPANY LIMITED

CIN

U65921DL2010PLC199469

Registered Office

608 & 609, Sixth Floor, Block -C, Ansal Imperial Tower, Community Centre, Naraina Vihar, NewDelhi-110028

Corporate Office

Shubham House, 425, Udyog Vihar, Phase IV, Gurgaon-122015

Website

www.shubham.co

Board of Directors

Sanjay Chaturvedi

Rupa Basu

Vinod Rai

Latika Thukral

Manoj Dattatraya Rane

Rakesh Rewari

Gaurav Malhotra

Rahul Chandra

Pranav Kumar

Saravanan Nattanmai

Nithya Easwaran

Audit Committee

Composition

Mr. Rakesh Rewari

Mr. Vinod Rai

Mr. Manoj Dattatraya Rane

Ms. Nithya Easwaran

Mr. Saravanan Nattanmai

Nomination & Remuneration Committee

Ms. Latika Thukral

Mr. Vinod Rai

Ms. Nithya Easwaran

Mr. Saravanan Nattanmai

Risk Management Committee

Mr. Vinod Rai

Mr. Sanjay Chaturvedi

Mr. Rakesh Rewari

Mr. Saravanan Nattanmai

Mr. Manoj Dattatraya Rane

Mr. Pranav Kumar

Ms. Nithya Easwaran

CSR Committee

Ms. Rupa Basu

Ms. Latika Thukral

Mr. Sanjay Chaturvedi

Asset Liability Management Committee

Mr. Sanjay Chaturvedi

Mr. Rakesh Rewari

Mr. Manoj Dattatraya Rane

Mr. Saravanan Nattanmai

Statutory Auditors

Walker Chandiook & Co LLP,
Chartered Accountants

Secretarial Auditors

Mehta & Mehta, Company
Secretaries Firm

Registrar and Share Transfer Agent

Skyline Financials Services
Private Limited

Debenture Trustee

IDBI Debenture
Trusteeship Limited

Bankers

IDFC First Bank, HDFC Bank
& SBI Bank

Management Team

Guiding Vision, Shaping Growth





Solidifying Business, Forging Ahead

Driven by our vision of inclusive growth, at Shubham Housing Finance, we continue to fortify our core operations while empowering underserved households across India. Our initiatives are aligned to support the homeownership aspirations of

customers with informal income. Our customer-first approach, backed by targeted marketing strategies and technology integration, generates long-term value by deepening customer trust, enhancing operational efficiency, and driving sustainable business growth.



Business Model

Creating Value for Stakeholders Through Strategic Practices

Strengths

Focused Markets with In-House Origination

Diverse Lending Solutions

Innovative Credit Assessment Approach

Strengthened Collections and Credit Quality

Optimising Operational Efficiency

Strengthening Financial Resilience

Future-Ready Technology Infrastructure

Visionary Leadership and Trusted Governance

Value Drivers



Mission

Our sole mission is to provide housing finance solutions to families with informal income through new-age credit programmes.



Vision

Our vision is to be the mortgage lender of choice for families with informal incomes.



Motto

Our motto is to help build happy homes for those who are outside the formal income circle. We do this by extensively engaging our customers in discussions about their life story — where they come from, what they do, how they earn, spend and save. Taking a holistic view of our customers and their nod on what they can pay every month as an EMI, we introduce them to the world of formal housing finance — offering solutions that best fit their needs.

With the sole purpose of offering customised and affordable housing finance solutions, we believe everyone deserves a better and safer home to call their own.

Long-Term Value Creation for Stakeholders



Values

Integrity

Upholding our integrity is always our top priority. We never compromise on our integrity.

Excellence

We relentlessly challenge ourselves to improve, innovate and achieve the highest levels of quality in everything we do.

Customer Focus

We are driven by the needs of our customers and strive to exceed their expectations every time.

Transparency

We strive to provide all relevant information to our customers up front.

Compliance

We meticulously adhere to all laws and regulations, maintaining a steadfast commitment to compliance.

Collaboration

We cultivate teamwork and encourage everyone to participate in the continuous improvement of our products and processes.

Customers

10,000+

Households Empowered

₹ 11,800+

Crore Disbursed

Investors

11.1%

Return on Equity

22.30

Earnings Per Share

Employees

3,843

Total Employees

6.9%

Of women employees in FY25

Credit Rating

A+ (POSITIVE)/
A+ (STABLE)

₹ 6,034

Crore AUM

1.27%

Gross Non-Performing Assets

Communities

₹ 1.87

Crore CSR spend in FY25

206

No. of Loan Disbursed under
Shubh Udyogini scheme

Government & Regulators

ALIGNED WITH
'HOUSING FOR
ALL' AND PMAY

Supporting key Government
of India missions for
affordable housing.

REGULATED BY
NHB (NATIONAL
HOUSING BANK)

Fully compliant

Product Offerings

Financing Dreams Through a Customer-Centric Focus

At Shubham Housing Finance, our affordable housing solutions are firmly rooted in a customer-first approach. Our differentiated strategy throughout the entire home loan disbursement process enables us to offer a seamless service to our customers. Within the informal income segment, we have continued to focus on the sub-₹ 20 Lakh segment. This segment has enormous potential as large banks hesitate to work in this space, which is heavily characterised by cash flow-based underwriting and low LTV.

With our strong technology integration and distinctive underwriting, we are well-positioned to serve first-time home buyers — including those with a formal/informal source of income, stable employment of at least two years, small-business owners, and individuals receiving salaries in cash — offering them an opportunity to fulfil their lifelong dream of owning a home.



Our Customer Profile

38

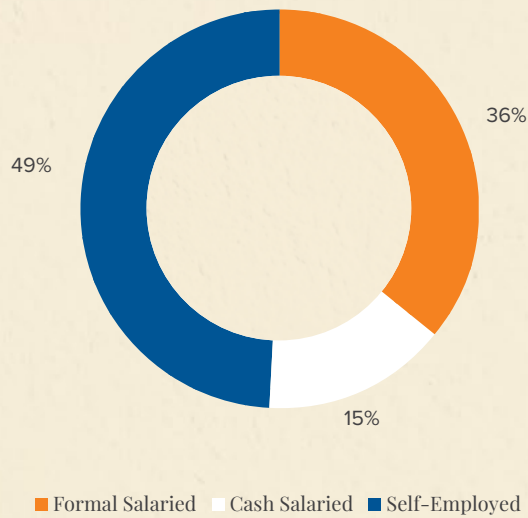
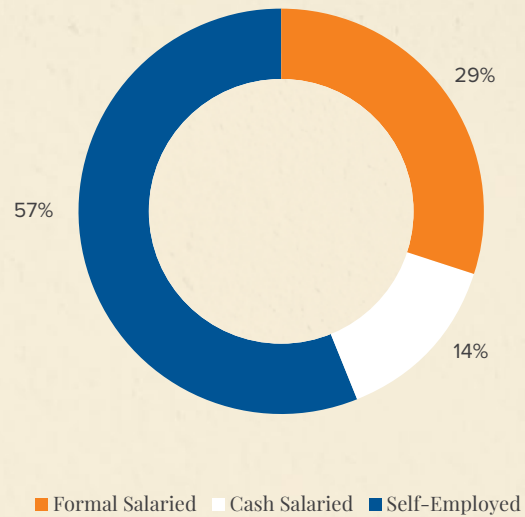
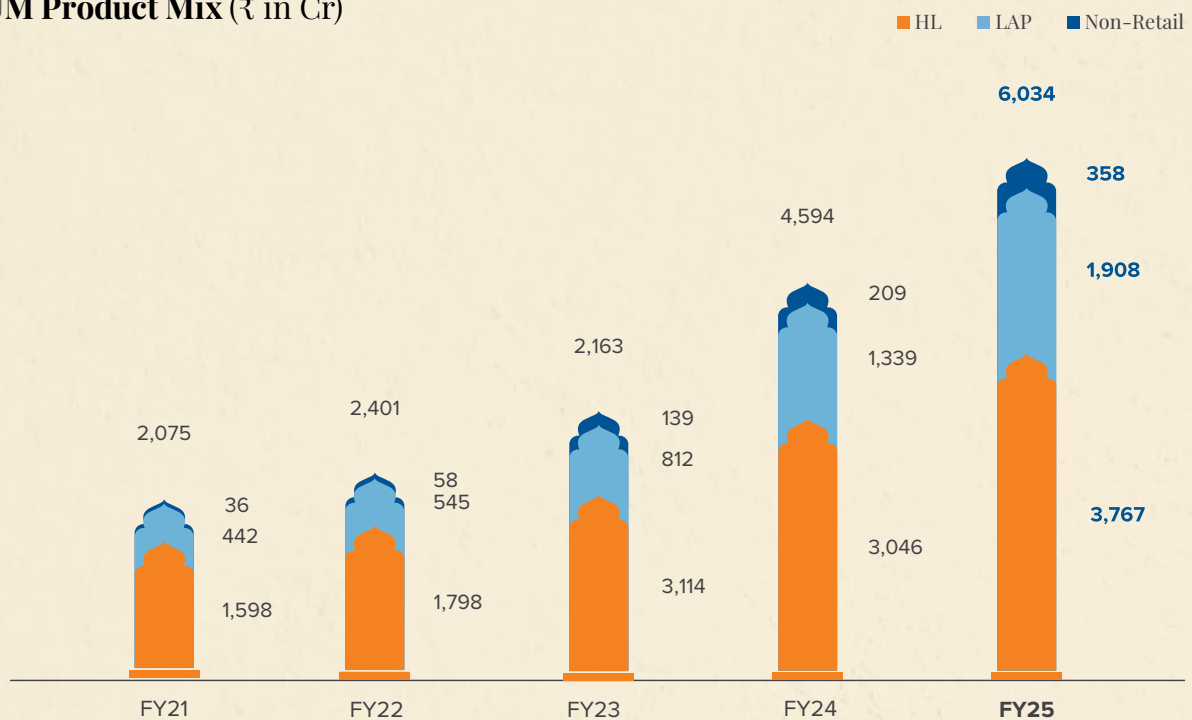
Average age

4

Average size
of household

₹ 40,000

Household monthly income

**AUM by Employment Type
(FY25)****Disbursements (By Employment Type)
(FY25)****AUM Product Mix (₹ in Cr)****51:49**Ratio of Salaried
to self-employed**22%**New to credit
customers**₹ 10,75,000**

Average loan size

Powering Organisational Excellence Through Technology

Sourcing → Onboarding

Channels

Digital Integrations

Technology Platform

Tools & Analytics

Infra Layer

In-house sourcing
Sourcing via DSAs
Lead generators
Digital media



- Basic customer checks
- OTP integration for contact verification

100% digital and paperless onboarding process



- Geo-tag & live photo
- Instant KYC verification through multiple APIs – UIDAI & NSDL



Microsoft Dynamics 365
Finance & Operations



ERP

Enterprise DMS

In today's fast-paced digital environment, our organisation-wide transformation is driven by cutting-edge digital solutions that enhance every aspect of operations—from loan disbursement to enterprise efficiency.

Our ERP system streamlines interdepartmental coordination and decision-making, while HRMS automates the employee lifecycle, fostering agility and responsiveness. Facility Management Systems (FMS) enable real-time asset oversight, improving cost efficiency and service reliability. To safeguard this digital infrastructure, we deploy robust cybersecurity measures: Cyble offers early warnings on cyber threats across the web, Seceon's AI platform ensures real-time threat detection and automated response, and brand monitoring tools protect against phishing and impersonation. Together, these systems uphold data integrity, compliance, and operational resilience.

Credit Appraisal

Well-structured underwriting process supported by technology



- Proprietary 'Shubh scorecard'
- Proprietary property price-pegging tool

Monitoring

Use of analytics
Automated reminders to the customer



- Portfolio Quality Report
- Risk Control Self Assessment
- Key Risk Indicators

Collection & Recovery

NEFT
UPI
Cheque
Cash



Proprietary Bounce scorecard and Collection scorecard



Security Layer



Infra Layer



Analytics Layer

Technology Integration

Transforming Credit Disbursement Through Digital Innovation

We have integrated technology across every stage of the home loan ecosystem—from customer acquisition to disbursal and collections – to enhance operational efficiency, strengthen risk management, and accelerate loan processing.

Strengthening Customer Acquisition

We have integrated technology across every stage of the home loan ecosystem – from customer acquisition to disbursal and collections – to enhance operational efficiency, strengthen risk management, and accelerate loan processing.

- Deployed in-house sales representatives at area, regional, and zonal levels for strong local engagement
- Balanced focus on digital outreach and below-the-line (BTL) marketing activities to attract potential borrowers
- Dedicated teams to build and nurture third-party relationships to widen our reach

Phygital Approach for Digital Inclusion

To serve customers with limited income documentation, especially in Tier 2 and Tier 3 cities, we have adopted a 'phygital' model that bridges the physical and digital divide for inclusive credit access.

- Underwriters conduct in-person Personal Discussions (PDs) to assess borrowers with informal income sources
- On-ground assessments are tailored to the customer's income segment, helping build trust and gauge alternate cash flows
- The Shubh PD Mobile App enables real-time data collection and instant report generation from the field
- Accelerated decision-making and loan processing through app-driven insights
- Ensures credit inclusion for individuals outside the formal financial ecosystem

A Smarter, Stronger Underwriting Process

Our underwriting model is built on consistency, efficiency, and continuous improvement — strengthened by digital tools and robust governance.

- Standardised templates used across locations to ensure uniformity
- Strong regional and zonal credit structure supports localised decision-making
- Centralised collateral verification for added oversight
- Underwriters undergo certification and continuous training on evolving credit policies
- Daily productivity and TAT tracked through dashboards and performance metrics
- Independent third-party legal and technical checks for unbiased validation
- Use of digital tools like Karza and Perfios for enhanced financial insight
- Legal and technical valuations are now automated for speed and accuracy:
 - Mobile app deployed for internal technical valuation teams
 - Web portal introduced for partner agencies managing legal/technical reports
 - Streamlined case assignment, real-time field data collection, and instant reporting
 - Reduced manual workload and improved turnaround time significantly



High-Intensity, Tech-Driven Collections Strategy

Our collections model combines high-intensity recovery with robust tech and analytics, targeting 0+ DPD reduction and shrinking the 60+ portfolio. A branch-led process is supported by a strong legal team and centralised oversight from the Head Office.

- Bucket-wise strategy for 0–30, 31–60, and 90+ DPD with tailored recovery actions
- Behavioural analytics to identify default triggers and track repayment patterns
- Regular field visits by collection officers for real-time engagement and follow-up
- Mobile-enabled collections module streamlining on-ground operations

- On-site payment application and instant SMS receipts for transparency and efficiency
- 100% eNACH mandate registration at the time of onboarding, ensuring automated EMI debits on the due date through electronically signed customer consent, which minimises manual intervention and improves collection predictability

Our tech-powered collections engine ensures speed, accuracy, and accountability while maintaining a customer-centric approach.

Data Security

We leverage a suite of advanced applications like to safeguard our customers' critical data, ensuring robust protection across every touchpoint of the home loan ecosystem.

Case Study

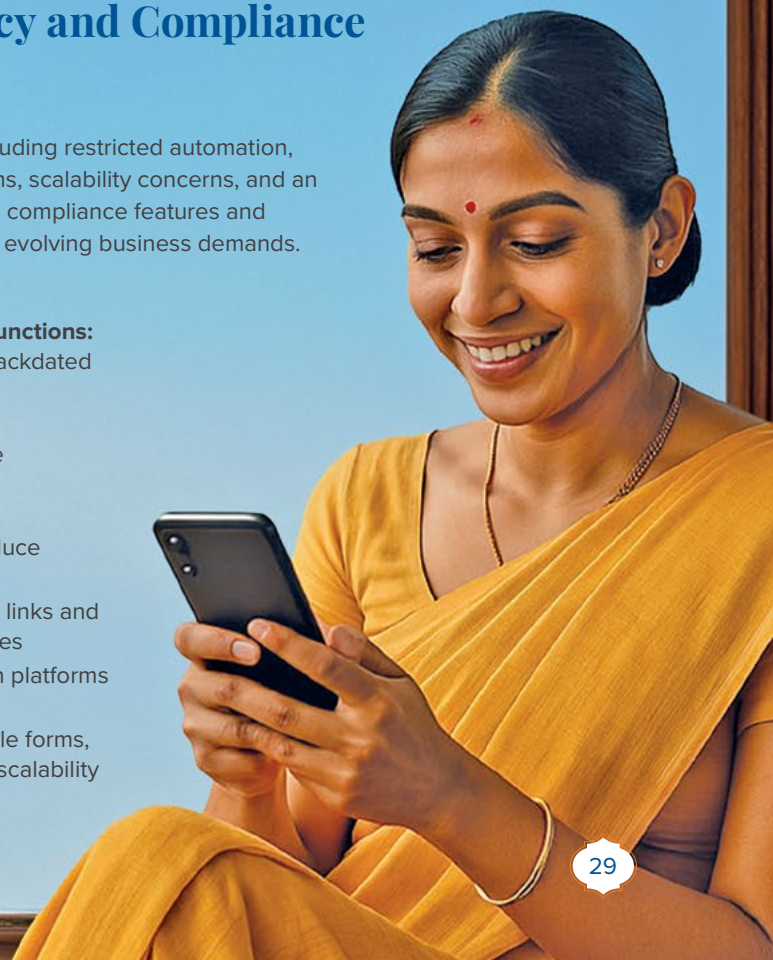
Upgrading to NEO FinnOne 6.5 — A Strategic Move Toward Enhanced Efficiency and Compliance

Problems

NEO FinnOne 2.5 presents several limitations, including restricted automation, difficulties integrating with modern fintech platforms, scalability concerns, and an outdated user interface. It also lacks the advanced compliance features and operational capabilities needed to efficiently meet evolving business demands.

Benefits

- **Enhanced LMS (Loan Management System) Functions:** Automation of EOD, uploads/downloads, and backdated processing improves turnaround
- **Stronger Compliance:** Advanced features like field/data masking and Aadhaar vaulting ensure regulatory adherence
- **Operational Efficiency:** Email-based approvals, STP disbursal, and workflow enhancements reduce manual effort
- **Better Collections Management:** Tools like UPI links and targeted reporting streamline recovery processes
- **Fintech Integration:** Seamless connectivity with platforms like Karza, Perfios, Signzy, and Cashfree
- **Future-Ready Features:** Video KYC, configurable forms, and real-time performance dashboards enable scalability



Marketing Strategies

Connecting with Every Indian

Our marketing strategy integrates on-ground efforts, digital innovation, and strategic partnerships to drive deep customer engagement and business growth. Our powerful mix of field sales, community outreach, and digital campaigns has driven successful market expansion across diverse segments. Supported by collaborations with third-party agents and impactful branding initiatives, from inspiring campaigns to festive community connections, we have consistently strengthened our visibility and emotional resonance, making housing finance more accessible and inclusive for underserved customers.

Feet-on-Street

We have a dedicated on-ground sales network that services every area, region, and zone ensuring a comprehensive market coverage. Our digital and below-the-line (BTL) initiatives, such as 'Sampark,' are targeted community outreach initiatives designed to engage industrial and government employees.



Creating Impact through Branding Activities

We continue to make a strong impact with our engaging branding initiatives that connect with people where it matters most. From the aspirational Kismet Ki Chabi campaign that inspires homeownership, to eye-catching e-rickshaw branding that takes the Shubham message to every corner of the city, each activity is designed for visibility and emotional connect. Our festive activities create meaningful community connections by celebrating traditions and spreading goodwill through thoughtful engagement. We make our presence felt at major property expos and mega DSA meet to create direct touchpoints with potential homebuyers and builders, and reinforcing our promise of making housing finance more accessible and inclusive.



Expanding Reach Through Strategic Partnerships

We have close tie-ups with third-party Direct Selling Agents (DSAs) and market aggregators to expand our customer base and increase market penetration. Dedicated teams are responsible for nurturing and managing these relationships. To support their efforts, we provide them with comprehensive marketing support and offer performance-based incentives to motivate, drive momentum, and achieve sustainable growth.

Driving Marketing Excellence through Digital Integration

Digital technology forms the backbone of our marketing strategy. We harness data-driven insights and cutting-edge platforms to enhance visibility, engage target audiences, and drive quality lead generation. We leverage influencer marketing to amplify our brand presence, leading to higher engagement, increased website traffic, and a significant rise in organic inquiries.

Between April and December 2024, we recorded consistent month-over-month growth in overall traffic, new users, and event-level interactions, underlining the sustained momentum of our digital marketing efforts. Our app-based customer templates enable standardised, streamlined outreach—ensuring consistent brand messaging and a seamless customer experience across all touchpoints.

Fueling Growth with Digital Partners

We collaborate with trusted digital partners to enhance our reach and streamline customer acquisition, leveraging their platforms to deliver seamless and efficient financial solutions to a wider audience.



Transforming Lives, Enriching Communities





At Shubham Housing Finance, it is our core belief that access to housing is a catalyst for long-term societal progress.



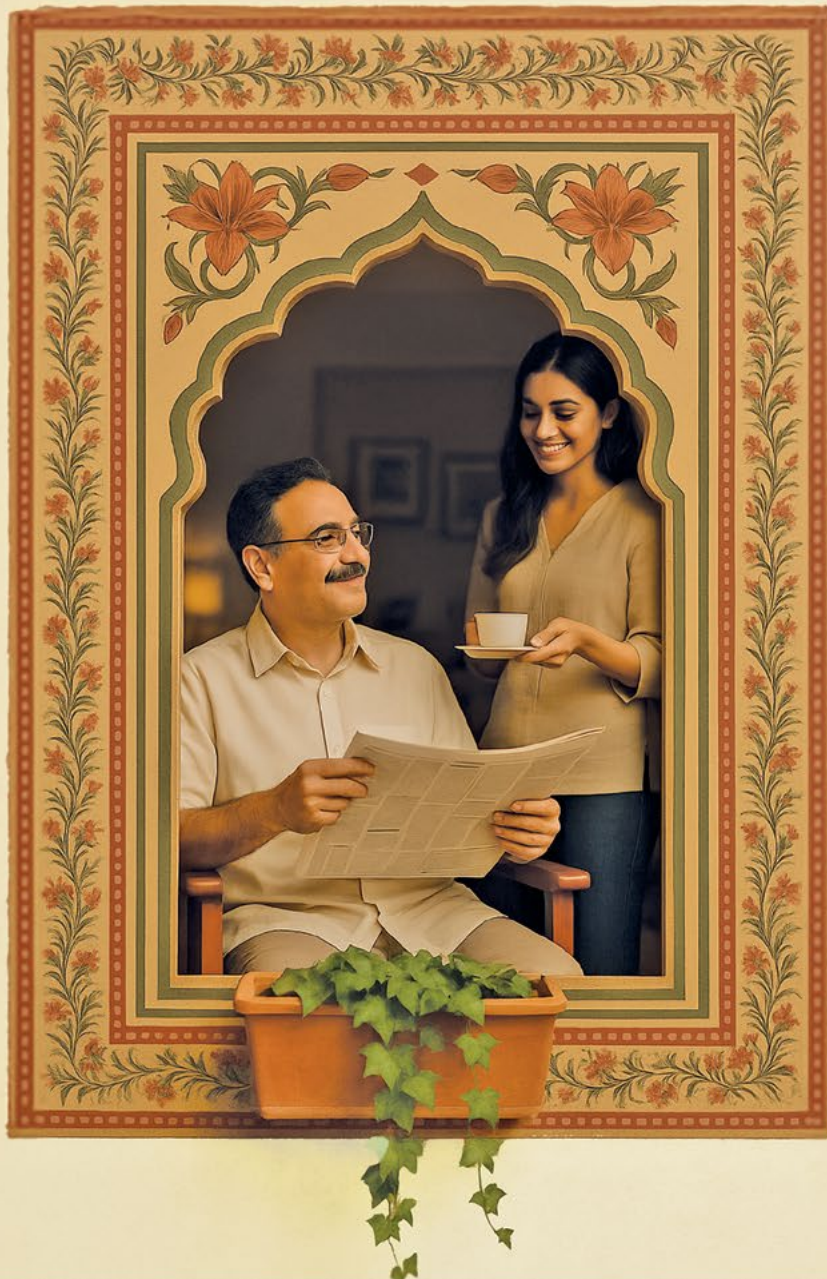
We have consistently supported the dreams of our underserved customers to achieve homeownership, offering them a dignified and safe space to live, while also driving financial inclusion. We unlock opportunities for informal income households. It is this commitment to uplifting and empowering communities that contributes to a stronger and more inclusive India.



Environment, People, and Communities

Empowering Change, Fuelling an Inclusive, Greener India

Driven by our belief in equitable development, we channel our business strengths to uplift communities across India. Our initiatives aim to empower people with the tools and opportunities they need to thrive, while contributing to the nation's broader vision of inclusive and sustainable development.



1.5 Million

Sheets of paper saved through
digitisation and automation

7,000 kWh

Energy saved monthly through
solar rooftop installation

400 Kg

E-waste safely disposed of
through a certified organisation



Environment

Key Sustainability Highlights for FY25

During FY25, several initiatives were undertaken to promote sustainability and reduce environmental impact. The automated onboarding process significantly reduced paper usage. Additionally, digitisation efforts across various modules, along with the implementation of e-loan agreements, further contributed to substantial paper savings. Solar rooftop panels reduced monthly energy consumption, and e-waste was safely disposed of through a certified organisation.

Supporting Climate-Friendly Construction

At Shubham Housing Finance, we promote Green Housing through our Construction Finance loans by educating our customers about sustainable practices. We have encouraged the adoption of rainwater harvesting systems. With our rigorous follow-ups, we have seen a success rate of 95% across our funded projects. While we have also tried to promote the installation of solar rooftop panels, the uptake has been limited so far. One of the key challenges we have encountered is the increased cost of green initiatives, which builders find difficult to pass on to homebuyers in the affordable housing segment. Despite these hurdles, we are committed to making sustainable construction a core part of our approach.

ESMS Categorisation and ESG Training

We have implemented an Environment and Social Management System (ESMS) Categorisation Framework aligned with our product portfolio and risk profile. This framework enables us to identify and assess transactions that may pose significant environmental and social (E&S) risks.

All transactions are evaluated based on key E&S risk factors and categorised according to their E&S sensitivity, which is determined by factors such as size, location, and inherent nature of the activity. Transactions are classified into high, medium, or low-risk categories.

For the FY25, all transactions have been categorized under the low-risk category. This reflects our ongoing commitment to responsible lending practices and consistent growth, in line with our sustainability goals.

ESG Training Initiatives

In line with our commitment to Environmental, Social, and Governance (ESG) principles, we have implemented a structured and comprehensive ESG training framework for all employees. Our initiatives include ESG refresher sessions to reinforce ESG awareness across the organization, Branch Refresher Training (BRT) specifically designed for our branch team, and New Hire Training (NHT) tailored for new employees. Additionally, to support continuous learning, we introduced a self-paced, interactive e-learning module through our internal training platform. These initiatives are designed to foster sustained employee engagement, build awareness, and embed ESG considerations across all levels of the organisation.

Awareness and Engagement Initiatives

Environmental awareness flyers were distributed to educate employees on our collective impact on the planet and to provide practical tips for reducing environmental damage. In addition, key safety information was circulated during National Safety Week to enhance the overall safety culture.



Our People

We are committed to the holistic welfare and engagement of our women employees. Through focused initiatives and meaningful collaborations, our goal is to create a workplace culture that supports their personal growth, mental wellness, and professional empowerment.

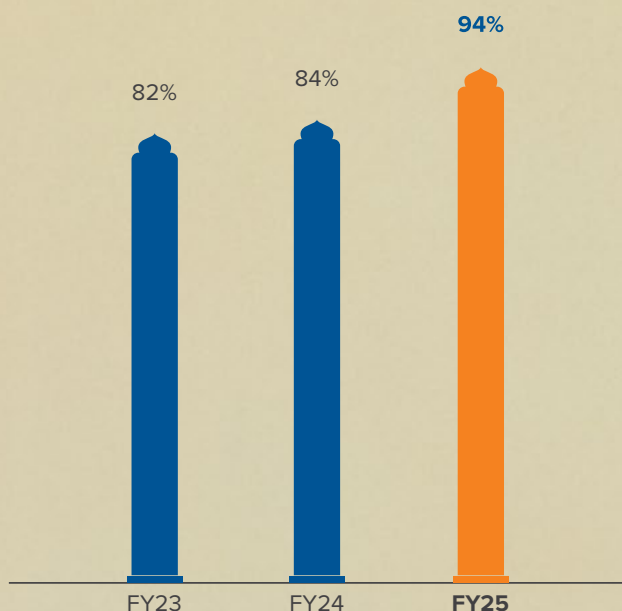
Shubham Nayak 2024 Vietnam Trip

The Shubham Sales Team successfully embarked on the Shubham Nayak 2024 foreign trip to Vietnam, marking a significant milestone in our journey of growth and excellence. This memorable experience offered our team valuable opportunities for networking, team-building, and cultural exploration. It served as a celebration of our collective achievements and a platform to strengthen collaboration among team members. Immersed in the rich culture of Vietnam, the trip also inspired fresh perspectives and innovative ideas, reinforcing our commitment to future growth and continued success.

Regional Meets & Recognition

We successfully hosted the Regional Meet in May 2024 at Hyatt Place for our Sales Team, followed by the January 2025 edition at DoubleTree by Hilton for our Sales, Collections, and Recovery teams. A key highlight was the first-ever Royal Enfield Hunter bike giveaway to 14 Power Play Contest winners, a memorable reward initiative celebrating performance and excellence.

Women's Engagement Score



Learning and Development Programmes

Our internal training team is dedicated to delivering impactful learning experiences that support employees across all levels and departments. In FY25, we conducted around 200 unique training programmes spanning hierarchies and functions. These sessions were delivered through a mix of online Zoom classes, classroom sessions, and e-learning modules available on our in-house Learning Management System (LMS). majority of our training content is developed internally to ensure it is customised and relevant. This content includes PPTs, PDFs, and documents, as well as engaging video formats, ranging from live and animated voiced-over content. Our LMS, accessible via desktop and mobile, not only hosts this material but also supports tracking, analysis, and reporting of learner engagement. With an average feedback score of 4.7/5 and appreciation pouring in from various departments, the Training Team continues to play a pivotal role in enabling a culture of continuous learning at Shubham Housing Finance.

Women's Engagement and Well-Being Initiatives

We have fostered an inclusive environment for women through focused engagement and well-being efforts. In July 2024, a wellness study with over 100 women employees, conducted with MantraCare, helped identify key challenges and provide self-care tools. This was followed by a Mental Health and Wellness session in August 2024 with an external expert. Earlier, in November 2023, we collaborated with PlugH for a Company-wide engagement survey. To address region-specific concerns, we launched Focus Group Discussions and are working to strengthen internal communication for greater transparency and employee engagement.



Fostering Inclusion Through Connection and Opportunity

We launched Shubham for HER, a dedicated platform to foster open dialogue, peer support, and knowledge sharing among women employees. The platform helped raise awareness about our creche facility, which offers ₹8,000 reimbursement per child (aged 6–18 months). In September 2024, we introduced the EmpowerFem referral programme to boost gender diversity—contributing to an increase in women’s representation from 6.0% in FY23 to 6.7% in FY25. To celebrate women across the organisation, we shared themed flyers nationwide and on social media. On International Women’s Day, women employees received Nykaa vouchers, wore themed colours in solidarity, and participated in an interactive session at the Head Office celebrating their leadership and contributions.

Alongside this, our ‘EmpowerFem’ referral programme, rolled out in September 2024, has been instrumental in driving gender diversity in our organisation. This contributed to an increase in the number of women employees, from 6.0% in FY23 to 6.7% in FY25. Specially designed flyers celebrating our women workforce are shared across India and on social media, reinforcing our commitment to inclusive growth.

To celebrate International Women’s Day, all women employees received Nykaa vouchers as a token of appreciation. Women employees were encouraged to wear purple, green, or white in solidarity, and a short interactive session was conducted at the head office to honour the strength, vision, and leadership of women at Shubham.



Women’s Career Progression Initiatives

We are aligned with the Hon’ble Prime Minister’s vision to boost women’s workforce participation. In FY22, women made up just 5.6% of our workforce due to the remote nature of our branches and field-intensive roles. To address this, we launched targeted gender diversity initiatives in FY24, including the SHE LEADS programme focused on women’s career development. These efforts led to an increase in female representation to 6.5% in FY24 and 6.7% in FY25. We build a more inclusive, equitable workplace by hiring more women and developing female leaders.



Workplace Safety and Grievance Redressal

The organisation ensures a safe and supportive work environment by handling female grievances through female HR officials for comfortable and unbiased resolution. Regular awareness sessions on sexual harassment are conducted, along with mandatory POSH training for all employees to promote a respectful workplace culture.

Communities

Strengthening Women's Leadership and Financial Inclusion

We focus on advancing women's leadership and financial inclusion through targeted literacy programmes and supportive loan schemes.



Financial Literacy Programmes

'Shubham ki Pathshala' is Shubham Housing Finance's flagship initiative aimed at empowering women borrowers through financial literacy. In its pilot phase, the programme reached 300 primary women borrowers, equipping them with essential knowledge of financial and business planning, as well as budgeting. The sessions covered a range of essential topics, including awareness of affordable and accessible financial products, consumer protection, the importance of life and general insurance, and the benefits of digital banking. This initiative reflects Shubham's commitment to fostering financial independence and informed decision-making among women from low-income households.

Schemes for Women Borrowers

As part of our continued commitment to financial inclusion, we offer dedicated women-focused loan products—Shubh Shakti and Shubh Udyogini—specifically designed to meet the unique financial needs of women. These products offer competitive interest rates, reduced processing fees, and flexible repayment options.

Key features of these programmes include the requirement that women be the primary income earners, primary loan applicants, and either sole or joint owners of the property being financed. These initiatives aim to empower women by enhancing their financial independence and facilitating asset ownership.

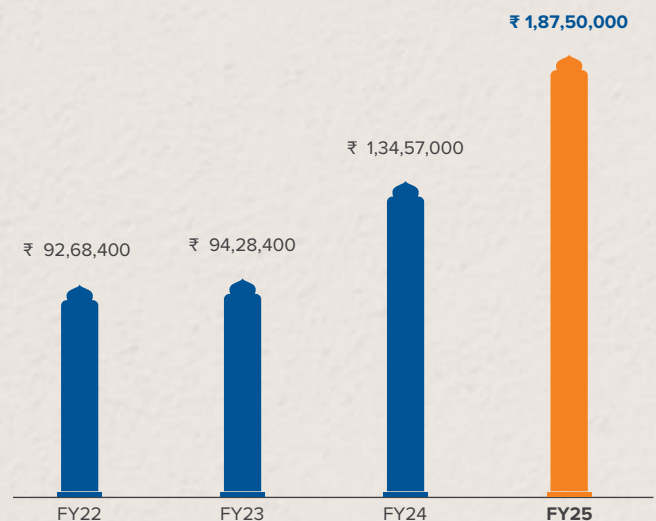
Shubh Shakti - Home Loan and Self-Construction

Shubh Udyogini - Loan Against property

Healthcare and Inclusive Education Initiatives

Our community initiatives focus on enhancing healthcare and inclusive education for underprivileged children and families. Through strategic partnerships with trusted NGOs, we strive to provide vital medical support, skill development, and holistic care to empower vulnerable communities towards a better future.

Total Expenditure



Supporting Children with Special Needs

Asha Hai is an inclusive school that supports children with special needs, helping them grow intellectually, socially, and emotionally to lead independent and confident lives. Under this project, our organisation sponsors intervention therapies close to ₹ 7 Lakh for children from underprivileged backgrounds.

Lifesaving Heart Surgeries for Children in Need

In collaboration with Sri Sathya Sai Sanjeevani, an NGO, we provide free-of-cost treatment for underprivileged children with congenital heart diseases, covering surgery, diagnostics, and holistic family care. A total of ₹ 1.33 crore has already been spent on the initiative, successfully supporting the treatment of 76 children so far.



Empowering Special Needs Children through Inclusive Education

In partnership with Tatsat Foundation, we successfully implemented an education, skill, and vocational development initiative for visually impaired children in Delhi. Through this project, our goal is to offer financial assistance to underprivileged students with visual disabilities, fostering self-reliance. A total amount of ₹ 7.5 Lakh was expended towards this initiative, aimed at creating tangible value for the beneficiary students.



Supportive Care for Families Battling Childhood Cancer

In collaboration with St. Jude India Child Care Centres, we supported a project that provided comprehensive care to underprivileged families who travel to cities for their children's cancer treatment. The initiative offers essential services such as accommodation, transportation, cooking facilities, rations, education, recreation, and counselling for both children and their parents. With centres across multiple cities including Delhi, the project focuses on ensuring a supportive and dignified environment for the affected families. In FY25, an amount of ₹ 30 Lakh was expended towards this initiative as part of our proposed commitment to the cause.



Empowering Underprivileged Children Through Quality Education

Saksham Bal Vikas Sanstha is transforming lives in Gurugram by offering holistic education to around 250 children from underprivileged families. We have collaborated with the organisation to upgrade school infrastructure, support staff salaries, and enhance vocational training facilities. A sum of ₹ 10 Lakh was expended towards renovating school infrastructure, supporting teachers' fees, and providing vocational training.

Notice of 16th Annual General Meeting

Notice is hereby given that the 16th Annual General Meeting (AGM) of the members of Shubham Housing Development Finance Company Limited will be convened at the registered office of the Company situated at 608-609, 6th Floor, Block-C, Ansal Imperial Tower, Community Center, Naraina Vihar, New Delhi-110028 on Thursday, the 10th day of July, 2025 at 3.30 P.M. (IST) to transact the following businesses:

Ordinary Business:

Item No. 1 – To consider and adopt Audited Financial Statements

To receive, consider and adopt the Audited Financial Statements of the Company for the Financial Year ended 31 March 2025, together with the Boards' and Auditors' Reports thereon.

Item No. 2 – To approve re-appointment of Mr. Rahul Chandra, Director

To consider re-appointment of Mr. Rahul Chandra, (DIN: 01213049), Nominee Director of Helion Ventures Partner II LLC, an Investor of the Company, who retires by rotation in terms of Section 152(6) of the Companies Act, 2013 and being eligible, offers himself for re-appointment.

Item No. 3 – To approve re-appointment of Mr. Saravanan Nattannmai, Director

To consider re-appointment of Mr. Saravanan Nattannmai, (DIN: 06989767), Nominee Director of PI Opportunities Fund (PIOF), an Investor of the Company, who retires by rotation in terms of Section 152(6) of the Companies Act, 2013 and being eligible, offers himself for re-appointment.

Special Business:

Item No. 4- To approve re-appointment of Ms. Latika Thukral, Independent Director

To consider, and if thought fit, to pass with or without modification, the following resolution as **Special Resolution**:

“RESOLVED THAT pursuant to the provisions of Sections 149, 152 and other applicable provisions, if any, of the Companies Act, 2013 (“the Act”) read with Schedule IV to the Act (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force) and the Companies (Appointment and Qualification of Directors) Rules, 2014, as amended from time to time, and pursuant to the recommendations of the Recruitment, Compensation and Nomination Committee and approval of the Board of Directors, Ms. Latika Thukral (DIN: 08680862), who has submitted a declaration that she meets the criteria for independence as provided under Section 149(6) of the Act and in respect of whom notice from a member proposing her candidature u/s 160(1) of the Act has been received by the Company, be and is hereby re-appointed as an Independent Director of the Company, not liable to retire by rotation, for a second term of five consecutive years effective from 07 February 2025 upto 06 February 2030.

FURTHER RESOLVED THAT for the purpose of giving effect to the aforementioned resolutions, Mr. Sanjay Chaturvedi, Managing Director

and/or Ms. Rupa Basu, Joint Managing Director and/or Mr. Vishal Kanodia, Chief Financial Officer and/or Ms. Neeta Kamra, Chief Compliance Officer and/or Mr. Amul Tyagi, Company Secretary be and are hereby severally authorized to do all such acts, deeds, matters and things and to take all such steps and give all such directions as may be necessary or expedient including filing of necessary documents, intimations including e-forms with regulatory authorities in accordance with applicable laws.

Item No. 05: To approve re-designation of Mr. Sanjay Chaturvedi as Managing Director of the Company

To consider and if thought fit, to pass, with or without modification(s), the following resolution as a **Special Resolution**:

“RESOLVED THAT pursuant to: (a) the provisions of Sections 196, 197, 198, 203 read with Schedule V and other applicable provisions of the Companies Act, 2013 (including any statutory modification(s) or re-enactment thereof for the time being in force) read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, (b) the amended and restated Employment Agreement dated 22 November 2024 executed by and between the company and Sanjay Chaturvedi (“Employment Agreement”) (c) the shareholders’ agreement dated 22 October 2024, executed by and amongst the Company, British International Investment plc (BII), Asian Development Bank (ADB), the Multiples Investors, the Promoters, PI Opportunities Fund I, PI Opportunities Fund - I Scheme II, Topaz Inclusion Pte. Ltd. and Helion Venture Partners II LLC (“Shareholders’ Agreement”), (d) the chapter IX of Master Direction Non-Banking Financial Company – Housing Finance Company (Reserve Bank) Directions, 2021 and subject to the approval/permission/consent of any regulatory authorities, and subject to other applicable rules, regulations, guidelines and subject to such conditions as may be prescribed by any one of them while granting any such approval, consent, permission as may be required, the consent of members of the Company be and is hereby accorded to re-designate Mr. Sanjay Chaturvedi, (DIN 01636432), existing Whole Time Director of the Company, as the Managing Director of the Company with effect from 07 February 2025 for a period of 5 years commencing from 07 February 2025 till to 06 February 2030, who is not liable to retire by rotation, at a remuneration and such other terms and conditions as may be fixed by Board or Recruitment, Compensation and Nomination Committee of Board or any other appropriate Committee, called by whatsoever name, subject to the maximum limit of remuneration for the Managing Director approved by the Members of the Company.

RESOLVED FURTHER THAT the Board of Directors be and is hereby authorized to settle all questions, difficulties or doubts that may arise in this regard, at any stage, on the matter hereof including power to delegate such powers to the Recruitment, Compensation and Nomination Committee (RCNC) without seeking further consent or approval of the shareholders.



RESOLVED FURTHER THAT Ms. Rupa Basu, Joint Managing Director and/or Mr. Vishal Kanodia, Chief Financial Officer and/or Ms. Neeta Kamra, Chief Compliance Officer and/or Mr. Amul Tyagi, Company Secretary of the Company be and are hereby severally authorized to do all such acts, deeds, matters, things and sign and file all such papers, documents, forms and writings as may be necessary and incidental to the aforesaid resolution.”

Item No. 06: To approve consolidated remuneration limit of Mr. Sanjay Chaturvedi, Managing Director

To consider and if thought fit, to pass, with or without modification(s), the following resolution as a **Special Resolution**:

“**RESOLVED THAT** pursuant to Section 196, 197 and 203 read with Schedule V of the Companies Act, 2013 and other applicable provisions, if any, (including any statutory modification(s) or re-enactment thereof) and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, approval of the members be and is hereby given to fix the limits of annual consolidated remuneration at ₹ 5,00,00,000/- (Rupees five crore only) within which the remuneration as may be fixed by the Board of Directors or Committee of Board authorized in this regard can be paid to Mr. Sanjay Chaturvedi, Managing Director for a period of 3 years from 07 February 2025 to 06 February 2028 provided that such annual consolidated remuneration limit shall include remuneration(s) payable directly or otherwise or by way of salary and perquisites, performance-based rewards/ incentives, on terms and conditions, as may be fixed from time to time.

RESOLVED FURTHER THAT the remuneration as may be fixed by the Board of Directors or Committee of Board as may be authorized, from time to time, within the overall remuneration ceiling of ₹ 5,00,00,000 per annum shall be the minimum remuneration payable in terms of Schedule V of the Companies Act, 2013 in case of no profits or inadequate profits, calculated in accordance with the applicable provisions of the Companies Act, 2013.

RESOLVED FURTHER THAT the Board of Directors be and is hereby authorized to settle all questions, difficulties or doubts that may arise in this regard, at any stage, on the matter hereof including the power to delegate such powers to the Recruitment, Compensation and Nomination Committee (RCNC) without seeking further consent or approval of the shareholders.

FURTHER RESOLVED THAT over and above the abovementioned consolidated remuneration, Mr. Sanjay Chaturvedi will be eligible to receive:

1. Such other benefits as available to him being an employee and/or a Director of the Company, such as insurance cover, gratuity, Provident Fund, leave encashment, etc.
2. Reimbursements towards expenses incurred for Company work including travel, conveyance, telephone, etc., and other expenses incurred in the course of discharging his duties at actuals, and

3. Reimbursements towards entertainment expenses incurred for business development, not exceeding Rs 6,00,000/- per annum.

RESOLVED FURTHER THAT Ms. Rupa Basu, Joint Managing Director and/or Mr. Vishal Kanodia, Chief Financial Officer and/or Ms. Neeta Kamra, Chief Compliance Officer and/or Mr. Amul Tyagi, Company Secretary of the Company, be and are hereby severally authorized to do and perform all such acts, deeds, matters and things, as may be considered necessary, desirable or expedient to give effect to this resolution, including to delegate this power.”

Item No. 7: To approve re-designation of Ms. Rupa Basu as Joint-Managing Director of the Company

To consider and if thought fit, to pass, with or without modification(s), the following resolutions as a **Special Resolution**:

“**RESOLVED THAT** pursuant to: (a) the provisions of Sections 196, 197, 198, 203 read with Schedule V and other applicable provisions of the Companies Act, 2013 (including any statutory modification(s) or re-enactment thereof for the time being in force) read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, (b) the amended and restated Employment Agreement dated 22 November 2024 executed by and between the company and Rupa Basu (“Employment Agreement”) (c) the shareholders’ agreement dated 22 October 2024, executed by and amongst the Company, British International Investment plc (BII), Asian Development Bank (ADB), the Multiples Investors, the Promoters, PI Opportunities Fund I, PI Opportunities Fund - I Scheme II, Topaz Inclusion Pte. Ltd. and Helion Venture Partners II LLC (“Shareholders’ Agreement”), (d) the chapter IX of Master Direction Non-Banking Financial Company – Housing Finance Company (Reserve Bank) Directions, 2021 and subject to the approval/permission/consent of any regulatory authorities, and subject to other applicable rules, regulations, guidelines and subject to such conditions as may be prescribed by any one of them while granting any such approval, consent, permission as may be required, the consent of members of the Company be and is hereby accorded to re-designate Ms. Rupa Basu, (DIN 08068918), existing Whole Time Director of the Company, as the Joint Managing Director of the Company with effect from 07 February 2025 for a period of 5 years commencing from 07 February 2025 till to 06 February 2030, who is not liable to retire by rotation, at a remuneration and such other terms and conditions as may be fixed by Board or Recruitment, Compensation and Nomination Committee of Board or any other appropriate Committee, called by whatsoever name, subject to the maximum limit of remuneration for the Managing Director approved by the Members of the Company.

RESOLVED FURTHER THAT the Board of Directors be and is hereby authorized to settle all questions, difficulties or doubts that may arise in this regard, at any stage, on the matter hereof including power to delegate such powers to the Recruitment, Compensation and Nomination Committee (RCNC) without seeking further consent or approval of the shareholders.

RESOLVED FURTHER THAT Mr. Sanjay Chaturvedi, Managing Director and/or Mr. Vishal Kanodia, Chief Financial Officer and/or Ms. Neeta Kamra, Chief Compliance Officer and/or Mr. Amul Tyagi, Company Secretary of the Company, be and are hereby severally authorized to do and perform all such acts, deeds, matters and things, as may be considered necessary, desirable or expedient to give effect to this resolution, including to delegate this power.”

Item No. 08: To approve consolidated remuneration limit of Ms. Rupa Basu, Joint Managing Director

To consider and if thought fit, to pass, with or without modification(s), the following resolutions as a **Special Resolution**:

“**RESOLVED THAT** pursuant to Section 196, 197 and 203 read with Schedule V of the Companies Act, 2013 and other applicable provisions, if any, (including any statutory modification(s) or re-enactment thereof) and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, approval of the members be and is hereby given to fix the limits of annual consolidated remuneration at ₹ 5,00,00,000/- (Rupees five crore only) within which the remuneration as may be fixed by the Board of Directors or Committee of Board authorized in this regard can be paid to Ms. Rupa Basu, Joint Managing Director for a period of 3 years effective from 07 February 2025 to 06 February 2028 provided that such annual consolidated remuneration limit shall include remuneration(s) payable directly or otherwise or by way of salary and perquisites, performance-based rewards/ incentives, on terms and conditions, as may be fixed from time to time.

RESOLVED FURTHER THAT the remuneration as may be fixed by the Board of Directors or Committee of Board as may be authorized, from time to time, within the overall remuneration ceiling of ₹ 5,00,00,000 per annum shall be the minimum remuneration payable in terms of Schedule V of the Companies Act, 2013 in case of no profits or inadequate profits, calculated in accordance with the applicable provisions of the Companies Act, 2013.

RESOLVED FURTHER THAT the Board of Directors be and is authorized to settle all questions, difficulties or doubts that may arise in this regard, at any stage, on the matter hereof including the power to delegate such powers to the Recruitment, Compensation and Nomination Committee (RCNC) without seeking further consent or approval of the shareholders.

FURTHER RESOLVED THAT over and above the abovementioned consolidated remuneration, Ms. Rupa Basu will be eligible to receive:

1. Such other benefits as available to her being an employee and/or a Director of the Company, such as insurance cover, gratuity, Provident Fund, leave encashment, etc.

2. Reimbursements towards expenses incurred for Company work including travel, conveyance, telephone, etc., and other expenses incurred in the course of discharging her duties at actuals, and
3. Reimbursements towards expenses incurred for business development, not exceeding Rs 6,00,000/- per annum.

RESOLVED FURTHER THAT Mr. Sanjay Chaturvedi, Managing Director and/or Mr. Vishal Kanodia, Chief Financial Officer and/or Ms. Neeta Kamra, Chief Compliance Officer and/or Mr. Amul Tyagi, Company Secretary of the Company, be and are hereby severally authorized to do and perform all such acts, deeds, matters and things, as may be considered necessary, desirable or expedient to give effect to this resolution, including to delegate this power.”

Item No. 09: To approve and adopt the amended Articles of Association of the Company

To consider and if thought fit, to pass, with or without modification(s), the following resolutions as a **Special Resolution**:

“**RESOLVED THAT** pursuant to: (a) the provisions of Section 5, Section 14 and Section 15 of the Companies Act, 2013 (“Act”), read with the rules thereunder, including Rule 10 of the Companies (Incorporation) Rules, 2014 and other applicable provisions of the Act, if any (including, in each case, any statutory modification(s) or re-enactment(s) thereof, for the time being in force), (b) the share subscription agreement dated 22 October 2024 executed by and amongst the Company, British International Investment plc (formerly known as CDC Group plc) (BII), Asian Development Bank (ADB), Multiples Private Equity Fund IV (Multiples Fund IV), Multiples Private Equity GIFT Fund IV (Multiples GIFT Fund IV), Multiples PE GIFT Fund SPV 1 (GIFT SPV, and together with Multiples Fund IV and Multiples GIFT Fund IV, collectively referred to as the “Multiples Investors”), Mr. Sanjay Chaturvedi and Ms. Rupa Basu (collectively referred to as the “Promoters”), (c) the shareholders’ agreement dated 22 October 2024 executed by and amongst the Company, BII, ADB, the Multiples Investors, the Promoters, PI Opportunities Fund I, PI Opportunities Fund - I Scheme II, Topaz Inclusion Pte. Ltd. and Helion Venture Partners II LLC (“Shareholders’ Agreement”), (d) the chapter IX of Master Direction Non-Banking Financial Company – Housing Finance Company (Reserve Bank) Directions, 2021 and subject to the approval/permission/consent of any regulatory authorities, and subject to other applicable rules, regulations, guidelines and subject to such conditions as may be prescribed by any one of them while granting any such approval, consent, permission as may be required, the consent of the members of the Company be and is hereby accorded to amend the article 3.10.5, 3.10.8 and 3.10.9 of articles of association of the Company and other ancillary changes, as follows:



Article Existing	New/ Amended
3.10.5 Subject to Applicable Law, the chairperson of each committee of the Board (other than the Strategic Consultation Committee and the ESG Committee) shall at all times be an Independent Director, appointed in accordance with Clause 3.3 (Independent Directors) and shall not have a second or casting vote. The chairperson of the Strategic Consultation Committee shall be appointed by a simple majority of the Directors present and voting and such chairperson shall not have a second or casting vote.	Subject to Applicable Law, the chairperson of each committee of the Board shall be appointed in a Board meeting by a simple majority of the Directors present and voting and such chairperson shall not have a second or casting vote. It is hereby clarified that if Applicable Law requires the chairperson of a committee of the Board to be an Independent Director, then the chairperson of such committee of the Board shall be an Independent Director, appointed in accordance with Article 3.3 (Independent Directors) and shall not have a second or casting vote
3.10.8 ESG Committee:	ESG Committee:
(a) The ESG Committee shall comprise of at least 4 (four) members including 1 (one) BII appointee who shall be appointed by BII in BII's sole discretion and shall act as the chairperson of the ESG Committee, 1 (one) appointee of Multiples Fund IV who shall be appointed by Multiples Fund IV in Multiple Fund IV's sole discretion, 1 (one) LF appointee who shall be appointed by LF in LF's sole discretion, 1 (one) appointee who may be appointed by ADB in ADB's sole discretion. It is clarified that the ESG Investors shall have the right to appoint any Person (including their Director nominated on the Board or otherwise) on the ESG Committee as their respective nominees. (b) The ESG Investors may participate in meetings of the ESG Committee. (c) The ESG Committee shall be a committee of the Board.	(a) The ESG Committee shall comprise of at least 4 (four) members including 1 (one) BII appointee who shall be appointed by BII in BII's sole discretion and shall act as the chairperson of the ESG Committee, 1 (one) appointee of Multiples Fund IV who shall be appointed by Multiples Fund IV in Multiple Fund IV's sole discretion, 1 (one) LF appointee who shall be appointed by LF in LF's sole discretion, 1 (one) appointee who may be appointed by ADB in ADB's sole discretion. It is clarified that (i) the ESG Investors shall have the right to appoint any Person (including their Director nominated on the Board or otherwise) on the ESG Committee as their respective nominees; and (ii). If any ESG Investor does not appoint its nominee to the ESG Committee, then the number of members and composition of the ESG Committee shall change accordingly. (b) The ESG Investors may participate in meetings of the ESG Committee. (c) The ESG Committee shall not be a committee of the Board.
3.10.9 Strategic Consultation Committee	Article 3.10.9 Deleted

RESOLVED FURTHER THAT the draft of the amended Articles, as placed before the members of the Company and initialed by the Company Secretary for the purpose of identification, be and is hereby approved.

RESOLVED FURTHER THAT Mr. Sanjay Chaturvedi, Managing Director, Ms. Rupa Basu, Joint Managing Director, Mr. Vishal Kanodia, Chief Financial Officer, Ms. Neeta Kamra, Chief Compliance Officer and Mr. Amul Tyagi, Company Secretary of the Company, be and are hereby jointly and/or severally authorized to do all such acts, deeds, matters and things necessary or desirable in connection with or incidental to giving effect to the above resolution, including but not limited to sign and file all the necessary forms and other necessary documents including but not limited to e-Form MGT-14 and payment of statutory fees thereof and other necessary documents as may be required with the statutory authorities including, the jurisdictional Registrar of Companies and do all such acts, deeds, matters and things that

may be required for the alteration of the articles of association of the Company that may be suggested by the jurisdictional Registrar of Companies or such other statutory authorities in the implementation of the aforesaid resolution, and to comply with all other requirements in this regard and to do all such acts, deeds and things that may be required for the purpose of giving effect to the above resolution.

RESOLVED FURTHER THAT the certified true copy of the resolution be furnished under signature of Mr. Sanjay Chaturvedi, Managing Director, Ms. Rupa Basu, Joint Managing Director, Mr. Vishal Kanodia, Chief Financial Officer, Ms. Neeta Kamra, Chief Compliance Officer and Mr. Amul Tyagi, Company Secretary of the Company, who are hereby jointly and severally authorized, to ensure that all necessary documents are furnished to the requisite statutory authorities or to any other person concerned or interested in the matter.

By Order of the Board
For Shubham Housing Development Finance Company Limited

Sd/-
Amul Tyagi
Company Secretary
Place : Gurugram
Date : 08.05.2025

Notes:

1. EVERY MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND SUCH A PROXY NEED NOT BE A MEMBER OF THE COMPANY.

2. Members are requested to note that a person can act as a proxy on behalf of Members not exceeding 50 (fifty) and holding in the aggregate not more than 10% (ten percent) of total share capital of the Company carrying voting rights. A Member holding more than 10% (ten percent) of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as proxy for any other person or shareholder.
3. The instrument of proxy in order to be effective should be received by the company not less than 48 (forty-Eight) hours before the commencement of the meeting. A Proxy Form is annexed to this Notice.
4. Bodies corporate can be represented at the meeting by such person(s) as are authorized. Copies of resolution under section 113 of the Companies Act, 2013, authorizing such person(s) to attend the meeting should be shared to the Company on email id shubham.secretarial@shubham.co / neeta.kamra@shubham.co / amul.tyagi@shubham.co prior to the meeting.
5. As per the provisions of Section 72 of the Companies Act, 2013, the facility for making the nomination is available for the members in respect of the shares held by them. Members who have not yet registered their nomination are requested to register the same by submitting Form No. SH-13. Members are requested to submit the said form to their Depository Participant (DP) in case the shares are held in electronic form and to the Company in case the shares are held in physical form.
6. Members holding shares in physical form, if any, are advised to immediately inform the changes in their address, and their valid E-mail ID, if any, quoting their Folio number(s) to the Company. Members holding shares in dematerialised form are advised to immediately inform the changes in their

address and register their valid E-mail ID, if any, quoting their respective Client ID / DP ID , to their respective Depository Participants and not to the Company.

7. The relevant Statement made pursuant to Section 102 (1) of the Companies Act, 2013 in respect of Special Business to be transacted at the Meeting, set out in the Notice, is enclosed hereto and forms part of the Notice.
8. Relevant documents, if any, referred to in the Notice and the accompanying Statements are open for inspection by the Members at the Registered Office of the Company and copies thereof shall be available for inspection at the Corporate Office of the Company during working hours on all working days, up to the date of the General Meeting and at the Meeting also.
9. The Register of Members, Register of Directors and Key Managerial Personnel and their shareholding and the Register of Contracts or Arrangements in which the directors are interested, maintained under Sections 88, 170 and 189 respectively of the Companies Act, 2013, shall be available for inspection by the Members at the Meeting.
10. Members / Proxies attending the Meeting should bring the Admission/Attendance Slip, duly filled, for handing over at the venue of the meeting.
11. Members holding shares in dematerialised form to bring their Client ID and DP ID numbers for easy identification for attendance at the Meeting.
12. Members are requested to register/ update their e-mail IDs with the Company/Depository, so that the notice and related documents can be served to Members on their e-mail IDs.
13. The road map to the venue of the general meeting is enclosed to this Notice.

By Order of the Board
For Shubham Housing Development Finance Company Limited

Sd/-
Amul Tyagi
Company Secretary
Place : Gurugram
Date : 08.05.2025



Explanatory Statement Pursuant to Section 102 of the Companies Act 2013

As required by Section 102 of the Companies Act, 2013, the following explanatory statement sets out all material facts relating to the business mentioned in the accompanying notice dated 08 May 2025, and forms part of the said notice:

Item No. 4:

Ms. Latika Thukral was appointed as Additional Director (Non-Executive, Independent Director) of the Company, at the Board Meeting held on 07 February 2020 and her appointment as Independent director was subsequently approved by the shareholders at their Extra Ordinary General Meeting (EGM) held on 30 March 2020 for a period of 5 (Five) years i.e., 7 February 2020 to 6 February 2025. Her tenure of 5 years expired on 06 February 2025 (hereinafter referred to as "first term" as per the explanation to Section 149(10) and 149(11) of Companies Act, 2013 "the Act"). The Recruitment, Compensation and Nomination Committee ("RCNC") at its Meeting held on 09 May 2024 after taking into account the performance evaluation of Ms. Latika Thukral, as Independent Directors during her first term of five years and considering the knowledge, acumen, expertise and experience in respective fields and the substantial contribution made by her during her tenure as an Independent Director, recommended to the Board continued association of Ms. Latika Thukral as an Independent Directors, in the interest of the Company.

The Board of Directors in its meeting held on 27 December 2024, on the recommendation of RCNC and subject to approval of the Shareholders by way of Special Resolution in the ensuing General Meeting of the Company, has approved appointment of Ms. Latika Thukral for another term of 5 (Five) years commencing from 07 February 2025 to 06 February 2030 on non-rotational basis

("Second Term"). Earlier, the Company had received the consent from Ms. Latika Thukral for her re-appointment in form DIR-2 and declarations as to meeting the criteria of independence and other statutory disclosures in MBP-1, DIR-8, etc.

The Company has received a notice in writing pursuant to Section 160 of the Companies Act, 2013 from a Member proposing the candidature of Ms. Latika Thukral for her re-appointment as the Independent Director of the Company.

In view of above, the Board, in pursuance of the provisions of Section 149 of the Act, recommends and seeks the approval of members by way of special resolution for the re-appointment of Ms. Latika Thukral, as Independent Directors on the Board of the Company, to hold office for the second term of five consecutive years commencing from 07 February, 2025 to 06 February, 2030, whose period of office shall not be liable to retire by rotation. In the opinion of the Board, Ms. Latika Thukral fulfils the conditions specified in the Act, and Rules made thereunder for her reappointment as an independent director of the Company

Copy of the draft letter of appointment containing terms and conditions of appointment of this director will be available for inspection without any fee by the shareholders at the Registered Office of the Company and copies thereof shall be available for inspection at the Corporate Office of the Company.

Except for Ms. Latika Thukral, being the party interested in resolution for her own re-appointment, none of the other Directors or Key Managerial Personnel of the Company (including their relatives) are interested financially or otherwise in the passing of resolution set out in item no 4.

Details pursuant to Secretarial Standard on General Meeting (SS-2), issued by the Institute of Company Secretaries of India:

Name of the Director	Latika Thukral
Director Identification Number (DIN)	08680862
Date of Birth	22.05.1966
Age	58 Years
Effective date of re-appointment	07.02.2025
Qualification	Graduate in Commerce from Hindu College, Delhi University and has completed the Marketing Management programme from ITC (affiliated to IHC, Paris).
Experience	Ms. Latika has worked with Citibank as a Senior Vice President and her tenure with them lasted for 18 years, where she served in leadership positions with various lines of business - Consumer banking, Credit Cards, Loans, Credit, Collections and Marketing
Terms and Conditions of Appointment or reappointment along with the details of the remuneration sought to be paid	a) Tenure of her re-appointment shall be 5 (five) years with effect from 07.02.2025 to 06.02.2030. b) As an Independent Director of the Company, she shall not be liable to retire by rotation. c) She will be entitled to sitting fees for attending each meeting of Board and Committee of which she shall be member.
Remuneration last drawn by, if applicable	No remuneration was paid to Ms. Latika Thukral except for sitting fees for attending meeting of Board and Committee meeting held during her tenure.

Date of first appointment on the Board	07.02.2020
Number of shares held in the Company	Nil
Directorships (Excluding Alternate Directorships, foreign companies and companies under Section 8 of the Companies Act, 2013)	Directorship as on 01.04.2025 1. Axslogic On Demand Services Private Limited
Chairman/ Member of the Committee of the Board of Directors [other than Shubham Housing Development Finance Company]	Nil
Number of Board Meetings attended during the year	4 out of 9 Board Meeting held during the financial year 2024-25.
Inter-se relationship between the Directors, Manager and other Key Managerial Personnel of the company	Nil

The Board of Directors of the Company recommends the passing of the resolution in Item No. 4 of the notice as Special Resolution.

Item No. 5 & 6:

Pursuant to: (a) the share subscription agreement dated 22 October 2024 executed by and amongst the Company, British International Investment plc (formerly known as CDC Group plc) ("BII"), Asian Development Bank ("ADB"), Multiples Private Equity Fund IV ("Multiples Fund IV"), Multiples Private Equity GIFT Fund IV ("Multiples GIFT Fund IV"), Multiples PE GIFT Fund SPV ("GIFT SPV", and together with Multiples Fund IV and Multiples GIFT Fund IV, collectively referred to as the "Multiples Investors"), Mr. Sanjay Chaturvedi and Ms. Rupa Basu (collectively referred to as the "Promoters") ("Share Subscription Agreement"), and (b) the shareholders' agreement dated 22 October 2024 executed by and amongst the Company, BII, ADB, the Multiples Investors, the Promoters, PI Opportunities Fund I, PI Opportunities Fund - I Scheme II, Topaz Inclusion Pte. Ltd. and Helion Venture Partners II LLC ("Shareholders' Agreement"), (c) the employment agreement executed by and between Mr. Sanjay Chaturvedi and the Company on 22 November 2024, Mr. Sanjay Chaturvedi (DIN: 01636432) existing Whole Time Director of the Company, is required to be re-designated as the Managing Director of the Company.

The Recruitment, Compensation and Nomination Committee vide Circular Resolution passed on 05 February 2025 followed by Board meeting held on 07 February 2025, subject to the shareholders' approval, approved the re-designation of Mr. Sanjay Chaturvedi as Managing Director of the Company with effect from 07 February 2025, for a period of 5 (Five) years.

Proposed Remuneration: Such remuneration as may be fixed by the Board or Committee of Board as may be authorized subject to the below yearly maximum limits as may be paid to Mr. Sanjay Chaturvedi, Managing Director:

- Consolidated remuneration not exceeding ₹ 5,00,00,000/- (Rupees five crore) per annum inclusive of remuneration(s) payable directly or otherwise or by way of salary and perquisites, performance-based rewards/ incentives, on terms and conditions, as may be fixed from time to time.

- Over and above remuneration mentioned above in point no. (a), following additional benefits shall be available: -

- Such other benefits as available to him being an employee and/or a Director of the Company, such as insurance cover, gratuity, provident fund, leave encashment, etc.
- Reimbursements towards expenses incurred for Company work including travel, conveyance, telephone, etc., and other expenses incurred in the course of discharging his duties at actuals, and
- Reimbursements towards expenses incurred for business development, not exceeding Rs 6,00,000/- per annum.

Pursuant to the provisions of Schedule V to the Companies Act, in case of no profits or inadequate profits during the tenure of appointment of managerial personnel (i.e. Managing Director, Whole-time Director or Manager), remuneration shall be paid as per the applicable slab prescribed based on the 'Effective Capital' of the Company. Provided, remuneration in excess of the permissible slab may be paid, if shareholders pass a special resolution.

Mr. Sanjay Chaturvedi is one of the founders and key managerial person contributing to the growth of this Company. His valuable guidance and continued association in the Company shall be highly beneficial for the success of the Company. In a highly competitive environment, it is in the interest of the Company to offer him remuneration which should be in line with remuneration drawn by his counterparts in the same industry. Taking into consideration the size of the Company, the profile of Mr. Chaturvedi, the responsibilities shouldered by him and the industry benchmarks, proposed maximum cap of annual consolidated remuneration is commensurate with his experience, Industry standards and Board level positions held in similar sized and similarly positioned businesses. However, within this limit, the Board or Committee thereof, may fix the actual yearly consolidated remuneration to be paid to Mr. Chaturvedi.



The following additional detailed information as per Section – II, Part II of Schedule V is as follows:

General Information																															
a) Nature of Industry	Housing Finance Sector: To advance money to any person or persons or co-operative society, association of persons, company or corporation, jointly or individually, for short term or long term, either at interest or without and / or with or without any security for the purpose of enabling the person borrowing the same to erect or purchase, any house or building or any part or portion thereof for residential purpose in India upon such terms and conditions as the Company may deem fit and also to provide long term / short term finance to persons engaged in the business of construction of houses or flats for residential purpose to be sold by them by way of hire purchase or on deferred payment or other similar basis upon such terms and conditions as the Company may deem fit.																														
b) Date or expected date of commencement of commercial production.	The Company was incorporated in 2010 and commenced its lending operations after obtaining NHB license in 24.01.2011																														
c) In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus.	Not Applicable																														
d) Financial performance based on given indicators	Financial year 2024-25: <table><tr><td>Revenue from Operations</td><td>792.52 crore</td></tr><tr><td>Profit after Tax</td><td>175.29 crore</td></tr><tr><td>Rate of Dividend</td><td>Nil</td></tr><tr><td>Earning Per share:</td><td></td></tr><tr><td>Basic</td><td>₹ 22.30</td></tr><tr><td>Fully Diluted</td><td>₹ 21.24</td></tr></table>			Revenue from Operations	792.52 crore	Profit after Tax	175.29 crore	Rate of Dividend	Nil	Earning Per share:		Basic	₹ 22.30	Fully Diluted	₹ 21.24																
Revenue from Operations	792.52 crore																														
Profit after Tax	175.29 crore																														
Rate of Dividend	Nil																														
Earning Per share:																															
Basic	₹ 22.30																														
Fully Diluted	₹ 21.24																														
e) Foreign investments or collaborators, if any	The Company has not made any foreign investments and neither entered into any foreign collaborations. However few foreign entities hold investment in the Company, details whereof are set out below : <table><tr><th>S. No.</th><th>Name of Foreign Entities</th><th>No. of Equity shares held of Face Value @ ₹ 1/- each</th><th>No. of CCPS held of Face Value @ ₹ 1/- each</th></tr><tr><td>1.</td><td>Helion Venture Partners II LLC</td><td>16,37,630</td><td>65,81,640</td></tr><tr><td>2.</td><td>Topaz Inclusion Pte. Ltd.</td><td>70,69,490</td><td>-</td></tr><tr><td>3.</td><td>British International Investment plc</td><td>1,17,97,814</td><td>-</td></tr><tr><td>4.</td><td>Asian Development Bank</td><td>78,44,641</td><td>-</td></tr><tr><td>5.</td><td>Multiple PE GIFT Fund IV</td><td>5,409,708</td><td>-</td></tr><tr><td>6.</td><td>Multiples PE GIFT Fund SPV 1</td><td>10,358,376</td><td>-</td></tr></table>			S. No.	Name of Foreign Entities	No. of Equity shares held of Face Value @ ₹ 1/- each	No. of CCPS held of Face Value @ ₹ 1/- each	1.	Helion Venture Partners II LLC	16,37,630	65,81,640	2.	Topaz Inclusion Pte. Ltd.	70,69,490	-	3.	British International Investment plc	1,17,97,814	-	4.	Asian Development Bank	78,44,641	-	5.	Multiple PE GIFT Fund IV	5,409,708	-	6.	Multiples PE GIFT Fund SPV 1	10,358,376	-
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5.	Multiple PE GIFT Fund IV	5,409,708	-																												
6.	Multiples PE GIFT Fund SPV 1	10,358,376	-																												
Information about the appointee:																															
a) Background Details	Mr. Sanjay Chaturvedi has over 37 years of proven expertise in general management, sales and distribution, new category development, brand management and back-end operations including collections across large, blue-chip financial services organizations. He has successfully launched and led new business lines for the consumer business of Citibank, HSBC and GE Consumer Finance in India, and First Gulf Bank in the UAE. Prior to joining the Company, Mr. Sanjay Chaturvedi has set up and managed the lending and payments business for Reliance Retail. Mr. Sanjay Chaturvedi holds a Master's degree in Business Administration from Lucknow University, Uttar Pradesh.																														
b) Past Remuneration	The remuneration drawn by Mr. Sanjay Chaturvedi during the past three years is as follows: <table><tr><th>Year</th><th>Remuneration (In ₹)</th></tr><tr><td>2024-25</td><td>3.01 Crore per annum</td></tr><tr><td>2023-24</td><td>2.75 Crore per annum</td></tr><tr><td>2022-23</td><td>2.36 Crore per annum</td></tr></table>			Year	Remuneration (In ₹)	2024-25	3.01 Crore per annum	2023-24	2.75 Crore per annum	2022-23	2.36 Crore per annum																				
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2023-24	2.75 Crore per annum																														
2022-23	2.36 Crore per annum																														
c) Recognition or awards	NIL																														

d) Job profile and his suitability	Mr. Chaturvedi is the promoter and first director of the Company and has steered the Company remarkably to achieve leadership position in the industry. He devotes whole time attention to the management of the affairs of the Company and exercises powers under the supervision and superintendence of the Board of the Company.																														
e) Remuneration proposed	Remuneration to be paid each year shall be fixed by Board of Directors or Committee of Board as may be authorized in this regard. However, the ceiling within which such remuneration shall be paid is proposed to be fixed at ₹ 5 (Five) crore yearly for the period of three year i.e. 07th Feb 2025 to 6th Feb 2028. This ceiling shall include all the remuneration whether payable directly or otherwise or by way of salary and perquisites, performance-based rewards/ incentives.																														
f) Comparative remuneration profile with respect to industry, size of the Company, profile of the position and person	The remuneration of Mr. Sanjay Chaturvedi is comparable to that drawn by the peers in the similar capacity in the industry and is commensurate with the size of the Company and scale of Company's business and operations.																														
g) Pecuniary relationship directly or indirectly with the Company, or relationship with the managerial personnel, if any	Apart from drawing remuneration and holding shares in the Company and holding 8% Optionally Convertible Debentures (OCDs) in the Company, as tabulated below, Mr. Sanjay Chaturvedi does not have any pecuniary relationship with the Company. <table><tr><th>S. No.</th><th>No. of OCDs</th><th>Issue Price per OCD (In ₹)</th><th>Paid up amount per OCD (in ₹)</th></tr><tr><td>1</td><td>59,598</td><td>1,215</td><td>60</td></tr><tr><td>2</td><td>12,064</td><td>1,175</td><td>60</td></tr><tr><td>3</td><td>2,380</td><td>2,829.04</td><td>140</td></tr><tr><td>4</td><td>81,833</td><td>2,829.04</td><td>140</td></tr><tr><td>Total OCDs</td><td>1,55,875</td><td></td><td></td></tr></table> <table><tr><th>No. of Shares</th><th>Type</th><th>Face value per share (in ₹)</th></tr><tr><td>25,00,000</td><td>Equity share</td><td>1</td></tr></table> Mr. Sanjay Chaturvedi is not related to any of the Directors and Key Managerial Personnel of the Company.	S. No.	No. of OCDs	Issue Price per OCD (In ₹)	Paid up amount per OCD (in ₹)	1	59,598	1,215	60	2	12,064	1,175	60	3	2,380	2,829.04	140	4	81,833	2,829.04	140	Total OCDs	1,55,875			No. of Shares	Type	Face value per share (in ₹)	25,00,000	Equity share	1
S. No.	No. of OCDs	Issue Price per OCD (In ₹)	Paid up amount per OCD (in ₹)																												
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No. of Shares	Type	Face value per share (in ₹)																													
25,00,000	Equity share	1																													

Other Information

a) Reasons of loss or inadequate profits	Company is demonstrating good profit growth year on year and performing well on every front be it financial or operational. However, the maximum amount of yearly remuneration which may be fixed and paid to the Managing Director may exceed the limits specified in Section 197, therefore Company proposes to obtain the approval of members for the paying the higher limit of remuneration under Section II of Part II of Schedule V of Companies Act, 2013 where Company having inadequate or no profits are covered.
b) Steps taken or proposed to be taken for improvement	Not Applicable
c) Expected increase in Productivity and profits in measurable terms	Not Applicable

Information required under Secretarial Standard 2 (SS-2) issued by the Institute of Company Secretaries of India with respect to appointment/re-appointment of Directors:

Name of the Director	Sanjay Chaturvedi
Director Identification Number (DIN)	01636432
Date of Birth	24.01.1965
Age	60 years
Date of Appointment/ Re-Designation	07.02.2025
Qualification	Masters in Business Administration, Lucknow University
Experience	Mr. Sanjay Chaturvedi aged about 60 years has more than 37 years of proven expertise in general management, sales & distribution, new category development, brand management and backend operations including collections across large, blue chip financial services organisations. Prior to Shubham Housing, Mr. Chaturvedi has successfully launched and led new business lines for the consumer business of Citibank, HSBC and GE Consumer Finance in India and First Gulf Bank in the UAE. Prior to this, his role was to set up and manage the Lending and Payments business for Reliance Retail. Mr. Chaturvedi holds Master's in Business Administration from Lucknow University.



Terms and Conditions of Appointment or reappointment along with the details of the remuneration sought to be paid	a) Tenure of this appointment shall be 5 (five) years with effect from 07.02.2025 to 06.02.2030. b) The Managing Director of the Company shall not be liable to retire by rotation. He will be employed on a wholtime basis and will not be permitted to undertake any other business, work or public office, honorary or remunerative, except with the written permission of the Competent Authority in each case. c) He shall be entitled to such other privileges, allowances, facilities and amenities in accordance with rules and regulations as may be applicable to other employees of the Company and as may be decided by the Board, within the overall limits prescribed under the Act d) He will cease to be Director on cessation of his/her employment with the Company The appointment shall be governed by Section 196, 197, 198, 203 read with Schedule V of the Companies Act, 2013 and rules made thereunder
Remuneration last drawn by, if applicable	₹ 3.01 Crore per annum (for F.Y- 2024-25)
Date of first appointment on the Board	Mr. Sanjay Chaturvedi, being first director of the Company, has been holding office since incorporation of the Company i.e. 23.02.2010.
Number of shares held in the Company	25,00,000 Equity Shares of Face Value ₹ 1.00/- each
Directorships (Excluding Alternate Directorships, foreign companies and companies under Section 8 of the Companies Act, 2013)	Nil
Chairman/ Member of the Committee of the Board of Directors [other than Shubham Housing Development Finance Company]	Nil
Number of Board Meetings attended during the year	9 out of 9 Board Meeting held during the financial year 2024-25.
Inter-se relationship between the Directors, Manager and other Key Managerial Personnel of the company	Nil

Except Mr. Sanjay Chaturvedi himself, none of the Directors or Key Managerial Personnel of the Company (including their relatives), except to the extent of their shareholding in the Company, are interested, financially or otherwise or concerned in the passing of resolution set out in Item No. 5 & 6.

The Board of Directors of the Company recommends the passing of the resolution in Item No. 5 & 6 of the notice as Special Resolution.

Item No. 7 & 8:

Pursuant to: (a) the share subscription agreement dated 22 October 2024 executed by and amongst the Company, British International Investment plc (formerly known as CDC Group plc) (BII), Asian Development Bank (ADB), Multiples Private Equity Fund IV (Multiples Fund IV), Multiples Private Equity GIFT Fund IV (Multiples GIFT Fund IV), Multiples PE GIFT Fund SPV (GIFT SPV, and together with Multiples Fund IV and Multiples GIFT Fund IV, collectively referred to as the Multiples Investors), Mr. Sanjay Chaturvedi and Ms. Rupa Basu (collectively referred to as the Promoters) (Share Subscription Agreement), and (b) the shareholders' agreement dated 22 October 2024 executed by and amongst the Company, BII, ADB, the Multiples Investors, the Promoters, PI Opportunities Fund I, PI Opportunities Fund - I

Scheme II, Topaz Inclusion Pte. Ltd. and Helion Venture Partners II LLC ("Shareholders' Agreement"), and (c) the employment agreement entered by and between Ms. Rupa Basu and the Company on 22 November 2024, Ms. Rupa Basu (DIN: 08068918) existing Whole Time Director of the Company, is required to be re-designated as the Joint Managing Director of the Company.

The Recruitment, Compensation and Nomination Committee vide Circular Resolution passed on 05 February 2025 followed by Board meeting held on 07 February 2025, subject to the shareholders' approval, approved the re-designation of Ms. Rupa Basu as Joint Managing Director of the Company with effect from 07 February 2025 for a period of 5 (Five) years.

Proposed Remuneration: Such remuneration as may be fixed by the Board or Committee of Board as may be authorized subject to the below yearly limits may be paid to Ms. Rupa Basu, Joint Managing Director:

- Consolidated remuneration not exceeding ₹ 5,00,00,000/- (Rupees five crore) per annum inclusive of remuneration(s) payable directly or otherwise or by way of salary and perquisites, performance-based rewards/ incentives, on terms and conditions, as may be fixed from time to time.

b) Over and above remuneration mentioned above in point no. (a), following additional benefits shall be available:

- Such other benefits as available to her being an employee and/or a Director of the Company, such as insurance cover, gratuity, provident fund, leave encashment, etc.
- Reimbursements towards expenses incurred for Company work including travel, conveyance, telephone, etc., and other expenses incurred in the course of discharging her duties at actuals, and
- Reimbursements towards entertainment expenses incurred for business development, not exceeding Rs 6,00,000/- per annum.

Pursuant to the provisions of Schedule V to the Companies Act, in case of no profits or inadequate profits during the tenure of a managerial personnel (i.e. Managing Director, Whole-time Director or Manager), remuneration shall be paid as per the applicable slab prescribed based on the 'Effective Capital' of the Company. Provided, remuneration in excess of the permissible slab may be paid, if shareholders pass a special resolution.

Ms. Rupa Basu has over 29 years of experience in Risk Management, Credit Underwriting, Portfolio Quality, Technology Development and Compliance. She has been associated with Shubham as a Director since 2018. Her valuable guidance and continued association in the Company shall be highly beneficial for the success of the Company. In a highly competitive environment, it is in the interest of the Company to offer her remuneration which should be in line with remuneration drawn by her counterparts in the same industry. Taking into consideration the size of the Company, the profile of Ms. Rupa Basu, the responsibilities shouldered by her and the industry benchmarks, proposed maximum cap of annual consolidated remuneration is commensurate with her experience, Industry standards and Board level positions held in similar sized and similarly positioned businesses. However, within this limit, the Board or Committee thereof, may fix the actual yearly consolidated remuneration to be paid to Ms. Rupa Basu.

The following additional detailed information as per Section – II of Schedule V of the Companies Act, 2013 is as follows:

General Information																															
a) Nature of Industry	Housing Finance Sector To advance money to any person or persons or co-operative society association of persons, company or corporation, jointly or individually, for short term or long term, either at interest or without and / or with or without any security for the purpose of enabling the person borrowing the same to erect or purchase, any house or building or any part or portion thereof for residential purpose in India upon such terms and conditions as the Company may deem fit and also to provide long term / short term finance to persons engaged in the business of construction of houses or flats for residential purpose to be sold by them by way of hire purchase or on deferred payment or other similar basis upon such terms and conditions as the Company may deem fit.																														
b) Date or expected date of commencement of commercial production.	The Company was incorporated in 2010 and commenced its lending operations after obtaining NHB license in 24.01.2011																														
c) In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus.	Not Applicable																														
d) Financial performance based on given indicators	<table><tr><td colspan="4">Financial year 2024-25</td></tr><tr><td colspan="2">Revenue from Operations</td><td colspan="2">792.52 crore</td></tr><tr><td colspan="2">Profit after Tax</td><td colspan="2">175.29 crore</td></tr><tr><td colspan="2">Rate of Dividend</td><td colspan="2">Nil</td></tr><tr><td colspan="4">Earning Per share:</td></tr><tr><td colspan="2">Basic</td><td colspan="2">₹ 22.30</td></tr><tr><td colspan="2">Fully Diluted</td><td colspan="2">₹ 21.24</td></tr></table>			Financial year 2024-25				Revenue from Operations		792.52 crore		Profit after Tax		175.29 crore		Rate of Dividend		Nil		Earning Per share:				Basic		₹ 22.30		Fully Diluted		₹ 21.24	
Financial year 2024-25																															
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Rate of Dividend		Nil																													
Earning Per share:																															
Basic		₹ 22.30																													
Fully Diluted		₹ 21.24																													
e) Foreign investments or collaborators, if any	<table><tr><th>S. No.</th><th>Name of Foreign Entities</th><th>No. of Equity shares held of Face Value @ ₹ 1/- each</th><th>No. of CCPS held of Face Value @ ₹ 1/- each</th></tr><tr><td>1.</td><td>Helion Venture Partners II LLC</td><td>16,37,630</td><td>65,81,640</td></tr><tr><td>2.</td><td>Topaz Inclusion Pte. Ltd.</td><td>70,69,490</td><td>-</td></tr><tr><td>3.</td><td>British International Investment plc</td><td>1,17,97,814</td><td>-</td></tr><tr><td>4.</td><td>Asian Development Bank</td><td>78,44,641</td><td>-</td></tr><tr><td>5.</td><td>Multiple PE GIFT Fund IV</td><td>5,409,708</td><td>-</td></tr><tr><td>6.</td><td>Multiples PE GIFT Fund SPV 1</td><td>10,358,376</td><td>-</td></tr></table>			S. No.	Name of Foreign Entities	No. of Equity shares held of Face Value @ ₹ 1/- each	No. of CCPS held of Face Value @ ₹ 1/- each	1.	Helion Venture Partners II LLC	16,37,630	65,81,640	2.	Topaz Inclusion Pte. Ltd.	70,69,490	-	3.	British International Investment plc	1,17,97,814	-	4.	Asian Development Bank	78,44,641	-	5.	Multiple PE GIFT Fund IV	5,409,708	-	6.	Multiples PE GIFT Fund SPV 1	10,358,376	-
S. No.	Name of Foreign Entities	No. of Equity shares held of Face Value @ ₹ 1/- each	No. of CCPS held of Face Value @ ₹ 1/- each																												
1.	Helion Venture Partners II LLC	16,37,630	65,81,640																												
2.	Topaz Inclusion Pte. Ltd.	70,69,490	-																												
3.	British International Investment plc	1,17,97,814	-																												
4.	Asian Development Bank	78,44,641	-																												
5.	Multiple PE GIFT Fund IV	5,409,708	-																												
6.	Multiples PE GIFT Fund SPV 1	10,358,376	-																												


Information about the appointee:

a) Background Details	Ms. Rupa Basu is a Chartered Accountant by qualification. Previously, she has worked with Citibank N.A in India for over 16 years, handling various roles across retails assets and liabilities, post which she spent 3 years in India Mortgage Guarantee Corporation Private Limited as one of the key members of the senior leadership team that launched the mortgage guarantee product in India. Thereafter, she spent 2 years heading the enterprise risk management function in Shubham Housing Development Finance Company Limited.				
b) Past Remuneration	The remuneration drawn by Ms. Rupa Basu during the past three years is as follows:				
	Year		Remuneration (In ₹)		
	2024-25		2.97 Crore per annum		
	2023-24		2.67 Crore per annum		
	2022-23		2.26 Crore per annum		
c) Recognition or awards	NIL				
d) Job profile and her suitability	She is currently serving as Director of the Company who is involved in the management of the affairs of the Company on a day-to-day basis and exercises powers under the supervision and superintendence of the Board of the Company.				
e) Remuneration proposed	Remuneration to be paid each year shall be fixed by Board of Directors or Committee of Board as may be authorized in this regard. However, the ceiling within which such remuneration shall be paid is proposed to be fixed at ₹ 5 (Five) crore yearly for the period of three year i.e. 07 th Feb 2025 to 6 th Feb 2028. This ceiling shall include all the remuneration whether payable directly or otherwise or by way of salary and perquisites, performance-based rewards/ incentives.				
f) Comparative remuneration profile with respect to industry, size of the Company, profile of the position and person	Considering the responsibility shouldered by her of the enhanced business activities of the Company, proposed remuneration is commensurate with industry standards and Board level positions held in similar sized and similarly positioned businesses.				
g) Pecuniary relationship directly or indirectly with the Company, or relationship with the managerial personnel, if any	Apart from drawing remuneration and holding shares in the Company and holding 8% Optionally Convertible Debentures (OCDs) in the Company, as tabulated below, Ms. Rupa Basu does not have any pecuniary relationship with the Company.				
	S. No.		No. of OCDs	Issue Price per OCD (In ₹)	Paid up amount per OCD (in ₹)
	1		59,598	1,215	60
	2		12,064	1,175	60
	3		17,520	2,829.04	140
	4		81,834	2,829.04	140
	Total OCDs		1,71,016		
	No. of Shares		Type	Face value per share (in ₹)	
	25,00,000		Equity share	1	
Ms. Rupa Basu is not related to any of the Directors and Key Managerial Personnel of the Company.					

Other Information

a) Reasons of loss or inadequate profits	Company is demonstrating good profit growth year on year and performing well on every front be it financial or operational. However, the maximum amount of yearly remuneration which may be fixed and paid to the Joint Managing Director may exceed the limits specified in Section 197, therefore Company proposes to obtain the approval of members for the paying the higher limit of remuneration under Section II of Part II of Schedule V of Companies Act, 2013 where Companies having inadequate or no profits are covered.
b) Steps taken or proposed to be taken for improvement	Not Applicable
c) Expected increase in Productivity and profits in measurable terms	Not Applicable

Information required under Secretarial Standard 2 (SS-2) issued by the Institute of Company Secretaries of India with respect to appointment/re-appointment of Directors:

Name of the Director	Rupa Basu
Director Identification Number (DIN)	08068918
Date of Birth	02.08.1970
Age	54 years
Date of Appointment / Re-Designation	07.02.2025
Qualification	Chartered Accountant
Experience	More than 29 Years
Terms and Conditions of Appointment or reappointment along with the details of the remuneration sought to be paid	a) Tenure of her appointment shall be 5 (five) years with effect from 07.02.2025 to 06.02.2030. b) The Joint Managing Director of the Company shall not be liable to retire by rotation. She will be employed on a wholetime basis and will not be permitted to undertake any other business, work or public office, honorary or remunerative, except with the written permission of the Competent Authority in each case. c) She shall be entitled to such other privileges, allowances, facilities and amenities in accordance with rules and regulations as may be applicable to other employees of the Company and as may be decided by the Board, within the overall limits prescribed under the Act d) She will cease to be Director on cessation of his/her employment with the Company. The appointment shall be governed by Section 196, 197, 198, 203 read with Schedule V of the Companies Act, 2013 and rules made thereunder
Remuneration last drawn by, if applicable	₹ 2.97 Crore for financial year 2024-25
Date of first appointment on the Board	13 November 2018
Number of shares held in the Company	25,00,000 (Twenty-Five Lakh) Equity Shares of face of value of ₹ 1/- each.
Directorships (Excluding Alternate Directorships, foreign companies and companies under Section 8 of the Companies Act, 2013) [other than Shubham Housing Development Finance Company Limited]	Nil
Chairman/ Member of the Committee of the Board of Directors [other than Shubham Housing Development Finance Company Limited]	Nil
Number of Board Meetings attended during the year	9 out of 9 Board Meeting held during financial year 2024-25.
Inter-se relationship between the Directors, Manager and other Key Managerial Personnel of the company.	Nil

Except Ms. Rupa Basu herself, none of the Directors or Key Managerial Personnel of the Company (including their relatives), except to the extent of her shareholding in the Company, is interested or concerned in the passing of resolution set out in Item No. 7 & 8.

The Board of Directors of the Company recommends the passing of the resolution in Item No. 7 & 8 of the notice as Special Resolution.

Item no. 09:

Pursuant to: (a) the share subscription agreement dated 22 October 2024 executed by and amongst the Company, British International Investment plc (formerly known as CDC Group plc)

(BII), Asian Development Bank (ADB), Multiples Private Equity Fund IV (Multiples Fund IV), Multiples Private Equity GIFT Fund IV (Multiples GIFT Fund IV), Multiples PE GIFT Fund SPV 1 (GIFT SPV, and together with Multiples Fund IV and Multiples GIFT Fund IV, collectively referred to as the "Multiples Investors"), Mr. Sanjay Chaturvedi and Ms. Rupa Basu (collectively referred to as the "Promoters") ("Share Subscription Agreement"), and (b) the shareholders' agreement dated 22 October 2024 executed by and amongst the Company, BII, ADB, the Multiples Investors, the Promoters, PI Opportunities Fund I, PI Opportunities Fund - I Scheme II, Topaz Inclusion Pte. Ltd. and Helion Venture Partners II LLC ("Shareholders' Agreement"), the members of the Company in Extraordinary General Meeting held on 13 December 2024 amended, replaced, adopted and substituted its articles of



association of the Company with the new set of amended and restated articles of association of the Company (including the entrenchment provisions contained therein) ("Restated Articles"), to incorporate the provisions of the Shareholders' Agreement. Further, the company proposes to amend clauses 3.10.5, 3.10.8 and 3.10.9 of Article of Association and other ancillary provision to facilitate effective implementation of provisions contained.

To address the same the board of directors of the Company ("Board") in their meeting held on 8 May 2025 have approved the amendment of the existing Articles of Association, subject to approval of the members of the Company.

Accordingly, Pursuant to the provisions of Section 5 (including Section 5(4)), 14, 15 and all other applicable provisions, if any, of the Companies Act, 2013, and the rules thereunder, including Rule 10 of the Companies (Incorporation) Rules, 2014 (including, in each case, any statutory modifications or re-enactments thereof for the time being in force), any alteration to the articles of association requires the approval of the shareholders by way of a special resolution. In view of the above, the Board recommends

according of the consent of the shareholders of the Company by passing a special resolution for amendment of the Articles of Association of the Company.

The copies of the existing articles of association as well as the Amended Articles are available for inspection by the members at the Registered Office of the Company and copies thereof shall be available for inspection at the Corporate Office of the Company during working hours on all working days, up to the date of the General Meeting and at the Meeting also.

The draft of the Amended Articles proposed for members' approval is being circulated along with this notice convening the Annual general meeting.

None of the Directors or Key Managerial Personnel of the Company or their respective relatives are in anyway concerned or interested (financially or otherwise) in the said resolution, except to the extent of their shareholding in the Company.

**By Order of the Board
For Shubham Housing Development Finance Company Limited**

**Sd/-
Amul Tyagi
Company Secretary**
Place: Gurugram
Date: 08.05.2025

Annexure to the Notice

Details of the Directors seeking re-appointment at the 16th Annual General Meeting
[Pursuant to Secretarial Standards on General Meetings]

1. Details of Mr. Rahul Chandra

1.	Name of the Director	Rahul Chandra
2.	DIN	01213049
3.	Date of Birth	07.07.1972
4.	Date of first appointment on the Board of Company	Mr. Rahul Chandra was appointed as a Member of Board of Shubham Housing Development Finance Company Ltd. with effect from 18 April 2012.
5.	Age, experience and qualification that qualify him for Board membership	He is aged 53 and holds an MBA from University of California, Berkeley and graduated from Birla Institute of Technology & Science, Pilani in 1993. Mr. Chandra is a co-founder of Helion and has 17 years of venture capital investing and corporate development experience in technology product and services companies in India and the US. He has served on the Boards of Seclore, UnitedLex, Netambit, Mindworks and has managed investments in Cucumber Town, EzeTap, Spandana and Equitas. Between 2000 and 2006, Mr. Chandra was based in Silicon Valley as part of the investment team at Walden International, a global venture capital firm with assets more than \$2B under management. Between 2004 and 2005 he also led the M&A efforts at e4e Inc., a Santa Clara, CA based BPO company with more than 4,000 employees across the globe.
6.	Shareholding in the Company	He does not hold any share of the Company in individual capacity.
7.	Disclosure of Relationship inter-se between Directors, Manager and other Key Managerial Personnel	There is no inter-se relationship between him and other members of the Board and Key Managerial Personnel of the Company.
8.	Board Meeting Attendance and Remuneration last drawn	He attended 2 (Two) out of 9 (Nine) Board Meetings he was entitled to attend during financial year 2024-25. He was not paid any remuneration during his term with the Company.
9.	Companies in which he holds Directorships and Committee memberships/chairmanships as on 31 March 2025. (Other than Shubham Housing Development Finance Company Ltd.)	Directorships - Greenizon Agritech Consultancy Private Limited - Stelling Technologies Private Limited - Skookum Education Consultants Private limited - Changejar Technologies Private Limited - Eccentric Engine Private Limited Chairmanship/Membership of Committees of Board of Directors of Other Companies Nil
10.	Terms and conditions of re-appointment including remuneration sought to be paid	Being a Director liable to retire by rotation, he is retiring in the ensuing AGM. Being eligible, he seeks re-appointment as a Director on the Board of Directors of the Company as a nominee of an Investor-Shareholder of the Company (i.e., Helion Venture Partners II LLC). He shall hold his office in the Company at the pleasure of the Investor-Shareholder who nominated him and shall be liable to retire by rotation. His re-appointment in the Board is sought at nil remuneration. During his tenure, Company may request him to be a member/Chairman of any one or more Committees of the Board, which may be constituted from time to time.



2. Details of Mr. Nattanmai Venkataraman Saravanan

1.	Name	Nattanmai Venkataraman Saravanan
2.	DIN	06989767
3.	Date of Birth	03.06.1982
4.	Date of first appointment on the Board of Company	Mr. Saravanan Nattanmai was appointed as a Member of Board of Shubham Housing Development Finance Company Ltd. with effect from 31 March 2023.
5.	Age, experience and qualification that qualify him for Board membership	He is aged about 43 years and holds a Master's degree from Indian Institute of Technology, Mumbai and PGP in Management from ISB, Hyderabad. Saravanan is a seasoned private equity professional with 17+ years of experience in VC/PE across sectors / stages and Corporate Strategy and Planning. He is currently working as Principal at Premji Invest and is responsible for leading investments in fintech and financial services sectors. Previously, he worked with AION Capital (JV between Apollo Global Management and ICICI Bank) and Nereus Capital and has worked across diverse sectors including fintech and financial services, consumer, retail, technology, and industrials.
6.	Shareholding in the Company	He does not hold any share of the Company in individual capacity.
7.	Disclosure of Relationship inter-se between Directors, Manager and other Key Managerial Personnel	There is no inter-se relationship between him and other members of the Board and Key Managerial Personnel of the Company.
8.	Board Meeting Attendance and Remuneration last drawn	He attended 7 (Seven) out of 9 (Nine) Board Meetings he was entitled to attend during the year. He was not paid any remuneration during his term with the Company.
9.	Companies in which he holds Directorships and Committee memberships/chairmanships as on 31 March 2025. (Other than Shubham Housing Development Finance Company Ltd.)	Directorships 1. Mintifi Private Limited 2. Finnovation Tech Solutions Private Limited Chairmanship/Membership of Committees of Board of Directors of Other Companies Nil
10.	Terms and conditions of re-appointment including remuneration sought to be paid	Being director liable to retire by rotation, he is retiring in the ensuing AGM. Being eligible, he seeks his re-appointment as the Non-Executive Director on the Board of Directors of the Company as the nominee of an Investor-Shareholder of the Company (i.e., Premji Invest). He shall hold his office in the Company at the pleasure of the Investor-Shareholder who nominated him and shall be liable to retire by rotation. His re-appointment in the Board is being sought at nil remuneration. During his tenure, Company may request him to be a member/Chairman of any one or more Committees of the Board, which may be constituted from time to time.

From No. MGT-11

Proxy Form

[Pursuant to section 105(6) of the Companies Act, 2013 and rule 19(3) of the Companies (Management and Administration) Rules, 2014]

CIN: U65921DL2010PLC199469

Name of the company: Shubham Housing Development Finance Company Ltd.

Registered office: 608-609, 6th Floor, Block-C, Ansal Imperial Tower, Community Center, Naraina Vihar, New Delhi-110028

Corporate office: 425, Udyog Vihar, Phase IV, Gurugram, Haryana-122015

Website: www.shubham.com, **E-mail Id:** shubham.secretarial@shubham.com,

Phone Number: +91 124 4762555

Name of Member(s)	:
Registered address	:
Email ID	:
Folio no/ Client ID	:
DP ID	:

I/We, being the member(s) of Equity shares and Compulsory Convertible Preference Shares of the above-named company, hereby appoint:

1. Name :
 Address :
 E-mail Id :
 Signature :
 or failing him/her

2. Name :
 Address :
 E-mail Id :
 Signature :
 or failing him/her

3. Name :
 Address :
 E-mail Id :
 Signature :
 or failing him/her

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the Annual General Meeting of the Company, to be held on Thursday, the 10th day of July 2025 at 03.30 P.M. at registered office of the Company situated at 608-609, 6th Floor, Block-C, Ansal Imperial Tower, Community Center, Naraina Vihar, New Delhi-110028 and at any adjournment thereof in respect of resolutions as indicated below:

Sr. No. RESOLUTIONS	FOR	AGAINST
01. To consider and adopt Audited Financial Statements.		
02. To approve re-appointment of Mr. Rahul Chandra, Director.		
03. To approve re-appointment of Mr. Saravanan Nattanmai, Director.		
04. To approve re-appointment of Ms. Latika Thukral, Independent Director.		
05. To approve re-designation of Mr. Sanjay Chaturvedi as Managing Director of the Company.		
06. To approve consolidated remuneration limit of Mr. Sanjay Chaturvedi, Managing Director.		



Sr. No.	RESOLUTIONS	FOR	AGAINST
07.	To approve re-designation of Ms. Rupa Basu as Joint-Managing Director of the Company.		
08.	To approve consolidated remuneration limit of Ms. Rupa Basu, Joint Managing Director.		
09.	To approve and adopt the amended Articles of Association of the Company.		

Signed this 2025

Affix
Revenue
Stamp

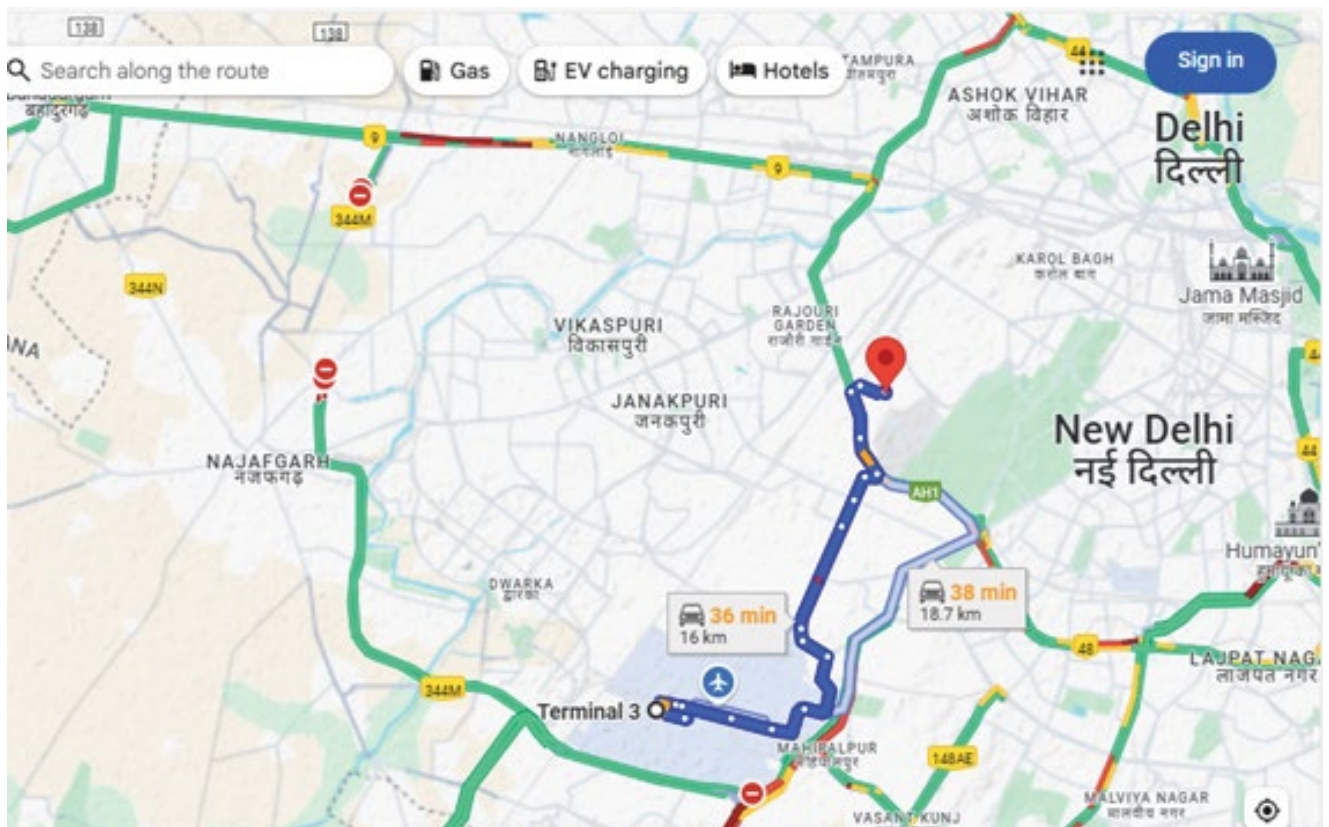
.....
Signature of shareholder holder(s)

.....
Signature of Proxy

Notes:

1. This form of proxy in order to be effective should be duly completed and deposited at the registered office of the Company, not less than 48 hours before the commencement of the Meeting.
2. A proxy need not be a member of the company.
3. Please put a '✓' in the appropriate column against the resolutions indicated in the box. If you leave the "For" or "Against" column blank against any or all the resolutions, your proxy will be entitled to vote in the manner as he/she thinks appropriate. This is only optional.

Route Map





Board's Report

To,
The Members,

We are pleased to present the 16th (Sixteenth) Board's Report of Shubham Housing Development Finance Company Limited ("the Company" or "Shubham") for the year ended 31 March 2025. It aims to provide stakeholders with a comprehensive insight into the Company's financial position and operational area, thereby enabling a clear understanding of Company's business and operational status.

1. Financial Highlights

Brief summary of the audited financial statements of the Company for the financial year ended 31 March 2025.

(₹ in Crore)		
Particulars	FY 2024-25	FY 2023-24
Revenue from Operations	792.52	602.67
Other Income	31.59	13.19
Total Income	824.11	615.86
Profit before Depreciation & amortization	232.69	181.86
Less: Depreciation & amortization	10.82	9.89
Profit before Tax	221.87	171.97
Provision for Tax (Including Deferred Tax)	46.57	36.00
Profit after Tax	175.29	135.97

2. Review of Business

The Company is a housing finance company registered with National Housing Bank (NHB). It provides housing finance solutions in the form of customized credit program to customers belonging to diverse spectrum of informal income group through its 179 branches present in 12 states across, the country (excluding corporate office). People belonging to Low-Income Groups are often not able to realize their housing dream through the traditional banking system owing to the complex criteria's and procedure involved. Your company is on this mission to assist such customers in fulfilling their housing dream by providing them home loans better suited to their individual needs.

The Company has received fresh infusion of equity capital to the tune of ₹ 400 Crore in FY24-25. The existing investors i.e. Asian Development Bank and British International Investment Plc invested ~ ₹ 140 Crore reflecting their confidence & commitment on the business model of the company. Additionally, Multiples Private Equity Fund IV, Multiples Private Equity GIFT Fund IV and Multiples PE GIFT Fund SPV 1 invested ~ ₹ 260 Crore as primary capital and ~ ₹ 619 Crore as secondary capital into the company. Further, your company successfully raised ₹ 200 Crore in debt funds by issuing 20,000 secured Non- Convertible Debentures, each with a face value of ₹ 1,00,000. Company expresses its gratitude towards National Housing Bank (NHB), our banking and financial institutional partners who have continued their trust by providing us liquidity to support the growth of our business.

During the period under review, your Company, fueled by the commitment to deliver unparalleled service to the customers, impacting their lives positively, empowering them financially

and expanding its footprints, has achieved remarkable performance marked by Revenue from operations of ₹ 792.52 Crore and Profit After Tax (PAT) of ₹ 175.29 Crore which indicates year on year growth of 31.50 % in Revenue and growth of 28.92% in PAT. During the year ended 31 March 2025, the Company, while experiencing rising cost of borrowings and ever-increasing competition from banks and new entrants in the market, has disbursed loan (net) of ₹ 2,385 Crore as against ₹ 2,237 Crore in the previous year, which is a 7 % growth over the previous year, while maintaining healthy Net Interest Margin (NIM) of 8.8%^[1].

The number of branches as on 31 March 2025, increased to 179 (excluding corporate office) which gave needed impetus to the business and led to the Asset under Management (AUM) of the Company surging by 31.3% and loan book by 26.9%.

Your Company has met the Principal Business Criteria ('PBC') as defined in RBI Circular on Review of Regulatory framework for Housing Finance Companies dated 22 October 2020. The percentage of total assets towards housing finance as on 31 March 2025 was 65.26%.

3. Change in Nature of Business

The Company is a financial institution, registered as a housing finance Company with National Housing Bank (NHB). The main business of the Company is lending money for purchase, construction, renovation or improvement of residential houses or lending money against housing property for business/certain other end uses. All other activities of the Company revolve around the main business. During the year under review, there was no change in the nature of business of the company.

[1] NIM/Average of loan asset *100

4. Dividend

The Board of Directors of the Company has not recommended any dividend for the financial year ending 31 March 2025.

5. Material Changes and Commitments Affecting the Financial Position of the Company

No material changes and commitments occurred between the end of the financial year of the Company to which the financial statement relates and the date of this report, which may have any adverse effect on the financial position of your company.

6. Transfer to Reserves

As per Section 29C of the National Housing Bank Act, 1987, the Company is required to transfer at least 20% of its net profit every year to a special reserve. During the year under review, your Company has transferred an amount of ₹ 35.06 Crore to Statutory reserve. The said reserves stood at ₹ 110.52 Crore. The balance in retained earnings as on 31 March 2025, stood at ₹ 428.20 Crore.

7. Resource Mobilisation

A. Debentures

i) Non-Convertible Debentures (NCDs)

During the period under review the Company issued 20,000 (twenty thousand) rated, listed, redeemable, senior, secured, non-convertible debentures denominated in Indian Rupees each with a face value of ₹ 1,00,000 (Indian Rupees One Lakh) aggregating to ₹ 200,00,00,000 (Indian Rupees Two Hundred Crore) on private placement basis which are listed on the Bombay Stock Exchange (BSE).

The funds raised through this issuance were utilized towards onward lending and utilized specifically for the purpose for which they were intended, and there were no deviations or variations in their utilization.

ii) Optionally Convertible Debentures (OCDs)

During the year under review, the Company did not issue any Unsecured Optionally Convertible Debentures (OCD). However, the terms of the existing OCDs have been amended as below.

Sr. No.	Nature of Change	Brief of changes in terms
01	Change in Maturity period	The OCDs were issued for tenor of 5 years which was due to expire on March 30, 2025. However, the OCDs holders and the Company have mutually agreed to extend the tenure to perpetual. Accordingly, the company has extended the maturity period to Perpetual by obtaining all requisite approvals.
02	Change in conversion ratio	The company has approved the sub-division of nominal value of each Equity Share having a face value ₹ 10/- (Rupees Ten Only) each into 10 (Ten) Equity Shares of ₹ 1/- (Rupee One Only) each, And, to give the effect of this sub-division, the company has changed the conversion ratio of OCDs to 1:10 i.e., One OCD is convertible into 10 equity shares of ₹ 1/- each.
03	Change in conversion period	The holder of OCDs have the option to convert the OCDs any time after the Eligibility Date i.e., ('OCDs Conversion Period'). they are eligible to convert the OCDs after the eligibility date irrespective of the fact them presently being in the employment of the company or not. Also, consequential changes are made therein.

B. Term Loans and other Borrowings

During the year under review, the Company has raised funds of ₹ 975 Crore by way of term loans and loans repayable on demand from various Banks/NBFCs/Fls. As on 31 March 2025, the total outstanding borrowing from Banks, NBFC and Fls excluding NCDs and OCDs stood at ₹ 2,783.99 Crore.

C. Assignment of Loans

During the period under review, the Company assigned the receivables of housing loan portfolio and non-housing loan portfolio aggregating to ₹ 412.02 Crore.

D. Refinance from NHB

During the year under review, the Company availed refinance facility of ₹ 300 Crore from NHB under various refinance schemes of NHB. Additionally, the NHB has sanctioned an additional limit of ₹ 125 Crore under the NHB's fixed rate refinance scheme. As on 31 March 2025, the outstanding balance under refinance facility schemes of NHB stood at ₹ 862.43 Crore, which helped the Company to reduce the cost of its incremental borrowings and contributed towards company's goal of serving the unserved sector of society.



E. Commercial Papers

During the period under review, the Company neither raised any money by way of issue of Commercial Papers nor did have any Commercial Papers remaining outstanding as on 31 March 2025.

As on date, no commercial paper is lying with the Company in respect of which redemption amount has not been claimed by the investors or not paid by the Company.

F. Equity Funds Raise

During the period under review, your Company has successfully completed the Series F fund raise by issue of 91,58,768 equity shares of face value of ₹ 1 each, at an issue price of ₹ 436.74 each (including securities premium of ₹ 435.74 per equity share) aggregating to ₹ 400,00,00,337/- by way of preferential allotment on a private placement basis.

8. Deposits

The Company is registered as a non-deposit taking Housing Finance Company with NHB. Being a non-deposit taking HFC, your Company has not accepted any public deposit. Therefore, provisions of Section 73 of the Companies Act, 2013 ("Act") read with applicable rules thereto and disclosure requirements under Para 44 of the Master Direction – Non-Banking Financial – Housing Finance Company (Reserve Bank) Directions, 2021 are not applicable. The Company further affirms that:

- (a) the total number of accounts of public deposit of the Company which have not been claimed by the depositors or not paid by the company after the date on which the deposit became due for repayment; and - N.A.
- (b) the total amount due under such accounts remaining unclaimed or unpaid beyond the date referred to in above para (a). - N.A.

9. Investor Education and Protection Fund

No dividend has been declared since the incorporation of the Company, therefore the provisions of Section 125 of the Companies Act, 2013 do not apply.

10. Share Capital

The Capital structure of the Company is as follows:

A. Authorized Share Capital

The Authorized Share Capital of the Company as on 31 March 2025, was ₹ 19,30,00,000/- (Rupees Nineteen crore Thirty Lakhs) divided into:

- (i) 10,00,00,000 Equity Shares of face value of ₹ 1/- each aggregating to ₹ 10,00,00,000;
- (ii) 5,00,00,000 Compulsory Convertible Preference Shares (CCPS) of face value of ₹ 1/- each aggregating to ₹ 5,00,00,000;
- (iii) 2,15,00,000 CCPS of face value of ₹ 2/- each aggregating to ₹ 4,30,00,000.

B. Issued and Paid-up Share Capital

i. Equity Shares:

The issued and paid-up equity share capital of the Company as at 31 March 2025 was ₹ 7,83,82,358/- divided into 7,83,82,358 equity shares of ₹ 1/- each.

During the period under review, the following changes were made in the Share Capital of the Company:

Date of Board Meeting	Particulars
29 October 2024	Conversion of 1,74,01,507 CCPS into equity shares, each having face value of ₹ 1/- per share.
10 December 2024	Issuance of 91,58,768 equity shares, each having face value of ₹ 1/-, at an issue price of ₹ 436.74 each (including premium of ₹ 435.74 /- per share).
27 December 2024	Conversion of 3,15,24,063 CCPS into equity shares, having face value of ₹ 1/- per share.

ii. Compulsorily Convertible Preference Shares (CCPS):

The issued and paid-up preference share capital of the company as at 31 March 2025, was ₹ 65,81,640/- divided into 65,81,640 preference shares of ₹ 1/- each. During the period under review, the Company did not issue any Compulsorily Convertible Preference Shares.

11. Directors and Key Managerial Personnel

The composition of the Board of Directors of the Company is in accordance with Section 149 of the Companies Act, 2013, Master Direction – Non-Banking Financial Company – Housing Finance Company (Reserve Bank) Directions, 2021 and other applicable laws with optimum combination of Executive Directors, Non-Executive Directors and Independent Directors on the Board, who are from financial services background and possesses relevant skills and experience. The details of the composition of the board and Key Managerial Personnel as on 31 March 2025, are as follows:

A. Independent Directors

The Company has the following Independent Directors on the Board of the Company:

Sr. No.	Name	Designation	DIN
1	Mr. Vinod Rai*	Non-Executive Independent Director	00041867
2	Mr. Rakesh Rewari*	Non-Executive Independent Director	00286853
3	Ms. Latika Thukral [#]	Non-Executive Independent Director	08680862
4	Mr. Manoj Dattatraya Rane	Non-Executive Independent Director	02653448

*Serving second term of 5 years upon members' approval through special resolution.

[#]Serving second term of 5 years subject to members' approval through special resolution

In the opinion of the board, the independent directors appointed and re-appointed during the year possess requisite integrity, expertise, experience and proficiency.

B. Non-Executive Directors

In pursuance of the Articles of Association of the Company, the investors of the company are entitled to nominate their representative to be appointed as the director(s) on the Board of the Company. In this regard, the Board comprises of the following Non-executive Directors nominated by Various investor groups of the Company:

S. No.	Name	Designation	DIN
1	Mr. Rahul Chandra	Non-Executive Nominee Director	01213049
2	Ms. Nithya Easwaran*	Non-Executive Nominee Director	03605392
3	Mr. Pranav Kumar	Non-Executive Nominee Director	07896173
4	Mr. Gaurav Malhotra	Non-Executive Nominee Director	07640504
5	Mr. Saravanan Nattanmai	Non-Executive Nominee Director	06989767

*During the period under review, Ms. Nithya Easwaran who was appointed as an Additional Nominee Director on the Board of the Company w.e.f. 10 December 2024, was regularized as Nominee Director in the Extraordinary General Meeting ("EGM") held as on 13 December 2024.

Change in Composition during the year

- Ms. Nithya Easwaran (DIN: 03605392), was appointed as an Additional Nominee Director on the Board of company on 10 December 2024. Furthermore, the members of the Company regularized her appointment in the EGM held on 13 December 2024.
- Mr. Manoj Jaiswal (DIN: 07873564), Nominee Director, has resigned from the Board of the Company w.e.f. 23 December 2024.

C. Executive Director

S. No.	Name	Designation	DIN
1	Mr. Sanjay Chaturvedi*	Managing Director	01636432
2	Ms. Rupa Basu*	Joint Managing Director	08068918

*Mr. Sanjay Chaturvedi and Ms. Rupa Basu, the Whole Time Directors of the Company, were redesignated as the Managing Director and Joint Managing Director respectively with effect from 7 February 2025, subject to approval from National Housing Bank (NHB) and members approval in ensuing AGM.

D. Directors whose appointment/re-appointment proposed in ensuing Annual General Meeting (AGM) Retiring Directors proposed for re-appointment in ensuing AGM

In pursuance to the provisions of Section 152 of the Companies Act, 2013, Mr. Saravanan Nattanmai (DIN: 06989767) and Mr. Rahul Chandra (DIN:01213049), Nominee Director, shall retire by rotation at the ensuing AGM and being eligible, offer themselves for re-appointment. Being Investor Nominee Directors, Company has received suitable nomination for such re-appointment from the respective Investors. The Board recommends their re-appointment at the ensuing AGM.



E. Key Managerial Personnel (“KMP”)

The following are Key Managerial Personnel of the Company.

Sr. No.	Name	Designation
1	Mr. Sanjay Chaturvedi	Managing Director
2	Ms. Rupa Basu	Joint Managing Director
3	Mr. Vishal Kanodia	Chief Financial Officer
4	Ms. Neeta Kamra*	Chief Compliance Officer
5	Mr. Amul Tyagi*	Company Secretary

*Change in KMP during the year

In accordance with the National Housing Bank (NHB) advisories dated 20 September 2024, and 13 December 2024, which require the separation of the roles of Chief Compliance Officer and Company Secretary, the Company has made the necessary appointments. Effective 27 December 2024, Mr. Amul Tyagi has been appointed as the Company Secretary, while Ms. Neeta Kamra continues to serve as the Chief Compliance Officer, ensuring full compliance with the said advisories.

F. Number of meetings of the Board

During the year under review, 9 (Nine) board meetings were held. The maximum gap between two board meetings did not exceed 120 days as stipulated by law. The details of the Meetings are furnished separately under the Corporate Governance Report, which forms part of this Annual report.

12. Board Evaluation

The major role of the Board in a Company is to provide strategic directions, monitor the management and to provide support and advice. The effectiveness of the Board depends on a variety of factors such as Board Structure, Functioning of the Board, Business Strategy Governance, Financial Reporting Process, Internal Audit and Controls, Monitoring, Supporting and Advisory role. A Board evaluation is a process that measures the accountability, transparency and effectiveness of board members.

In accordance with the provisions of Companies Act, 2013 and the rules made thereunder, the Company evaluates the performance of the Board, Committees of the Board, Executive Directors, Chairman of the Board, Non-Independent Directors and Independent Directors. The Board, on the basis of performance evaluation prescribed by Recruitment, Compensation and Nomination Committee, carries out an annual performance evaluation of the directors individually including Independent Directors, Committees of the Board and the Chairman of the Board. The Performance Evaluation Process is a questionnaire-based assessment, which sets broad parameters for evaluation of the performance of the Board, its Committees and of individual directors including Chairman of Board. Its main objectives are to ensure effective and efficient Board operations towards corporate goals and objectives, to identify ways to improve Board member's functioning and to assess the balance of skills, knowledge and experience on the Board.

The performance of Non-Independent Directors, the Board as a whole and the Chairman of Board were evaluated at the meeting of Independent Directors held on 25 March 2025. The performance of Independent Directors and the Committees of Board were evaluated at the Board meeting held on 8 May 2025.

13. Fit and Proper Criteria

The Reserve Bank of India notified the Master Direction – Non-Banking Financial Company – Housing Finance Company (Reserve Bank) Directions, 2021, on 17 February 2021, (RBI HFC Master Directions), 2021 for housing finance companies. These directions inter-alia require all the housing finance companies to put in place Internal Guidelines on Corporate Governance and Policy on 'Fit & Proper' Criteria for Director(s) at the time of their appointment and on a continuing basis, with the approval of the Board of Directors of the Company. The Company had put the Internal Guidelines on Corporate Governance and Policy on 'Fit & Proper' Criteria for Director(s) in place. The Internal guidelines on corporate governance adopted by the Company is available on <https://www.shubham.co/cg/internal-guidelines-on-corporate-governance>.

14. Declaration by Directors

All the Directors of the Company have confirmed that they satisfy the “fit and proper” criteria as prescribed under Chapter IX of RBI HFC Master Directions, 2021, and are not disqualified from being appointed/continuing as Directors in terms of section 164(2) of the Companies Act, 2013.

15. Annual Declaration from Independent Directors

All Independent Directors have submitted the declaration of independence, pursuant to the provisions of Section 149(7) of the Companies Act 2013 stating that they meet the criteria of independence as provided in Section 149(6) of the Companies Act, 2013. 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).

16. The details of Significant and Material orders passed by the Regulators or Courts or Tribunals impacting the going concern status and company's operations in future

During the year, there were no significant and/or material orders passed by the regulators, courts or tribunals, impacting the going concern status and future operations of your Company.

17. Directors' Responsibility Statement

In compliance with the provisions of Section 134(3)(c) read along with section 134(5) of the Companies Act, 2013, your Directors state that:

- in the preparation of the annual accounts, the applicable accounting standards were followed along with proper explanation relating to material departures, if any;
- the Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the profit and loss of the company for that period;
- the Directors took proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- the Directors have prepared the annual accounts on a going concern basis;
- the Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

18. Management Discussion and Analysis Report

Pursuant to RBI HFC Master Directions 2021, a detailed analysis on the Company's operational and financial performance is given in the "Management Discussion and Analysis Report" which is attached with this Report as **Annexure – I**.

19. Auditors

A. Statutory Auditors

At the Fifteenth AGM of the Company held on 16 August 2024, M/s. Walker Chandiok & Co LLP, Chartered Accountants (Firm Registration No. 00176N/N500013) were appointed as Statutory Auditor of the Company for a period commencing from the conclusion of the Fifteenth AGM till the conclusion of the Eighteenth

AGM of the Company to be held in the year 2027, in compliance with Companies Act, 2013 and NHB/ RBI Guidelines and subject to auditor satisfying the eligibility norms as per applicable guidelines/laws.

The audit for FY 2024–25 was carried out by M/s. Walker Chandiok & Co LLP, Chartered Accountants, Statutory Auditors of the Company who issued their report thereon. The auditors' report does not contain any qualification, or adverse remark hence any clarification or explanation of the board under Section 134 of the Companies Act 2013 is not required.

The Report of Statutory Auditors on accounts and financial statements of the company for Financial Year 2024-25, is attached with this report as **Annexure – VII**.

B. Secretarial Auditors

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Board of Directors had appointed M/s Mehta & Mehta, Company Secretaries, (PR No. 3686/2023), Company Secretaries, to undertake the Secretarial Audit of the Company for FY 2024-25.

The Report of Secretarial Auditor for FY 2024-25 is attached as **Annexure – VI**.

There are no qualifications, reservations or adverse remarks or disclaimers made by M/s Mehta & Mehta in their Secretarial Audit Report for FY 2024-25.

In terms of Section 204 of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Board has reappointed M/S Mehta & Mehta, Company Secretaries, to conduct the Secretarial Audit for the financial year 2025-26.

C. Internal Auditors

Mr. Arun Gupta, who was appointed as the Head Internal Audit, continues to hold office of Head Internal Audit for FY 2025-2026. Additionally, the Internal Audit Department is assisted by external Advisor, wherever required.

D. Auditor's Qualification/Reservation/Adverse Remark

Neither of the aforesaid statutory auditor nor secretarial auditor have expressed any adverse qualification/ reservation/ remark in their Report for financial year 2024-25 which requires any explanation or comments from the Board. The Notes on financial statements referred to in the Auditors' Report are self-explanatory and do not call for any further comments and explanations.



E. Reporting of frauds by auditors

During the period under review, the Statutory Auditor and the Secretarial Auditor have not reported any instances of fraud committed in the Company by its officer or employees to the Audit committee under Section 143(12) of the Companies Act, 2013 read with Rule 13 of Chapter X Companies (Audit and Auditors) Rules, 2014.

20. Internal Financial Control With Reference to Financial Statements

The Company has laid down adequate internal financial controls with reference to financial statements. During the year under review, such controls were tested and no material weaknesses were observed in the design and operations of the same.

21. Loan / Guarantee / Investments

Your Company being a housing finance company, the disclosures regarding particulars of loans made, guarantees given and securities provided in the ordinary course of its business, are exempted as per the provisions of Section 186(11) of the Companies Act, 2013. The Company has a 'Policy for Loan to Directors, Relatives and Senior Officers' in place as per the applicable laws. The Company did not extend any loans to its directors, senior officers, relatives of directors, or entities associated with directors and their relatives during the FY 2024-25. Further, disclosures regarding loans and advances given to Directors & Senior Officers of the Company are given in **Annexure – V-B** of this Report.

22. Contracts / Arrangement With Related Parties

In line with the requirements of the Act and the directions issued by the RBI, your Company has formulated a policy on Related Party Transactions, which describes the transactions requiring requisite approvals, reporting and disclosures of transaction between the Company and its related parties. The said policy has also been uploaded on the Company's website <https://www.shubham.co/policies/related-party-transactions>

All the related party transactions entered into by the Company, during the financial year, were in its ordinary course of business and on an arm's length basis. There are no materially significant related party transactions entered into by the Company with its Promoters, Key Management Personnel or other designated persons who may have potential conflict with the interest of the Company at large. None of the transactions with related parties fall under the scope of Section 188(1) of the Act and hence the Information on transactions with related parties pursuant to Section 134(3) (h) of the Act read with rule 8(2) of the Companies (Accounts) Rules, 2014 required to be given in the prescribed form AOC-2 are not applicable. Further it is confirmed that except as provided under notes to accounts and herein, none of the directors had any pecuniary relationship or transactions with the Company during the year under review.

Pursuant to the RBI HFC Master Directions 2021, the Related Party Transaction Policy of the Company forms part of this Board's Report.

23. Holding/Subsidiary Disclosures

Your Company does not have any holding or subsidiary company.

24. Particulars of Employees

In accordance with the provisions of Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the names and particulars of the top ten employees in terms of remuneration drawn and of the aforesaid employees are set out in the **Annexure – IV** to the Board Report. In terms of the provisions of Section 136(1) of the Companies Act, 2013 read with the rules, the Board's Report is being sent to all shareholders of the company excluding this annexure. This annexure can be sought by any shareholder of the company by making a specific request in writing to the company at Shubham. secretarial@shubham.co.

25. Employee Stock Option Scheme

The Company grants share-based benefits to eligible employees with a view to attracting and retaining the best talent, encouraging employees to align individual performances with Company objectives and promoting increased participation by them in the growth of the Company.

A. Employee Stock Option Plan 2013 (ESOP 2013)

The Scheme authorizes the Company to create, offer, issue and allot at any time to or for the benefit of the employees of the Company under the Scheme such number of stock options exercisable into equity shares of face value of ₹ 1/-, not exceeding 11,90,470 Equity Shares in aggregate. Each stock option is exercisable into ten (10) equity shares of face value of ₹ 1/- each at an exercise price of ₹ 10/- and on such terms and conditions as may be fixed or determined by the Board or Recruitment, Compensation and Nomination Committee of Board ("Committee" or "RCNC"), as the case may be, in accordance with the provisions of law prevailing at that time. The Scheme is administered through the Shubham Employees Welfare Trust ("Trust"). If an Option expires or becomes un-exercisable without having been exercised in full, such options, would be available to the RCNC for granting to other employees/ eligible persons.

The Options granted under ESOP 2013 shall vest after a minimum period of one (1) year and a maximum of four (4) years from the date of grant of the Option. The exact period after which the Options would vest shall be determined by the RCNC, subject to the aforesaid limits regarding the minimum and maximum vesting period. There shall be a minimum period of one year between the grant of an Option and vesting of the Option.

B. Employee Stock Option Scheme 2020 (ESOP Scheme 2020)

The scheme authorizes the Company to create, offer, issue and allot at any time to or for the benefit of the employees of the Company under the ESOP Scheme 2020 such number of stock options exercisable into equity shares of face value of ₹ 1/-, not exceeding 12,78,890 Equity Shares in aggregate. Each stock option is exercisable into ten (10) equity shares of face value of ₹ 1/- each at an Exercise Price of ₹ 1166 and on such terms and conditions as may be fixed or determined by the Board or Recruitment, Compensation and Nomination Committee of Board ("Committee" or "RCNC"), as the case may be, in accordance with the provisions of law prevailing at that time. The Scheme is administered by the Company itself and shares pursuant to the exercised stock options are directly issued and allotted by the Company to the employees. If an Option expires or becomes un-exercisable without having been exercised in full, such Option would be available to the RCNC for granting to other employees/ eligible persons.

The Options granted under ESOP Scheme 2020 shall vest after a minimum period of one year and a maximum period of four (4) years from the date of grant of the Option. The exact period for which the Option would vest shall be determined by the RCNC, subject to the aforesaid limits regarding the minimum and maximum vesting period. There shall be a minimum period of one year between the grant of an Option and vesting of the Option.

C. Employee Stock Option Plan 2022 (ESOP Scheme 2022)

The Scheme authorizes the Company to create, offer, issue and allot at any time to or for the benefit of the employees of the Company under the ESOP Scheme 2022 such number of stock options exercisable into equity shares of face value of ₹ 1/-, not exceeding 16,36,670 Equity Shares in aggregate. Each stock option is exercisable into ten (10) equity shares of face value of ₹ 1/- each at an Exercise Price of ₹ 2829.04/- and on such terms and conditions as may be fixed or determined by the Board or Recruitment, Compensation and Nomination Committee of Board ("Committee" or "RCNC"), as the case may be, in accordance with the provisions of law prevailing at that time. The Scheme is administered by the Company itself and shares pursuant to the exercised stock options are directly issued and allotted by the Company to the employees. If an Option expires or becomes un-exercisable without having been exercised in full, such Option would be available to the RCNC for granting to other employees/ eligible persons.

The Options granted under ESOP Scheme 2020 shall vest after a minimum period of one year and a maximum period of four (4) years from the date of grant of the Option. The exact period for which the Option would vest shall be determined by the RCNC, subject to the aforesaid limits regarding the minimum and maximum vesting period. There shall be a minimum period of one year between the grant of an Option and vesting of the Option.

D. Employee Stock Options (ESOPs)

In pursuance of Rule 12 of Companies (Share Capital and Debentures) Rules, 2014, ESOPs disclosures is as under:

Particulars	Pool-1	Pool-2	Pool-3	Employee Stock Options
	@ ₹ 10 ESOP 2013	@ ₹ 1166 ESOP 2020	@ ₹ 2829 ESOP 2022	
Options Granted during the year	500	27121	18688	-
Options Vested during the year	13715	15797	5454	-
Options Exercised during the year	0	0	0	-
Total number of shares arising out of exercise of options	0	0	0	-
Options lapsed during the year	1000	8045	2625	-
Exercise Price	10	1166	2829	-
Variation of Terms of Options*	Yes	Yes	Yes	-
Money realized by exercise of Options	0	0	0	Nil
Total number of Options in force	111742	88482	47513	-



Particulars	Pool-1	Pool-2	Pool-3	Employee Stock Options
	@ ₹ 10 ESOP 2013	@ ₹ 1166 ESOP 2020	@ ₹ 2829 ESOP 2022	
Employee-wise Details of Options Granted During the Year 2025:				
(i) Key Managerial Person:	0	975	0	Nil
(ii) Any other employee receiving grant in any one year of option amounting to five percent or more of options granted during that year:	0	6539	3150	
(iii) 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.	Nil	Nil	Nil	Nil

- During the year under review, the shareholders in the 15th Annual General Meeting of the Company held on 16 August 2024, have approved amendment to ESOP Scheme 2013, 2020 and 2022 wherein the RCNC committee has been authorized to remove any lock-in period if imposed on the shares arisen out of exercise of ESOPs.

26. Conservation of Energy, Technology Absorption, Foreign Exchange Earnings and Outgo

Information in accordance with the provision of Section 134 (3) (m) of the Companies Act, 2013, read with Rule 8 of Companies (Account) Rules 2014 regarding conservation of energy, technology absorption and foreign exchange earnings and outgo is as under:

A. Conservation of Energy

Your Company is engaged in mainly providing loans for affordable housing. As the Company has not undertaken manufacturing activity, the disclosure under the applicable rules is not required to be provided. However, your Company has generally taken reasonable efforts to conserve energy.

B. Technology Absorption

The Company has not imported any technology. Hence, the requirement of technology absorption is not applicable.

C. Foreign Exchange Earnings and Outgo

The Foreign Exchange earnings and outgo of the company during the period under review are as follows:

- Foreign Exchange Earnings: Nil
- Foreign Exchange Outgo: Nil

27. Cost Records and Cost Audit

Maintenance of cost records and requirement of cost audit as prescribed under the provisions of Section 148(1) of the Companies Act, 2013 are not applicable for the business activities carried out by the Company.

28. Corporate Social Responsibility (CSR)

Your Company has in place Corporate Social Responsibility Policy (CSR Policy), in compliance with the provisions of the Companies Act, 2013 and Companies (Corporate

Social Responsibility Policy) Rules, 2014, as amended, which, inter-alia, lay down the guidelines and mechanism for undertaking socially useful projects for welfare and sustainable development of the community at large. As per the requirements of Section 135 of the Companies Act, 2013, the Company constituted a CSR Committee to monitor CSR activities of the Company. The Board approved CSR Policy of the Company is available on the website of the Company at <https://shubham.co/csr>

The Corporate Social Responsibility Committee assists the Board in fulfilling its duty towards the community and society at large by identifying the activities and programs that can be undertaken by the Company, in terms of the CSR Policy of the Company. The composition of the CSR Committee and its terms of reference are given in the Report on Corporate Governance forming part of the Annual Report.

During the year under review, your Company was required to spent 2% of its average net profits (computed as per the relevant provisions of the Companies Act, 2013) of the preceding 3 years on CSR projects. Annual Report on CSR activities in **Annexure – V-A** forms part of this Boards' report.

29. Vigil Mechanism

Pursuant to the provisions of Section 177 (9) & (10) of the Companies Act, 2013 read with Rule 7 of Companies (Meetings of Board and its Powers) Rules, 2014, the Company has in place a Whistle Blower Policy, which provides for a vigil mechanism that encourages and supports its Directors and employees to report instances of illegal activities, unethical behavior, actual or suspected, fraud or violation of the Company's Code of Conduct and Code of Business Ethics. It also provides for adequate safeguards against victimization of persons who use this mechanism and direct access to the Chairperson of the Audit Committee in exceptional cases. Contact details of Vigilance Officer/ Chairperson of the Audit Committee are disclosed in Vigil Mechanism Policy which is available on Company's website <https://www.shubham.co/cg/vigil-mechanism>

During the year under review, your Company did not receive any complaints under Vigil Mechanism.

30. Prevention, Prohibition and Redressal of Sexual Harassment of women at workplace

As per the requirements of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, your Company has in place a Policy on Prevention, Prohibition & Redressal of Sexual Harassment of Women at Workplace and has a robust mechanism to redress the complaints reported thereunder. An Anti-Sexual Harassment Committee is in place, which comprises of internal and external members who have experience in the subject field (composition details and number of meetings held during FY'25 are set forth in Corporate Governance Report attached with this report)

During the year, the details of complaints received by the committee are as follows:

Number of complaints received in the year	Nil
Number of complaints disposed of during the year	N.A.
Number of cases pending more than ninety days	N.A.
Number of workshops or awareness program against sexual harassment carried out	08
Nature of action taken by the employer or district officer	N.A.

It may be mentioned here that the Company has zero tolerance towards any action on the part of any executive/staff which may fall under the ambit of 'Sexual Harassment' at workplace and is fully committed to upholding and maintaining the dignity of every woman executive/staff working in the Company.

31. The details of application made or any proceeding pending under the Insolvency and Bankruptcy Code, 2016, during the year along with their status as at the end of the financial year

During the year under review, there was no application filed by or against the Company for corporate insolvency process under IBC before the NCLT.

32. The details of difference between amount of the valuation done at the time of one-time settlement and the valuation done while taking loan from the Banks or Financial Institutions along with the reasons thereof

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

33. Marketing and Branding

Through strategic branding and marketing initiatives, your company remains committed to its vision of making homeownership accessible to every Indian. By expanding its customer base and enhancing services, particularly for the

Lower and Middle Income (LMI) segment, the company has strengthened its ability to meet diverse housing needs. With a deep-rooted belief in guiding consumers throughout their journey, the company ensures a seamless and supportive experience as they achieve the dream of owning a home.

34. RBI/NHB Guidelines

Your Company has a valid NHB License for carrying on the business of a Housing Finance Company. The company endeavors to ensure full compliance with RBI/NHB Directions, Notifications, Circulars and guidelines issued from time to time. Compliance status is periodically reviewed by the Board in its meetings. Company submits all the required monthly/quarterly/half yearly or other periodical RBI/NHB reports/returns, intimation of opening/closing (shifting/relocation) of branches, within the prescribed time limit. The Company diligently resolves and complies with observations/recommendations issued by NHB during its routine periodical inspection. There have not been any adverse observations by regulator which may impact the continuity of business by the Company.

Pursuant to the RBI circular dated 31 January 2024, on streamlining the Internal Compliance Monitoring function through the use of technology, the company has successfully adopted a compliance tool to effectively track and monitor applicable compliance requirements.

35. Listing with Stock Exchange

Your Company is up to date in the payment of annual listing fees to Bombay Stock Exchange (BSE) on which its Non-Convertible Debentures (NCD) are listed. During the financial year under review, the interest on Non-Convertible Debentures was paid by the Company on their respective due dates and there were no instances of any interest amount which were not claimed by the investors or not paid by the Company after the date on which the same became due for payment.

36. Disclosures with respect to Non-Convertible Debentures as per the Master Direction Non Banking Financial Company Housing Finance Company Reserve Bank Directions, 2021

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

37. Debenture Trustee

In compliance to the requirements of Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulation 2021, the Company has



appointed IDBI Trusteeship Services Limited as Debenture Trustee to protect the interest of the debenture holders for NCDs issued, on private placement basis.

Name	IDBI Trusteeship Services Limited
CIN	U65991MH2001GOI131154
Delhi Office	10 th Floor, 1009, Ansal Bhawan, KG Marg, New Delhi – 110001
Registered Office	Universal Insurance Building, Ground Floor, Sir P.M. Road, Fort, Mumbai – 400001
Email	mahendra.singh@idbitrustee.com
Phone No.	011-4513 8885
Website	www.idbitrustee.com

38. Credit Rating

During the financial year under review, the credit rating of Non-Convertible debenture was assigned as A+ (stable) by ICRA Limited

39. Website Disclosure

Your Company has made disclosures as required by the relevant laws and regulations on its website www.shubham.co. All these regulatory disclosures, Compliance and policies are regularly updated by the company.

40. Penalties Imposed

No Fines/Penalties have been levied by any regulator during the period under review.

41. Secretarial Standards

The Company is in compliance with SS -1 i.e. Secretarial Standard on Meetings of the Board of Directors and SS – 2 i.e. Secretarial Standard on General Meetings issued by the Institute of Company Secretaries of India.

42. Committees

The Company in line with the provisions of the Companies Act 2013 and rules made thereunder and RBI HFC Master Directions 2021 and in compliance with the requirement of other applicable laws & statutes, has constituted various committees at board level. These committees are constituted to enable better and focused attention to the operations of the Company. At regular intervals, the Board reviews the functioning and conformity with the corporate governance standards. Details of various committees constituted by the Board, are as follows:

- Audit Committee,
- Asset Liability Management Committee,
- Banking & Borrowing Committee,
- Corporate Social Responsibility Committee,
- IT Strategy Committee,
- Risk Management Committee,

- Review Committee,
- Recruitment Compensation and Nomination Committee,

The Composition of the above committees and their terms of reference/scope are provided under Corporate Governance Report annexed to Board's Report as **Annexure – II**.

43. Risk Management

The Company has to manage various risks such as credit risk, liquidity risk, interest rate risk and operational risk. Your Company has a comprehensive Risk Management Policy in place and has laid down a well-defined risk management framework to identify, assess and monitor various elements of risk involved in the business and strengthen controls to mitigate risks. As mandated under the RBI HFC Master Directions 2021, the Company has a Risk Management Committee which is responsible for putting in place a progressive risk management system, risk management policy and strategy to be followed by the Company. The Risk Management Committee periodically reviews the robustness of the Risk Management Policy.

At present the Company has not identified any element of risk which may threaten the existence of the Company.

44. Code and Policies and Compliances

Your Company has formulated various Policies and Codes in compliance with provisions of Directions and Guidelines issued by the Reserve Bank of India (RBI) to ensure high ethical standards in the overall functioning of the organization. The said Policies and Codes are periodically reviewed by the Board of Directors. The key Policies and Codes as approved by the Board of Directors and the respective compliance thereunder are detailed herein below:

Know Your Customer and Anti Money Laundering Measures

Your Company has a Board approved policy on Know Your Customer (KYC) & Anti Money Laundering Measures (AML) in place and adheres to the said Policy. The said Policy is in line with the Master Direction – Know Your Customer (KYC) Direction, 2016 issued by RBI and as amended from time to time.

Your Company has adhered to the compliance requirements in terms of the said policy including the monitoring and reporting of cash and suspicious transactions. The Company furnishes to Financial Intelligence Unit, India (FIU), in the electronic mode, information of all cash transactions of the value of more than Rupees ten Lakh or its equivalent in foreign currency and suspicious transactions whether or not made in cash identified in terms of the said Policy, as and when applicable and need to report. During the year under review, KYC & AML Policy was amended from time to time to align the same with the amendments in Master Direction – Know Your Customer (KYC) Direction, 2016 and other applicable laws, as amended from time to time.

Fair Practice Code (FPC)

Your Company has in place a Fair Practice Code (FPC), which includes practices to be followed by staff while dealing with the customers approaching for obtaining a loan and for transactions with customers after the loan has been granted/disbursed. The FPC captures the spirit of the guidelines provided in the RBI HFC Master Directions 2021. During the year under review, your Company has placed compliance report on FPC before Board.

Fit and Proper Criteria for the Directors

Your Company has a Policy on Fit and Proper Criteria for the Directors, in accordance with the RBI HFC Master Directions 2021 which inter-alia, lays down the fit and proper criteria of the Directors at the time of their appointment/ reappointment and on a continuing basis. During the year under review your company has reviewed this policy.

Internal Guidelines on Corporate Governance

Your Company has the Internal Guidelines on Corporate Governance in accordance with the RBI HFC Master Directions 2021, which inter-alia, defines the responsibilities of the Company towards its various stakeholders and lays down the Corporate Governance practices of the Company. During the year under review your company has updated this policy.

Related Party Transaction Policy

Your Company has in place Related Party Transaction Policy which describes the related party transactions requiring requisite approvals and requirements of appropriate reporting and disclosure of transactions between the Company and its related parties. The said policy also defines the materiality of related party transactions and lays down the procedures of dealing with such transactions. During the year under review your company has reviewed this policy.

Pursuant to the RBI HFC Master Directions 2021, the Related Party Transaction Policy of the Company forms part of this Board's report under the Corporate Governance Section is attached as **Annexure – III**.

45. Remuneration Policy

The "Recruitment, Compensation and Nomination Committee" has put in place a policy, namely, Remuneration Policy, to identify persons who are qualified to become directors, key managerial personnel & senior management personnel and recommend to the Board their appointment/ re-appointment and removal and to formulate criteria for determining qualifications, positive attributes and independence of a director. The Policy also lays down remuneration criteria for the Directors. The extract of the policy is placed in the Corporate Governance Report annexed to this Report. Full contents of Policy are available on Company's website <https://shubham.co/remunerationpolicy>

46. Customer Complaints

In accordance with the RBI HFC Master Directions 2021, the details of the customer complaints received from NHB's GRIDS Portal are stated hereunder:

Sr. No	Particulars	FY 2024-25	FY 2023-24
1	No. of complaints pending at the beginning of the year.	1	0
2	No. of Complaints received during the year.	39	43
3	No. of Complaints resolved during the year	39	42
4	No. of complaints pending at the end of the year.	1	1

47. Annual Return

Pursuant to Section 92(3) and 134(3) of the Companies Act, 2013, the Annual Return of the Company for the financial year ended 31 March 2025 is placed on website of the Company at the weblink: <https://www.shubham.co/cg/annual-reports-and-returns>

48. Corporate Governance

A detailed Corporate Governance Report has been attached to this Report as **Annexure – II**.

49. General

- Company has established connectivity with both the depositories, i.e., National Securities Depository Limited (NSDL) and Central Depository Services (India)

Limited (CDSL). In view of the numerous advantages offered by the Depository system, Members are requested to avail the facility of dematerialization of shares with either of the Depositories as aforesaid. The Company does not have any Subsidiary, Joint Venture or Associate Companies as on 31 March 2025.

- The Government of India has set up the Central Registry of Securitization Asset Reconstruction and Security Interest of India (CERSAI) under Section 21 of the SARFAESI Act, 2002 to have a central database of all mortgages created by lending institutions. The object of this registry is to compile and maintain data relating to all transactions secured by mortgages. Accordingly, your Company is registered with CERSAI and has been submitting data in respect of its loans.



- c) Company has taken “Green Initiative” and accordingly has been sending Annual Report/Notice of General Meeting in electronic mode to those Shareholders whose email ids are registered with the Company and /or the Depository.
- d) As mandated in RBI Circular, the Company has obtained Legal Entity Identifier Registration Number which is valid till 12 September 2028 and shall be renewed accordingly.
- e) Company satisfies the criteria of being a “Financial Institution” under SARFAESI Act notified by RBI.

50. Appreciation

The Board takes this opportunity to place on record its appreciation to all employees for their hard work, spirited efforts, dedication and loyalty the Company . The employees have worked based on principles of honesty, integrity and fair play and this has helped the Company in maintaining its growth.

The Board also wishes to place on record its appreciation to shareholders, customers, referral associates, NHB, RBI, rating agencies, auditors, financial institutions and banks for their continued support.

**For and on behalf of the Board of
Shubham Housing Development Finance Company Limited**

**Sd/-
Sanjay Chaturvedi**

Managing Director
DIN: 01636432
D-305, Ground Floor,
Sarvodaya Enclave,
Delhi-110017

**Sd/-
Rupa Basu**

Joint-Managing Director
DIN: 08068918
S-10A, Windsor Court,
DLF, Phase IV,
Gurugram -122009

Date: 8 May 2025
Place: Gurugram

Management Discussion and Analysis Report (Annexure-I)

Global Economy

The International Monetary Fund (IMF) projects that global economic growth will remain steady at 3.3% in both 2025 and 2026, slightly higher than the estimated 3.2% in 2024. Several factors continue to weigh on global economic momentum, including geopolitical tensions, tightening financial conditions, and ongoing shifts in trade dynamics. These uncertainties are affecting investment decisions and economic sentiment across both advanced and emerging economies, contributing to a more cautious global outlook.

Inflation and Monetary Policy Outlook

Headline inflation across the globe is projected to decline to 4.2% in 2025 and further to 3.5% in 2026. Advanced economies are expected to be more successful in bringing inflation under control compared to emerging markets. Central banks are expected to proceed cautiously with interest rate cuts, as they continue to monitor labour market trends, economic activity, and exchange rate movements. Wage growth is showing signs of moderation as labour markets stabilise.

Advanced Economies: Diverging Trends

Growth in advanced economies is expected to pick up modestly, rising from 1.7% in 2024 to 1.9% in 2025 and before easing slightly to 1.8% in 2026. The United States is forecast to grow

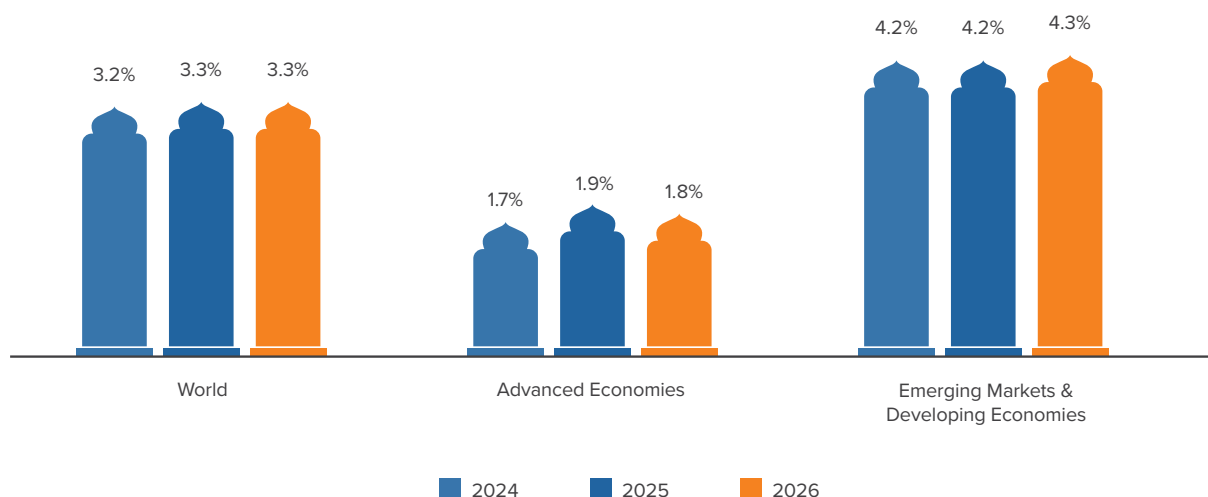
at 2.7%, driven by robust domestic demand, steady income levels, accommodative financial conditions, and a more relaxed monetary stance. In contrast, the Euro area is expected to lag behind, with growth projected at just 1%. The region continues to be impacted by geopolitical instability, weaker net exports, and rising trade frictions, all of which constrain economic momentum and limit opportunities for expansion.

Emerging Markets and Developing Economies

Emerging markets and developing economies, now contributing nearly 45% to global GDP, are projected to maintain a growth rate of around 4.2% in 2025 and 4.3% in 2026. However, growth across this group will be uneven.

China's economic growth is anticipated to slow from 4.8% in 2024 to 4.6% in 2025, primarily due to soft consumer sentiment, persistent challenges in the real estate sector, and disruptions in export-oriented industries. Other major developing countries, such as Brazil, Mexico, and South Africa, are also expected to see slower growth as a result of weakening trade volumes, reduced investment flows, and declining commodity prices. These trends reflect broader vulnerabilities and underline the need for diversified and resilient growth strategies in these economies.

Sources: Associated Press (AP), Ernst & Young (EY), Times of India (based on UN report), World Economic Forum (WEF), International Monetary Fund (IMF)



Source: International Monetary Fund (IMF)

Global Affordable Housing Market

The global affordable housing market, valued at \$ 57.14 Billion in 2024, is projected to reach \$ 60.42 Billion in 2025 with a CAGR of 5.7%, driven by factors such as government subsidies, low interest rates, rapid urbanisation, and population growth. The market is expected to expand to \$ 75.95 Billion by 2029 at a CAGR of 5.9%, led by North America. However, despite this growth,

nearly 80% of the world's cities are unable to provide affordable housing for most of their residents, making it critical to accelerate innovative, sustainable, and inclusive housing solutions to bridge this vast gap. Without urgent and coordinated efforts, the housing shortage will continue to pose significant social and economic challenges globally.

Sources: Private Equity Real Estate News (PERE News), Research and Markets, World Green Building Council (WorldGBC)



Global Economic Outlook

The global economic outlook for the coming years will be shaped by shifting geopolitical forces, regional resilience, and growing fragmentation in trade and investment flows. Developments in the United States are expected to significantly influence global trends, as intensifying geopolitical rivalries and divergent domestic policies contribute to a more fragmented trade landscape, leading to higher costs for businesses and consumers alike. The U.S. economy is projected to maintain strong growth, while South Asia, particularly India, will continue to emerge as the world's fastest-growing region.

Inflation is expected to ease gradually, especially in advanced economies, which are likely to return to target levels more quickly than emerging markets. However, risks to disinflation persist, driven by rising protectionism, global tensions, shifting supply chains, and demographic shifts. Amid these global dynamics, the chronic shortage of affordable housing remains a critical social challenge. Meeting the estimated demand of 2 billion homes over the next 75 years, equating to 96,000 affordable homes needed each day, requires urgent, climate-conscious, and inclusive solutions.

Source: World Economic Forum (WEF), World Green Building Council (WorldGBC)

Indian Economy

India's prominence in the global economy continues to rise, with the IMF projecting it to remain the world's fastest-growing major economy, supported by an estimated GDP growth of 6.5% for both FY25 and FY26. The National Statistics Office (NSO) aligns with this outlook, forecasting a 6.5% real GDP growth for FY25. This strong momentum is driven by solid macroeconomic fundamentals, resilient private consumption, particularly in rural areas, broad-based sectoral growth, and vigorous industrial and construction activities propelled by government-led capital expenditure.

Inflation Trends and Fiscal Stimulus

Consumer Price Index (CPI) inflation eased to a seven-month low of 3.6% in February 2025, helped by a significant decline in food and beverage prices. Retail inflation dropped further to 3.34% in March, with food inflation falling from 3.75% to 2.69%. While urban inflation saw a slight increase, rural inflation decreased more sharply, reflecting varied price dynamics.

Core inflation inched up modestly to 4.12%, indicating persistent underlying price pressures. To boost demand, the Government of India (GOI) increased the income tax exemption limit to INR 1.2 Million and introduced tax cuts across brackets to raise consumer spending power. This move aims to increase disposable income for the expanding middle class and encourage adoption of the new, more flexible tax regime, thereby stimulating consumer confidence and expenditure.

Rapid Growth in Digital Payments

India's digital payment ecosystem has expanded rapidly, supported by government initiatives such as Aadhaar, UPI, DigiLocker, and ONDC. In 2024, India accounted for 49% of global real-time payment transactions, with transaction volumes skyrocketing

from ₹ 220 Crore in FY14 to ₹ 18,737 Crore in FY24. In the first nine months of FY25 (up to December 2024), digital transactions surged to ₹ 16,544 Crore highlighting India's accelerating shift toward a digitally empowered, cashless economy.

Infrastructure and Housing Growth

The Budget for 2025-26, supporting the vision of Viksit Bharat @ 2047, allocates ₹ 11.21 Lakh Crore to the infrastructure sector and introduces measures to encourage greater private sector participation, reflecting the government's commitment to a resilient and progressive India. Under the Smart Cities Mission, 8,076 projects worth ₹ 1,64,706 Crore have been launched. Close to 7,401 projects, valued at ₹ 1,54,351 Crore have already been completed, according to data from 100 Smart Cities. Housing development rose sharply from 8.04 Lakh houses built during 2004–2014 to 88.32 Lakh between 2015 and 2024—an elevenfold increase.

Sources: Press Information Bureau (PIB), Ministry of Finance, Department of Financial Services

Indian Economic Outlook

India's economic outlook for FY25 appears optimistic, supported by strong domestic fundamentals, easing inflation, and proactive policy measures. Ongoing global challenges such as geopolitical tensions, supply chain disruptions, and tightening monetary policies in advanced economies may impact trade and capital flows, but India's resilience remains evident. Inflationary pressures, while persistent, are largely under control, with nominal GDP growth at 9.9% in Q3 FY25. The labour market and wage growth, however, need continued monitoring to ensure inclusive growth.

Amid this environment, the union budget's tax stimulus is expected to significantly bolster consumer confidence and spending by enhancing disposable income, especially among the middle-income class. The increase in income tax exemption limits and reduction in tax rates can revive consumption, particularly in sectors such as retail and housing.

Indian Housing Sector

The Indian affordable housing market was valued at \$ 3.17 billion in 2024 and is expected to reach \$ 9.46 billion by 2030 with a CAGR of 19.80% during the forecast period. Several government initiatives most notably the Pradhan Mantri Awas Yojana (PMAY) has been instrumental in stimulating the affordable housing segment in India.

Launched in 2015, PMAY stands out as a flagship programme offering substantial subsidies and incentives to both developers and homebuyers, particularly in the economically weaker sections (EWS), low-income groups (LIG), and middle-income groups (MIG). These subsidies include interest rate subsidies on home loans, financial assistance for construction projects, and tax benefits for developers undertaking affordable housing projects.

In addition, with the introduction of reforms in the real estate market like the Real Estate (Regulation and Development) Act, 2016 (RERA) have brought transparency and accountability to the sector. As per the RERA developers should register their projects and adhere to strict guidelines regarding project timelines and

quality standards. These proactive reforms have increased consumer confidence and further accelerated the demand for affordable housing units. Furthermore, tax incentives and subsidies offered by the government like reducing Goods and Services Tax (GST) rates for affordable housing projects made it more financially viable for developers to undertake such projects.

Source: TechSci Research

Key Initiatives for the Affordable Housing Sector in Budget FY25

- Construction of 3 crore additional houses under the Pradhan Mantri Awas Yojana (PMAY), covering both rural and urban areas. The PMAY Urban 2.0 will specifically cater to the housing needs of one crore urban poor and middle-class families, supported by a planned investment of ₹10 Lakh crore. The Centre will provide financial assistance of ₹ 2.2 Lakh Crore over the next five years.
- The initiative will also extend interest subsidies to enable access to home loans at more affordable rates.
- A new SWAMIH 2 fund with an allocation of ₹ 15,000 Crore was announced to expedite the construction of 1 Lakh stalled housing projects, ensuring timely delivery of houses and boosting buyer confidence.
- A new SWAMIH fund with an allocation of ₹ 15,000 Crore was announced to address stalled housing projects, ensuring timely delivery and boosting buyer confidence.
- The budget introduced reductions in personal income tax rates, increasing disposable income for individuals. This move will enhance home loan eligibility and affordability for potential homebuyers.
- The government has increased the availability of affordable home loans through government-backed lenders, provided interest subsidies on loans for homes priced under ₹ 40 Lakh,

and simplified eligibility criteria to ensure broader access to housing finance.

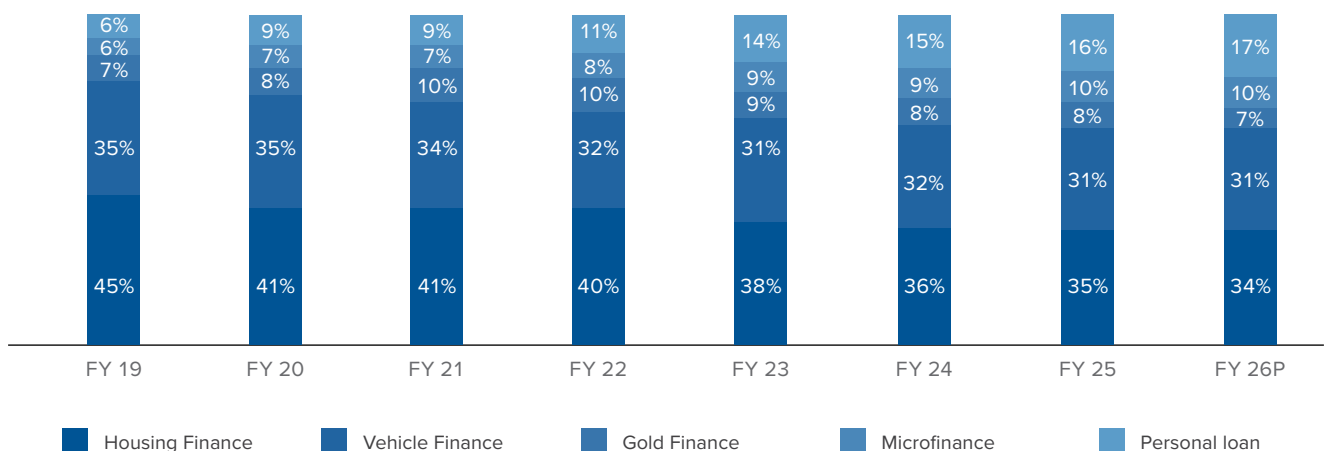
- States like Maharashtra have launched ambitious housing policies to construct 35 Lakh homes for the Economically Weaker Sections (EWS) and Low-Income Groups (LIG) by 2030, demonstrating a collaborative approach between central and state governments to address housing shortages.

Sources: Press Information Bureau (PIB)

NBFCs and HFCs: Supporting India's Housing Needs

The affordable housing finance market in India is a diverse and evolving space, comprising public and private banks, regional rural banks, NBFCs, and specialised Housing Finance Companies (HFCs), each catering to distinct borrower segments. Since the regulatory oversight of HFCs shifted from the National Housing Bank (NHB) to the Reserve Bank of India (RBI) in August 2019, a series of reforms have been implemented to align HFCs with the NBFC framework. The latest RBI regulations, effective 1 January 2025, focus on the acceptance of public deposits, minimum liquid asset maintenance, and other prudential norms to enhance financial stability.

Over the years, NBFCs have played a critical role in credit delivery, especially in housing finance, which now accounts for nearly 46% of their retail portfolios. Despite setbacks such as the IL&FS crisis in 2018 and the COVID-19 pandemic, NBFCs have demonstrated resilience, expanding their assets under management (AUM) from under ₹ 2 Trillion in 2000 to ₹ 41 Trillion by FY2024. With CRISIL projecting NBFC credit growth at 16–18% in FY2025, larger and well-capitalised players are expected to lead the way, reinforcing the role of NBFCs in advancing financial inclusion and meeting the rising credit needs of underserved segments across India.



Source: Company reports, CRISIL MI&A, Reserve Bank of India (RBI)

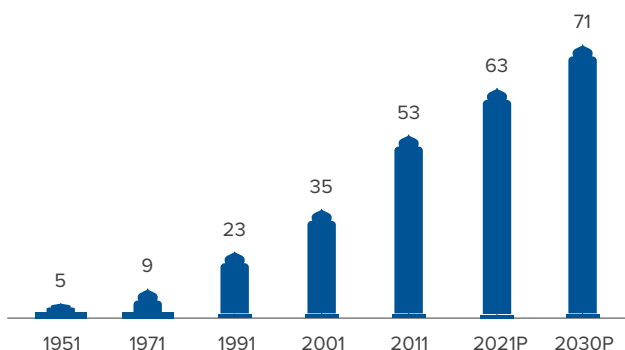


Growth Catalysts

Urbanisation and Demographic Trends

India is in one of the fastest phases of urbanisation globally. Between 2013 and 2023, the country's urban population grew by 14%, compared to the global average of 8.4%. Currently, 36% of India's population resides in urban areas, a figure expected to reach 40% by 2030 and nearly 50% by 2050. Each year, approximately 30 million people migrate from rural to urban areas in search of better economic opportunities and living conditions. This rapid urban growth is closely tied to India's economic ambitions, as urban areas already contribute about 60% of the country's GDP while housing just over a third of its population. As cities continue to expand, the demand for affordable housing is accelerating, especially, in urban centres where land is limited and real estate prices are high.

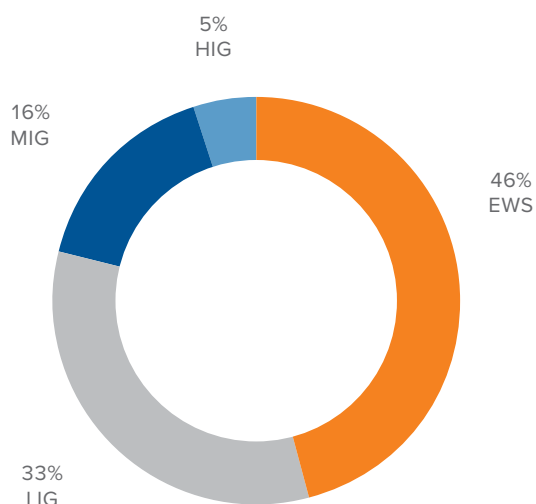
Cities in india with 1mn plus population



Source: Census india, UN.org

Demographic changes are also reshaping housing preferences. A growing population of young professionals have heightened the need for compact, affordable homes in well-connected urban locations. In response, developers are focusing on affordable housing projects in city peripheries and emerging towns. These projects are increasingly equipped with modern amenities and infrastructure to meet the evolving expectations of urban migrants and first-time homebuyers.

Housing demand in india by 2030



Sources: Knight Frank (Research Report), TechSci Research

The traditional Indian joint family system is gradually being replaced by nuclear families, typically comprising a couple and their children. This ongoing shift towards nuclearisation is anticipated to drive greater demand for affordable housing, as families seek compact yet functional living spaces.

Source: India's Consumer Durables Sector

Driving Affordability Through Finance and Innovation

Traditionally, low- and middle-income households struggled to obtain home loans due to high interest rates and rigid eligibility norms imposed by conventional lenders, however, government policy initiatives like the Credit Linked Subsidy Scheme (CLSS) under PMAY have further contributed to the growth of the sector. Additionally, affordable housing funds set up by banks and housing finance companies (HFCs) have enhanced the availability of long-term, low-cost financing for developers, enabling them to build and sell homes at more competitive prices.

Innovative approaches, such as joint ventures between developers and government bodies or public-private partnerships (PPPs), have also contributed to the growth of the affordable housing segment. These collaborations combining the strengths of both sectors addresses housing shortages and promote sustainable development. The continued innovation and collaboration across stakeholders will further enhance access and affordability for millions of aspiring homeowners.

Women Driving Change in Homeownership

Women in India are increasingly gaining financial independence and playing a more active role in real estate investments. According to the H2 2024 Consumer Sentiment Survey by ANAROCK Property Consultants, approximately 30% of women buy homes for investment, while 69% are end-users. This growing shift, driven by higher disposable incomes, is motivating women to invest in the housing market over other forms of investment. In response to this trend, both the Government of India and financial institutions have introduced targeted policies and schemes to support women in securing housing loans. These initiatives aim to make homeownership more accessible, affordable, and rewarding for women.

One of the key advantages offered to women homebuyers is lower interest rates on home loans, which can lead to significant savings over time. Additionally, many lenders offer higher loan eligibility to women applicants, recognising their strong repayment track record and lower default risk. These benefits not only empower women financially but also contribute to their long-term economic security and asset ownership.

Source: Hindustan Times

Strategic Outlook

For the Union Budget for FY26, the Government of India has allocated ₹ 11.21 Lakh Crore for capital expenditure for the upcoming fiscal, marking a 10.08% increase over the revised estimate of ₹ 10.18 Lakh Crore for FY25. This allocation represents approximately 3.1% of the projected GDP and highlights the government's commitment to infrastructure-led growth amid global economic uncertainties and domestic demand

challenges. For affordable housing finance companies, this presents an opportunity to align with national growth priorities, particularly in urban, semi-urban, and infrastructure-linked housing development.

A key focus area going forward will be the expansion into rural and underserved markets, where formal credit penetration remains low. Lenders are expected to leverage digital platforms, AI-driven underwriting, and simplified assessment methods to reach these segments. Product innovations, such as micro-mortgages, rent-to-own models, and tailored offerings for small-ticket (<₹ 15 Lakh) and first-time homebuyers, will be essential to capturing resilient demand pockets. Meanwhile, risk management practices remain robust, with credit cost guidance stable in the 15–30 bps range, supported by data analytics and early warning systems.

Policy support through initiatives like PMAY 2.0, the SWAMIH Fund for stressed projects, and enhanced income tax relief (up to ₹12 Lakh annual income) will further stimulate housing demand. Growth is expected to be led by self-constructed homes in rural and peri-urban areas and by low- to middle-income households, a segment that remains the core customer base for affordable housing lenders. The convergence of policy push, demand-side resilience, and technology-driven efficiency will shape a strong and sustainable growth trajectory for the sector in FY2025–26 and beyond.

Sources: PRS India, MoneyMuscle, CARE Ratings

Key Challenges for the Sector

Land Acquisition and Regulatory Hurdles

One of the key challenges impeding the growth of India's affordable housing market is the complex and protracted process of land acquisition, compounded by regulatory hurdles. In urban areas where demand is highest, developers often face legal ambiguities, land ownership disputes, high land costs, and restrictive zoning laws that significantly delay projects and inflate costs. The fragmented approval process, involving multiple agencies and extensive documentation, further discourages investment in affordable housing.

Addressing these issues requires comprehensive land reforms, including the digitisation of land records, transparent acquisition policies, and streamlined single-window clearances. Collaborative efforts between the government, private sector, and local stakeholders are crucial to resolving land-related challenges and creating a regulatory environment that supports timely and cost-effective affordable housing development.

Funding Constraints and Financial Viability

Limited access to funding and financial viability concerns continue to challenge the growth of India's affordable housing market. While schemes like the Credit Linked Subsidy Scheme (CLSS) under PMAY have made strides, both developers and homebuyers still face barriers in securing finance. Traditional lenders often view affordable housing as high-risk due to thin margins, elevated operational costs, and borrower credit uncertainties, leading to limited access to low-cost capital for developers. Rising construction costs, fluctuating interest rates, and insufficient infrastructure in outlying areas further strain project economics.

To address these challenges, collaboration among stakeholders, financial institutions, the government, and private developers, is essential. Efforts should focus on introducing innovative financing tools, enhancing transparency, offering targeted tax incentives, and strengthening subsidy frameworks. Together, these measures can help attract greater investment, promote financial inclusivity, and make affordable housing a more viable and sustainable segment.

Bridging the Infrastructure Gap in Affordable Housing

Inadequate infrastructure and weak connectivity in peripheral urban areas pose major challenges to the viability and appeal of affordable housing projects. Poor access to roads, public transport, water supply, and sanitation not only affects the quality of life but also increases development costs, often forcing developers to compromise on affordability or construction quality. Additionally, limited proximity to jobs, schools, and healthcare discourages potential buyers. To address this, integrated urban planning, targeted infrastructure investments, and public-private partnerships are essential to make affordable housing projects liveable, connected, and sustainable.

Source: TechSci Research

Company Overview

Shubham Housing Development Finance Company Ltd. operates in the affordable housing finance segment. Our mission is to serve and fulfil the homeownership aspirations of low-income and informal income households who are traditionally excluded from formal credit systems. Founded in 2011 and headquartered in Gurugram, India, we have built a strong distribution network across 12 states through over 179 branches spread across 149 cities, employing 3,843 people. We have served over 1,10,000 households and disbursed more than ₹ 11,800 Crore.

We support the underserved segments by offering customised credit programme tailored to each borrower's unique financial situation. Our wide range of product offerings covers various housing finance solutions, including loans for the purchase of new or resale properties, plot purchases, self-construction on already owned plots, and loans against property for purposes such as business expansion, education, marriage, or other personal needs. The Company also facilitates balance transfers from other institutions.

94% of the Assets Under Management (AUM) is retail-focused, and remaining 6% is the Non Retail component. Around 66% out of this retail portfolio is dedicated to home purchase loans. A large portion of Shubham's customers are first-time borrowers, with nearly 27% being "new to credit." This makes the Company one of the few in the housing finance space to truly penetrate deep into the informal economy.

Our operations are supported by a strong technological foundation. We have moved away from a rigid, document-heavy approach to an innovative, tech-enabled credit assessment model. This shift enables our organization to evaluate income through alternate means, thereby extending credit to underserved customers who may not qualify under traditional underwriting models. The Company has also invested in advanced portfolio monitoring



tools and data analytics to ensure better risk management and customer service.

Through a sustainable, scalable, and profitable approach to growth, we have consistently delivered on our mission of financial inclusion, helping countless families to achieve home ownership while upholding strong asset quality and responsible lending practices.

Key Business and Investment Highlights for FY25

Geographic Expansion

We continued to strengthen our pan-India presence with a strong focus on expanding in the other financial underserved regions of the country. This targeted expansion aligns with our objective of deepening market penetration and addressing the growing demand for affordable housing finance. By offering a mix of tailored products to meet the unmet housing needs across diverse geographies, we are well-positioned to serve the evolving needs of emerging consumer segments while driving sustainable growth.

Sustained AUM Growth

We have recorded meaningful growth in our AUM which has increased from ₹ 4,594 Crore in March 2024 to ₹ 6,034 Crore in March 2025, marking a year-on-year increase of 31%. This strong performance reflects the success of our focused strategies and our unwavering commitment to meeting the housing finance needs of diverse and underserved customer segments.

Portfolio Performance Anchored in Customer Needs

Our loan portfolio is diversified across three key segments – housing loans, loan against property (LAP), and the non-retail segment. Housing loans remain our flagship product, comprising 62% of the overall portfolio and demonstrating robust growth—from ₹ 3,046 Crore to ₹ 3,767 Crore. LAP accounts for 32% of the portfolio and has also shown strong momentum, increase from ₹ 1,339 Crore to ₹ 1,908 Crore during the same period.

We continue to adopt a prudent lending approach, maintaining an average loan-to-value (LTV) ratio of 54% in FY25, which reinforces our strong risk management practices. The ratio of Salaried to self-employed is 51:49. Our loan-to-value was at 64% for home loan and up to 39% for loan against property.

Technology and Process Enhancements

We have continued to focus on strengthening our digital infrastructure to support scale and efficiency. A major milestone was the successful upgrade from Finnone Neo 2.5 to Finnone Neo 6.5 which was undertaken to improve our Loan Management System (LMS) capabilities. This transition has enhanced system performance, streamlined workflows, and improved service delivery. Furthermore, we are leveraging advanced portfolio monitoring tools and data analytics to sharpen credit assessment, boost customer service, and drive operational excellence.

In addition to the core system enhancements, several ancillary applications were introduced to further streamline operations and

improve process efficiencies. A personal discussion application was developed to facilitate seamless credit-related conversations with customers, ensuring better engagement and faster decision-making. Furthermore, a Legal and Technical software platform was implemented to digitize the collateral underwriting process, enhancing accuracy and reducing turnaround times. To support end-to-end digital workflows, a digital loan agreement signing capability was also introduced, enabling customers to securely sign agreements online, thereby eliminating the need for physical documentation and expediting the disbursement process.

Customer-Centricity at the Core

We design our products, services, and processes with a deep understanding of the evolving needs of our customers, especially those from financially underserved segments. Our branch-led model ensures personalised service delivery, while data-backed insights enable us to tailor offerings that resonate with diverse customer profiles. We also invest in educating and engaging our customers through outreach initiatives like 'Sampark', ensuring they are well-informed and confident in their financial decisions.

This customer-first approach is further reinforced by a well-balanced AUM allowing us to cater to a wide demographic with an average age of 38 years. Our thoughtfully designed financial solutions have reached over 1,10,000 households across the country, empowering families with access to affordable housing finance and helping them realise their dream of homeownership. By integrating technology, transparency, and empathy into every customer interaction, we continue to build trust, enhance satisfaction, and nurture long-term relationships.

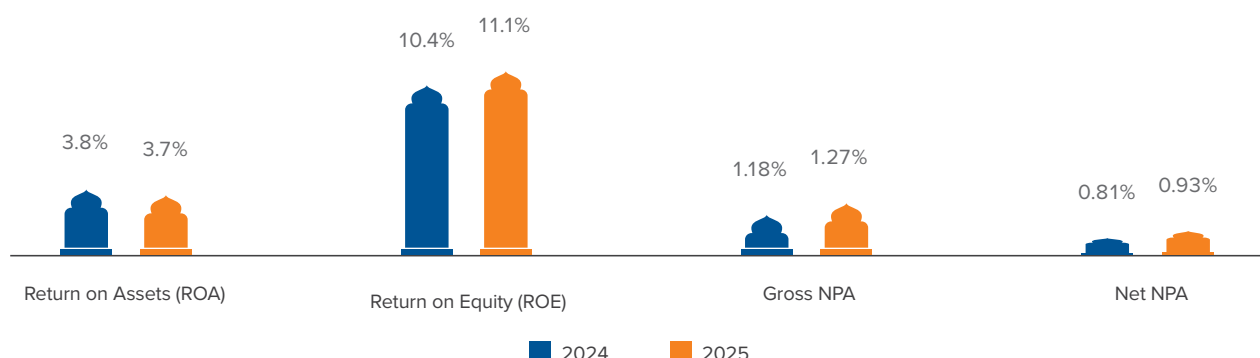
Accelerating Credit Decisions with Digitally-Enabled Underwriting

Our underwriting approach combining regional expertise with centralised controls has significantly enhanced turnaround times while maintaining strong risk governance. By integrating standardised templates and digital tools like Signzy and Perfios, Bureau analysis underwriters can make informed decisions faster, supported by training and certification programme that keep them aligned with evolving credit policies. The use of a mobile app for internal technical valuation and a dedicated web portal for external legal and technical partners has further streamlined case assignments and enabled real-time field data collection. These advancements have not only reduced manual workload but also accelerated the credit assessment process, leading to quicker approvals and an improved customer experience.

Prudent Behavioural ALM Driving Liquidity and Stability

We maintain a disciplined and proactive approach to behavioural Asset-Liability Management (ALM), ensuring a strong liquidity position and financial resilience. Careful alignment of assets and liabilities supports stable cash flows and operational agility. Our robust liability franchise is underpinned by trusted relationships with a diverse set of lenders, including the National Housing Bank, public sector banks, private sector banks, and NBFCs, enabling us to efficiently manage funding risks and sustain steady growth.

Financial Performance



Operational Highlights

Our Assets Under Management grew by 31% to ₹ 6,034 Crore as on 31 March 2025 Compared to 4,594 Crore of Previous year with net disbursement of ₹ 2,385 Crore driven by continued and sustained demand for affordable housing solutions.

The increase in Profit After Tax (PAT) from ₹ 136 Crore in FY24 to ₹ 175 Crore in FY25, reflecting a 29% year-on-year growth, underscores our enhanced operational efficiency, improved asset quality, and the successful execution of strategic initiatives.

During the Financial Year, the Company's Return on Equity (ROE) improved to 11.1% in FY 2025 as compared to 10.4% in FY 2024.

This improvement was primarily driven by higher Income, Controlled operating expenses, and stable asset quality.

Our Capital to Risk Assets Ratio (CRAR) was strong at 46.24% which is well above the NHB norms.

Asset Quality

Gross Non-Performing Assets (GNPA) stood at 1.18% in FY24 and increased marginally to 1.27% in FY25. This slight uptick is well within the acceptable industry benchmarks and reflects our continued focus on maintaining asset quality. The increase is a result of portfolio growth and cautious expansion into new geographies. Despite the slight increase, the GNPA levels indicate a healthy and well-managed loan book.

SWOT

Strengths	Opportunities
- Technology-driven operations - Inclusive and customised lending approach - Strong local presence with phygital model - Rigorous risk management and compliance - Customer-centric collections strategy	- Government initiatives driving affordable housing - Policy reforms enhancing transparency and investor confidence - Rising urbanisation fuelling housing demand - Digitisation initiatives to improve land management and reduce delays - NHB Financing supports long-term housing finance growth - Regional disparities highlight market opportunities - Focus on sustainability and smart technology in housing - Subsidy schemes boost housing demand - Innovative co-lending models expanding credit access - Infrastructure development funds enhance urban growth
Weakness	Threats
- Limited presence in major cities - High dependence on external borrowing - Higher credit risk from low-income borrowers - Low brand awareness outside core markets need for enhanced financial literacy among customers	- Intense market competition - Funding and liquidity risks - Growing cybersecurity threats - Interest rate volatility - Credit and asset quality risks - Environmental and climate risks - Economic and political instability



Technology

Technology is deeply integrated at every step and process of our home loan ecosystem right from customer acquisition and underwriting to disbursal, collections, and data security. We drive customer acquisition using a combination of in-house sales teams, digital lead generation platforms - and strategic partnerships, supported by a 'phygital' model that ensures financial inclusion even in Tier 2 and Tier 3 cities.

Our underwriting process is enhanced by real-time data captured on mobile apps, automated legal and technical evaluations, and tools like CAMS, Perfios etc for deeper financial insights, all governed by a consistent credit structure and continuous training. Disbursal decisions are fast-tracked using app-driven reports and automated processes. Our high-intensity, tech-enabled collections strategy uses behavioural analytics, mobile-enabled modules, eNACH auto-debit registration, and on-site payment apps to ensure efficient recovery and a customer-first experience. To protect our critical data assets, we have incorporated advanced cybersecurity applications ensuring protection at every digital

touchpoint. This application of technology not only accelerates turnaround time and enhances operational efficiency but also strengthens risk management and improves customer satisfaction.

Treasury

Treasury management plays a critical role in ensuring financial stability, liquidity, and strategic capital deployment. Our Treasury team works closely with banks, financial institutions, investors, and rating agencies to secure funding at competitive rates through a diversified mix of borrowings. We also ensure efficient cash flow planning to support the Company's growth while safeguarding Asset Liability Maturity (ALM) profiles.

The team leverages technology to monitor real-time cash positions, automate treasury operations, and enhance financial visibility. By adhering to a strong governance framework and risk management practices, we maintain healthy debt-equity ratios, timely servicing of liabilities, and a strong liquidity buffer to meet both short-term and long-term obligations. Our funding mix for FY25 remains well-diversified, comprising 60% bank term loans, 12% FI term loans, 5% NCDs, and 22% NHB refinance.

Risk Management

Risk Category	Impact	Mitigation
Fraud Risk	Submission of forged documents, employee collusion, or misappropriation of funds can lead to financial losses and reputational damage.	Strengthen internal controls; implement robust KYC and document verification; use tech-enabled monitoring; conduct regular audits and staff training.
Operational Risk	Slower loan processing and customer dissatisfaction.	Automate processes; invest in technology; continuous employee training and process optimization.
Regulatory Changes	Compliance costs rise; possible operational delays or fines.	Stay updated with regulations; invest in compliance teams and legal advisory; proactive policy adoption.
Cybersecurity Risk	Data breaches damage reputation; potential financial loss.	Implement robust cybersecurity measures; regular audits; employee training on data protection.
Collection Risk	Delays or defaults in loan repayments, especially in cash-based collections, can impact cash flow and asset quality.	Promote digital repayment channels; monitor field collections closely; geo-tag and track collection agents; incentivize timely payments; implement early warning systems for delinquency.
HR Risk	High attrition, lack of skilled workforce, or unethical employee behaviour can disrupt operations and affect service quality.	Invest in employee training and retention programmes; establish a strong code of conduct; conduct background verification; implement performance-linked incentives and grievance redressal mechanisms.
Business Risk	Adverse changes in the regulatory environment, economic slowdown, or increased competition can impact growth, profitability, and market share.	Diversify product offerings and customer segments; stay updated with regulatory changes; strengthen brand positioning; build strategic partnerships; maintain strong capital and liquidity buffers.

Human Resources

The Human Resources function at Shubham Housing Finance nurtures an inclusive, engaging, and growth-oriented work environment. We place a strong emphasis on the holistic well-being and professional development of our employees, particularly women. We conducted a wellness study with MantraCare in July 2024 and followed it up with a mental health session to address identified challenges. Engagement surveys and region-specific Focus Group Discussions have further enhanced our internal communication.

The Company launched the Shubham for HER platform to encourage dialogue and peer support among women and introduced the EmpowerFem referral programme, contributing to an increase in women's representation from 6.0% in FY23 to 6.7% in FY25. In alignment with the Honourable Prime Minister's vision to enhance women's participation in the workforce, we have expanded hiring and created leadership opportunities, moving from 5.6% female representation in FY22 to 6.7% in FY25.

To equip our employees with skills, knowledge and competencies to adapt to changing business environment, the internal training team has initiated nearly 200 learning and development programmes across hierarchies and across departments. These programmes were conducted through a blend of online Zoom sessions, classroom training led by internal and external experts, and e-learning via the in-house Learning Management System (LMS).

Majority of training content is developed internally to ensure it is tailored to specific departmental and hierarchical needs, delivered through various formats such as PPTs, PDFs, documents, and engaging in-house videos, including live and animated voice-over modules. LMS is accessible via desktop and mobile to all employees, which not only hosts this content but also enables tracking, analysis, and reporting of learner engagement. Training themes included New Hire Training (NHT), monthly women development sessions on topics like financial literacy and work-life balance, performance-driven branch training for sales teams, leadership development programmes, cross-functional collaboration initiatives, and mandatory compliance modules such as ESG, AML, POSH, and KYC. With an average feedback score of 4.7/5 and consistent appreciation from various departments, the Training Team continues to play a pivotal role in fostering a culture of continuous learning and excellence at Shubham. As of 31 March 2025, the Company had 3,843 permanent employees on its rolls.

Data Science based Analytics & Decision making

Data analytics helps the organization in driving informed decision-making across diverse functions. Through portfolio benchmarking, the Company compares its performance with that of peers and other institutions, evaluating business growth, delinquency trends, and geographic performance down to the pin-code level. This enables strategic insights into regional trends and competitive positioning. Market mapping for geographic expansion uses data from credit bureau to identify untapped regions for potential expansion.

On-us/Off-us analysis for existing borrowers helps in understanding if customers are prioritising repayment of other loans over their loan obligations with Shubham Housing Finance. Rejected and cancelled applicants' data enables the Company to assess how many of these individuals obtain credit from alternate sources within a specified timeframe and to evaluate their subsequent repayment behaviour on those loans.

Data analytics also supports targeted cross-sell and up-sell initiatives by identifying customers suitable for top-ups or debt consolidation which helps in generating new business from existing customers. Predictive scorecards assist the collections team in optimising their outreach efforts and reaching out early and more frequently to high-risk customers. Acquisition scorecards help assess applicant risk, enabling prudent underwriting decisions. In addition, analytics-driven monitoring of sales, credit, RCU, collections, and recovery functions aids in tracking performance, enhancing productivity, and refining capacity planning. Data analytics supports the organization by enabling operational decision-making, agility, efficiency, and resilience.

Corporate Social Responsibility

The Company's range of initiatives support underprivileged communities, women borrowers, and children in need. Through our flagship financial literacy programme, "Shubham ki Pathshala," we empower our women borrowers with essential knowledge on financial planning, budgeting, and digital banking. The "Shubh Shakti" scheme promotes financial inclusion by offering home loan support to women who are primary income earners and property owners.

Beyond financial empowerment, Shubham supports inclusive education and healthcare through collaborations with NGOs and foundations. These include sponsoring therapies for children with special needs through Asha Hai, funding life-saving heart surgeries for underprivileged children in partnership with Sri Sathya Sai Sanjeevani, and supporting visually impaired students with education and skill development through Saksham NGO and Tatsat Foundation. Additionally, the Company contributes to holistic care for families battling childhood cancer with St. Jude India ChildCare Centres, and partners with Saksham Bal Vikas Sanstha to enhance the quality of education and vocational training for underprivileged children in Gurugram.

Internal Control Systems and Its Adequacy

The Company has instigated a comprehensive and well-documented internal control system, designed to align with the scale and nature of its operations. This framework serves to protect the Company's assets, optimize operational efficiency, and mitigate risks such as revenue leakage or potential losses. Additionally, these controls uphold the integrity and reliability of financial reporting.

To ensure the effectiveness of these internal controls, the Company has well established robust internal audit & risk functions for periodically assessing the adequacy of control mechanisms and ensuring compliance with established policies, procedures, and statutory requirements. Key audit findings and corresponding corrective measures are presented to the Audit



Committee, which plays an active role in reviewing the internal control framework and driving improvements. The Committee also oversees the implementation of audit recommendations, particularly those aimed at strengthening risk management and enhancing internal control processes

Cautionary Statement

This Management Discussion and Analysis (MD&A) document contains forward-looking statements that reflect Shubham Housing Development Finance Company Limited's current views with respect to future events and financial performance. These statements are subject to certain risks and uncertainties that could cause results to differ materially from those projected. The words "anticipate," "believe," "estimate," "expect," "intend" and similar expressions, as they relate to Shubham Housing Finance, are intended to identify such forward-looking statements.

Factors that could cause or contribute to differences include, but are not limited to:

- Regulatory changes and their impacts on business operations and capital compliance.
- Changes in the economic environment, market demand, and pricing.
- Technological challenges, innovations, and adapting to new market conditions.
- The competitive landscape of the affordable housing finance sector and market disruptions.
- Changes in interest rates, inflation, and other financial-economic indicators.
- Risks associated with the expansion of branch networks and scaling of operations.
- Legal, regulatory, and tax changes.
- Fluctuations in exchange and interest rates could affect the company's financial results.

Corporate Governance Report (Annexure-II)

Philosophy

At Shubham Housing, Corporate Governance is all about maintaining a valuable relationship and trust with all our stakeholders, i.e., regulators, shareholders, creditors, government agencies, bankers, employees & lenders. The Company considers stakeholders as partners in its success and therefore remains committed towards maximizing stakeholders' value. The Company firmly believes that corporate governance is a set of principles, systems and practices through which the Board of Directors of the Company ensures integrity, transparency, fairness and accountability in the Company's relationship with all its stakeholders. The code of corporate governance is based on the principle of making all the necessary decisions and disclosures, accountability and responsibility towards various stakeholders, complying with all the applicable laws and a continuous commitment of conducting business in a transparent and ethical manner. These principles are ingrained in the Company's culture and the corporate governance practices of the Company revolve around these principles.

The Company has, over the years, built goodwill by nurturing long-term relationships with its stakeholders including bankers, regulators, government agencies, employees, investors, creditors, customers and shareholders. The Company strives to provide all its stakeholders an access to clear, adequate and factual information relating to the Company. The Company endorses timely and balanced disclosure of all material information concerning the Company to all its stakeholders and protection of its rights and interests. In addition, the Company has, inter-alia, adopted a Policy against Sexual Harassment in the Workplace, a Fit and Proper Policy for ascertaining the fit and proper criteria of the directors, an Anti-Bribery and Anti-Corruption Policy, Policy on Know your customer (KYC) Guidelines and Anti-Money Laundering measures, Code of Conduct for employees and Vigil Mechanism to enhance the levels of Corporate Governance in the Company. This promotes accountability of its management, and the Board of Directors of the Company acknowledges its responsibility towards all the stakeholders for creation and safeguarding their wealth.

The Company is also in compliance with the Corporate Governance Guidelines provided in the HFC Master Directions 2021 and other applicable statutory Guidelines issued by RBI from time to time.

At Shubham, it is imperative that the affairs of the company are conducted in a fair and transparent manner. Gaining and maintaining the trust of our stakeholders is contingent upon our integrity. Our culture, policies, and dealings with our stakeholders all demonstrate the values we uphold in our corporate governance. Our corporate governance practices and overall success hinge significantly on integrity and transparency, which also helps us consistently win and keep the confidence of our stakeholders.

In all of our business functions, Shubham is dedicated in identifying, upholding, and applying the foremost standard of corporate governance.

Our corporate governance framework reflects the principles we uphold in managing our operations and engaging with stakeholders. We are evolving as a pioneer in implementing and adhering to widely accepted corporate governance norms, demonstrating our commitment to transparency, accountability, and ethical business practices.

A step towards Environment, Social and Governance

Shubham believes that environmental and social considerations are the fundamental cornerstones of its business for aligning towards sustainable development goals. ESG is deep-rooted in the transactional appraisal process to access environmental and social risks at all relevant stages and accordingly state covenants to meet environmental and social compliance. We proactively engage with the stakeholders and have developed a broader, inclusive, and continuous process of engagement plan for superior transparency, integrity, and fairness. Shubham has worked relentlessly to strengthen our sustainability effort, environment, our employees, and stakeholders. We also devised gender inclusiveness program to provide healthy work environment, women empowerment, and thickening the scope of healthcare support to women employees. Shubham Housing, being one of the earlier entrants in the affordable housing space, has been at the forefront of bringing the underserved segment to the formal credit fold. At Shubham Housing, we realized that there is a huge population that has the ability to pay but cannot evidence that on paper. Through our innovative underwriting mechanisms, digital first processes, strong risk parameters and diversified distribution, we have been able to disburse loans to 1,11,673 customers amounting to over ₹ 11,861 crore to date till March 2025. We are committed to providing housing finance solutions to millions of Indians and ensuring that they build better lives through our products and services.

As a growing business we are cognizant of the importance of Environmental and Social elements in our business operations. This is gaining immense traction amongst businesses that care, incorporating practices that address the triple bottom line of people, planet, and profit.

By taking a loan from Shubham, our customers aspire to build a better life for themselves and their families. They do this through a) better living standards, b) access to quality education, c) access to better sanitation and d) better financial management. Through our business model, Shubham is directly or indirectly contributing to the following UN Sustainable Development Goals (SDGs) – 1) No Poverty, 2) Good Health and Well Being, 3) Quality Education, 4) Clean Water and Sanitation, 5) Decent Work and Economic Growth, 6) Sustainable Cities and Communities.

We have always been a financially inclusive organization. In FY 25, our portfolio to lower income segment groups¹ stood at 4,021 crore, while our annual disbursements to them was at 1,501 crore. This goes to show the growing appetite of lower income households in purchasing an asset class that was traditionally unavailable to them.

¹EWS and LIG customers



Women empowerment is one of the key priorities for sustainable and inclusive development. At Shubham, we pride ourselves in having 92% of women customers² in our Portfolio as of FY 25 and 94% of new loans disbursed in FY 25 were to women borrowers. We will continue to make efforts and promote women-based applications through our special programs and activities.

We have always invested in digital enabled tools that benefit our customers and our internal processes. In FY 25, a perfect example of digitization that also reduced our carbon footprint was the automation of our loan process like customer onboarding process using Shubh FTR application, Account aggregator, PD module, e-agreement and Technical module. The traditional paper-based process has been replaced by an automated and streamlined software solution. This digital transformation has not only enhanced our speed and accuracy but also has led to the saving of 17,53,000 sheets of paper.

We have minimized our energy use in our Corporate Office at Gurgaon by installing Solar rooftop Panels. Our monthly consumption has been reduced by ~7,810 units (KWH). This translates to a reduction in dependency on the power company by 30% to 35%. During the period of April '24 to March'25, we had also given excess units generated from solar back to the power company. We as an organization are powering our way towards a greener future.

We also conduct regular informational programs on specific days such as Earth Day, World Water Day, World Heart Day, World Health Day, Nutrition Week. We have ensured that we are compliant on Fire Safety and that our people are adequately trained.

Furthermore, for our employees' safety and security, we have provided Term life insurance cover which is 5 times their annual compensation. Group personal accidental policy also covers accidental cases & the company also contributes a portion of the health insurance premium for our employees.

In a growing organization, e- waste management needs to be addressed through an e-waste management policy. Through the implementation of this policy, we have safely handled and disposed of 440 kg of e-waste. This is done through a certified organization that specializes in e-waste disposal.

To ensure our operations are further integrated with our Environmental and Social goals, we have developed an Environment and Social Management System that we intend to implement in the coming financial year. This shows our commitment to ensuring that our loans and our customers are contributing positively towards the external environment.

While we have initiated our Environmental and Social journey, Shubham is committed towards bringing best practices on board that impact the lives of our stakeholders in the most sustainable way. We are building a responsible and inclusive business portfolio by financing customers who are building the next phase of their lives, ensuring the wellbeing of our employees, and contributing

to society through our CSR initiatives. Our focus will continue to be on building a business that brings value to all our stakeholders.

1. Board of Directors

a. Composition and size of the Board

The Company acknowledges and appreciates the contribution that a diverse Board makes to its success. A diversified board, in our opinion, reaps the advantage of differences in thought, standpoint, regional and commercial experience, cultural and territorial origins, ages, nationalities, race, gender, expertise, and competencies, including specialization in finance, international business, leadership, information technology, banking, board service and governance, advertising and promotion, Environmental, Social, and Governance (ESG), risk management, and cybersecurity, among other things.

b. Role of Board

The Board's primary mission is trusteeship, which entails preserving and maximizing shareholder value. The Board has an obligation to take care as trustees to make sure that the Company has defined objectives which are in line with shareholder's value and its development. The Board is also responsible for:

- Monitoring the effectiveness of the Company's governance practices and making changes as necessary.
- Employing adequate control in order to guarantee that the Company is managed effectively to achieve stakeholders' ambitions and societal expectations.
- Giving the Company strategic direction and maintaining efficient management oversight.
- Making independent business decisions.
- Positioning enough non-executive board members in charge of jobs where there is a chance of a conflict of interest so that they can make independent decisions.
- Examining and supervising the company's approach, significant action plans, risk policy, yearly budgets, and corporate goals; establishing performance goals; keeping an eye on execution and overall performance; and supervising significant capital investments, deals, and divestitures.

The Board meets at least once in a quarter to discuss agenda items and the quarterly results. Whenever required, additional meetings are convened. The Board members ought to diligently prepare for and actively participate in all meetings and any applicable committees. Each member is responsible for making sure that their other obligations do not materially conflict with their obligations towards the Company.

²Where women are either the main applicant or co-applicant

The Company maintains an appropriate mix of executive, non-executive and independent directors to maintain the independence of the Board and separate its functions of governance and management. As on 31 March 2025 the board comprises of 11 (Eleven) Directors, who bring in a wide range of skills and experience. The Board consists of 2 Executive Director and 9 Non-Executive Directors. Out of 9 Non-Executive Director, 4 are Independent Directors.

Except as disclosed in Notes to Accounts, none of the Directors have any pecuniary relationships. None of the Directors of the Company are related to each other. All Directors are appointed by the members of the Company.

Composition of the Board											
Sl. No.	Name of Director	Director since	Capacity (i.e. Executive/ Non-Executive/ Chairman/ Promoter nominee/ Independent)	DIN	Number of Board Meetings		No. of other Directorships	Remuneration (in ₹ Crore)			No. of shares held in and convertible instruments held in the NBFC
					Held	Attended		Salary and other compensation**	Sitting Fee	Commission	
1	Mr. Sanjay Chaturvedi	23-02-2010	Executive	01636432	9	9	0	3.01	-	-	2500000 ES*; 155875 OCDs**
2	Ms. Rupa Basu	13-11-2018	Executive	08068918	9	9	0	2.97	-	-	2500000 ES*; 171016 OCDs**
3	Mr. Vinod Rai	06-11-2015	Chairman, Non-Executive Independent	00041867	9	6	5	-	0.069	-	Nil
4	Mr. Rakesh Rewari	06-11-2015	Non-Executive Independent	00286853	9	6	3	-	0.090	-	Nil
5	Ms. Latika Thukral	07-02-2020	Non-Executive Independent	08680862	9	4	1	-	0.039	-	Nil
6	Mr. Manoj Dattatraya Rane	11-11-2020	Non-Executive Independent	02653448	9	4	0	-	0.054	-	Nil
7	Mr. Rahul Chandra	18-04-2012	Non-Executive	01213049	9	2	5	-	-	-	Nil
8	Mr. Manoj Jaiswal (resigned w.e.f. 23.12.2024)	14-09-2020	Non-Executive	07873564	9	0	0	-	-	-	Nil
9	Mr. Pranav Kumar	27-06-2022	Non-Executive	07896173	9	6	15	-	-	-	Nil
10	Mr. Gaurav Malhotra	27-06-2022	Non-Executive	07640504	9	7	2	-	-	-	Nil
11	Mr. Saravanan Nattanmai	31-03-2023	Non-Executive	06989767	9	7	2	-	-	-	Nil
12	Ms. Nithya Easwaran (appointed w.e.f. 10.12.2024)	10-12-2024	Non-Executive	03605392	9	1	9	-	-	-	Nil

*ES= Equity shares

**OCDs = Optionally convertible debentures; where one unit of debenture held is convertible into 10 (ten) equity shares of ₹ 1/- each

##This figure is after adjustments of perquisites and salary components as per Company's policy.

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

During the current FY'25, there was change in Composition of Board of Directors. The table below contains the details of the same:

Financial Year 2023-24				
Sl. No.	Name of Director	Capacity (i.e., Executive/ Non-Executive/ Chairman/ Promoter nominee/ Independent)	Nature of change (resignation, appointment)	Effective date
No Change				
Financial Year 2024-25				
Sr. No.	Name of Director	Capacity (i.e., Executive/ Non-Executive/ Chairman/ Promoter nominee/ Independent)	Nature of change (resignation, appointment/re-appointment)	Effective date of Appointment/ Resignation
1	Mr. Manoj Jaiswal	Non-Executive Director	Resignation	23.12.2024
2	Ms. Nithya Easwaran	Non-Executive Director	Appointment	10.12.2024
3.	Ms. Latika Thukral	Independent Director	Re-appointment	07.02.2025



c. Board meetings

During FY 2024-25, 9 (Nine) Board meetings were held and the gap between two consecutive Board meetings did not exceed 120 days. The required quorum was present at all the meetings. Due to business demand, certain decisions were taken by the Board and its Committees by way of resolutions passed through circulation, from time to time.

Meetings of Board during the financial year ended 31 March 2025 were held as follows:

Sr. No.	Date of Meeting	No. directors attended the meeting
1	16.05.2024	9
2	29.07.2024	10
3	04.09.2024	5
4	25.09.2024	4
5	29.10.2024	5
6	14.11.2024	9
7	10.12.2024	5
8	27.12.2024	4
9	07.02.2025	10

d. Separate Meeting of Independent Directors

As per the requirement of Schedule IV of the Companies Act, 2013, during the year under review, a separate meeting of the independent directors of the Company was held 25 March 2025 without the presence of non-independent directors and members of the management except Chief Compliance Officer, Company Secretary and Chief Financial Officer. All the 4 independent directors were present at the meeting, wherein they inter-alia, reviewed the performance of non-independent directors and the Board as a whole; reviewed the performance of the Chairman of the Company, considering the views of the executive directors and the non-executive directors; and assessed the quality, quantity and timeliness of flow of information between the company management and the Board.

on 6 February 2025, for another term of 5 (five) year commencing from 7 February 2025 to 6 February 2030. In the opinion of Board, Ms. Latika Thukral possess requisite expertise, integrity, experience and proficiency.

2. Committees of the Board

The Board has constituted various committees to facilitate focused attention on important issues. The Committees deliberate and decide on the issues falling within their terms of reference and make recommendations to the Board, wherever necessary. The frequency of the committee meetings is decided by the board in line with the statutory provisions. All the committees meet as per the frequency given under the statutory provisions and as and when required. The Board is presented with the committees' recommendations for approval. All the committees' recommendations for the year were accepted by the Board.

Details of Committees with respect to, inter-alia, their composition, number of meetings held during the year under review, attendance and terms of reference, have been set out below-

I. Audit Committee

The Audit Committee is constituted in accordance with the provisions of Section 177 of the Companies Act, 2013 and as per the provisions of the RBI HFC Master Directions 2021.

a. Terms of Reference

Besides including the matters specified for Audit Committee under Section 177 of the Act, terms of reference of this Committee includes the following:

- Oversight of the company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible.

e. Details of any relationship amongst the directors inter-se

The directors are duly appointed through assessment by the Remuneration, Compensation and Nomination Committee and further, recommended to the Board of Directors to approve their appointment, subject to the approval of the shareholders in general meeting. Except as disclosed under financial statements our directors do not have any relationship with each other.

f. A statement regarding the opinion of the Board with regard to integrity, expertise and experience (including the proficiency) of the independent directors appointed during the year

During the year under review, the Board of Directors in its meeting held on 27 December 2024, on the recommendation of Recruitment Compensation and Nomination Committee, approved re-appointment of Ms. Latika Thukral (DIN: 08680862), Independent Director, whose first tenure of 5 (five) years has ended

- Recommending to the Board, the appointment, re-appointment and, if required, the replacement or removal of the auditors and the fixation of audit fees.
- Approval of payment to statutory auditors for any other services rendered by the statutory auditors.
- Approval of the Changes made in the Accounting Policy.
- Approval or any subsequent modification of transactions of the Company with related parties.
- Reviewing, with the management, the annual financial statements before submission to the board for approval, with particular reference to:
 - Matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of the provisions of Section 134 of the Companies Act, 2013.
 - Major accounting entries involving estimates based on the exercise of judgment by management
 - Significant adjustments made in the financial statements arising out of audit findings.
 - Compliance with listing and other legal requirements relating to financial statements.
 - Disclosure of any related party transactions.
 - Audit report with specific reference to qualifications therein, if any.
- Reviewing, with the management, the quarterly /half yearly, as applicable, from time to time, financial statements before submission to the board for approval.
- Monitoring the end use of funds raised through public offers and related matters. In case the funds are raised through listed Non-Convertible Securities (NCS), then end use of funds shall be monitored by the audit committee, whether the NCS were issued on private placement basis or public issue and the statement indicating deviation in use of funds, if any, shall be placed before Audit Committee for quarterly review.
- Reviewing, with the management, performance of auditors, and their independence and adequacy of the internal control systems and effectiveness of audit process.
- 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.
- Discussion with internal auditors about any significant findings and follow up there on.
- 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.
- Initiate examination of accountability of very Senior executives (MD & CEO / Executive Director / Executives of equivalent rank), when they are found involved in fraud cases and place the examination report before the Board.
 - 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.
 - 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.
 - To review the functioning of the Whistle Blower mechanism/Vigil Mechanism, in case the same exists.
 - Carrying out any other function as is mentioned in the terms of reference of the Audit Committee.
 - To Review the
- Management discussion and analysis of financial condition and results of operations
- Statement of related party transactions (as defined under the provisions of Companies Act, 2013), submitted by management
- Management letters / letters of internal control weaknesses issued by the statutory auditors
- Audit reports either submitted by Internal Auditors, Statutory Auditors, Secretarial Auditors or IS Auditors
- IS Audit Policy and oversee IS Audit
- monitor implementation and progress of EWS framework and and oversee the effectiveness of EWS
- Incidents of frauds reported to regulatory authority and status of progress thereon with the senior management the various anti-fraud measures and controls implemented



- Transactions of Inter-corporate loans and investments, if any
- Valuation of undertakings or assets of the company, wherever it is necessary
 - To deal with the matters arising out of Compliance Policy formulated by the Company in pursuance of requirements of scale-based regulations issued by the RBI.
 - To perform such other functions as the Board may delegate and duties, acts, deeds and things required to be done in pursuance of the requirements set

out in the policy of the Company and the provisions of Companies Act, 2013 and any other law applicable to the Company.

b. Details of composition of the Audit Committee and attendance of Members

During the period under review, the Audit Committee met 4 times on 16.05.2024, 29.07.2024, 14.11.2024, and 07.02.2025. There has been no instance when the recommendation of Audit Committee was not accepted by the Board. Constitution of the Audit Committee and attendance details during the financial year ended 31 March 2025 are given below:

Sr. No	Name of Members	Member of Committee since	Capacity (i.e., Executive/ Non-Executive/ Chairman/ Promoter nominee/ Independent)	Number of Meetings of the Committee		No. of shares held in the Company
				Held	Attended	
1	Mr. Rakesh Rewari	01-04-2016	Chairman Independent Director	4	4	Nil
2	Mr. Vinod Rai	06-12-2019	Member, Independent Director	4	4	Nil
3	Mr. Saravanan Nattanmai	03-02-2025	Member, Non-Executive Director	4	1	Nil
4	Mr. Manoj Dattatraya Rane	03-02-2025	Member, Non-Executive Director	4	1	Nil
5	Mr. Manoj Jaiswal (resigned w.e.f. 23.12.2024)	31-03-2023	Member, Non-Executive Director	4	1	Nil
6	Ms. Nithya Easwaran (appointed w.e.f. 10.12.2024)	03-02-2025	Member, Non-Executive Director	4	1	Nil

II. Assets Liability Management Committee (ALM Committee)

The Company constituted the Asset Liability Management Committee (ALCO) as per the provisions of the Master Direction NBFC-HFC (Reserve Bank) Directions, 2021.

a. Terms of Reference

The terms of reference for the ALM Committee includes:

- To review liquidity, investment of funds and yield on deployment of funds.
- To review the cost of borrowings and lending rate of the Company.
- To review asset- liabilities of the Company, any mismatch therein, ALM statements and stress analysis
- To perform such other functions as the Board may delegate and duties, acts, deeds and things required to be done in pursuance of the requirements set out in the policy of the Company and the NHB/RBI Regulations and any other law applicable on the Company.

b. Details of the composition of the ALM Committee and attendance of Members

During the period under review, this Committee met 4 times on 16.05.2024, 29.07.2024, 14.11.2024, and 06.02.2025. Constitution of the Assets Liability Management Committee and attendance details during the financial year ended 31 March 2025 are given below:

Sr. No	Name of Members	Member of Committee since	Capacity (i.e., Executive/ Non-Executive/ Chairman/ Promoter nominee/ Independent)	Number of Meetings of the Committee		No. of shares held in the Company
				Held	Attended	
1	Mr. Sanjay Chaturvedi	15-06-2011	Chairman, Executive Director	4	4	25,00,000 Equity shares
2	Mr. Rakesh Rewari	19-02-2016	Member Independent Director	4	4	Nil
3	Mr. Manoj Dattatraya Rane	28-05-2021	Member Independent Director	4	4	Nil
4	Mr. Saravanan Nattanmai (appointed w.e.f. 31.03.2023)	03-02-2025	Member, Non- Executive Director	4	1	Nil
5	Mr. Manoj Jaiswal (resigned w.e.f. 23.12.2024)	28-05-2021	Member, Non- Executive Director	4	2	Nil

III. Banking and Borrowing Committee

The Banking and Borrowing Committee is authorized by the Board to do all such acts, deeds and things and decide on all such matters as may be delegated to the Committee from time to time. Such authorizations inter-alia includes to decide on matters w.r.t borrow funds from Banks/Fls, operations of the Bank, deal with various banks from time to time, other borrowings etc., opening and closing of current/cash credit account and inclusion and deletion of the authorized signatories to the said current/ cash credit account opened in the name of the Company.

a. Terms of Reference

The terms of reference for the Banking & Borrowing Committee include:

- To negotiate/execute/sign/modify/cancel any document/resolution related to borrowing of any nature from any Bank/ Institution within the overall limit set by the Board/shareholders, from time to time and matters incidental thereto.
- To execute/sign any resolution and other related forms/documents for opening/modifying/closing of Bank Account(s), Net Banking Facilities, other products and services and other related activities, from time to time
- To negotiate/execute/sign/modify/cancel any document/resolution related with the securitization, assignment, selling or otherwise dispose off the loan receivables/book debts of the Company and other related activities within the threshold limit as approved by the Board/ Shareholders from time to time.
- To delegate/modify/withdraw such authority to such persons as deemed fit including as Power of Attorney, from time to time.
- To review its scope and its performance at least annually.
- To perform such other functions as the Board may delegate and duties, acts, deeds and things required to be done in pursuance of the requirements set out in the policy of the Company and any other law applicable on the Company.

b. Details of the composition of Banking and Borrowing Committee and attendance

During the period under review, the Banking & Borrowing Committee met 14 times on 23.05.2024, 24.06.2024, 28.06.2024, 30.07.2024, 12.09.2024, 20.09.2024, 24.09.2024, 30.09.2024, 27.11.2024, 12.12.2024, 30.12.2024, 14.02.2025, 19.03.2025, 28.03.2025. Constitution of the Banking & Borrowing Committee and attendance details during the financial year ended 31 March 2025 are given below:

Sr. No	Name of Members	Member of Committee since	Capacity (i.e., Executive/ Non-Executive/ Chairman/ Promoter nominee/ Independent)	Number of Meetings of the Committee		No. of shares held in the Company
				Held	Attended	
1	Mr. Sanjay Chaturvedi	26-02-2013	Chairman, Executive Director	14	14	25,00,000 Equity shares
2	Ms. Rupa Basu	23-02-2018	Member, Executive Director	14	14	25,00,000 Equity shares

IV. Corporate Social Responsibility Committee (CSR Committee)

The Corporate Social Responsibility (CSR) committee monitors implementation of the CSR Policy and apprises the Board accordingly. The CSR budget of the company and actual spent on CSR activity during FY'25 is enclosed hereto in CSR report of the Company.

a. Terms of Reference

The terms of reference for the CSR Committee include:

- Formulating and recommending to the Board of Directors the CSR Policy and activities to be undertaken.
- Recommending the amount of expenditure for the CSR activities,
- Recommending to Board the CSR Projects to be undertaken and manner of implementation.
- Monitoring CSR Projects and satisfying itself about the utilization of funds disbursed in CSR Projects.
- To perform such other functions as the Board may delegate and duties, acts, deeds and things required to be done in pursuance of the requirements set out in the policy of the Company, Companies Act, 2013 and rules thereto and any other law applicable on the Company.



b. Details of the composition of the CSR Committee and attendance of Members

During the period under review, the CSR Committee met one time on 14.11.2024. Constitution of the CSR Committee and attendance details during the financial year ended 31 March 2025 are given below:

Sr. No	Name of Members	Member of Committee since	Capacity (i.e., Executive/ Non-Executive/ Chairman/ Promoter nominee/ Independent)	Number of Meetings of the Committee		No. of shares held in the Company
				Held	Attended	
1	Ms. Rupa Basu	13-11-2018	Chairperson, Executive Director	1	1	25,00,000 Equity shares
2	Ms. Latika Thukral	07-02-2020	Member, Independent Director	1	1	Nil
3	Mr. Sanjay Chaturvedi	23-02-2018	Member, Executive Director	1	1	25,00,000 Equity shares

V. IT Strategy Committee

Information is a valuable asset and information pertaining to customers is also a great responsibility. Safeguarding business information and IT Infrastructure from any kind of cyber security threat is a top priority and this is done through effective monitoring and implementation of risk mitigation measures.

Your company has a proper IT framework that covers all IT processes and is aligned with the best available security measures. Our Information Technology Policy and Information Security Management System Framework provides complete protection of business information at all levels.

Your company has established the IT committee in pursuance of the RBI's Master Direction – Information Technology framework for the NBFC Sector in Board Meeting 13 November 2018 to enhance the safety, security and efficiency of the Company and their customers.

During the period under review, the IT Strategy Committee met 4 times on 9 May 2024, 25 July 2024, 12 November 2024, and 6 February 2025

a. Terms of Reference

The terms of reference for the IT Committee includes:

- To review IT Strategy and policy documents.
- To ascertain whether management has implemented processes and practices that ensure that IT delivers value to the business.
- To ensure IT investments represent a balance of risks and benefits.
- To review IT related outsourced activities and other IT governance items like BCP drill, IS Audit, etc.
- To perform such other functions as the Board may delegate and duties, acts, deeds and things required to be done in pursuance of the requirements set out in the policy of the Company and the NHB/RBI Regulations and any other law applicable on the Company.

b. Details of the composition of the IT Strategy Committee and attendance of Members

Sr. No	Name of Members	Member of Committee since	Capacity (i.e., Executive/ Non-Executive/ Chairman/ Promoter nominee/ Independent)	Number of Meetings of the Committee		No. of shares held in the Company
				Held	Attended	
1	Mr. Rakesh Rewari	13-12-2019	Chairman, Independent Director	4	4	Nil
2	Ms. Rupa Basu	13-11-2018	Member, Executive Director	4	3	25,00,000 Equity shares
3	Mr. Rahul Chandra	13-11-2018	Member, Non-Executive Director	4	2	Nil
4	Mr. Sanjay Chaturvedi	13-11-2018	Member, Executive Director	4	4	25,00,000 Equity shares

VI. Risk Management Committee

The Company has set up a Risk Management Committee to identify the risks impacting the business of the Company and to take appropriate measures to mitigate the same.

a. Terms of Reference

The terms of reference for the Risk Management Committee includes:

- Review portfolio trends including coincidental delinquency, portfolio growth, origination trends, collections performance and Expected Credit Loss update
- Review results of periodic exercises such as mark to market analyses, portfolio benchmarking with industry using credit bureau information, scorecard performance etc.
- Review enterprise risk monitoring results through KRI update, periodic stress testing results and Risk & Control Self-Assessment update and discuss corrective actions for areas of breach as applicable
- Suggest, as applicable, new areas of analysis that the company should conduct and present in the next meeting
- Review all credit policy changes and new product proposals/launches since the previous meeting.
- Review the IT related risks, including the Cyber Security related risks in consultation with the ITSC through the presence of ITSC chair.

b. Details of the composition of the Risk Management Committee and attendance

During the period under review, the Risk Management Committee met 2 times on 29 July 2024 and 7 February 2025. Constitution of the Risk Management Committee and attendance details during the financial year ended 31 March 2025 are given below:

Sr. No	Name of Members	Member of Committee since	Capacity (i.e., Executive/ Non-Executive/ Chairman/ Promoter nominee/ Independent)	Number of Meetings of the Committee		No. of shares held in the Company
				Held	Attended	
1	Mr. Vinod Rai	19.02.2016	Chairman, Independent Director	2	2	Nil
2	Mr. Sanjay Chaturvedi	04.06.2013	Member, Executive Director	2	2	25,00,000 Equity shares
3	Mr. Rakesh Rewari	04.08.2022	Member, Independent Director	2	2	Nil
4	Mr. Saravanan Nattanmai	31.03.2023	Member, Non-Executive Director	2	2	Nil
5	Mr. Manoj Dattatraya Rane	04.08.2022	Member, Independent Director	2	2	Nil
6	Mr. Pranav Kumar	04.08.2022	Member, Non-Executive Director	2	2	Nil
7	Ms. Nithya Easwaran (appointed w.e.f 10.12.2024)	03.02.2025	Member, Non-Executive Director	2	1	Nil

VII. Review Committee

The Company has set up a Review Committee to identify the willful defaulters and to take appropriate action against them.

a. Terms of Reference

The terms of reference for the Review Committee includes:

- To review the order passed by the Identification Committee and decide whether to declare the party to be a willful defaulter
- To approve for the appropriate penal action including initiating criminal proceedings based on the facts of individual case if required
- To perform such other functions as the Board may delegate and duties, acts, deeds and things required to be done in pursuance of the requirements set out in the policy of the Company and the NHB/RBI Regulations and any other law applicable on the Company.



b. Details of the composition of the Review Committee and attendance

During the period under review, the Review Committee was not required to hold its meeting as no case was identified as a willful defaulter by the Identification Committee for being reviewed by the Review Committee.

Sr. No	Name of Members	Member of Committee since	Capacity (i.e., Executive/ Non-Executive/ Chairman/ Promoter nominee/ Independent)	Number of Meetings of the Committee		No. of shares held in the Company
				Held	Attended	
1	Mr. Sanjay Chaturvedi	17-06-2020	Chairman, Executive Director	-	-	25,00,000 Equity shares
2	Mr. Saravanan Nattanmai	31-03-2023	Member, Non-Executive Director	-	-	Nil
3	Ms. Latika Thukral	17-06-2020	Member, Independent Director	-	-	Nil

VIII. Recruitment, Compensation and Nomination Committee (RCNC)

Recruitment, Compensation and Nomination Committee (RCNC) comprises four members and all the four members comprising the committee are non-executive directors.

a. Terms of Reference

Besides including the matters specified for Nomination and Remuneration Committee under Section 178 and other applicable provisions, if any, of the Act, terms of reference of RCNC are as follows:

- To review and approve goals and objectives relevant to the compensation of the employees drawing remuneration equal to or more than ₹ 50 Lakhs p.a., to evaluate their performances in light of these goals and objectives and other factors it deems appropriate and based on this review and evaluation, recommend to the Board their compensation;
- To formulate and oversee the Company's compensation plans and equity-based plans and recommend changes therein to the Board. The Committee shall exercise all the authority of the Board with respect to the administration of such plans, including the granting of awards under the Company's compensation plans and equity-based plans;
- To review and approve compensation, benefits and terms of employment of the Company's executive officers and such other senior executives identified by the Committee after consultation with the Company's Management;
- To review the Company's recruitment, retention, compensation, termination and severance policies for directors, key managerial personnel and senior management;
- To identify persons who are qualified to become directors, key managerial personnel and senior management personnel and recommend to the Board their appointment/re-appointment and removal and to formulate criteria for determining qualifications, positive attributes and independence of a director and to make recommendations to Board regarding their remuneration.
- To review the compensation of non-executive directors (including sitting fees) for service on the Board and its committees and recommend changes in compensation to the Board;
- To carry out evaluation of performance of Board as a whole, Committees thereof and that of Individual Director including Executive, Non-Executive Directors and Chairman of Board or in substitution thereof to specify the manner in which evaluation of performance of Board as a whole, its Committees and that of individual directors shall be carried out.
- To review the Company's compensation policies and practices to determine whether they create risk-taking incentives that are reasonably likely to have a material adverse impact on the Company;
- To periodically review and assess the adequacy of this policy and recommend any proposed changes to the Board for approval; and
- To issue such guidelines, procedures, formats, reporting mechanism and manuals as appropriate, to supplement and implement Remuneration Policy of the Company.
- To administer, implement and review from time to time the Remuneration Policy of the Company.
- To perform such other functions as the Board may delegate and; duties, acts, deeds and things required to be done in pursuance of the requirements of policy of the Company and the provisions of Companies Act, 2013 and rules thereto and any other law applicable on the Company.

b. Details of the composition of the RCNC and attendance of Members

During the period under review, this Committee met 1 time on 9 May 2024 Constitution of the Committee and attendance details during the financial year ended 31 March 2025 are given below:

Sr. No	Name of Members	Member of Committee since	Capacity (i.e., Executive/ Non-Executive/ Chairman/ Promoter nominee/ Independent)	Number of Meetings of the Committee		No. of shares held in the Company
				Held	Attended	
1	Ms. Latika Thukral	07-02-2020	Chairperson, Independent Director	1	1	Nil
2	Mr. Vinod Rai	18-05-2016	Member, Independent Director	1	1	Nil
3	Mr. Saravanan Nattanmai	31-03-2023	Member, Non-Executive Director	1	1	Nil
4	Ms. Nithya Easwaran (appointed w.e.f. 10.12.2024)	03-02-2025	Member, Non-Executive Director	1	0	Nil

3. General Body Meetings

There are certain matters for which the approval of the members is required. The Company, in compliance with the Companies Act, 2013, send notice to all the members along with the agenda notes. In case of urgent matters, the Company convened the extra-ordinary general meetings with due consent of the members.

During the period under review, the following general meetings of the members were held:

Sl. No.	Type of Meeting (Annual/ Extra-Ordinary)	Date and Place	Special resolutions passed
1	14 th Annual General Meeting	16-08-2024, Registered Office	- Approval of selling assignment or otherwise dispose-off its loan receivables/ book debts upto ₹ 1000 crores in a F.Y. - Amendment in ESOP, 2013 - Amendment in ESOP, 2020 - Amendment in ESOP, 2022 - To approve consolidated remuneration limit of Mr. Sanjay Chaturvedi, Whole Time Director - To approve change in terms of 59,598, 8% Unsecured Optionally Convertible Debentures (OCDs) allotted each to Mr. Sanjay Chaturvedi and Ms. Rupa Basu, Executive Directors of the Company - To approve change in conversion ratio of 8% Unsecured Optionally Convertible Debentures (OCDs) allotted each to Mr. Sanjay Chaturvedi and Ms. Rupa Basu.
2	1 st (FY 24-25) Extra-Ordinary General Meeting	10.09.2024, Corporate Office	- To approve and adopt the amended Article of Association of the Company. - To approve the issuance of Non-Convertible Debentures on a private placement basis.
3	2 nd (FY 24-25) Extra-Ordinary General Meeting	26.11.2024, Corporate Office	- Approval for offer and issuance of equity shares by way of Preferential allotment on a private placement basis - Variation of terms of Compulsorily Convertible Preference Shares of the Company - Approval for change in terms of 12,064, 8% Unsecured Optionally Convertible Debentures (OCDs) allotted each to Mr. Sanjay Chaturvedi and Ms. Rupa Basu, Executive Directors of the Company
4	3 rd (FY 24-25) Extra-Ordinary General Meeting	13.12.2024, Corporate Office	- To Approve and Adopt the amended and Restated Articles of Association of Company. - To Approve increase in the limit on maximum number of directors of the company from 15 (Fifteen) to 16 (Sixteen) - To Consider and Regularize the appointment of Ms. Nithya Easwaran DIN (03605392) as a Non-Executive Director on the Board of Directors of the company, as a nominee from Multiples Private Equity Fund IV, Multiples Private Equity Gift Fund IV and Multiples Private Equity Gift Fund SPV 1.



4. Details of non-compliance with requirements of Companies Act, 2013 – Nil
5. Details of penalties and strictures – Nil
6. Breach of covenant of loan availed or debt securities issued – Nil
7. Divergence in Asset Classification and Provisioning – Nil

8. Related Party Transaction Policy

The policy on the related party transactions is annexed to this report as **Annexure – III**

9. Extract of Policy on Directors' Appointment & Remuneration

(Full policy may be accessed on the website of Shubham www.shubham.co)

1. Applicability- This policy is applicable on:

- a. Directors viz. Executive, Non-executive and Independent
- b. Key Managerial Personnel (KMP) and
- c. Senior Management Personnel (SMP)

2. Selection and Performance Evaluation criteria for Directors, SMP and KMP of the Company

- (i) Selection Criteria: The Recruitment Compensation and Nomination Committee ('Committee' or 'RCNC') shall identify and ascertain the integrity, qualification, expertise and experience of the person for appointment as Director and recommend his/her appointment, as per Company's Policy.
- (ii) A person should possess adequate qualifications, expertise and experience for the position he/she is considered for appointment. RCNC has authority to decide whether qualification, expertise and experience possessed by a person is sufficient / satisfactory for the position. In addition, he should satisfy "fit and proper criteria" formulated by Company in line with RBI guidelines, for being appointed and continuance in the Board.
- (iii) The Company shall not appoint or continue the employment of any person as Whole-time Director who has attained the age of seventy years. Provided that the term of the person holding this position may be extended beyond the age of seventy years with the approval of shareholders by passing a special resolution.

2.1 Evaluation & Manner

Notwithstanding anything contained herein, the Committee shall carry out evaluation of performance of Board as a whole, Committees thereof and that of Individual Director including Executive, Non-Executive Directors and Chairman of Board or in substitution thereof Committee shall specify the manner in which evaluation of performance of Board as a whole, its Committees and that of individual directors shall be carried out and shall review its implementation and compliance.

2.2 Policy on Remuneration to Directors/KMP/ Senior Management Personnel

A. Remuneration to Managing Director / Whole-time Directors

- (i) Remuneration/Commission etc. to be paid to Managing Director/Whole-time Directors, etc. shall be governed as per provisions of the Companies Act, 2013.
- (ii) The Committee shall make such recommendations to the Board of Directors, as it may consider appropriate with regard to remuneration to Managing Director / Whole-time Directors.
- (iii) ESOP and other share-based payments shall be given as per the applicable provisions of the Companies Act.

B. Remuneration to Non- Executive / Independent Directors

- (i) The Non-Executive / Independent Directors may receive sitting fees and such other remuneration as permissible under the provisions of Companies Act, 2013. The amount of sitting fees shall be as may be recommended by the Committee and approved by the Board of Directors.
- (ii) All the remuneration of the Non-Executive / Independent Directors (excluding remuneration for attending meetings as prescribed under Section 197 (5) of the Companies Act, 2013) shall be subject to ceiling/ limits as provided under Companies Act, 2013 and rules made there under or any other enactment for the time being in force. The amount of such remuneration shall be as may be recommended by the Committee and approved by the Board of Directors or shareholders, as the case may be.
- (iii) Commission: The Independent Directors may be paid remuneration by way of commission for each financial year.
 - a) 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.

- b) 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.
- c) RCNC 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
- (iv) An Independent Director shall not be eligible to get ESOP and also shall not be eligible to participate in any share based payment schemes of the Company.
- (v) Any remuneration paid to Non-Executive / Independent Directors for services rendered which are of professional in nature, shall not be considered as part of the remuneration for the purposes of Para (ii) above if the following conditions are satisfied:
 - a. The Services are rendered by such Director in his capacity as the professional; and
 - b. in the opinion of the Committee, the director possesses the requisite qualification for the practice of that profession.
- (vi) ESOP and other share based payments shall be granted to Directors (other than Independent Directors) as per the ESOP scheme.
- (vii) The directors shall be covered under the Directors & Officer Liability Insurance (D&O) Policy of the Company.

C. Remuneration to Key Managerial Personnel and Senior Management

The Company shall endeavour to keep the remuneration reasonable and based on the relevant factors including adherence to statutory requirements, industry practices, key responsibility areas assigned and the achievements thereof. The increments shall usually be linked to the individual's performance

as well the performance of the Company. The total compensation may comprise fixed and variable pay components aligned effectively with prudent risk taking to ensure that compensation is adjusted for all types of risks. The Company shall ensure that the compensation outcomes are symmetric with risk outcomes, compensation pay-outs are sensitive to the time horizon of the risks, and the mix of cash, equity and other forms of compensation are consistent with risk alignment.

- a. The remuneration to Key Managerial Personnel and Senior Management shall consist of fixed pay and incentive pay, in compliance with the provisions of the Companies Act, 2013 and in accordance with the Company's Policy.
- b. ESOPs and other share -based payments shall be granted as per ESOP scheme.
- c. The Fixed pay shall include monthly remuneration, employer's contribution to Provident Fund, contribution to pension fund, pension schemes, Medclaim, personal accident insurance and life insurance coverage as per policy of the Company in addition to the CTC, etc. as decided from time to time.
- d. Incentive pay shall be decided based on the balance between the performance of the Company and the performance of the Key Managerial Personnel and Senior Management, to be decided annually or at such intervals as may be considered appropriate.
- e. Company shall adopt the following principles for compensation while deciding compensation for the SMP/KMP:

I. Fixed Pay/Compensation

Total Fixed CTC is comprising of Guaranteed Cash (includes Base Pay, HRA, Allowances), Benefits to be costed (e.g. Car Lease/ Driver Pay/ Accommodation) and all the Retirals (Statutory contributions made towards PF, Pension, Gratuity, this may include additional contributions such as NPS, Superannuation etc., if applicable)

II. Variable Pay, its proportion and deferral

Variable compensation which may be in the form of share-linked instruments, or a mix of cash and share-linked instruments. The share-linked instruments shall be in conformity with relevant statutory provisions. The KMP, SMP may also be eligible for Long Term Incentive Plan in the form of stock options, retention cum loyalty bonus or any other equivalent instruments.



III. Proportion of Variable Pay

The Key performance Indicators (KPIs) of the Senior Management and KMP are defined at the beginning of the performance measurement period. The variable pay is based on the performance of the individual based on these KPIs. At a higher level of responsibility, the proportion of variable pay (including stock options) is higher. The variable pay can be reduced to zero based on the performance at an Individual and Company level. There should be a proper balance between cash and share linked instruments in the variable pay for the senior management. Performance measures and their relation to remuneration packages should be clearly defined at the beginning of the performance measurement period to ensure that the employees perceive the incentive mechanisms.

IV. Deferral of Variable Pay

Not all the variable pay compensation awarded after performance assessment may be paid immediately. Certain portion of variable pay, as decided by the NRC of the Company, may be deferred to the time horizon of the risks. The portion of deferral arrangement may be made applicable for both cash and non-cash components of the

variable pay. A deferral period for such an arrangement may be decided by NRC of the Company.

2.3 Performance Evaluation of SMP/KMP

To evaluate the performance of KMP/SMP, the Company shall follow a detailed process of Performance Evaluation:

- Key Results Areas (KRAs) shall be established for each member that will be derived from the overall strategy of the organization and shall incorporate policy, as considered directives provided by the Board.
- The performance against these KRAs shall be reviewed by MD&CEO of the Company
- At the end of the Performance Review period, there shall be a formal Performance assessment by the MD&CEO of the Company. The feedback from NRC members, as appropriate, shall also be taken into consideration.
- Final rating shall be provided along with salary increment on Fixed Compensation and Nomination Committee shall be responsible for Variable Compensation, as applicable.
- Removal of any SMP/KMP shall be subject to the performance and behavior of the individual and the decision for the administration, removal of such personnel shall be recommended by the RCNC to the Board.

10. Disclosures Under Section II of Part II of Schedule V

(i) all elements of remuneration package such as salary, benefits, bonuses, stock options, pension, etc., of all the Directors;

S. No.	Name of Director	Salary	Benefits	Bonus	Stock Options	Pensions	Other Particulars
		(₹ in crore)					
1.	Mr. Sanjay Chaturvedi	2.21	0.046	0.75	00	00	00
2.	Ms. Rupa Basu	2.17	0.047	0.75	00	00	00

(ii) details of fixed component and performance linked incentives along with the performance criteria

S. No.	Name of Director	Fixed Component	Performance Linked Incentives	Performance Criteria
1.	Mr. Sanjay Chaturvedi	2.21	0.75	Linked Company's performance on all parameters
2.	Ms. Rupa Basu	2.17	0.75	Linked Company's performance on all parameters

(iii) service contracts, notice period, severance fees; and

S. No.	Name of Director	Service Contracts	Notice Period	Severance fees
1.	Mr. Sanjay Chaturvedi	Executed	3 months	as per terms of agreement
2.	Ms. Rupa Basu	Executed	3 months	as per terms of agreement

(iv) 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.

S. No.	Name of Director	No. of Stock Options (Granted/Vested/Exercised)	Details
1.	Mr. Sanjay Chaturvedi	Nil	NA
2.	Ms. Rupa Basu	Nil	NA

11. Other Disclosures

- In line with RBI Guidelines and other applicable laws, the Company has framed internal guidelines on corporate governance with the approval of the Board of Directors and those corporate governance guidelines has been published on the company's website (www.shubham.co) for the information of various stakeholders.
- None of the directors of the Company is disqualified for being director under the provisions of Section 164 of Companies Act, 2013 as on 31 March 2025. Further, none of the directors proposed for re-appointment in the ensuing AGM is disqualified to be re-appointed under the applicable laws.
- The Company has maintained statutory books and registers required to be maintained under the provisions of Companies Act, labour laws, RBI guidelines and other applicable laws, if any.
- The Company is registered on the SCORES platform, in order to handle investor complaints electronically in the manner specified by the Securities Exchange and Board of India (SEBI).
- The Company has not received a single complaint of Investors during the period under review.
- In pursuance of Regulation 52 of SEBI (Listing Obligations and Disclosures Requirements) Regulations 2015, Board of the Company approved quarterly and year to date financial results for the period ended 30 June 2024, 30 September 2024, 31 December 2024 and 31 March 2025 with limited review report of statutory auditors thereon. Same were published in The Financial Express, a widely circulating English National Daily newspaper.
- The Company furnished periodical returns and reports to Debenture trustees as per applicable laws.
- The Company has appointed Registrar and Share Transfer Agent registered with SEBI for all activities in relation to both Physical and Electronic Transfer facility as required under Regulation 7(2) of SEBI (LODR) Regulations, 2015.

For and on behalf of the Board of

Shubham Housing Development Finance Company Limited

Sd/-

Sanjay Chaturvedi

Managing Director

DIN: 01636432

D-305, Ground Floor,

Sarvodaya Enclave,

Delhi-110017

Sd/-

Rupa Basu

Joint-Managing Director

DIN: 08068918

S-10A, Windsor Court,

DLF, Phase IV,

Gurugram -122009

Date: 8 May 2025

Place: Gurugram



Related Party Transaction Policy (Annexure-III)

1. Prelude

Related Party Transactions can present a potential or actual conflict of interest which may be against the best interest of the company and its shareholders. Considering the requirements for approval of Related Party Transactions as prescribed under the Companies Act, 2013 ("the Act") read with the Rules made thereunder, Board of Shubham Housing Development Finance Company Limited has framed this Policy on Related Party Transactions. This Policy has been adopted by the Board of Directors of the Company based on recommendations of the Audit Committee.

Section 177(4) of the Act deals with approval or any subsequent modification of transactions of the Company with related parties by the Audit Committee.

All Related Party Transactions pursuant to section 188 of the Act which are not in the ordinary course of business and / or not on an Arms' length basis require prior approval of the Board and if such transactions cross the threshold limits prescribed under the Act, such transactions also require the approval of shareholders of the Company and the Related Party/ies with whom transactions are being entered shall abstain from voting on such resolution(s).

It also requires specified Related Party Transactions to be disclosed in the Board's Report along with the justification for entering into such transactions.

As per the requirements of Notification No. NHB. HFC.CG-DIR.1/MD&CEO/2016 dated 9 February 2017 issued by the National Housing Bank (NHB) read with Circular No. NHB (ND)/DRS/Policy Circular No.79/2016-17 dated 27 April 2017 vide which the NHB notified the Housing Finance Companies – Corporate Governance (National Housing Bank) Directions, 2016, the company shall disclose the policy on dealing with Related Party Transactions on its website and also in the Annual Report.

2. Intent of the Policy

The Objective of this policy is to set out (a) the materiality thresholds for related party transactions and (b) the manner of dealing with the transactions between the Company and its related parties based on the Act, and any other laws and regulations as may be applicable to the Company; and (c) lay down the guiding principles and mechanism to ensure proper approval, disclosure and reporting of transactions as applicable, between the Company and any of its related parties in the best interest of the Company and its stakeholders.

3. Applicability and Legal Framework

This Policy shall apply on transactions entered into by Company with Related Party/ies and shall be governed by the Act read with Rules made thereunder, as may be in force from time to time and regulations, if any, of NHB and other

statutory laws, if applicable in this regard. Any references to statutory provisions shall be construed as references to those provisions as amended or re-enacted or as their application is modified by other statutory provisions (whether before or after the date hereof) from time to time and shall include any provisions of which they are re-enactments (whether with or without modification).

4. Definitions

The Company shall be responsible, among others, for the following:

- "Act" means Companies Act, 2013, originally framed or altered from time to time.
- "Arm's Length basis" means a transaction between two related parties that is conducted as if they were unrelated, so that there is no conflict of interest. [Explanation (b) to Section 188(1) of the Act].
- "Audit Committee" means the Audit Committee constituted by the Board of Directors of the Company in accordance with section 177 of the Act.
- "Board of Directors" or "Board" means the Board of Directors of SHDFC, as constituted from time to time.
- "Company" or "SHDFC" means Shubham Housing Development Finance Company Limited.
- "Control" shall have the same meaning as defined in the Act.
- "Key Managerial Personnel" in relation to a Company, shall be as defined in the Act.
- "Omnibus Approval" shall mean a blanket pre activity approval by the Audit Committee subject to compliance of the conditions as laid in this Policy
- "Ordinary course of business" would include usual transactions, customs and practices undertaken by the Company to conduct its business operations and activities and all such activities which the Company can undertake as per Memorandum and Articles of Association.
- "Related Party", for the purpose of this Policy, with reference to a Company, shall mean a Related Party as defined in Section 2(76) of the Act.
- "Related Party Transaction" means specified transaction mentioned in clause (a) to (g) of sub-section (1) of Section 188 of the Act .
- "Relatives" with reference to any person shall have the meaning as defined in Section 2(77) of the Act.
- A "transaction" with a related party shall be construed to include single transaction or a group of transactions in a contract.

Any other term not defined herein shall have the same meaning as defined in the Act or any other applicable law or regulation.

5. Policy on Related Party Transactions

Audit Committee shall review this Policy, on such intervals as it deems fit and may recommend to Board amendments to this Policy.

All Related Party Transactions (before being entered into) must be reported to the Audit Committee for its approval in accordance with this Policy.

In cases, where a prior approval is not taken due to an inadvertent omission or due to unforeseen circumstances, the Committee may ratify the transactions in accordance with this Policy.

5.1 Identification of potential related parties and transactions

Every Director will be responsible for providing a declaration in format provided by Company from time to time, containing the following information to the Company Secretary on an annual basis (preferably in first board meeting of beginning of financial year) and whenever there is a change in the information provided:

- Names of his/her Relatives;
- Partnership firms in which he/she or his/her Relative is a partner;
- Private Companies in which he/she or his/her relative is a member or Director;
- Public Companies in which he/she is a Director and holds along with his/her Relatives more than 2% of paid-up share capital;
- Any Body Corporate whose Board of Directors, Managing Director or Manager is accustomed to act in accordance with his/her advice, directions or instructions (other than advice, directions or instructions given to such Body Corporate in professional capacity); and
- Persons on whose advice, directions or instructions, he/she is accustomed to act (other than advice, directions or instructions obtained from a person in professional capacity).

Each director is responsible for providing Notice to the Company Secretary of any potential Related Party Transaction, including any additional information about the transaction that the Board/Audit Committee may request, for being placed before the Audit Committee and the Board.

Provided that every Key Managerial Personnel 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, by or on behalf of the Company, shall disclose the nature of his concern or interest to the Company. Provided further that in case of a proposed contract

or arrangement, the disclosure shall be made on or before the meeting of Board at which the question of entering into the contract or arrangement is first taken into consideration or if he was not, at the date of that meeting, concerned or interested in the proposed contract or arrangement, on or before first meeting of Board held after he becomes so concerned or interested. In case of other contract or arrangement, the required disclosure shall be made on or before the first meeting of the Board held after the Key Managerial Personnel becomes concerned or interested in the contract or arrangement.

5.2 Approval of Related Party Transactions

5.2.1 Prior approval of Audit Committee

All Related Party Transactions of the Company shall require prior approval of Audit Committee, whether at a meeting or by resolution by circulation. Any member of the Audit Committee who has a potential interest in any Related Party Transaction will not remain present at the meeting when such Related Party Transaction is considered.

The approval of the Audit Committee will be sought in the following manner:

- a. All Related Party Transactions will be submitted to the Audit Committee for prior approval irrespective of whether such transactions are in the ordinary course of business and / or at arm's length or not.
- b. Where the Company has entered into a master agreement with a related party, which stipulates details of every transaction like nature of the transaction, basis of pricing, credit terms etc., the prior approval once given by the Audit Committee would suffice and Audit Committee would only note the transactions that are entered into pursuant to such master agreement and will not require any further approval of the Audit Committee unless there is any change in the terms of the master agreement.

The Audit Committee may grant omnibus approval for Related Party Transactions proposed to be entered into by the Company subject to the following conditions:

- a. The Audit Committee shall, after obtaining the approval of the Board of Directors, specify the criteria for granting the omnibus approval in line with the Policy on Related Party Transactions of the Company and such approval shall be applicable in respect of transactions which are repetitive in nature.



b. The criteria for making the omnibus approval shall include the following:-

- (i) Maximum value of the transactions, in aggregate, which can be allowed under the omnibus route in a year.
- (ii) The maximum value per transaction which can be allowed.
- (iii) Extent and manner of disclosures to be made to the Audit Committee at the time of seeking omnibus approval.
- (iv) Review, at such interval as the Audit Committee may deem fit, of related party transactions entered into by the Company pursuant to each of the omnibus approval made.
- (v) Transactions which cannot be subject to the omnibus approval by the Audit Committee.

The Audit Committee shall consider the following factors while specifying the criteria for making omnibus approval, namely:

- a. Repetitiveness of the transactions (in past or in future)
- b. Justification for the need of omnibus approval.
- c. The Audit Committee shall satisfy itself on the need for omnibus approval and that such approval is in the interest of the Company;
- d. Such omnibus approval shall specify (i) the name/s of the related party (ii) nature and duration of transaction (iii) maximum amount of transaction that can be entered into, (iv) the indicative base price/current contracted price and the formula for variation in the price, if any and (v) such other conditions as the Audit Committee may deem fit;

e. Provided that 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 ₹ One Crore per Transaction.

The Audit Committee shall review at such intervals as the Audit Committee may deem fit, the details of Related Party Transactions entered into by the Company pursuant to each of the omnibus approvals given.

Such omnibus approvals shall be valid for a period not exceeding one financial year and shall require fresh approvals after the expiry of one financial year.

Without prejudice to generality of provision contained in 5.2.1(b) (v), omnibus approval shall not be granted for transactions in respect of selling or disposing of the undertaking of the Company.

5.2.2 Prior approval of Board of Directors under the Act

Transactions with the related parties within the scope of Section 188 of the Act, other than transactions which are in the Ordinary Course of Business and at Arm's Length basis shall require prior approval of the Board of Directors.

Where any Director is interested in any contract or arrangement with a related party, such Director shall not be present at the meeting during discussions on the subject matter of the resolution relating to such contract or arrangement.

5.2.3 Shareholders' approval requirements:

If the following transactions with related parties are likely to exceed the thresholds prescribed under the Act, the same will require prior approval of the Board of Directors and the Shareholders:

- Not in the ordinary course of business but at arm's length; or

- In the ordinary course of business but not at arm's length; or
- Not in the ordinary course of business and not at arm's length basis.

No member of the Company shall vote on resolution if such a member is a related party in the context of the contract or arrangement which is being considered under the Act.

Where any contract or arrangement is entered into by a director or any other employee, without obtaining the prior consent of the Board or approval by a resolution in the general meeting and if it is not ratified by the Board or, as the case may be, by the shareholders at a meeting within three months from the date on which such contract or arrangement was entered into, such contract or arrangement shall be voidable

at the option of the Board and if the contract or arrangement is with a related party to any director, or is authorized by any other director, the directors concerned shall indemnify the company against any loss incurred by it.

6. Scope/Limitation

In the event of any conflict between the provisions of this Policy and of the Companies Act, 2013 or any other statutory enactments, rules, the provisions of Companies Act, 2013 or statutory enactments, rules shall prevail over this Policy.

7. Disclosures

This policy shall be hosted on the Company's website. Every Related Party Transaction entered into by the Company shall be referred to in the Board's report. Necessary entries shall be entered in the Register of Contracts required to be maintained under the Companies Act, 2013.



Annual Report on Corporate Social Responsibility (CSR) Activities (Annexure V-A)

Pursuant to Rule 8 of Companies (Corporate Social Responsibility Policy) Rules, 2014

1. Brief outline on CSR Policy of the Company

At Shubham Housing, we intend to make a positive difference to society and contribute our share towards the social cause for betterment of society.

The Company's Corporate Social Responsibility Policy ("Policy") was initially formulated on 10 November 2016, basis the recommendation by CSR committee and approval by Board of Directors. Thereafter, it has been reviewed from time to time. The Policy aligns with the provisions of Corporate Social Responsibility under Section 135 of the Companies Act, 2013 read with Companies (Corporate Social Responsibility Policy) Rules, 2014 and Schedule VII of the Companies Act, 2013.

The Policy lays down the criteria for identifying programmes eligible to be sponsored by the Company under CSR. Programmes that are eligible in accordance with the Act and are consistent with the CSR themes of the Company shall be eligible for grants. Your Company may undertake CSR programmes either by itself or through entities/NGOs satisfying the criteria enumerated in Rule 4 of the Companies (CSR Policy) Rules, 2014.

CSR themes of the Company mainly include:

1. Health
2. Education with special focus on special needs children/girls
3. Measures for reducing inequalities faced by socially and economically backward groups.

CSR programs and estimated expenditures with other details are recommended by the CSR Committee to the Board for approval. All CSR programs are monitored periodically and status report is placed in CSR Committee. Your Company will continue to support social projects that are consistent with the policy. The Company's full CSR policy has been uploaded on the website of the Company under the web-link: www.shubham.co.

2. Composition of the CSR Committee

S. No.	Name of Director	Designation/Nature of Directorship	Meetings held during the year (Nos.)	Meetings attended during the year (Nos.)
1	Ms. Rupa Basu	Executive Director	1	1
2	Ms. Latika Thukral	Non-Executive Independent Director	1	1
3.	Mr. Sanjay Chaturvedi	Executive Director	1	1

3. Weblink of the company where the composition of CSR Committee, CSR Policy and CSR Projects approved by the Board are disclosed www.shubham.co.
4. the executive summary along with web-link(s) of Impact Assessment of CSR Projects carried out in pursuance of sub-rule (3) of rule 8, if applicable. Not Applicable
5.
 - (a) Average net profit of the company as per sub-section (5) of section 135. ₹ 93,74,71,350 /-
 - (b) Two percent of average net profit of the company as per sub-section (5) of section 135. ₹ 1,87,49,427/-
 - (c) Surplus arising out of the CSR Projects or programmes or activities of the previous financial years. Nil
 - (d) Amount required to be set-off for the financial year, if any. Nil
 - (e) Total CSR obligation for the financial year [(b)+(c)-(d)]. ₹ 1,87,49,427/-
6.
 - (a) Amount spent on CSR Projects (both Ongoing Project and other than Ongoing Project). ₹ 1,87,50,000/-
 - (b) Amount spent in Administrative overheads. Nil
 - (c) Amount spent on Impact Assessment, if applicable. N.A.
 - (d) Total amount spent for the Financial Year [(a)+(b)+(c)]. ₹ 1,87,50,000/-

(e) CSR amount spent or unspent for the Financial Year: Nil

Total Amount Spent for the Financial Year. (in ₹)	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).		
FY 2024-25	Amount	Date of Transfer	Name of the fund	Amount	Date of Transfer
₹ 1,87,50,000/-	NA	NA	NA	NA	NA

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

S. No.	Particular	Amount (In ₹)
(i)	Two percent of average net profit of the company as per section 135(5)	1,87,49,427/-
(ii)	Total amount spent for the Financial Year	1,87,50,000/-
(iii)	Excess amount spent for the financial year [(ii)-(i)]	573
(iv)	Surplus arising out of the CSR projects or programs or activities of the previous financial years, if any	NIL
(v)	Amount available for set off in succeeding financial years [(iii)-(iv)]	573

*Board has not resolved any amount to be carried forward for set-off in succeeding financial years.

7. Details of Unspent Corporate Social Responsibility amount for the preceding three Financial Years: Nil
8. Whether any capital assets have been created or acquired through Corporate Social Responsibility amount spent in the Financial Year: No
9. Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per sub-section (5) of section 135: N.A.

For and on behalf of the Board of

Shubham Housing Development Finance Company Limited

Sd/-
Sanjay Chaturvedi
Managing Director

Sd/-
Rupa Basu
Chairperson of CSR Committee

Date: 8 May 2025
Place: Gurugram



Loan and Advances to Directors and Senior Officers of the Company (Annexure V-B)

Disclosures Pursuant to The RBI's Scale Based Regulation on Loans & Advances to Directors, Senior Officers and Their Relatives

Loans & Advances to Directors, Senior Officers* and their relatives

Details	Current Year FY 2024-25	Previous Year FY 2023-24
Directors and their relatives	Nil	Nil
Entities associated with		
directors and their relatives	Nil	Nil
Senior Officers and their		
relative	Nil	Nil

*Senior Officer shall mean personnel of the Company who are members of its core management team excluding Board of Directors comprising all members of management one level below the executive directors, including the functional heads.

Form 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,
SHUBHAM HOUSING DEVELOPMENT FINANCE
COMPANY LIMITED
Shubham House, 425,
Udyog Vihar, Phase-IV,
Gurugram, Haryana – 122015

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by SHUBHAM HOUSING DEVELOPMENT FINANCE COMPANY LIMITED (hereinafter called "the Company"). Secretarial audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conduct / statutory compliance and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minutes books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on 31 March 2025, complied with the statutory provisions listed here under and also that the Company has proper Board processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

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

- | | |
|---|--|
| <ul style="list-style-type: none"> (i) The Companies Act, 2013 ('the Act') and the rules made thereunder; (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under; (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed there under; (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment; (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'): | <ul style="list-style-type: none"> (b) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011; (c) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015; (d) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018; (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 (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 (during the period under review not applicable to the Company); (g) 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 (during the period under review not applicable to the Company); (h) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021 (during the period under review not applicable to the Company); (i) The Securities and Exchange Board of India (Buy-back of Securities) Regulations, 2018 (during the period under review not applicable to the Company); |
| <ul style="list-style-type: none"> (a) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015; | <ul style="list-style-type: none"> (vi) The Reserve Bank of India (Non-Banking Financial Company – Scale Based Regulation) Directions, 2023; (vii) The Reserve Bank of India (Information Technology Governance, Risk, Controls and Assurance Practices) Directions, 2023; (viii) The Reserve Bank of India (Fraud Risk Management in NBFCs) Directions, 2024; (ix) The Non-Banking Financial Companies – Corporate Governance (Reserve Bank) Directions, 2015; (x) The Reserve Bank of India (Transfer of Loan Exposures) Directions, 2021; (xi) Master Direction on Treatment of Wilful Defaulters and Large Defaulters; |



(xii) Guidance Note on Operational Risk Management and Operational Resilience;

(xiii) Master Direction - Know Your Customer (KYC) Direction, 2016.

We have examined compliance with the applicable clauses of the following:

- (i) Secretarial Standards issued by the Institute of Company Secretaries of India.

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

We further report that:

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

Adequate notices are given to all Directors to schedule the Board / Committee Meetings, agenda and detailed notes on agenda were sent at least seven days in advance to all the directors, or at shorter notice in accordance with the provisions of the Act, 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.

Board / Committee decisions were carried through requisite majority while the dissenting members' views, if any, are captured and recorded as part of the minutes.

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

We further report that during the audit period the Company had the following specific events / actions having a major bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc.:

- a) The Recruitment, Compensation and Nomination Committee has granted below options to the identified employees under the applicable ESOP schemes of the Company;

Sr. No.	Date of Options Granted	Number of Options granted
1	9 May 2024	46309

- b) The Board of Directors at its meeting held on 29 July 2024 and the Shareholders in the Annual General Meeting held on 16 August 2024 have approved the:

- increase in the limit of sale, assignment or otherwise disposal of loan receivables/book debts up from ₹ 350 crore to ₹ 1000 crore in a financial year;
- change in terms relating to tenure of 59,598 8% Unsecured Optionally Convertible Debentures (OCDs) allotted each to Mr. Sanjay Chaturvedi and Ms. Rupa Basu, Directors of the Company;
- change in conversion ratio of 8% Unsecured Optionally Convertible Debentures (OCDs) allotted each to Mr. Sanjay Chaturvedi and Ms. Rupa Basu.

- c) The Board of Directors at its meeting held on 4 September 2024 has approved the issue of 20,000 secured and listed non-convertible debentures (NCDs) at an aggregate value of ₹ 200,00,00,000/- on a private placement basis. The Shareholders in the Extraordinary General Meeting held on 10 September 2024 have authorised the Company to raise funds through issuance of NCDs upto an amount not exceeding ₹ 10,00,00,00,000/- during the financial year. The Board has allotted the 20,000 NCDs of face value of ₹ 100,000/- each to IDFC First Bank Limited on 25 September 2024.

- d) The Board of Directors at its meeting held on 29 October 2024 has approved the conversion of certain classes of Compulsorily Convertible Preference Shares (CCPS) into equity shares of the Company of face value of ₹ 1/- each in accordance with conversion notices received from identified holders of the CCPS.

- e) The Board of Directors at its meeting held on 14 November 2024 has authorised the Banking and Borrowing Committee to accept the sanction of refinance facility of ₹ 300,00,00,000/- from the National Housing Bank (NHB).

In the same meeting, the Board of Directors, and the Shareholders in the Extra-ordinary General Meeting held on 26 November 2024 have approved the:

- change in terms relating to conversion of 12,064 8% unsecured OCDs allotted each to Mr. Sanjay Chaturvedi and Ms. Rupa Basu, Directors of the Company;

- ii) variation of terms of certain identified classes of CCPS of the Company as required under the ongoing fund raise
- iii) issue of 91,58,768 equity shares of the Company of face value of ₹ 1/- each and aggregating to total value of ₹ 400,00,00,337/- on private placement basis to the identified persons. The Board has allotted the 91,58,768 equity shares of face value of ₹ 1/- each to the identified persons on 10 December 2024.
- f) The Board of Directors at its meeting held on 27 December 2024 has approved the conversion of certain classes of Compulsorily Convertible Preference Shares (CCPS) into equity shares of the Company of face value of ₹ 1/- each in accordance with conversion notices received from identified holders of the CCPS.

For **Mehta & Mehta,**
Company Secretaries
(ICSI Unique Code P1996MH007500)

Sd/-
Atul Mehta
Partner
FCS No: 5782
CP No.: 2486
PR No. 3686/2023
UDIN: F005782G000301187

Place: Mumbai
Date: 8 May 2025

Note: 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

To,
The Members,
SHUBHAM HOUSING DEVELOPMENT FINANCE COMPANY LIMITED
Shubham House, 425,
Udyog Vihar, Phase-IV,
Gurugram, Haryana – 122015

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

- 1) Maintenance of secretarial record is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
- 2) We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices we followed provide a reasonable basis for our opinion.
- 3) We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
- 4) Wherever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
- 5) The compliance of the provisions of corporate laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis.
- 6) As regard the books, papers, forms, reports and returns filed by the Company under the provisions referred in Secretarial Audit Report in Form MR-3, the adherence and compliance to the requirements of the said regulations is the responsibility of management. Our examination was limited to checking the execution and timeliness of the filing of various forms, reports, returns and documents that need to be filed by the Company with various authorities under the said regulations. We have not verified the correctness and coverage of the contents of such forms, reports, returns and documents.
- 7) The secretarial audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

For **Mehta & Mehta,**
Company Secretaries
(ICSI Unique Code P1996MH007500)

Sd/-
Atul Mehta
Partner
FCS No: 5782
CP No.: 2486
PR No. 3686/2023
UDIN: F005782G000301187

Place: Mumbai
Date: 8 May 2025

Financial Statements





Independent Auditor's Report

To the Members of Shubham Housing Development Finance Company Limited

Report on the Audit of the Financial Statements

Opinion

1. We have audited the accompanying financial statements of Shubham Housing Development Finance Company Limited ('the Company'), which comprise the Balance Sheet as at 31 March 2025, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Cash Flow and the Statement of Changes in Equity for the year then ended, and notes to the financial statements, including material accounting policy information and other explanatory information.
2. 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 ('Ind AS') specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015 and other accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March 2025, and its profit (including other comprehensive income), its cash flows and the changes in equity for the year ended on that date.

5. We have determined the matters described below to be the key audit matters to be communicated in our report.

Expected Credit Losses (ECL) on loan assets

At 31 March 2025, the Company reported total gross loans of ₹ 558,660.24 Lakhs (2024: ₹ 440,379.62 Lakhs) and ₹ 4,312.41 Lakhs of expected credit loss provisions (2024: ₹ 3,332.02 Lakhs). Refer note 4.3 of the accompanying financial statements for material accounting policy on impairment of loan assets and notes 8 for presentation and disclosures.

Key Audit Matter	How our audit addressed the key audit matter
The Company applies the Expected Credit Loss (ECL) model specified under Ind AS 109, Financial Instruments (Ind AS 109) for measuring impairment of financial assets. The estimation of ECL involves significant management judgment, particularly in relation to: • Segmentation of loan portfolios into appropriate risk pools, • Staging of loans into Stage 1, Stage 2, and Stage 3 and credit risk indicators, • Determination of Probability of Default (PD), Loss Given Default (LGD), and Exposure at Default (EAD), • Incorporation of forward-looking macroeconomic information (such as GDP growth and unemployment rates), • Use of modeling techniques (e.g., VACISEK model) and management overlays. Given the complexity and estimation uncertainty involved we have identified this area as a key audit matter for the current year audit.	Our audit focused on assessing the appropriateness of management's judgment and estimates used in the expected credit losses through the following procedures, but were not limited to the following procedures: • Obtained an understanding of management's ECL methodology and internal control framework; • Evaluated the design and implementation, and tested the operating effectiveness of key controls around ECL assessment; • Tested completeness of loans included in the ECL calculations as of 31 March 2025; • Tested the segmentation, staging criteria, and related controls; • Evaluated the reasonableness of assumptions used, including PD, LGD, EAD, and macroeconomic factors; • Tested sample loan files for stage classification to verify that they were allocated to the appropriate stage; • Assessed the appropriateness of forward-looking overlays and scenario probability weightings; • Reviewing the validation of the models used, including the application of the VACISEK model;

Basis for Opinion

3. We conducted our audit in accordance with the Standards on Auditing 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 ('the 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.

Key Audit Matters

4. Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key Audit Matter	How our audit addressed the key audit matter
	- Obtained written representations from the management in relation to the appropriateness of such ECL methodology and reasonableness of the judgements and assumptions used; and - Reviewed the appropriateness and adequacy of the related presentation and disclosures relating to credit risk and ECL in the financial statements in accordance with applicable accounting and reporting standards.
Information Technology Systems and Controls Relevant to Financial Reporting	
Key Audit Matter	How our audit addressed the key audit matter
The Company's lending operations and financial reporting processes are heavily dependent on information technology (IT) systems, which process large volumes of transactions on a daily basis. Key financial statement line items such as loans, interest income and impairment allowance on loans are calculated or derived through system-generated data. Given the pervasive reliance on IT systems, the design and operating effectiveness of IT general controls (ITGCs) and automated application controls are critical to the accuracy, completeness and integrity of financial reporting, this area required significant auditor attention. and accordingly, has been determined to be a key audit matter for the current year audit.	Our audit procedures with the involvement of our IT specialists included, but were not limited to the following: - Understood and evaluated the Company's IT environment, including ITGCs related to user access management, change management, and operations; - Tested the design and operating effectiveness of key ITGCs and automated application controls relevant to financial reporting systems; - Evaluated the completeness and accuracy of system-generated reports and testing key report logic used in auditing loans, interest income, and impairment allowance on loans; - Where deficiencies were identified, we assessed compensating controls or performed alternative procedures to obtain sufficient appropriate audit evidence; and - Obtained written representations from management on whether ITGCs and automated IT controls are designed and operating effectively during the year.

Information other than the Financial Statements and Auditor's Report thereon

6. The Company's Board of Directors are responsible for the other information. The other information comprises the information 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 will 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 when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

When we read the Annual Report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

7. The accompanying financial statements have been approved by the Company's Board of Directors. The Company's

Board of Directors are responsible for the matters stated in section 134(5) of the Act with respect to the preparation and presentation of these financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, changes in equity and cash flows of the Company in accordance with the Ind AS specified under section 133 of the Act and other accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding 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.

8. In preparing the financial statements, the Board of Directors is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.



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

Auditor's Responsibilities for the Audit of the Financial Statements

10. 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 Standards on Auditing 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.
11. As part of an audit in accordance with Standards on Auditing, specified under section 143(10) of the Act we exercise professional judgment and maintain professional skepticism throughout the audit. We also:
 - Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;
 - Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3) (i) of the Act we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls;
 - Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management;
 - Conclude on the appropriateness of Board of Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the 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; and

- 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.

12. 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.
13. 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.
14. From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Other Matter

15. The financial statements of the Company for the year ended 31 March 2024 were audited by the predecessor auditor, MSKA & Associates, who have expressed an unmodified opinion on those financial statements vide their audit report dated 16 May 2024.

Report on Other Legal and Regulatory Requirements

16. As required by section 197(16) of the Act, based on our audit, we report that the Company has paid remuneration to its directors during the year in accordance with the provisions of and limits laid down under section 197 read with Schedule V to the Act.
17. As required by the Companies (Auditor's Report) Order, 2020 ('the Order') issued by the Central Government of India in terms of section 143(11) of the Act we give in the **Annexure – A**, a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
18. Further to our comments in **Annexure – A**, as required by section 143(3) of the Act based on our audit, we report, to the extent applicable, that:
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit of the accompanying financial statements;

- b) Except for the matters stated in paragraph 18(h)(vi) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 (as amended), 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 financial statements dealt with by this report are in agreement with the books of account;
- d) In our opinion, the aforesaid financial statements comply with Ind AS specified under section 133 of the Act;
- e) On the basis of the written representations received from the directors and 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) The qualification relating to the maintenance of accounts and other matters connected therewith are as stated in paragraph 18(b) above on reporting under section 143(3)(b) of the Act and paragraph 18(h)(vi) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 (as amended);
- g) With respect to the adequacy of the internal financial controls with reference to financial statements of the Company as on 31 March 2025 and the operating effectiveness of such controls, refer to our separate report in **Annexure – B** wherein we have expressed an unmodified opinion; and
- h) With respect to the other matters to be included in the Auditor's Report in accordance with rule 11 of the Companies (Audit and Auditors) Rules, 2014 (as amended), in our opinion and to the best of our information and according to the explanations given to us:
- i. The Company, as detailed in note 43 to the financial statements, has disclosed the impact of pending litigations on its financial position as at 31 March 2025;
 - 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. a. The management has represented that, to the best of its knowledge and belief, as disclosed in note 53(9) to the financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or securities premium or any other sources or kind of funds) by the Company to or in any person(s) or entity(ies), including foreign entities ('the 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 ('the Ultimate Beneficiaries') or provide any guarantee, security or the like on behalf the Ultimate Beneficiaries;
 - b. The management has represented that, to the best of its knowledge and belief, as disclosed in note 53(10) to the financial statements, no funds have been received by the Company from any person(s) or entity(ies), including foreign entities ('the Funding Parties'), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ('Ultimate Beneficiaries') or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and
 - c. Based on such audit procedures performed as considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the management representations under sub-clauses (a) and (b) above contain any material misstatement.
- v. The Company has not declared or paid any dividend during the year ended 31 March 2025;
- vi. As stated in Note 54 to the financial statements and based on our examination which included test checks, except for the instances mentioned below, the Company, in respect of financial year commencing on 1 April 2024, has used accounting software for maintaining its books of account which have a feature of recording audit trail (edit log) facility and the same have been operated throughout the year for all relevant transactions recorded in the software. Further, during the course of our audit we did not come across any instance of audit trail feature being tampered with, other than the consequential impact of the exception given below. Furthermore, the audit trail has been preserved by the Company as per the statutory requirements for record retention, other than the consequential impact of the exception given below.



The accounting software used for maintenance of accounting records is operated by a third-party software service provider. In the absence of any information on existence of audit trail (edit logs) for any direct changes made at the database level in the 'Independent Service Auditor's Assurance Report' ('Type 2 report') issued in accordance with ISAE 3000 (Revised), we are unable to comment on whether audit trail feature with respect to the database of the said software was enabled and operated throughout the year.

The accounting software used for maintenance of payroll records is operated by a third-party software service provider. The 'Type 2 report' issued by the Independent Service Auditor in accordance with ISAE 3000 (Revised), did not demonstrate whether the audit trail feature specifically captures the details of what data was changed at the database level.

For Walker Chandiok & Co LLP

Chartered Accountants

Firm's Registration No.: 001076N/N500013

Sd/-

Lalit Kumar

Partner

Membership No.: 095256

UDIN: 25095256BMOTFX7598

Place: Gurugram

Date: 8 May 2025

Annexure A referred to in paragraph 17 of the Independent Auditor's Report of even date to the members of Shubham Housing Development Finance Company Limited on the financial statements for the year ended 31 March 2025

In terms of the information and explanations sought by us and given by the Company and the books of account and records examined by us in the normal course of audit, and to the best of our knowledge and belief, we report that:

- i) a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of property, plant and equipment, and relevant details of right-of-use assets.
- (B) The Company has maintained proper records showing full particulars of intangible assets.
- b) The property, plant and equipment and relevant details of right-of-use assets have been physically verified by the management during the year and no material discrepancies were noticed on such verification. In our opinion, the frequency of physical verification programme adopted by the Company, is reasonable having regard to the size of the Company and the nature of its assets.
- c) The title deeds of all the immovable properties held by the Company (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee), disclosed in Note 13 to the financial statements, are held in the name of the Company.
- d) The Company has adopted cost model for its Property, Plant and Equipment (including right-of-use assets) and intangible assets. Accordingly, reporting under clause 3(i)(d) of the Order is not applicable to the Company.
- e) No proceedings have been initiated or are pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 (as amended) and rules made thereunder.
- ii) a) The Company does not hold any inventory. Accordingly, reporting under clause 3(ii)(a) of the Order is not applicable to the Company.
- b) As disclosed in Note 19 to the financial statements, the Company has been sanctioned a working capital limit in excess of ₹ 5 crores by a bank based on the security of loan assets. The quarterly statements, in respect of the working capital limit have been filed by the Company with such bank and such statements are in agreement with the books of account of the Company for the respective periods, which were subject to review.
- iii) The Company has not made investments in, provided any guarantee or security or advances in the nature of loans to companies, firms, or limited liability partnerships during the year. Further, the Company has granted secured/unsecured loans to companies, firms, limited liability partnerships or any other parties during the year, in respect of which:
 - a) The Company is a Housing Finance Company and its principal business is to give loans. Accordingly, reporting under clause 3(iii)(a) of the Order is not applicable to the Company.
 - b) In our opinion, and according to the information and explanations given to us, the investments made, guarantees provided, security given and terms and conditions of the grant of all loans and advances in the nature of loans and guarantees provided are, prima facie, not prejudicial to the interest of the Company.
 - c) The Company is a Housing Finance Company ('HFC'), registered under provisions of the National Housing Bank Act, 1987 and rules made thereunder and is regulated by various regulations, circulars and norms issued by the Reserve Bank of India including Master Circular – Prudential norms on Income Recognition, Asset Classification and Provisioning pertaining to Advances. In respect of loans granted by the Company, we report that the schedule of repayment of principal and payment of interest has been stipulated and the repayments/ receipts of principal and interest are regular except for instances as below, as also disclosed under Note 8 to the financial statements:

(Amount in ₹ Lakh)

Particular – Days past due	Aggregate amount outstanding for overdue loans as at 31 March 2025	No. of cases
SMA 0 (1 - 30 days)	16,677.03	2,340
SMA 1 (31-60 days)	11,229.84	1,552
SMA 2 (61- 90 days)	2,286.76	254
More than 90 days	7,115.97	1,141



Having regard to the nature of business of the Company and volume of the transactions, it is impractical to furnish the item-wise listing for the above-mentioned cases of delay in repayment of principal and interest.

- d) According to the information and explanations given to us, the total amount which is overdue for 90 days or more in respect of loans and advances in the nature of loans given in the course of the business operations of the Company aggregates to ₹ 7,115.97 Lakh as at 31 March 2025 in respect of 1,141 number of loans, as also disclosed in Note 8 to the financial statements. Further, reasonable steps as per the policies and procedures of the Company have been taken for recovery of such principal and interest amounts overdue.
- e) The Company is a Housing Finance Company and its principal business is to give loans. Accordingly, reporting under clause 3(iii)(e) of the Order is not applicable to the Company.
- f) The Company has not granted any loans which are repayable on demand or without specifying any terms or period of repayment.
- iv) The Company has not entered into any transaction covered under sections 185 and 186 of the Act. Accordingly, reporting under clause 3(iv) of the Order is not applicable to the Company.
- v) The provisions of the sections 73 to 76 and any other relevant provisions of the Act and the Companies (Acceptance of Deposits) Rules, 2014 (as amended), are not applicable to

the Company being a housing finance company registered with the National Housing Bank ('the NHB'), and also the Company has not accepted any deposits from public or there are no amounts which have been deemed to be deposits within the meaning of sections 73 to 76 of the Act. Accordingly, reporting under clause 3(v) of the Order is not applicable to the Company.

- vi) The Central Government has not specified maintenance of cost records under sub-section (1) of section 148 of the Act, in respect of Company's services / business activities. Accordingly, reporting under clause 3(vi) of the Order is not applicable.
- vii) a) In our opinion and according to the information and explanations given to us, the Company is regular in depositing undisputed statutory dues including goods and services tax, provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and other material statutory dues, as applicable, with the appropriate authorities. Further, no undisputed amounts payable in respect thereof were outstanding at the year-end for a period of more than six months from the date they became payable.
- b) According to the information and explanations given to us, we report that there are no statutory dues referred in sub-clause (a) which have not been deposited with the appropriate authorities on account of any dispute except for the following:

(Amount in ₹ Lakh)

Name of the statute	Nature of dues	Gross amount	Amount paid under protest	Period to which the amount relates	Forum where dispute is pending	Remarks, if any
Income-tax Act, 1961	Income tax	111.21	149.02	Assessment year 2018-19	Commissioner of Income tax (Appeal)	Demand is adjusted by the department against the refund for assessment year 2022-23
Income-tax Act, 1961	Income tax	74.82	95.02	Assessment year 2020-21	Commissioner of Income tax (Appeal)	
Income-tax Act, 1961	Income tax	111.35	83.78	Assessment year 2022-23	Commissioner of Income tax (Appeal)	

- viii) According to the information and explanations given to us, we report that no transactions were surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961) which have not been previously recorded in the books of accounts.
- ix) a) In our opinion and according to the information and explanations given to us, the Company has not defaulted in repayment of its loans or borrowings or in the payment of interest thereon to any lender.
- b) According to the information and explanations given to us including representation received from the

management of the Company, and on the basis of our audit procedures, we report that the Company has not been declared a willful defaulter by any bank or financial institution or government or any government authority.

- c) In our opinion and according to the information and explanations given to us, money raised by way of term loans were applied for the purposes for which these were obtained, though idle/surplus funds which were not required for immediate utilisation have been invested in readily realisable liquid investments.

- d) In our opinion and according to the information and explanations given to us, and on an overall examination of the financial statements of the Company, funds raised by the Company on short term basis have, prima facie, not been utilised for long term purposes.
- e) According to the information and explanations given to us, we report that the Company does not have any subsidiaries, associates or joint ventures. Accordingly, reporting under clause 3(ix)(e) and clause 3(ix)(f) of the Order is not applicable to the Company.
- x) a) The Company has not raised any money by way of initial public offer or further public offer (including debt instruments), during the year. Accordingly, reporting under clause 3(x)(a) of the Order is not applicable to the Company.
- b) During the year, the Company has made private placement of shares. In our opinion and according to the information and explanations given to us, the Company has complied with the requirements of section 42 and section 62 of the Act and the rules framed thereunder with respect to the same. Further, the amounts so raised were used for the purposes for which the funds were raised, though idle funds which were not required for immediate utilisation have been invested in readily realisable liquid investments.
- xi) a) To the best of our knowledge and according to the information and explanations given to us, no material fraud on the Company has been noticed or reported during the period covered by our audit.
- b) According to the information and explanations given to us including the representation made to us by the management of the Company, no report under sub-section 12 of section 143 of the Act has been filed by the auditors in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014, with the Central Government for the period covered by our audit.
- c) According to the information and explanations given to us including the representation made to us by the management of the Company, there are no whistleblower complaints received by the Company during the year.
- xii) The Company is not a Nidhi Company and the Nidhi Rules, 2014 are not applicable to it. Accordingly, reporting under clause 3(xii) of the Order is not applicable to the Company.
- xiii) In our opinion and according to the information and explanations given to us, all transactions entered into by the Company with the related parties are in compliance with sections 177 and 188 of the Act, where applicable. Further, the details of such related party transactions have been disclosed in the financial statements, as required under Indian Accounting Standard (Ind AS) 24, Related Party Disclosures specified in Companies (Indian Accounting Standards) Rules 2015 as prescribed under section 133 of the Act.
- xiv) a) In our opinion and according to the information and explanations given to us, the Company has an internal audit system which is commensurate with the size and nature of its business as required under the provisions of section 138 of the Act.
- b) We have considered the reports issued by the Internal Auditors of the Company till date for the period under audit.
- xv) According to the information and explanation given to us, the Company has not entered into any non-cash transactions with its directors or persons connected with its directors and accordingly, reporting under clause 3(xv) of the Order with respect to compliance with the provisions of section 192 of the Act are not applicable to the Company.
- xvi) a) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, reporting under clauses 3(xvi)(a) of the Order are not applicable to the Company.
- b) In our opinion and according to the information and explanations given to us, the Company has conducted Housing Finance activities during the year under a valid Certificate of Registration (CoR) from the RBI as per the Reserve Bank of India Act, 1934.
- c) In our opinion and according to the information and explanations given to us, the Company is not a Core Investment Company (CIC) as defined in the regulations made by the RBI. Accordingly, reporting under clause 3(xvi)(c) of the Order is not applicable to the Company.
- d) Based on the information and explanations given to us and as represented by the management of the Company, the Group (as defined in Core Investment Companies (Reserve Bank) Directions, 2016) does not have any CIC.
- xvii) The Company has not incurred any cash losses in the current financial year as well as the immediately preceding financial year.
- xviii) There has been no resignation of the statutory auditors during the year. Accordingly, reporting under clause 3(xviii) of the Order is not applicable to the Company.
- xix) According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information in the financial statements, our knowledge of the plans of the Board of Directors and management and based on our examination



of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the company as and when they fall due.

xx) According to the information and explanations given to us, the Company does not have any unspent amounts towards Corporate Social Responsibility in respect of any ongoing or other than ongoing project as at the end of the financial year. Accordingly, reporting under clause 3(xx) of the Order is not applicable to the Company.

xxi) The reporting under clause 3(xxi) of the Order is not applicable in respect of audit of standalone financial statements of the Company. Accordingly, no comment has been included in respect of said clause under this report.

For Walker Chandiok & Co LLP

Chartered Accountants

Firm's Registration No.: 001076N/N500013

Sd/-

Lalit Kumar

Partner

Membership No.: 095256

UDIN: 25095256BMOTFX7598

Place: Gurugram

Date: 8 May 2025

Annexure B to the Independent Auditor's Report of even date to the members of Shubham Housing Development Finance Company Limited on the financial statements for the year ended 31 March 2025

Independent Auditor's Report on the internal financial controls with reference to the financial statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ('the Act')

1. In conjunction with our audit of the financial statements of Shubham Housing Development Finance Company Limited ('the Company') as at and for the year ended 31 March 2025, we have audited the internal financial controls with reference to financial statements of the Company as at that date.

Responsibilities of Management and Those Charged with Governance for Internal Financial Controls

2. The Company's Board of Directors is responsible for establishing and maintaining internal financial controls based on the internal financial controls with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting ('the Guidance Note') issued by the Institute of Chartered Accountants of India ('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 the Company's 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 for the Audit of the Internal Financial Controls with Reference to Financial Statements

3. Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the ICAI prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to financial statements, and the Guidance Note issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements were established and maintained and if such controls operated effectively in all material respects.
4. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to financial statements and their operating

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

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

Meaning of Internal Financial Controls with Reference to Financial Statements

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

Inherent Limitations of Internal Financial Controls with Reference to Financial Statements

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



Opinion

8. In our opinion, the Company has, in all material respects, adequate internal financial controls with reference to financial statements and such controls were operating effectively as at 31 March 2025, based on the criteria for internal financial control with reference to the financial statements established by the Company considering the essential components of internal control stated in the Guidance Note issued by ICAI.

For Walker Chandiok & Co LLP

Chartered Accountants

Firm's Registration No.: 001076N/N500013

Sd/-

Lalit Kumar

Partner

Membership No.: 095256

UDIN: 25095256BMOTFX7598

Place: Gurugram

Date: 8 May 2025

Balance Sheet

As at 31 March 2025

(All amounts are in Indian Rupees in Lakh unless stated otherwise)

	Notes	As at 31 March 2025	As at 31 March 2024
ASSETS			
1 Financial assets			
(a) Cash and cash equivalents	6	16,036.64	26,207.55
(b) Bank balances other than cash and cash equivalents	7	730.31	306.01
(c) Loans	8	5,54,347.83	4,37,047.60
(d) Investments	9	1,569.54	2,295.36
(e) Other financial assets	10	7,045.41	4,080.57
Total financial assets		5,79,729.73	4,69,937.09
2 Non-financial assets			
(a) Current tax assets (net)	11	34.18	810.07
(b) Deferred tax assets (net)	12	694.12	864.38
(c) Property, plant and equipment	13(a)	1,145.67	910.43
(d) Intangible assets under development	13(b)	53.94	49.27
(e) Other intangible assets	13(c)	84.80	96.94
(f) Right-of-use assets	14	966.03	881.27
(g) Other non-financial assets	15	6,289.01	4,740.67
Total non-financial assets		9,267.75	8,353.03
3 Assets held for sale	16	2,617.73	1,953.15
TOTAL ASSETS		5,91,615.21	4,80,243.27
LIABILITIES AND EQUITY			
LIABILITIES			
1 Financial liabilities			
(a) Payables			
(i) Trade payables	17		
(ii) total outstanding dues of micro enterprises and small enterprises		162.12	169.37
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises		795.33	889.46
(b) Debt securities	18	20,339.20	327.27
(c) Borrowings (other than debt securities)	19	3,64,642.80	3,28,845.93
(d) Others financial liabilities	20	7,525.93	10,223.99
Total financial liabilities		3,93,465.38	3,40,456.02
2 Non-financial liabilities			
(a) Current tax liabilities (net)	21	317.53	-
(b) Provisions	22	841.31	552.46
(c) Other non-financial liabilities	23	754.32	703.81
Total non-financial liabilities		1,913.16	1,256.27
3 EQUITY			
(a) Equity share capital	24	783.82	202.98
(b) Instruments entirely equity in nature	25	65.82	767.16
(c) Other equity	26	1,95,387.03	1,37,560.84
Total equity		1,96,236.67	1,38,530.98
TOTAL LIABILITIES AND EQUITY		5,91,615.21	4,80,243.27

Material accounting policies

1-5

The accompanying notes are an integral part of the financial statements.

For Walker Chandiok & Co LLP

Chartered Accountants

ICAI Firm Registration No. 001076N/N500013

Sd/-

Lalit Kumar

Partner

Membership Number: 095256

For and on behalf of the Board of Directors of

Shubham Housing Development Finance Company Limited

Sd/-

Sanjay Chaturvedi

Managing Director

DIN : 01636432

Sd/-

Vishal Kanodia

Chief Financial Officer

Sd/-

Rupa Basu

Joint Managing Director

DIN : 08068918

Sd/-

Amul Tyagi

Company Secretary

(M. No.: ACS 59974)

Place: Gurugram

Date: 8 May 2025

Place: Gurugram

Date: 8 May 2025



Statement of Profit and Loss

For the year ended 31 March 2025

(All amounts are in Indian Rupees in Lakh unless stated otherwise)

Particulars	Notes	Year ended 31 March 2025	Year ended 31 March 2024
I Revenue from operations			
(i) Interest income	27	71,536.52	55,016.55
(ii) Fees and commission income	28	2,021.68	1,928.58
(iii) Net gain on fair value changes	29	1,512.49	1,751.85
(iv) Net gain on derecognition of financial instruments under amortised cost category	30	4,181.48	1,570.45
Total revenue from operations		79,252.17	60,267.43
II Other income	31	3,159.11	1,319.01
III Total Income (I + II)		82,411.28	61,586.44
IV Expenses			
(i) Finance costs	32	30,122.51	21,779.72
(ii) Impairment on financial assets	33	1,551.04	(28.90)
(iii) Employee benefits expense	34	20,823.03	16,988.04
(iv) Depreciation and amortization	35	1,082.37	988.99
(v) Other expenses	36	6,645.83	4,661.82
Total Expenses		60,224.78	44,389.67
V Profit before tax (III-IV)		22,186.50	17,196.77
VI Tax Expense:	37		
(i) Current tax		4,459.96	3,252.70
(ii) Tax for earlier years		0.63	(47.21)
(iii) Deferred tax (credit)/charge		196.47	394.40
		4,657.06	3,599.89
VII Profit for the year (V-VI)		17,529.44	13,596.88
VIII Other Comprehensive Income			
Items that will not be reclassified to profit or loss			
(a) Remeasurement of defined benefit plans		(104.15)	(75.15)
(b) Income tax expense relating to above items		26.20	18.91
Other comprehensive income		(77.95)	(56.24)
IX Total comprehensive income for the year (VII+VIII)		17,451.49	13,540.64
X Earnings per equity share	38		
Basic (₹)		22.30	17.94
Diluted (₹)		21.24	17.13

Material accounting policies

1-5

The accompanying notes are an integral part of the financial statements.

For Walker Chandio & Co LLP

Chartered Accountants

ICAI Firm Registration No. 001076N/N500013

Sd/-

Lalit Kumar

Partner

Membership Number: 095256

Place: Gurugram

Date: 8 May 2025

For and on behalf of the Board of Directors of

Shubham Housing Development Finance Company Limited

Sd/-

Sanjay Chaturvedi

Managing Director

DIN : 01636432

Sd/-

Vishal Kanodia

Chief Financial Officer

Place: Gurugram

Date: 8 May 2025

Sd/-

Rupa Basu

Joint Managing Director

DIN : 08068918

Sd/-

Amul Tyagi

Company Secretary

(M. No.: ACS 59974)

Statement of Cash Flow

For the Year ended 31 March 2025

(All amounts are in Indian Rupees in Lakh unless stated otherwise)

Particulars	Year ended 31 March 2025	Year ended 31 March 2024
Cash flow from operating activities		
Profit before tax	22,186.50	17,196.77
Adjusted for:		
Depreciation and amortisation	1,082.37	988.99
Interest on lease liability	94.03	79.48
Impairment on loan assets	1,008.38	(152.31)
EIR adjustment	346.45	(29.71)
Net gain on sale of investments	(1,512.49)	(1,751.85)
Provision for loss on asset held for sale	26.86	23.11
Provision for diminution in value of Investment	(77.02)	(134.22)
Net gain on derecognition of financial instruments	(4,181.48)	(1,570.45)
Net loss on sale of property plant and equipment	5.33	10.47
Loan assets written off	261.95	107.17
Loss on sale/settlement of acquired properties	330.87	127.35
Remeasurement of defined benefit plans	(104.15)	(75.15)
Share based payments expense	1,172.11	1,048.98
Operating profit before working capital changes	20,639.71	15,868.63
Adjusted for net changes in working capital:		
(Increase) in other non-financial assets	(1,548.35)	(1,861.52)
(Increase) in assets held for sale	(1,022.31)	(408.32)
Decrease in other financial assets	629.28	751.43
(Increase) in loan assets	(1,17,910.79)	(1,40,413.13)
(Decrease)/increase in trade payable	(101.38)	256.45
(Decrease) in other financial liabilities	(2,818.45)	(11,824.30)
Increase in other non financial liabilities	50.51	452.15
Increase in provisions	277.57	130.34
Cash used in operating activities	(1,01,804.21)	(1,37,048.26)
Taxes paid (net off refunds)	(3,367.18)	(3,295.23)
Net Cash used in operating activities	(1,05,171.39)	(1,40,343.49)
Cash flows from investing activities		
Purchase of property, plant and equipment including intangible assets under development	(757.14)	(518.87)
Proceeds from sale of property, plant and equipment	2.60	4.26
Purchase of investments	(3,06,000.00)	(3,36,248.15)
Proceeds from sale of investments	3,07,512.49	3,38,000.00
Proceeds from redemption of security receipts	802.84	1,066.53
Net Cash generated from investing activities	1,560.79	2,303.77
Cash flows from financing activities		
Proceeds from borrowings including debts securities	1,47,500.00	2,20,500.00
Repayment of borrowings including debts securities	(92,493.94)	(71,348.02)
Payment of principal portion of lease liabilities	(541.99)	(439.36)
Payment of interest on lease liabilities	(94.03)	(79.48)
Proceeds from issue of shares (net of share issue expenses)	39,069.65	181.89
Net Cash generated from financing activities	93,439.69	1,48,815.03
Net (decrease) /increase in cash and cash equivalents	(10,170.91)	10,775.31
Cash and cash equivalents at the beginning of the year	26,207.55	15,432.24
Cash and cash equivalents at the end of the year	16,036.64	26,207.55



Statement of Cash Flow

For the Year ended 31 March 2025

(All amounts are in Indian Rupees in Lakh unless stated otherwise)

Particulars	Year ended 31 March 2025	Year ended 31 March 2024
Cash and bank balance include (refer note -6) :		
Cash-on-hand	395.62	371.65
Balance with banks		
In current accounts	14,157.29	14,704.11
Deposits with original maturity of less than three months	1,290.55	10,004.67
Cheques in hand	84.50	120.06
Balance with cash credit facilities	108.68	1,007.06
Cash and cash equivalents at the end of the year	16,036.64	26,207.55

Notes:

- (a) The above Cash Flow Statement has been prepared under the 'Indirect Method' as set out in the Indian Accounting Standard (Ind AS-7) on 'Statement of Cash Flows'.
- (b) Refer note 42 for disclosure relating to change in financing activities including arising from cash on non-cash changes as required under Para 44A of Ind-AS-7.

The accompanying notes are an integral part of the financial statements.

As per our report of even date

For Walker Chandiok & Co LLP

Chartered Accountants
ICAI Firm Registration No. 001076N/N500013

Sd/-

Lalit Kumar

Partner

Membership Number: 095256

Place: Gurugram

Date: 8 May 2025

For and on behalf of the Board of Directors of

Shubham Housing Development Finance Company Limited

Sd/-

Sanjay Chaturvedi

Managing Director

DIN : 01636432

Sd/-

Vishal Kanodia

Chief Financial Officer

Place: Gurugram

Date: 8 May 2025

Sd/-

Rupa Basu

Joint Managing Director

DIN : 08068918

Sd/-

Amul Tyagi

Company Secretary

(M. No.: ACS 59974)

Statement of changes in equity

For the year ended 31 March 2025

(All amounts are in Indian Rupees in Lakh unless stated otherwise)

A. Equity share capital (refer note 24)

Particulars	As at 31 March 2025		As at 31 March 2024	
	No. of shares	Amount	No. of shares	Amount
Equity shares of ₹ 1 (P.Y ₹ 1) each issued, subscribed and fully paid				
Balance beginning of the year	2,02,98,020	202.98	20,14,202	201.42
Share extinguished on splitting of shares (refer below note)	-	-	(20,14,202)	(201.42)
Shares issued pursuant to conversion of CCPS	4,89,25,570	489.25	-	-
Issue of shares during the year on split of existing shares	-	-	2,01,42,020	201.42
Issue of share during the year	91,58,768	91.59	-	-
Allotment of shares on ESOP exercise	-	-	1,56,000	1.56
Balance at end of the reporting year	7,83,82,358	783.82	2,02,98,020	202.98

Note: During the Financial Year 2023-24, equity share of face value of ₹ 10/- each, fully paid up, was split into 10 equity shares of ₹ 1/- each.

B. Instruments entirely equity in nature (refer note 25)

Particulars	As at 31 March 2025		As at 31 March 2024	
	No. of shares	Amount	No. of shares	Amount
Compulsorily convertible preference shares ('CCPS')				
CCPS of ₹ 1(P.Y ₹ 1) each issued, subscribed and fully paid				
Balance at the beginning of the reporting year	3,42,98,770	342.99	34,29,877	342.99
Share extinguished on splitting of shares (refer below note)	-	-	(34,29,877)	(342.99)
share converted into equity share during the year	(2,77,17,130)	(277.17)	-	-
Issue of shares during the year on splitting	-	-	3,42,98,770	342.99
Balance at end of the reporting year	65,81,640	65.82	3,42,98,770	342.99

Note: During the Financial Year 2023-24, CCPS of face value of ₹ 10/- each, fully paid up, was split into 10 CCPS of ₹ 1/- each.

Particulars	As at 31 March 2025		As at 31 March 2024	
	No. of shares	Amount	No. of shares	Amount
Compulsorily convertible preference shares ('CCPS')				
CCPS of ₹ 2(P.Y ₹ 2) each issued, subscribed and fully paid				
Balance at the beginning of the reporting year	2,12,08,440	424.17	21,20,844	424.17
Share extinguished on splitting of shares (refer below note)	-	-	(21,20,844)	(424.17)
share converted into equity share during the year	(2,12,08,440)	(424.17)	-	-
Issue of shares during the year on splitting	-	-	2,12,08,440	424.17
Balance at end of the reporting year	-	-	2,12,08,440	424.17

Note: During the Financial Year 2023-24, CCPS of face value of ₹ 20/- each, fully paid up, was split into 10 CCPS of ₹ 2/- each.



Statement of changes in equity

For the year ended 31 March 2025

(All amounts are in Indian Rupees in Lakh unless stated otherwise)

C. Other equity (refer note 26)

Particulars	Reserves and Surplus				Equity Component of compound financial Instrument	Total
	Share premium	Statutory reserve	Retained earnings	Share options outstanding account		
Balance as at 1 April 2024	98,473.11	7,545.70	28,835.29	2,690.97	15.77	1,37,560.84
Profit for the year	-	-	17,529.44	-	-	17,529.44
Other comprehensive income for the year	-	-	(77.95)	-	-	(77.95)
Equity component of compound financial Instrument	-	-	-	-	12.43	12.43
Share based payments	-	-	-	1,172.11	-	1,172.11
Transfer to retained earnings	-	-	38.74	(38.74)	-	-
Transfer to security premium	-	-	-	-	-	-
Transfer to statutory reserve	-	3,505.89	(3,505.89)	-	-	-
Security premium on issue of share	39,190.16	-	-	-	-	39,190.16
Balance as at 31 March 2025	1,37,663.27	11,051.59	42,819.63	3,824.34	28.20	1,95,387.03

Particulars	Reserves and Surplus				Equity Component of compound financial Instrument	Total
	Share premium	Statutory reserve	Retained earnings	Share options outstanding account		
Balance as at 1 April 2023	98,153.38	4,826.32	17,983.73	1,811.69	15.77	1,22,790.89
Profit for the year	-	-	13,596.88	-	-	13,596.88
Other comprehensive income for the year	-	-	(56.24)	-	-	(56.24)
Equity component of compound financial Instrument	-	-	-	-	-	-
Share based Payments	-	-	-	1,048.98	-	1,048.98
Transfer to retained earnings	-	-	30.30	(30.30)	-	-
Transfer to security premium	139.40	-	-	(139.40)	-	-
Transfer to statutory reserve	-	2,719.38	(2,719.38)	-	-	-
Security premium on issue of share	180.33	-	-	-	-	180.33
Balance as at 31 March 2024	98,473.11	7,545.70	28,835.29	2,690.97	15.77	1,37,560.84

The accompanying notes are an integral part of the financial statements

As per our report of even date

For Walker Chandiok & Co LLP

Chartered Accountants

ICAI Firm Registration No. 001076N/N500013

Sd/-

Lalit Kumar

Partner

Membership Number: 095256

Place: Gurugram

Date: 8 May 2025

For and on behalf of the Board of Directors of

Shubham Housing Development Finance Company Limited

Sd/-

Sanjay Chaturvedi

Managing Director

DIN : 01636432

Sd/-

Vishal Kanodia

Chief Financial Officer

Place: Gurugram

Date: 8 May 2025

Sd/-

Rupa Basu

Joint Managing Director

DIN : 08068918

Sd/-

Amul Tyagi

Company Secretary

(M. No.: ACS 59974)

Summary of material accounting policies and other explanatory information

For the year ended 31 March 2025

(All amounts are in Indian Rupees in lakh unless stated otherwise)

Note 1: Corporate information

Shubham Housing Development Finance Company Limited (CIN:U65921DL2010PLC199469) ("the Company") is a public limited Company domiciled in India and incorporated under the provisions of the Companies Act, 1956. The Company is registered as a housing finance Company registered with National Housing Bank (NHB) vide registration No. 06.136.16 and is engaged in the long term financing activity in the domestic markets to provide housing finance. The Company's redeemable non-convertible debentures are listed on BSE Limited on 1 October 2024.

Note 2: Basis of preparation

These financial statements have been prepared in accordance with the Indian Accounting Standards (Ind AS) as per the Companies (Indian Accounting Standards) Rules, 2015, as amended by the Companies (Indian Accounting Standards) Rules, 2016, notified under Section 133 of the Companies Act, 2013 (the "Act"), other relevant provisions of the Act, guidelines issued by the National Housing Bank and Reserve bank of India as applicable to an HFCs and other accounting principles generally accepted in India. Any application guidance / clarifications / directions issued by NHB/RBI or other regulators are implemented as and when they are issued / applicable, the guidance notes/announcements issued by the Institute of Chartered Accountants of India (ICAI) are also applied except where compliance with other statutory promulgations require a different treatment. Accounting policies have been consistently applied except where a newly issued Ind AS is initially adopted or a revision to an existing Ind AS required a change in the accounting policy hitherto in use.

The financial statements have been prepared on a historical cost basis, except derivative financial instruments, other financial assets held for trading and financial assets and liabilities designated at fair value through profit or loss (FVTPL) or through other comprehensive income (FVOCI) instruments all of which are measured at fair value.

Note 3: Presentation of financial statements

The Balance Sheet, the Statement of Profit and Loss and the Statement of Changes in Equity are prepared and presented in the format prescribed in the Division III of Schedule III of the Companies Act, 2013 (the 'Act'). The Statement of Cash Flows has been prepared and presented as per the requirements of Ind AS-7.

A summary of the material accounting policies and other explanatory information is in accordance with the Companies (Indian Accounting Standards) Rules, 2015 as specified under Section 133 of the Companies Act, 2013 (the 'Act') including applicable Indian Accounting Standards (Ind AS) and accounting principles generally accepted in India. Further, The financials statements are also prepared and presented in compliance with the circulars, the guidelines and the master directions issued by the Reserve Bank of India (the "RBI") and National Housing Bank (the "NHB") from time to time to the extent applicable. The Company presents its balance sheet in order of liquidity. Financial

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

- The normal course of business
- The event of default
- The event of insolvency or bankruptcy of the Company and/or its counterparties.

The financial statements are presented in Indian Rupees (₹) and all values are rounded to the nearest Lakhs, except when otherwise indicated.

The financial statements for the year ended 31 March 2025 were authorized and approved for issue by the Board of Directors on 8 May 2025.

Note 4: Material accounting policies

4.1. Recognition of income and expense

4.1.1 Interest income

The Company earns revenue primarily from giving loans. Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. Interest revenue is recognized using the effective interest rate method (EIR). The effective interest method calculates the amortized cost of a financial instrument and allocates the interest income. The effective interest rate is the rate that discounts estimated future cash payments or receipts through the expected life of the financial instrument or, when appropriate, a shorter period, to the gross carrying amount of the financial asset or liability. The calculation takes into account all contractual terms of the financial instrument (for example, prepayment options) and includes any fees or incremental costs that are directly attributable to the instrument and are an integral part of the EIR, but not future credit losses.

The Company calculates interest income by applying the EIR to the gross carrying amount of financial assets other than credit-impaired assets. When a financial asset becomes credit-impaired and is, therefore, regarded as 'Stage 3', the Company recognise the interest on receipt basis. If the financial assets cures and is no longer credit-impaired, the Company reverts to calculating interest income.

Payment hierarchy

For all loans we will follow the following payment hierarchy on monthly basis:

- a. First adjustment will be against principal due
- b. Second adjustment will be against interest due



Summary of material accounting policies and other explanatory information

For the year ended 31 March 2025

(All amounts are in Indian Rupees in lakh unless stated otherwise)

- c. Amount received will be adjusted on FIFO basis (first in first out basis) against fees/charges and penal interest only after all the principal due and interest due are paid off. Same payment hierarchy will be followed on loan account becoming 90 days overdue (NPA) and even thereafter.

4.1.2 Fee and commission income not integral to effective interest rate (EIR) method under Ind AS 109 and Income from services and distribution of financial products

The Company recognises the fee and commission income like application fees, penal interest, cheque bounce charges, notice pay recovery from employee, other income etc. not integral to EIR under Ind AS 109 in accordance with the terms of the relevant customer contracts / agreement and when it is confirmed that the Company will collect the consideration for items. Revenue in the form of income from financial advisory (other than for those items to which Ind AS 109 - Financial Instruments are applicable) is measured at fair value of the consideration received or receivable, in accordance with Ind AS 115 - Revenue from contracts with customers.

Other Income includes marketing support income, represents income earned from the activities incidental to the business and is recognised when the right to receive the income is established as per the terms of the contract.

4.1.3 Dividend income

Dividend income is recognized when the Company's right to receive the payment is established, it is probable that the economic benefits associated with the dividend will flow to the entity and the amount of the dividend can be measured reliably.

4.1.4 Interest expense

Interest expense includes borrowing costs that are initially recognized as part of the carrying value of the financial liability and amortized over the expected life using the effective interest rate method. These include fees and commissions payable to arrangers and other expenses such as external legal costs, provided these are incremental costs that are directly related to the issue of a financial liability.

4.2. 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.

4.2.1 Financial Assets

4.2.1.1 Initial recognition and measurement

Financial assets, with the exception of loans and advances to the customers, are initially recognised on the trade date, i.e., the date that the Company becomes a party to the contractual provisions of the instrument. The classification of

financial instruments at initial recognition depends on their purpose and characteristics and the management's intention when acquiring them. All financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset.

4.2.1.2 Classification and Subsequent measurement

On initial recognition, depending on the Company's business model for managing the financial assets and its contractual cash flow characteristics, a financial asset is classified as measured at;

- 1) amortised cost;
- 2) fair value through other comprehensive income (FVTOCI); or
- 3) fair value through profit and loss (FVTPL)."

The classification depends on the entity's business model for managing the financial assets and the contractual terms of the cash flows. 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.

A financial asset is measured at amortized cost using Effective Interest Rate (EIR) method if it meets both of the following conditions and is not recognised as at FVTPL:

- The asset is held within a business model whose objective is to hold assets to collect contractual cash flows; and
- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

On initial recognition of an equity investment that is not held for trading, the Company may irrevocably elect to present subsequent changes in the investment's fair value in OCI (designated as FVTOCI – equity investment). This election is made an investment – by – investment basis. All financials assets not classified and measured at amortized cost or FVTOCI as described above are measured at FVTPL.

On initial recognition, the Company may irrevocably designate the financials assets that otherwise meets the requirements to be measured at amortized cost or at FVTOCI or at FVTPL, if doing so eliminates or significantly reduces the accounting mismatch that would otherwise arise.

Financial assets at amortised cost:

These assets are subsequently measured at amortised cost using the effective interest method. The amortised cost is reduced by impairment losses. Interest income,

Summary of material accounting policies and other explanatory information

For the year ended 31 March 2025

(All amounts are in Indian Rupees in lakh unless stated otherwise)

foreign exchange gains and losses if any and impairment are recognised in the statement of profit and loss. Any gain or loss on de-recognition is recognised in the statement of profit and loss.

Financial assets at 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 and loss. The transaction costs and fees are also recorded related to these instruments in the statement of profit and loss.

In addition, the Company may elect to designate a debt instrument, which otherwise meets amortized cost or FVTOCI criteria, as at FVTPL. However, such election is allowed only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as 'accounting mismatch'). Debt instruments included within the FVTPL category are measured at fair value with all changes recognized in the statement of profit and loss.

Financial assets (other than Equity Investments) at 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 recognized 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. On derecognition, cumulative gain or loss previously recognised in OCI is reclassified from the equity to 'other income' in the statement of profit and loss.

Equity investments at FVTOCI and FVTPL:

All equity investments in scope of Ind AS 109 are measured at fair value. Equity instruments which are held for trading classified as at FVTPL. For all other equity instruments, the Company may make an irrevocable election to present subsequent changes in the fair value in other comprehensive income. The Company makes such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable.

If the Company decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognized in the OCI. There is no recycling of the amounts from OCI to P&L, even on sale of investment. However, the Company may transfer the cumulative gain or loss within equity.

Equity instruments included within the FVTPL category are measured at fair value with all changes recognized in the statement of profit and loss.

4.2.2. Financial Liabilities

4.2.2.1. Initial recognition and measurement

Financial liabilities are classified and measured at amortised cost or FVTPL. A financial liability is classified as at FVTPL if it is classified as held-for trading or it is designated as such on initial recognition. All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

The Company's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts.

4.2.2.2. Classification and Subsequent measurement

Financial liabilities at fair value through profit or loss:

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term.

Gains or losses on liabilities held for trading are recognised in the statement of profit or loss.

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated as such at the initial date of recognition, and only if the criteria in Ind AS 109 are satisfied. For liabilities designated as FVTPL, fair value gains/ losses attributable to changes in own credit risk are recognized in OCI. These gains/ losses are not subsequently transferred to P&L. However, the Company may transfer the cumulative gain or loss within equity. All other changes in fair value of such liability are recognised in the statement of profit and loss.

Financial Liabilities held at amortised cost:

The Company's loans and borrowings are generally classified in this category. After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit and loss.

Financial guarantees and undrawn loan commitments

Financial guarantees are initially recognised in the financial statements (within Provisions) at fair value, being the premium/deemed premium received. Subsequent to initial recognition, the Company's liability under each guarantee is measured at the higher of the amount initially recognised and the amount initially recognised less cumulative amortisation recognised in the statement of profit and loss.



Summary of material accounting policies and other explanatory information

For the year ended 31 March 2025

(All amounts are in Indian Rupees in lakh unless stated otherwise)

The premium/deemed premium is recognised in the statement of profit and loss on a straight-line basis over the life of the guarantee.

Undrawn loan commitments are commitments under which, over the duration of the commitment, the Company is required to provide a loan with pre-specified terms to the customer. Undrawn loan commitments are in the scope of the ECL requirements.

The nominal contractual value of undrawn loan commitments, where the loan agreed to be provided is on market terms, are not recorded in the balance sheet.

4.2.3. Reclassification of financial assets and liabilities

The Company does not reclassify its financial assets subsequent to their initial recognition, apart from the exceptional circumstances in which the Company acquires, disposes of, or terminates a business line. Financial liabilities are never reclassified.

4.2.4. De-recognition of financial assets and liabilities

4.2.4.1. Financial Assets

A financial asset (or, where applicable, a part of a financial asset or part of a Company of similar financial assets) is de-recognised when the rights to receive cash flows from the financial asset have expired. The Company also de-recognises the financial asset if it has transferred the financial asset and the transfer qualifies for de recognition.

The Company has transferred the financial asset if, and only if, either:

- It has transferred its contractual rights to receive cash flows from the financial asset or
- It retains the rights to the cash flows but has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement.

Pass-through arrangements are transactions whereby the Company retains the contractual rights to receive the cash flows of a financial asset (the 'original asset'), but assumes a contractual obligation to pay those cash flows to one or more entities (the 'eventual recipients'). Pass-through arrangements result in derecognition of financial assets only when all the following three conditions are met:

- The Company has no obligation to pay amounts to the eventual recipients unless it has collected equivalent amounts from the original asset, excluding short-term advances with the right to full recovery of the amount lent plus accrued interest at market rates.

- The Company cannot sell or pledge the original asset other than as security to the eventual recipients.
- The Company must remit any cash flows it collects on behalf of the eventual recipients without material delay.

In addition, the Company is not entitled to reinvest such cash flows, except for investments in cash or cash equivalents including interest earned, during the year between the collection date and the date of required remittance to the eventual recipients.

A transfer only qualifies for derecognition if 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.

The Company considers control to be transferred if and only if, the transferee has the practical ability to sell the asset in its entirety to an unrelated third party and is able to exercise that ability unilaterally and without imposing additional restrictions on the transfer.

When the Company has neither transferred nor retained substantially all the risks and rewards and has retained control of the asset, the asset continues to be recognised only to the extent of the Company's continuing involvement, in which case, the Company also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration the Company could be required to pay.

If continuing involvement takes the form of a written or purchased option (or both) on the transferred asset, the continuing involvement is measured at the value the Company would be required to pay upon repurchase. In the case of a written put option on an asset that is measured at fair value, the extent of the entity's continuing involvement is limited to the lower of the fair value of the transferred asset and the option exercise price.

Securitization and Assignment

In case of transfer of loans through securitisation and direct assignment 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.

Summary of material accounting policies and other explanatory information

For the year ended 31 March 2025

(All amounts are in Indian Rupees in lakh unless stated otherwise)

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.

4.2.4.2. Financial Liabilities

A financial liability is derecognised when the obligation under the liability is discharged, cancelled or expires. Where an existing financial liability is replaced by another from the same lender on substantially different terms or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a derecognition of the original liability and the recognition of a new liability. The difference between the carrying value of the original financial liability and the consideration paid is recognised in the statement of profit and loss.

4.3. Impairment of financial assets

4.3.1. Overview of the ECL principles

The Company is recording the allowance for expected credit losses for all loans, together with loan commitments and financial guarantee contracts, (in this section all referred to as 'financial instruments'). Equity instruments are not subject to impairment under Ind AS 109.

The ECL allowance is based on the credit losses expected to arise over the life of the asset (the lifetime expected credit loss or LTECL), unless there has been no significant increase in credit risk since origination, in which case, the allowance is based on the 12 months' expected credit loss (12mECL).

The 12m ECL is the portion of LTECLs that represent the ECLs that result from default events on a financial instrument that are possible within the 12 months after the reporting date.

Both LTECLs and 12mECLs are calculated on collective basis, depending on the nature of the underlying portfolio of financial instruments.

The Company has established a policy to perform an assessment, at the end of each reporting year, of whether a financial instrument's credit risk has increased significantly since initial recognition.

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

Stage 1: When loans are first recognised, the Company recognises an allowance based on 12mECLs.

Stage 1 loans also include facilities where the credit risk has improved, and the loan has been reclassified from Stage 2 or Stage 3.

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

Stage 3: Loans considered credit-impaired. The Company records an allowance for the LTECLs.

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

4.3.2 Computation of ECLs

The Company calculates ECLs based on a probability-weighted scenarios and historical data to measure the expected cash shortfalls, discounted at an approximation to the EIR. A cash shortfall is the difference between the cash flows that are due to an entity in accordance with the contract and the cash flows that the entity expects to receive.

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

- PD - The Probability of Default is an estimate of the likelihood of default over a given time horizon. A default may only happen at a certain time over the assessed year, if the facility has not been previously derecognised and is still in the portfolio.
- EAD - The Exposure at Default is an exposure including interest accrued wherever applicable but not due and charges if any at a reporting date.
- LGD - The Loss Given Default is an estimate of the loss arising in the case where a default occurs at a given time. It is based on the difference between the contractual cash flows due and those that the lender would expect to receive, including from the realisation of any collateral. It is usually expressed as a percentage of the EAD.

The maximum year for which the credit losses are determined is the expected life of a financial instrument.

The mechanics of the ECL method are summarised below:

Stage 1: The 12 months ECL is calculated as the portion of LTECLs that represent the ECLs that result from default events on a financial instrument that are possible within the 12 months after the reporting date. The Company calculates the 12mECL allowance based on the expectation of a default occurring in the 12 months following the reporting date. These expected 12-month default probabilities are applied to an EAD and multiplied by the expected LGD.



Summary of material accounting policies and other explanatory information

For the year ended 31 March 2025

(All amounts are in Indian Rupees in lakh unless stated otherwise)

Stage 2: When a loan has shown a significant increase in credit risk since origination, the Company records an allowance for the LTECLs. The mechanics are similar to those explained above, but PDs and LGDs are estimated over the lifetime of the instrument.

Stage 3: For loans considered credit-impaired inclusive of all loan classified as NPA pursuant to the RBI circular RBI/2021-2022/125 DOR.STR.REC.68/21.04.048/2021-22 dated 12 November 2022 the Company recognizes the lifetime expected credit losses for these loans. The method is similar to that for Stage 2 assets, with the PD set at 100%.

Loan commitments: When estimating LTECLs for undisbursed loan commitments, the Company estimates the expected portion of the loan commitment that will be drawn down over its expected life. The ECL is then based on the present value of the expected shortfalls in cash flows if the loan is drawn down. The expected cash shortfalls are discounted at an approximation to the expected EIR on the loan.

For loan commitments, the ECL is recognised within Provisions.

4.3.3. Forward looking information

While estimating the expected credit losses, the Company reviews macro-economic developments occurring in the economy and market it operates in. On a periodic basis, the Company analyses if there is any relationship between key economic trends like GDP, Unemployment rates, etc. with the estimate of PD, LGD determined by the Company based on its internal data. While the internal estimates of PD, LGD rates by the Company may not be always reflective of such relationships, temporary overlays are embedded in the methodology to reflect such macro-economic trends reasonably.

4.4. Collateral valuation

To mitigate its credit risks on financial assets, the Company seeks to use collateral, where possible. The collateral comes in forms of underlying property. Collateral, unless repossessed, is not recorded on the Company's books of accounts. However, the fair value of collateral affects the calculation of ECLs. It is generally assessed, at a minimum, at inception and re-assessed on periodic basis for repossessed stock.

To the extent possible, the Company uses active market data and value assessed by certified third party valuers for valuing financial assets held as collateral.

4.5. Collateral repossessed

In its normal course of business, the Company does not repossess properties or other assets in its portfolio but to mitigate the credit risk on financial assets, the Company seeks to use collateral, where possible as per the powers conferred on the Non-Banking Finance Companies under the Securitisation and Reconstruction of Financial Assets and Enforcement of Securities Interest Act, 2002 ("SARFAESI"). The Company generally engages external or internal agents to recover funds at auctions in compliance of SARFAESI by way of repossession of properties to settle outstanding debt. Any surplus funds are returned to the customers/obligors. The residential properties under legal repossession processes are treated as assets held for sale at (i) fair value less cost to sell or (ii) principle outstanding, whichever is less, at the repossession date.

4.6 Write-offs

Financial assets are written off either partially or in their entirety only when the recovery possibility from these properties seems remote, despite legal remedies and other actions taken by the Company. If the amount to be written off is greater than the accumulated loss allowance, the difference is first treated as an addition to the allowance that is then applied against the gross carrying amount. Any subsequent recoveries are credited to the statement of profit and loss.

4.7. Forborne and modified loans

The Company sometimes makes concessions or modifications to the original terms of loans as a response to the borrower's financial difficulties, rather than taking possession or to otherwise enforce collection of collateral. The Company considers a loan forborne when such concessions or modifications are provided as a result of the borrower's present or expected financial difficulties and the Company would not have agreed to them if the borrower had been financially healthy. Indicators of financial difficulties include defaults on covenants, or significant concerns raised by the Credit Risk Department. Forbearance may involve extending the payment arrangements and the agreement of new loan conditions. Once the terms have been renegotiated, any impairment is measured using the original EIR as calculated before the modification of terms. It is the Company's policy to monitor forborne loans to help ensure that future payments continue to be likely to occur. Derecognition decisions and classification between Stage 2 and Stage 3 are determined on a case-by-case basis. If these procedures identify a loss in relation to a loan, it is disclosed and managed as an impaired Stage 3 forborne asset until it is collected or written off.

Summary of material accounting policies and other explanatory information

For the year ended 31 March 2025

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When the loan has been renegotiated or modified but not derecognised, the Company reassesses whether there has been a significant increase in credit risk. The Company also considers whether the assets should be classified as Stage 3. Once an asset has been classified as forborne, it will remain forborne for a minimum 12-month probation period. In order for the loan to be reclassified out of the forborne category, the customer has to satisfy the performance of the loan during probation period.

4.8. Determination of fair value

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

The principal or the most advantageous market must be accessible by the Company.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities.

Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.

Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

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 (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting year.

4.9 Leases:

The Company assesses at inception of the contract whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

Company as a lessee

The Company applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Company recognises lease liabilities representing obligations to make lease payments and right-of-use assets representing the right to use ('ROU') the underlying assets.

i) Right-of-use assets

The Company recognises right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the lease term.

The right-of-use assets are also subject to impairment. (Refer to the accounting policies on Impairment of non-financial assets.)

ii) Lease liabilities

At the commencement date of the lease, the Company recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in-substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees.

In calculating the present value of lease payments, the Company uses its incremental borrowing rate at the transition date. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made.

The Company's lease liabilities are included in Other financial liabilities.



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iii) Short-term leases and leases of low-value assets

The Company applies the short-term lease recognition exemption to its short-term leases (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases that are considered to be of low value. Lease payments on short-term leases and leases of low-value assets are recognised as expense on a straight-line basis over the lease term.

4.10. Cash and cash equivalents

Cash and cash equivalents in the balance sheet comprises of cash balance with bank and highly liquid investments with maturity period of three months or less from the date of investment.

4.11. Property, plant and equipment

Property, plant and equipment (PPE) are stated at cost of acquisition less accumulated depreciation. The cost of an item of Property, plant and equipment comprises its purchase price, including import duties and other non-refundable taxes or levies and any directly attributable cost of bringing the asset to its working condition for its intended use. Subsequent expenditure related to PPE is capitalized only when it is probable that future economic benefits associated with these will flow to the Company and the cost of item can be measured reliably. Other repairs and maintenance costs are expensed off as and when incurred.

An item of property, plant and equipment and any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on de-recognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the statement of profit and loss when the asset is derecognised. The date of disposal of an item of property, plant and equipment is the date the recipient obtains control of that item in accordance with the requirements for determining when a performance obligation is satisfied in Ind AS 115.

Building stated at its cost of acquisition less depreciation. Cost of a building includes purchase price and all the incidental charges for the acquisition. Building is capitalised with remaining life at the time of acquisition from its original life.

Depreciation is provided over the useful life of the asset as per "Part C" of Schedule-II of Companies Act 2013 except for Computer and data processing units and building, where the management's estimates of the useful life of such fixed assets is higher/lower than the life arrived at

on the basis of Schedule II of the Act. Accordingly based on the internal technical evaluation, the Company has depreciated computer and data processing units over a period of 5 years and building over a period of remaining useful life. The management believes that said useful lives best represent the period over which management expect to use these assets. Depreciation rates have been worked out by applying written down value method. The Company has used the following useful lives to provide depreciation on its PPE.

Particulars	Estimated useful life	Estimated useful life
	as per Management estimates	as per Schedule-II
- Computers and data processing units	5 years	5 years
- Office equipment	5 years	5 years
- Furniture and fixtures	10 years	10 years
- Building	34 years	60 years

4.12. 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.

4.13. Other Intangible assets

The Company's other intangible assets mainly include the value of computer software and Brand and Trade Marks

An intangible asset is recognised only when its cost can be measured reliably, and it is probable that the expected future economic benefits that are attributable to it will flow to the Company.

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and any accumulated impairment losses.

Intangible assets are amortized on a straight line basis over the estimated useful economic life. The Company estimates the useful life of an intangible asset will generally be three years. If the persuasive evidence exists to the affect that useful life of an intangible asset would not be three years, the Company amortizes the intangible asset over the best estimate of its useful life.

4.14. Intangible assets under development

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

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(All amounts are in Indian Rupees in lakh unless stated otherwise)

4.15. Investment in Security receipts

The Investment made by the Company in Security Receipts (SR) are valued, as guided by the RBI Directions, at lower of the following:

- a) Net Asset Value (NAV) declared by the Asset Reconstruction Company based on the recovery ratings received for such instruments; and
- b) face value of the SRs reduced by the notional provisioning rate applicable if the loans had continued on the books of the Company.

4.16. Impairment of non-financial assets

The carrying amount of assets is reviewed at each balance sheet date if there is any indication of impairment based on internal/external factors. An impairment loss is recognised wherever the carrying amount of an asset exceeds its recoverable amount. The recoverable amount is the greater of the assets, net selling price and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and risks specific to the asset. In determining net selling price, recent market transactions are taken into account, if available. If no such transactions can be identified, an appropriate valuation model is used.

After impairment, depreciation is provided on the revised carrying amount of the asset over its remaining useful life.

4.17. Retirement and other employee benefits

Short term employee benefits

All employee benefits payable/ available within twelve months of rendering the service are classified as short-term employee benefits. Benefits such as salaries, wages and bonus etc., are recognised in the statement of profit and loss in the period in which the employee renders the related service.

Post-employment benefits

Retirement benefit in the form of provident fund is a defined contribution scheme. The Company has no obligation, other than the contribution payable to the provident fund. The Company recognizes contribution payable to the provident fund scheme as an expense, when an employee renders the related service. If the contribution payable to the scheme for service received before the balance sheet date exceeds the contribution already paid, the deficit payable to the scheme is recognized as a liability after deducting the contribution already paid. If the contribution already paid exceeds the contribution due for services received before the balance sheet date, then excess is recognized as an asset to the extent that the pre-payment will lead to, for example, a reduction in future payment or a cash refund.

The Company operates a defined benefit gratuity plan in India, which requires contributions to be made to a separately administered fund.

The cost of providing benefits under the defined benefit plan is determined using the Projected Unit Credit Method.

Remeasurements, comprising of actuarial gains and losses, the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability), are recognised immediately in the balance sheet with a corresponding debit or credit to retained earnings through OCI in the period in which they occur. Remeasurements are not reclassified to profit or loss in subsequent periods.

The Company has taken a policy from an Insurance Company to cover its liabilities towards employees' gratuity. Net unfunded / funded obligation is disclosed in the Balance Sheet as the case may be.

Past service costs are recognised in profit or loss on the earlier of:

- The date of the plan amendment or curtailment, and
- The date that the Company recognises related restructuring costs

Net interest is calculated by applying the discount rate to the net defined benefit liability or asset. The Company recognises the following changes in the net defined benefit obligation as an expense in the statement of profit and loss:

- Service costs comprising current service costs, past-service costs, gains and losses on curtailments and non-routine settlements; and
- Net interest expense or income

Accumulated leave, which is expected to be utilized within the next 12 months, is treated as short-term employee benefit. The Company measures the expected cost of such absence as the additional amount that it expects to pay as a result of the unused entitlement that has accumulated at the reporting date. The Company treats accumulated leave expected to be carried forward beyond twelve months, as long term employee benefit for measurement purposes.

Share-based payments

The cost of equity-settled transactions is determined by the fair value at the date when the grant is made using an appropriate valuation model.

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



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estimate of equity instruments that will eventually vest, with a corresponding increase in equity. At the end of each reporting year, the Company revises its estimate of the number of equity instruments expected to vest. The impact of the revision of the original estimates, if any, is recognised in statement of profit and loss such that the cumulative expenses reflects the revised estimate, with a corresponding adjustment to the Share Based Payments Reserve.

4.18. Provisions

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. The expense relating to any provision is presented in the statement of profit and loss net of any reimbursement. If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

4.19. Taxes

Current tax

Current tax assets and liabilities for the current and prior years are measured at the amount expected to be recovered from, or paid to, the taxation authorities in accordance with Income Tax Act, 1961. The tax rates and tax laws used to compute the amount are those that are enacted, or substantively enacted, at the reporting date.

Income tax expense comprises current and deferred taxes. Income tax expense is recognized in the statement of profit and loss except when they relate to items that are recognized outside profit or loss (whether in other comprehensive income or directly in equity), in which case tax is also recognized outside profit and loss.

Deferred tax

Deferred tax is provided on temporary differences at the reporting date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

Deferred tax liabilities are recognised for all taxable temporary differences, except:

Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised, except:

- When the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

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

Deferred tax assets/liabilities expense is recognized in the statement of profit and loss except when they relate to items that are recognized outside profit or loss (whether in other comprehensive income or directly in equity), in which case tax is also recognized outside profit or loss.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

4.20. Assets held for sale

The Company classifies non-current assets as held for sale if their carrying amounts will be recovered principally through a sale rather than through continuing use. Actions required to complete the sale should indicate that it is unlikely that significant changes to the sale will be made or that the decision to sell will be withdrawn. Management must be committed to the sale expected within one year from the date of classification.

For these purposes, sale transactions include exchanges of non-current assets for other non-current assets when the exchange has commercial substance. The criteria for held for sale classification is regarded met only when the assets is available for immediate sale in its present condition, subject only to terms that are usual and customary for sales, its sale is highly probable; and it will genuinely be sold, not abandoned. The Company treats sale of the asset or disposal group to be highly probable when:

- The appropriate level of management is committed to a plan to sell the asset,
- An active programme to locate a buyer and complete the plan has been initiated,

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- The asset is being actively marketed for sale at a price that is reasonable in relation to its current fair value,
- The sale is expected to qualify for recognition as a completed sale within one year from the date of classification, and

Actions required to complete the plan indicate that it is unlikely that significant changes to the plan will be made or that the plan will be withdrawn.

Assets held for sale to owners are measured at the lower of their carrying amount and the fair value less costs to sell. Assets and liabilities classified as held for sale are presented separately in the balance sheet. In case where properties held for sale lying with the company more than 3 years, the company provides hundred percent provision for these unsettled properties.

4.21. Earnings per share

Basic earnings per share are calculated by dividing the net profit or loss attributable to equity holder of the Company by the weighted average number of equity shares outstanding during the period. Partly paid equity shares are treated as a fraction of an equity share to the extent that they are entitled to participate in dividends relative to a fully paid equity share during the reporting period.

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

4.22. Foreign currency

The Company's financial statements are presented in Indian Rupees (₹) which is also the Company's functional currency.

Transactions in foreign currencies are initially recorded by the Company at their respective functional currency spot rates at the date the transaction first qualifies for recognition.

Income and expenses in foreign currencies are initially recorded by the Company at the exchange rates prevailing on the date of the transaction.

Foreign currency denominated monetary assets and liabilities are translated at the functional currency spot rates of exchange at the reporting date and exchange gains and losses arising on settlement and restatement are recognized in the statement of profit and loss.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair

value is determined. The gain or loss arising on translation of non-monetary items measured at fair value is treated in line with the recognition of the gain or loss on the change in fair value of the item (i.e., translation differences on items whose fair value gain or loss is recognized in OCI or profit or loss are also recognized in OCI or profit or loss, respectively).

4.23. Contingent liabilities and assets

The Company does not recognize a contingent liability but discloses its existence in the financial statements contingent liability is disclosed in the case of:

- A present obligation arising from past events, when it is not probable that an outflow of resources will not be required to settle the obligation.
- A present obligation arising from past events, when no reliable estimate is possible.
- A possible obligation arising from past events, unless the probability of outflow of resources is remote.

Contingent liabilities are reviewed at each balance sheet date. Contingent assets are not recognised. A contingent asset is disclosed, as required by Ind AS 37, where an inflow of economic benefits is probable.

5. Significant accounting judgements, estimates and assumptions

In the process of applying the Company's accounting policies, management has made the following Significant judgements and estimates, which have a risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

5.1. Business model assessment

The Company determines its business model at the level that best reflects how it manages groups of financial assets to achieve its business objective.

The Company considers the frequency, volume and timing of sales in prior years, the reason for such sales, and its expectations about future sales activity. However, information about sales activity is not considered in isolation, but as part of an holistic assessment of how Company's stated objective for managing the financial assets is achieved and how cash flows are realised. Therefore, the Company considers information about past sales in the context of the reasons for those sales, and the conditions that existed at that time as compared to current conditions.

Based on this assessment and future business plans of the Company, the management has measured its financial assets at amortised cost except investment in security receipts as the asset is held within a business model whose objective is to collect contractual cash flows, and the contractual terms of the financial asset give rise to cash flows that are solely payments of principle and interest ('the 'SPPI criterion').



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5.2. Fair value of financial instruments

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

5.3. Effective Interest Rate (EIR) method

The Company's EIR methodology, recognises interest income / expense using a rate of return that represents the best estimate of a constant rate of return over the expected behavioural life of loans given / taken and recognises the effect of potentially different interest rates at various stages and other characteristics of the product life cycle (including prepayments and penalty interest and charges). This estimation, by nature, requires an element of judgement regarding the expected behaviour and life-cycle of the instruments, as well expected changes to India's base rate and other fee income/expense that are integral parts of the instrument.

5.4. Impairment of financial asset

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

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

- The Company's model, which assigns Probability of default (PDs).
- The Company's criteria for assessing if there has been a significant increase in credit risk and so allowances for financial assets should be measured on a Life Time Expected Credit Loss (LTECL) basis and the qualitative assessment.

- The segmentation of financial assets when their ECL is assessed on a collective basis.
- Development of ECL models, including the various formulas and the choice of inputs.
- Determination of associations between macroeconomic scenarios and, economic inputs, and the effect on PDs, EADs and LGDs.
- Selection of forward-looking macroeconomic scenarios and their probability weightings, to derive the economic inputs into the ECL models

It has been the Company's policy to regularly review its models in the context of actual loss experience and adjust when necessary.

5.5. Defined employee benefit assets and liabilities

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

5.6. Share based payments

Estimating fair value for share-based payment transactions requires determination of the most appropriate valuation model, which is dependent on the terms and conditions of the grant. This estimate also requires determination of the most appropriate inputs to the valuation model including the expected life of the share option, volatility and dividend yield and making assumptions about them.

5.7. Provisions and other contingent liabilities

The Company operates in a regulatory and legal environment that, by nature, has a heightened element of litigation risk inherent to its operations. As a result, it is involved in various litigation, arbitration and regulatory investigations and proceedings in the ordinary course of the Company's business.

When the Company can reliably measure the outflow of economic benefits in relation to a specific case and considers such outflows to be probable, the Company records a provision against the case. Where the probability of outflow is considered to be remote, or probable, but a reliable estimate cannot be made, a contingent liability is disclosed.

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Given the subjectivity and uncertainty of determining the probability and amount of losses, the Company takes into account a number of factors including legal advice, the stage of the matter and historical evidence from similar incidents. Significant judgement is required to conclude on these estimates.

5.8. Determining the lease term of contracts with renewal and termination options – Company as lessee

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.

The Company has several lease contracts that include extension and termination options. The Company applies judgement in evaluating whether it is reasonably certain whether or not to exercise the option to renew or terminate

the lease. That is, it considers all relevant factors that create an economic incentive for it to exercise either the renewal or termination. After the commencement date, the Company reassesses the lease term if there is a significant event or change in circumstances that is within its control and affects its ability to exercise or not to exercise the option to renew or to terminate (e.g., construction of significant leasehold improvements or significant customisation to the leased asset).

The Company cannot readily determine the interest rate implicit in the lease, therefore, it uses its incremental borrowing rate (IBR) to measure lease liabilities. The IBR is the rate of interest that the Company would have to pay to borrow over a similar term, and with a similar security, the funds necessary to obtain an asset of a similar value to the right-of-use asset in a similar economic environment. The IBR therefore reflects what the Company 'would have to pay', which requires estimation when no observable rates are available or when they need to be adjusted to reflect the terms and conditions of the lease.



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Note -6 : Cash and cash equivalents

	As at 31 March 2025	As at 31 March 2024
Cash on hand	395.62	371.65
Balances with banks		
- In current accounts	14,157.29	14,704.11
- Deposits with original maturity of less than three months	1,290.55	10,004.67
- In cash credit accounts	108.68	1,007.06
Cheques in hand	84.50	120.06
	16,036.64	26,207.55

Balances with bank deposit earns interest at fixed rates based on bank deposit rates. Short-term deposits are made for varying periods of less than three months, depending on the immediate cash requirements of the Company, and earn interest at the respective short-term deposit rates.

There are no repatriation restrictions with regard to cash and cash equivalents as at the end of the reporting period and prior period except the Company has availed a cash credit facility from HDFC Bank Limited, secured by a lien on fixed deposits, the facility is granted against the pledge of fixed deposits, with the bank having right to adjust the outstanding dues from the deposits in the case of defaults.

Note -7: Bank balances other than cash and cash equivalents

	As at 31 March 2025	As at 31 March 2024
Bank deposits with maturity upto 12 months	529.79	303.71
Bank deposits with maturity of more than 12 months	200.52	2.30
	730.31	306.01

The above bank deposits include deposits lien under as per following details:

Particulars	As at 31 March 2025	As at 31 March 2024
Deposits pledged with banks for overdraft facilities availed by the Company	511.55	105.41
For bank guarantee to National Housing Bank for refinance	200.00	200.00
	711.55	305.41

Note -8: Loans

Particulars	As at 31 March 2025	As at 31 March 2024
At Amortised cost:		
(i) Loan assets	5,58,651.17	4,40,363.73
(ii) Staff advances	9.07	15.89
Total - Gross	5,58,660.24	4,40,379.62
Less: impairment loss allowance	(4,312.41)	(3,332.02)
Total - Net	5,54,347.83	4,37,047.60
(i) Secured by tangible assets (hypothecation of equitable mortgage of immovable property etc.)	5,58,632.13	4,40,318.09
(ii) Secured by bank/government guarantees	5.67	21.04
(iii) Unsecured	22.44	40.49
Total - Gross	5,58,660.24	4,40,379.62
Less: impairment loss allowance	(4,312.41)	(3,332.02)
Total - Net	5,54,347.83	4,37,047.60
Loans in India		
(i) Public sector	-	-
(ii) Others	5,58,660.24	4,40,379.62
Total - Gross	5,58,660.24	4,40,379.62
Less: impairment loss allowance	(4,312.41)	(3,332.02)
Total - Net	5,54,347.83	4,37,047.60

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(All amounts are in Indian Rupees in lakh unless stated otherwise)

Note -8: (Contd.)

- (a) Loans and receivables are non-derivative financial assets which generate a fixed or variable interest income for the Company. The carrying value may be affected by changes in the credit risk of the counterparties.
- (b) Loans granted by the Company are secured by equitable mortgage/registered mortgage of the property and/or undertaking to create a security and/or hypothecation of assets and/or assignments of life insurance policies.
- (c) Loan commitment amount is ₹ 25,518.63 Lakhs as on 31 March 2025 (₹ 15,790.53 Lakhs as on 31 March 2024) (Refer note 22.1)
- (d) During the year, the Company has assigned a pool of certain loans amounting to ₹ 41,201.55 Lakh (previous year ₹ 13,928.92 Lakh) by way of direct assignment transactions. These loan assets have been de-recognised from the loan portfolio of the Company as the sale of loan assets is an absolute assignment and transfer on a 'no-recourse' basis. The Company continues to act as a servicer to the assignment transaction on behalf of assignee. In terms of the assignment agreement, the Company pays to assignee, on a monthly basis, the pro-rata collection amounts.
- (e) No loan carried at fair value.
- (f) The Company is not granting any Loans against security of shares as collateral or against own shares of the Company.
- (g) The Company is not granting any loans against gold/gold jewellery as collateral.

viii) Breakup of loans assets

	As at 31 March 2025	As at 31 March 2024
Term Loans	5,51,954.51	4,37,722.08
Minimum retention requirement ("MRR") of assigned loans	6,696.66	2,601.72
Minimum retention requirement ("MRR") of securitised loans	-	39.93
Total	5,58,651.17	4,40,363.73

ix) Breakup of Impairment loss allowance

	As at 31 March 2025	As at 31 March 2024
Impairment loss allowance		
On term Loans	4,259.84	3,307.90
On MRR of assigned loans	52.57	23.85
On MRR of securitised loans	-	0.27
Total	4,312.41	3,332.02

Note -8.1: Credit Quality of assets

The table below shows the credit quality and the maximum exposure to credit risk based on the Company's internal credit rating system and year-end stage classification. The amounts presented are gross of impairment allowances. Details of companies risk assessment model and ECL allowances are calculated on individual/collective basis are set out in Note 47. Disclosures below represents owned book term loans portfolio i.e. excluding MRR of securitised and assigned loans.

i) Loans to customers as at 31 March 2025

Risk categorisation	Home loans and Self Construction	Home Improvement and LAP	Plot plus Self Construction	LAP for Construction & HL Project	Total
Stage 1	3,40,014.17	1,41,739.92	12,875.60	35,845.81	5,30,475.50
Stage 2	8,241.10	5,860.36	309.97	-	14,411.43
Stage 3	3,339.04	3,431.56	207.28	89.70	7,067.58
Total	3,51,594.31	1,51,031.84	13,392.85	35,935.51	5,51,954.51



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(All amounts are in Indian Rupees in lakh unless stated otherwise)

Note -8: (Contd.)

ii) Loans to customers as at 31 March 2024

Risk categorisation	Home loans and Self Construction	Home Improvement and LAP	Plot plus Self Construction	LAP for Construction & HL Project	Total
Stage 1	2,75,507.00	1,15,333.23	10,044.69	20,593.50	4,21,478.42
Stage 2	6,618.15	3,956.51	192.57	321.85	11,089.08
Stage 3	2,604.93	2,490.65	59.00	-	5,154.58
Total	2,84,730.08	1,21,780.39	10,296.26	20,915.35	4,37,722.08

iii) Impairment allowance for loans to customers as at 31 March 2025

Risk categorisation	Home loans and Self Construction	Home Improvement and LAP	Plot plus Self Construction	LAP for Construction & HL Project	Total
Stage 1	916.29	852.31	48.73	94.65	1,911.98
Stage 2	224.33	169.82	8.54	-	402.69
Stage 3	915.33	924.90	55.60	49.34	1,945.17
Total	2,055.95	1,947.03	112.87	143.99	4,259.84

iv) Impairment allowance for loans to customers as at 31 March 2024

Risk categorisation	Home loans and Self Construction	Home Improvement and LAP	Plot plus Self Construction	LAP for Construction & HL Project	Total
Stage 1	618.82	610.65	32.50	64.58	1,326.55
Stage 2	213.76	127.23	5.94	1.13	348.06
Stage 3	833.58	781.30	18.41	-	1,633.29
Total	1,666.16	1,519.18	56.85	65.71	3,307.90

Note - 8.1.1: Home Loans and self construction

The company has considered loans (excluding the minimum retention requirement of securitisation and assignment deals) for the purpose of this disclosure.

An analysis of risk categorisation, changes in the gross carrying amount and the corresponding ECL allowances

Note - 8.1.1.1: Analysis of risk categorisation

As at 31 March 2025

Risk Categorisation	Stage 1	Stage 2	Stage 3	Total
Low risk	2,09,640.28	6,359.95	1,735.46	2,17,735.69
Medium risk	1,28,830.67	1,626.66	810.68	1,31,268.01
High risk	1,543.22	254.49	792.90	2,590.61
Total	3,40,014.17	8,241.10	3,339.04	3,51,594.31

As at 31 March 2024

Risk Categorisation	Stage 1	Stage 2	Stage 3	Total
Low risk	1,89,236.65	5,822.72	875.12	1,95,934.49
Medium risk	84,740.30	444.44	256.47	85,441.21
High risk	1,530.05	350.99	1,473.34	3,354.38
Total	2,75,507.00	6,618.15	2,604.93	2,84,730.08

Summary of material accounting policies and other explanatory information

For the year ended 31 March 2025

(All amounts are in Indian Rupees in lakh unless stated otherwise)

Note -8: (Contd.)

Note - 8.1.1.2 : Reconciliation of gross carrying amount

As at 31 March 2025

Particulars	Stage 1	Stage 2	Stage 3	Total
Gross carrying amount as at 1 April 2024	2,75,507.00	6,618.15	2,604.93	2,84,730.08
New assets originated or purchased	1,18,595.85	81.96	68.13	1,18,745.94
Assets derecognised or repaid (excluding write offs)	(46,588.44)	(1,104.02)	(1,441.99)	(49,134.45)
Transfers from Stage 1	(6,322.63)	4,485.98	1,836.65	-
Transfers from Stage 2	1,199.84	(1,905.59)	705.75	-
Transfers from Stage 3	163.68	115.47	(279.15)	-
Changes to contractual cash flows due to modifications not resulting in derecognition	(2,541.13)	(50.85)	(338.90)	(2,930.88)
Amounts written off	-	-	183.62	183.62
Gross carrying amount as at 31 March 2025	3,40,014.17	8,241.10	3,339.04	3,51,594.31

As at 31 March 2024

Particulars	Stage 1	Stage 2	Stage 3	Total
Gross carrying amount as at 1 April 2023	1,90,835.03	6,371.61	2,720.47	1,99,927.11
New assets originated or purchased	1,21,942.15	51.93	67.11	1,22,061.19
Assets derecognised or repaid (excluding write offs)	(31,530.28)	(979.71)	(1,044.67)	(33,554.66)
Transfers from Stage 1	(4,042.25)	2,892.42	1,149.83	-
Transfers from Stage 2	1,045.56	(1,794.20)	748.64	-
Transfers from Stage 3	597.84	250.64	(848.48)	-
Changes to contractual cash flows due to modifications not resulting in derecognition	(3,341.05)	(174.54)	(254.52)	(3,770.11)
Amounts written off	-	-	66.55	66.55
Gross carrying amount as at 31 March 2024	2,75,507.00	6,618.15	2,604.93	2,84,730.08

Note - 8.1.1.3 : Impairment allowance for loans to customers

As at 31 March 2025

Particulars	Stage 1	Stage 2	Stage 3	Total
Impairment allowance for loans to customers as at 1 April 2024	618.82	213.76	833.58	1,666.16
Assets derecognised or repaid	(108.75)	(37.60)	(470.53)	(616.88)
New assets originated	327.90	1.41	18.28	347.59
Impact on ECL of Exposures transferred between stages during the year	28.94	36.20	593.94	659.08
Transfers from Stage 1	(19.25)	13.65	5.60	-
Transfers from Stage 2	17.54	(39.14)	21.60	-
Transfers from Stage 3	51.09	36.05	(87.14)	-
Impairment allowance for loans to customers as at 31 March 2025	916.29	224.33	915.33	2,055.95

As at 31 March 2024

Particulars	Stage 1	Stage 2	Stage 3	Total
Impairment allowance for loans to customers as at 1 April 2023	664.85	322.62	816.78	1,804.25
Assets derecognised or repaid	(117.09)	(64.79)	(314.57)	(496.45)
New assets originated	271.91	1.01	41.34	314.26
Impact on ECL of Exposures transferred between stages during the year	(383.08)	(62.57)	489.75	44.10



Summary of material accounting policies and other explanatory information

For the year ended 31 March 2025

(All amounts are in Indian Rupees in lakh unless stated otherwise)

Note -8: (Contd.)

Particulars	Stage 1	Stage 2	Stage 3	Total
Transfers from Stage 1	(18.10)	12.68	5.42	-
Transfers from Stage 2	21.17	(70.30)	49.13	-
Transfers from Stage 3	179.16	75.11	(254.27)	-
Impairment allowance for loans to customers as at 31 March 2024	618.82	213.76	833.58	1,666.16

Note - 8 1.2 : Home Improvement and LAP

An analysis of risk categorisation, changes in the gross carrying amount and the corresponding ECL allowances

Note - 8 1.2.1 : Analysis of risk categorisation

As at 31 March 2025

Risk Categorisation	Stage 1	Stage 2	Stage 3	Total
Low risk	79,658.16	4,201.32	1,627.77	85,487.25
Medium risk	61,330.38	1,406.02	878.80	63,615.20
High risk	751.38	253.02	924.99	1,929.39
Total	1,41,739.92	5,860.36	3,431.56	1,51,031.84

As at 31 March 2024

Risk Categorisation	Stage 1	Stage 2	Stage 3	Total
Low risk	64,956.74	3,175.62	750.89	68,883.25
Medium risk	49,348.47	493.41	129.17	49,971.05
High risk	1,028.02	287.48	1,610.59	2,926.09
Total	1,15,333.23	3,956.51	2,490.65	1,21,780.39

Note - 8 1.2.2: Reconciliation of gross carrying amount

As at 31 March 2025

Particulars	Stage 1	Stage 2	Stage 3	Total
Gross carrying amount as at 1 April 2024	1,15,333.23	3,956.51	2,490.65	1,21,780.39
New assets originated or purchased	80,964.69	49.17	93.52	81,107.38
Assets derecognised or repaid (excluding write offs)	(47,634.94)	(583.71)	(996.99)	(49,215.64)
Transfers from Stage 1	(5,522.10)	3,714.48	1,807.62	-
Transfers from Stage 2	570.59	(1,135.68)	565.09	-
Transfers from Stage 3	269.70	59.04	(328.74)	-
Changes to contractual cash flows due to modifications not resulting in derecognition	(2,241.25)	(199.45)	(288.52)	(2,729.22)
Amounts written off	-	-	88.93	88.93
Gross carrying amount as at 31 March 2025	1,41,739.92	5,860.36	3,431.56	1,51,031.84

As at 31 March 2024

Particulars	Stage 1	Stage 2	Stage 3	Total
Gross carrying amount as at 1 April 2023	73,780.27	3,187.32	2,525.53	79,493.12
New assets originated or purchased	68,176.23	173.97	25.60	68,375.80
Assets derecognised or repaid (excluding write offs)	(24,065.58)	(451.47)	(706.43)	(25,223.48)
Transfers from Stage 1	(2,746.61)	1,877.38	869.23	-
Transfers from Stage 2	434.79	(957.24)	522.45	-
Transfers from Stage 3	471.29	168.16	(639.45)	-
Changes to contractual cash flows due to modifications not resulting in derecognition	(717.16)	(41.61)	(152.25)	(911.02)
Amounts written off	-	-	45.97	45.97
Gross carrying amount as at 31 March 2024	1,15,333.23	3,956.51	2,490.65	1,21,780.39

Summary of material accounting policies and other explanatory information

For the year ended 31 March 2025

(All amounts are in Indian Rupees in lakh unless stated otherwise)

Note -8: (Contd.)

Note - 8.1.2.3 : Impairment allowance for loans to customers

As at 31 March 2025

Particulars	Stage 1	Stage 2	Stage 3	Total
Impairment allowance for loans to customers as at 1 April 2024	610.65	127.23	781.30	1,519.18
Assets derecognised or repaid	(254.08)	(15.94)	(311.22)	(581.24)
New assets originated	486.10	1.26	25.09	512.45
Impact on ECL of Exposures transferred between stages during the year	(53.66)	45.04	505.26	496.64
Transfers from Stage 1	(31.10)	20.85	10.25	-
Transfers from Stage 2	10.21	(27.05)	16.84	-
Transfers from Stage 3	84.19	18.43	(102.62)	-
Impairment allowance for loans to customers as at 31 March 2025	852.31	169.82	924.90	1,947.03

As at 31 March 2024

Particulars	Stage 1	Stage 2	Stage 3	Total
Impairment allowance for loans to customers as at 1 April 2023	562.25	160.36	760.73	1,483.34
Assets derecognised or repaid	(186.90)	(26.30)	(211.71)	(424.91)
New assets originated	360.58	3.27	7.99	371.84
Impact on ECL of Exposures transferred between stages during the year	(255.21)	(33.12)	377.24	88.91
Transfers from Stage 1	(22.01)	15.15	6.86	-
Transfers from Stage 2	10.70	(42.53)	31.83	-
Transfers from Stage 3	141.24	50.40	(191.64)	-
Impairment allowance for loans to customers as at 31 March 2024	610.65	127.23	781.30	1,519.18

Note - 8.1.3 : Plot plus self construction

An analysis of risk categorisation, changes in the gross carrying amount and the corresponding ECL allowances

Note - 8.1.3.1 : Analysis of risk categorisation

As at 31 March 2025

Risk Categorisation	Stage 1	Stage 2	Stage 3	Total
Low risk	6,441.77	189.59	77.05	6,708.41
Medium risk	6,405.87	120.38	127.32	6,653.57
High risk	27.96	-	2.91	30.87
Total	12,875.60	309.97	207.28	13,392.85

As at 31 March 2024

Risk Categorisation	Stage 1	Stage 2	Stage 3	Total
Low risk	5,360.93	119.67	8.56	5,489.16
Medium risk	4,641.78	62.42	12.24	4,716.44
High risk	41.98	10.48	38.20	90.66
Total	10,044.69	192.57	59.00	10,296.26



Summary of material accounting policies and other explanatory information

For the year ended 31 March 2025

(All amounts are in Indian Rupees in lakh unless stated otherwise)

Note -8: (Contd.)

Note - 8 .1.3.2 : Reconciliation of gross carrying amount

As at 31 March 2025

Particulars	Stage 1	Stage 2	Stage 3	Total
Gross carrying amount as at 1 April 2024	10,044.69	192.57	59.00	10,296.26
New assets originated or purchased	5,212.28	21.36	12.93	5,246.57
Assets derecognised or repaid (excluding write offs)	(2,687.65)	(52.18)	(55.60)	(2,795.43)
Transfers from Stage 1	(361.10)	175.24	185.87	0.01
Transfers from Stage 2	36.45	(36.45)	-	-
Transfers from Stage 3	-	-	-	-
Changes to contractual cash flows due to modifications not resulting in derecognition	630.93	9.43	0.93	641.29
Amounts written off	-	-	4.15	4.15
Gross carrying amount as at 31 March 2025	12,875.60	309.97	207.28	13,392.85

As at 31 March 2024

Particulars	Stage 1	Stage 2	Stage 3	Total
Gross carrying amount as at 1 April 2023	5,313.51	136.51	117.60	5,567.62
New assets originated or purchased	5,755.78	53.30	12.25	5,821.33
Assets derecognised or repaid (excluding write offs)	(1,377.72)	(34.89)	(43.79)	(1,456.40)
Transfers from Stage 1	(78.21)	45.65	32.56	-
Transfers from Stage 2	16.96	(21.10)	4.14	-
Transfers from Stage 3	41.71	16.13	(57.84)	-
Changes to contractual cash flows due to modifications not resulting in derecognition	372.66	(3.03)	(8.57)	361.06
Amounts written off	-	-	2.65	2.65
Gross carrying amount as at 31 March 2024	10,044.69	192.57	59.00	10,296.26

Note - 8 .1.3.3 : Impairment allowance for loans to customers

As at 31 March 2025

Particulars	Stage 1	Stage 2	Stage 3	Total
Impairment allowance for loans to customers as at 1 April 2024	32.50	5.94	18.41	56.85
Assets derecognised or repaid	(8.86)	(0.94)	(17.36)	(27.16)
New assets originated	20.26	0.46	3.46	24.18
Impact on ECL of Exposures transferred between stages during the year	5.81	2.95	50.24	59.00
Transfers from Stage 1	(1.60)	0.75	0.85	-
Transfers from Stage 2	0.62	(0.62)	-	-
Transfers from Stage 3	-	-	-	-
Impairment allowance for loans to customers as at 31 March 2025	48.73	8.54	55.60	112.87

As at 31 March 2024

Particulars	Stage 1	Stage 2	Stage 3	Total
Impairment allowance for loans to customers as at 1 April 2023	31.62	7.00	35.24	73.86
Assets derecognised or repaid	(8.60)	(1.68)	(13.12)	(23.40)
New assets originated	18.66	0.94	3.82	23.42
Impact on ECL of Exposures transferred between stages during the year	(21.78)	(4.74)	9.49	(17.03)

Summary of material accounting policies and other explanatory information

For the year ended 31 March 2025

(All amounts are in Indian Rupees in lakh unless stated otherwise)

Note -8: (Contd.)

Particulars	Stage 1	Stage 2	Stage 3	Total
Transfers from Stage 1	(0.56)	0.38	0.18	-
Transfers from Stage 2	0.66	(0.79)	0.13	-
Transfers from Stage 3	12.50	4.83	(17.33)	-
Impairment allowance for loans to customers as at 31 March 2024	32.50	5.94	18.41	56.85

Note - 8 .1.4 : LAP for Construction & HL Project

An analysis of risk categorisation, changes in the gross carrying amount and the corresponding ECL allowances

Note - 8 .1.4.1 : Analysis of risk categorisation

As at 31 March 2025

Risk Categorisation	Stage 1	Stage 2	Stage 3	Total
Low risk	995.69	-	56.09	1,051.78
Medium risk	34,850.12	-	-	34,850.12
High risk	-	-	33.61	33.61
Total	35,845.81	-	89.70	35,935.51

As at 31 March 2024

Risk Categorisation	Stage 1	Stage 2	Stage 3	Total
Low risk	1,521.61	321.85	-	1,843.46
Medium risk	19,037.93	-	-	19,037.93
High risk	33.96	-	-	33.96
Total	20,593.50	321.85	-	20,915.35

Note - 8 .1.4.2 : Reconciliation of gross carrying amount

As at 31 March 2025

Particulars	Stage 1	Stage 2	Stage 3	Total
Gross carrying amount as at 1 April 2024	20,593.50	321.85	-	20,915.35
New assets originated or purchased	29,310.92	-	-	29,310.92
Assets derecognised or repaid (excluding write offs)	(12,178.93)	(214.05)	-	(12,392.98)
Transfers from Stage 1	(33.96)	-	33.96	-
Transfers from Stage 2	-	(107.80)	107.80	-
Transfers from Stage 3	-	-	-	-
Changes to contractual cash flows due to modifications not resulting in derecognition	(1,845.72)	-	(52.06)	(1,897.78)
Amounts written off	-	-	-	-
Gross carrying amount as at 31 March 2025	35,845.81	-	89.70	35,935.51

As at 31 March 2024

Particulars	Stage 1	Stage 2	Stage 3	Total
Gross carrying amount as at 1 April 2023	13,923.29	-	-	13,923.29
New assets originated or purchased	14,668.41	-	-	14,668.41
Assets derecognised or repaid (excluding write offs)	(8,588.07)	-	-	(8,588.07)
Transfers from Stage 1	(392.76)	392.76	-	-
Transfers from Stage 2	-	-	-	-
Transfers from Stage 3	-	-	-	-
Changes to contractual cash flows due to modifications not resulting in derecognition	982.63	(70.91)	-	911.72
Amounts written off	-	-	-	-
Gross carrying amount as at 31 March 2024	20,593.50	321.85	-	20,915.35



Summary of material accounting policies and other explanatory information

For the year ended 31 March 2025

(All amounts are in Indian Rupees in lakh unless stated otherwise)

Note -8: (Contd.)

Note - 8.1.4.3 : Impairment allowance for loans to customers

As at 31 March 2025

Particulars	Stage 1	Stage 2	Stage 3	Total
Impairment allowance for loans to customers as at 1 April 2024	64.58	1.13	-	65.71
Assets derecognised or repaid	(38.18)	(0.75)	-	(38.93)
New assets originated	77.38	-	-	77.38
Impact on ECL of Exposures transferred between stages during the year	(9.02)	-	48.85	39.83
Transfers from Stage 1	(0.11)	-	0.11	-
Transfers from Stage 2	-	(0.38)	0.38	-
Transfers from Stage 3	-	-	-	-
Impairment allowance for loans to customers as at 31 March 2025	94.65	-	49.34	143.99

As at 31 March 2024

Particulars	Stage 1	Stage 2	Stage 3	Total
Impairment allowance for loans to customers as at 1 April 2023	64.34	-	-	64.34
Assets derecognised or repaid	(39.68)	-	-	(39.68)
New assets originated	45.99	-	-	45.99
Impact on ECL of Exposures transferred between stages during the year	(4.26)	(0.68)	-	(4.94)
Transfers from Stage 1	(1.81)	1.81	-	-
Transfers from Stage 2	-	-	-	-
Transfers from Stage 3	-	-	-	-
Impairment allowance for loans to customers as at 31 March 2024	64.58	1.13	-	65.71

The Company has considered loans (excluding the minimum retention requirement of securitisation and assignment deals) for the purpose of this disclosure.

Note - 8.2 : Impairment assessment

The references below show where the Company's impairment assessment and measurement approach is set out in these notes. It should be read in conjunction with the Summary of material accounting policies.

Definition of default

The Company considers a financial instrument as defaulted and classifies it as Stage 3 (credit-impaired) for ECL calculations typically when the borrower becomes 91 days past due on contractual payments or classified as NPA as per RBI directions. The Company may also classify a loan in Stage 3 if there is significant deterioration in the loan collateral, deterioration in the financial condition of the borrower or an assessment that adverse market conditions may have a disproportionately detrimental effect on the loan repayment.

- Probability of default ('PD')

The account level delinquency has been considered while assigning PD at a portfolio level. The PDs are computed for homogenous portfolio segments.

- Exposure at default ('EAD')

The outstanding balance as at the reporting date is considered as EAD by the Company. Considering that PD determined above factors in amount at default, there is no separate requirement to estimate EAD.

Summary of material accounting policies and other explanatory information

For the year ended 31 March 2025

(All amounts are in Indian Rupees in lakh unless stated otherwise)

Note -8: (Contd.)

- Loss given default ('LGD')

The Company uses historical loss data/external agency LGD for identified homogenous pools for the purpose of calculating LGD. The estimated recovery cash flows are discounted such that the LGD calculation factors in the NPV of the recoveries.

- Significant increase in credit risk

The Company evaluates the loans on an ongoing basis. The Company also assesses if there has been a significant increase in credit risk since the previously risk taking into consideration both qualitative and quantitative information. One key factor that indicates significant increase in credit risk is when contractual payments are more than 30 days past due.

- Grouping financial assets measured on a collective basis

The Company calculates ECLs on a collective basis on the following asset classes:

- 1) Home Loans and self construction
- 2) Home Improvement and Loans against properties
- 3) Plot plus self construction
- 4) LAP for Construction & HL Project

The Company has designed and operates its risk assessment model that factors in both quantitative as well as qualitative information on the loans and the borrowers. The model uses historical empirical data to arrive at factors that are indicative of future credit risk and segments the portfolio on the basis of combinations of these parameters into smaller homogenous portfolios from the perspective of credit behaviour.

The Company groups these exposure into smaller homogeneous portfolios, based on a combination of internal and external characteristics of the loans. Asset class such as Home Loans and self construction, Home Improvement and Loans against properties and LAP for Construction including HL project are mix of Housing and Non Housing loans and based on customer profiling and associated risk attached.

Note - 8.3 : Collateral

The Company is in business of secured lending and all loans are adequately covered by either residential collateral or commercial collateral. The collaterals are assessed at the time of origination and are being reassessed as and when required. The illustrative factors considered while evaluation of collateral are liquidity, enforceability, marketability, ease and efficiency in custody & settlement and free from all encumbrances in the relevant jurisdictions and complied with local by laws. The assessment of collateral is undertaken by empanelled team of independent and qualified technical / legal agencies. The Company has specified the maximum loan-to-value ratio for various types of asset to be accepted as collateral. Such ratios commensurate with the relative risk of the assets as prescribed by NHB and provides an adequate buffer against potential losses.

The Company did not hold any financial instrument for which no loss allowance is recognised because of collateral as at 31 March 2025 and 31 March 2024. There was no change in the Company's collateral policy during the year.

Note -9 : Investments

	As at 31 March 2025				
	At amortised cost	At fair value		others	Total
		through other comprehensive income	through profit or loss		
Security receipts	-	-	1,694.93	-	1,694.93
Total (A)	-	-	1,694.93	-	1,694.93
(i) Investments outside India	-	-	-	-	-
(ii) Investments in India	-	-	1,694.93	-	1,694.93
Total (B)	-	-	1,694.93	-	1,694.93
Less: Allowance for Impairment loss (C)	-	-	125.39	-	125.39
Total (D) = (A)-(C)	-	-	1,569.54	-	1,569.54



Summary of material accounting policies and other explanatory information

For the year ended 31 March 2025

(All amounts are in Indian Rupees in lakh unless stated otherwise)

Note -9 : (Contd.)

	As at 31 March 2024				
	At amortised cost	At fair value		others	Total
		through other comprehensive income	through profit or loss		
Security receipts			2,497.77		2,497.77
Total (A)	-	-	2,497.77	-	2,497.77
(i) Investments outside India	-	-	-	-	-
(ii) Investments in India	-	-	2,497.77	-	2,497.77
Total (B)	-	-	2,497.77	-	2,497.77
Less: Allowance for Impairment loss (C)	-	-	202.41	-	202.41
Total (D) = (A)-(C)	-	-	2,295.36	-	2,295.36

Note - 10 : Other financial assets

	As at 31 March 2025	As at 31 March 2024
Excess Interest Spread (EIS) Receivable*	5,593.36	3,286.98
Security deposit	362.32	314.67
Receivables from employees	125.21	244.29
Other receivables**	1,014.40	273.63
Total-Gross	7,095.29	4,119.57
Impairment loss allowance on EIS receivable	(39.00)	(22.30)
Impairment loss allowance on other receivable	(10.88)	(16.70)
Total-Net	7,045.41	4,080.57

*Under Ind AS, with respect to assignment deals, the Company has created an EIS receivable (with corresponding credit to statement of profit and loss), which has been computed by discounting EIS to present value.

**Other receivable includes receivable from other parties in the course of business of ₹ 994.01 Lakh.

Note -11: Current tax assets (net)

	As at 31 March 2025	As at 31 March 2024
Advance income tax/tax deducted at source [Net of provision for taxation]	34.18	810.07
	34.18	810.07

Note -12: Deferred tax assets (net)

Particulars	As at 31 March 2025			Year ended 31 March 2025	
	Deferred tax assets	Deferred tax liabilities	Net Deferred tax asset	Recognised in profit and loss	Recognised in other comprehensive income
Property, plant & equipment	62.61	-	62.61	(16.23)	-
Un-amortised loan origination costs (net of un-amortised processing fee)	-	(343.20)	(343.20)	(76.06)	-
Deduction for provision for doubtful debt u/s 36(1)(viii) of The Income- tax Act, 1961	-	(358.43)	(358.43)	13.54	-
Expected credit loss (ECL)	1,104.70	-	1,104.70	(253.79)	-
Provision for acquired properties held for sale	51.55	-	51.55	(6.76)	-
Disallowance as per section 43B of income tax act 1961	202.20	-	202.20	(43.65)	(26.20)

Summary of material accounting policies and other explanatory information

For the year ended 31 March 2025

(All amounts are in Indian Rupees in lakh unless stated otherwise)

Note -12: (Contd.)

Particulars	As at 31 March 2025			Year ended 31 March 2025	
	Deferred tax assets	Deferred tax liabilities	Net Deferred tax asset	Recognised in profit and loss	Recognised in other comprehensive income
Employee stock option compensation expenses	309.61	-	309.61	0.01	-
Allowance amount for share issue expenses	299.35	-	299.35	(131.31)	-
EIR on processing fees of loans	726.19	-	726.19	163.21	-
EIS receivable	-	(1,407.74)	(1,407.74)	580.47	-
Others	6.37	-	6.37	(4.84)	-
Right of use assets net of lease liabilities	9.35	-	9.35	3.44	-
Unrealised Profit on mutual fund	-	-	-	-	-
Provision on investments (Security Receipts)	31.56	-	31.56	(31.56)	-
Total	2,803.49	(2,109.37)	694.12	196.47	(26.20)

Particulars	As at 31 March 2024			Year ended 31 March 2024	
	Deferred tax assets	Deferred tax liabilities	Net Deferred tax asset	Recognised in profit and loss	Recognised in other comprehensive income
Property, plant & equipment	46.38	-	46.38	(20.38)	-
Un-amortised loan origination costs (net of un-amortised processing fee)	-	(419.26)	(419.26)	148.31	-
Deduction for provision for doubtful debt u/s 36(1)(viii) of The Income- tax Act, 1961	-	(344.89)	(344.89)	148.25	-
Expected credit loss (ECL)	850.91	-	850.91	38.33	-
Provision for acquired properties held for sale	44.79	-	44.79	(5.82)	-
Disallowance as per section 43B of income tax act 1961	132.35	-	132.35	(13.90)	(18.91)
Employee stock option compensation expenses	309.62	-	309.62	-	-
Allowance amount for share issue expenses	168.04	-	168.04	56.02	-
EIR on processing fees of loans	889.40	-	889.40	(119.43)	-
EIS receivable	-	(827.27)	(827.27)	184.83	-
Others	1.52	-	1.52	0.73	-
Right of use assets net of lease liabilities	12.79	-	12.79	(22.54)	-
Total	2,455.80	(1,591.42)	864.38	394.40	(18.91)



Summary of material accounting policies and other explanatory information

For the year ended 31 March 2025

(All amounts are in Indian Rupees in lakh unless stated otherwise)

Note -13(a) : Property, plant and equipment

Particulars	Gross Block			Accumulated depreciation			Net Block	
	As at 1 April 2024	Additions	Disposals/ adjustment	As at 31 March 2025	As at 1 April 2024	Deletion	As at 31 March 2025	As at 31 March 2024
Building	126.96	-	-	126.96	16.12	14.04	96.80	110.84
Computers	1,381.69	545.12	103.01	1,823.80	867.54	352.72	1,123.43	700.37
Office equipment	216.99	74.16	5.46	285.69	144.25	47.55	186.70	98.99
Furniture and fittings	370.29	109.80	6.42	473.67	157.59	71.58	224.16	249.51
Total	2,095.93	729.08	114.89	2,710.12	1,185.50	106.94	1,564.45	910.43

Particulars	Gross Block			Accumulated depreciation			Net Block	
	As at 1 April 2023	Additions	Disposals/ adjustment	As at 31 March 2024	As at 1 April 2023	Deletion	As at 31 March 2024	As at 31 March 2023
Building	126.96	-	-	126.96	0.04	16.08	16.12	110.84
Computers	1,160.70	313.22	92.23	1,381.69	673.43	82.25	867.54	514.15
Office equipment	173.48	49.85	6.34	216.99	106.32	43.37	144.25	72.74
Furniture and fittings	265.17	113.76	8.64	370.29	100.92	62.99	157.59	212.70
Total	1,726.31	476.83	107.21	2,095.93	880.71	94.01	1,185.50	845.60

Note -13(b) : Intangible assets under development

	As at 1 April 2024		Disposals/ Capitalised	As at 31 March 2025
	As at 1 April 2024	Additions		
Intangible Asset under Development	49.27	54.07	49.40	53.94
Total	49.27	54.07	49.40	53.94

	As at 1 April 2023		Disposals/ Capitalised	As at 31 March 2024
	As at 1 April 2023	Additions		
Intangible Asset under Development	43.40	48.41	42.54	49.27
Total	43.40	48.41	42.54	49.27

Summary of material accounting policies and other explanatory information

For the year ended 31 March 2025

(All amounts are in Indian Rupees in lakh unless stated otherwise)

Note -13(c) : Other intangible assets

Particulars	Gross Block		Accumulated depreciation		Net Block	
	As at 1 April 2024	Disposals/ adjustment	As at 31 March 2025	As at 31 March 2024	As at 31 March 2025	As at 31 March 2024
Software	450.72	-	500.10	353.78	415.30	96.94
Brand and trade marks	0.32	-	0.32	0.32	0.32	-
Total	451.04	49.38	500.42	354.10	415.62	96.94

Particulars	Gross Block		Accumulated depreciation		Net Block	
	As at 1 April 2023	Disposals/ adjustment	As at 31 March 2024	As at 1 April 2023	As at 31 March 2024	As at 31 March 2023
Software	409.73	-	450.72	293.03	353.78	116.70
Brand and trade marks	0.32	-	0.32	0.26	0.32	0.06
Total	410.05	40.99	451.04	293.29	354.10	116.76

Note -13 (d) :

Title deed of building is in the name of the Company. There are no other immovable properties (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee) whose title deeds are not held in the name of the Company.

Note -13 (e) : Intangible assets under development ageing schedule

	Amount in Intangible asset under development for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Intangible assets under development	43.04	10.90	-	-	53.94
Projects in progress	-	-	-	-	-
Projects temporarily suspended	-	-	-	-	-

	Amount in Intangible asset under development for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Intangible assets under development	26.57	22.70	-	-	49.27
Projects in progress	-	-	-	-	-
Projects temporarily suspended	-	-	-	-	-

Note -13 (f):

There are no intangible assets under development, whose completion is overdue or has exceeded its cost compared to its original plan.

Note -13 (g):

The company has neither revalued any assets nor acquired through business combination during the year.



Summary of material accounting policies and other explanatory information

For the year ended 31 March 2025

(All amounts are in Indian Rupees in lakh unless stated otherwise)

Note -14 : Right-of-use assets

	As at 31 March 2025	As at 31 March 2024
Right-of-use assets (refer note 41)	966.03	881.27
Total	966.03	881.27

Note -15 : Other non-financial assets

	As at 31 March 2025	As at 31 March 2024
Prepaid expenses	343.16	294.92
Advances to vendors	284.02	31.60
Other advances [#]	45.72	76.58
Advance EMI on borrowings	5,034.85	3,989.30
Balance with government authorities	581.26	348.27
Total	6,289.01	4,740.67

[#]includes branch imprest and recoverable from parties

Note -16 : Assets held for sale

	As at 31 March 2025	As at 31 March 2024
Assets held for sale	2,822.55	2,131.11
Less: Impairment loss allowance (refer note 33)	(204.82)	(177.96)
Total	2,617.73	1,953.15

Assets obtained by taking possession of collateral

The Company obtained the following assets during the year by taking possession of collateral held as security against loans and advances and held at the year end. The Company's policy is to realise collateral on a timely basis. The Company does not use non-cash collateral for its operations.

In its normal course of business, the Company does not repossess properties or other assets in its portfolio but to mitigate the credit risk on financial assets, the Company seeks to use collateral, where possible as per the powers conferred on the Non-Banking Finance Companies under the Securitisation and Reconstruction of Financial Assets and Enforcement of Securities Interest Act, 2002 ("SARFAESI"). The Company generally engages external or internal agents to recover funds at auctions in compliance of SARFAESI Act 2002 by way of repossession of properties to settle possible outstanding debt but not to acquire the above said property in satisfaction of debt. Any surplus funds are returned to the customers/obligors and also reserve the rights to recover the balance amount post settlement of the property in auction, settlement with customer, private treaty or any other method of settlement. The residential properties under legal repossession processes are treated as assets held for sale at (i) fair value less cost to sell or (ii) principle outstanding, whichever is less, at the repossession date are shown above. Further, the title deed of repossessed properties are in the name of borrowers.

Particulars	As at 31 March 2025	As at 31 March 2024
Residential properties acquired under SARFAESI	2,822.55	2,131.11
Total assets obtained by taking possession of collateral	2,822.55	2,131.11

Note -17 : Payables

Particulars	As at 31 March 2025	As at 31 March 2025
Trade payables		
Total outstanding dues of micro enterprises and small enterprises*	162.12	169.37
Total outstanding dues of creditors other than micro enterprises and small enterprises	795.33	889.46
	957.45	1,058.83

*The Ministry of Micro, Small and Medium Enterprises has issued an Office Memorandum dated 26 August 2008 which recommends that the Micro and Small Enterprises should mention in their correspondence with its customers the Entrepreneurs Memorandum Number as allocated after filing of the

Summary of material accounting policies and other explanatory information

For the year ended 31 March 2025

(All amounts are in Indian Rupees in lakh unless stated otherwise)

Note -17: (Contd.)

Memorandum. Based on information received and available with the Company, there are no amounts payable other than disclosed above to Micro and Small Enterprises as follows:

	As at 31 March 2025	As at 31 March 2024
Principal amount remaining unpaid to supplier as at the end of the year	162.12	169.37
Interest due on the principal remaining outstanding as at the end of the year	-	-
Interest paid under the Micro, Small and Medium Enterprises Development Act, 2006 beyond the appointed day during the year	-	-
Interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the Micro, Small and Medium Enterprises Development Act, 2006	-	-
Interest accrued and remaining unpaid at the end of the year	-	-
Amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise, for the purpose of disallowance as a deductible expenditure under the Micro, Small and Medium Enterprises Development Act, 2006	-	-

17.1. Trade payables aging schedule

	As at 31 March 2025					
	Unbilled dues	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	161.55	0.57	-	-	-	162.12
(ii) Others	747.58	47.37	0.38	-	-	795.33
(iii) Disputed dues – MSME	-	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-	-
Total	909.13	47.94	0.38	-	-	957.45

	Unbilled dues	As at 31 March 2024				Total
		Outstanding for following periods from due date of payment				
		Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) MSME	109.97	59.40	-	-	-	169.37
(ii) Others	656.54	232.92	-	-	-	889.46
(iii) Disputed dues – MSME	-	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-	-
Total	766.51	292.32	-	-	-	1,058.83

Note -18 : Debt securities

	As at 31 March 2025	As at 31 March 2024
At Amortised Cost:		
(A) Secured		
Redeemable non-convertible debentures		
- From Other parties	20,024.36	-
(B) Unsecured		
Optionally convertible debentures [#]		
From related parties (refer note 44)	314.84	327.27
Total	20,339.20	327.27
Out of above		
In India	20,339.20	327.27
Outside India	-	-
Total	20,339.20	327.27



Summary of material accounting policies and other explanatory information

For the year ended 31 March 2025

(All amounts are in Indian Rupees in lakh unless stated otherwise)

Note -18: (Contd.)

Detail of Redeemable Non-Convertible Debentures

Particulars/ISIN No.	INE967Q07049
Date of allotment	25 September 2024
Date of redemption	24 September 2027
Nominal value per debenture (in ₹)	1,00,000.00
Total number of debentures (Nos.)	20,000
Face value (₹)	1,00,000.00
Rate of interest P.A.	9.5%##
Interest type	Floating
Listed/unlisted	Listed on BSE
Secured/unsecured	Secured
Outstanding as at 31 March 2025^	20,000.00
Outstanding as at 31 March 2024^	-

The secured listed Non-convertible debentures ("NCD's") issued by the Company are secured by first and exclusive charge on loan receivables to the extent as stated in the respective offer document, terms sheet and debenture trust deed (together referred to as "transaction documents"). Further, the Company has maintained asset cover as stated in the transaction documents which is sufficient to discharge the principal amount at all times for the said NCDs.

#The Company had issued optionally convertible debentures which has been treated as Compound financial instrument and split accounting is followed. Interest component is classified as "liability" and residual amount is classified as "Equity".

##excluding withholding tax

^Outstanding as per contractual repayment schedule, the total outstanding amount to be repaid in a single bullet payment on maturity.

For schedules of repayments of debt securities, refer note 19.1.

Note -19 : Borrowings (other than debt securities)

	As at 31 March 2025	As at 31 March 2024
At Amortised Cost :		
(A) Secured		
Term loans		
- from National Housing Bank [#]	86,243.39	70,701.45
- from Banks [^]	2,26,253.87	2,13,153.94
- from Financial institution [^]	47,145.54	44,990.54
Loan repayable on demand		
from Banks [*]	5,000.00	-
Total	3,64,642.80	3,28,845.93
Out of above		
In India	3,64,642.80	3,28,845.93
Outside India	-	-
Total	3,64,642.80	3,28,845.93

[#]Secured term loans from National Housing Bank carry rate of interest in the range of 4.86% to 8.60% p.a. (previous year 4.86% to 8.70% p.a.). The loans are having tenure of 7 to 15 years (previous year 7 to 15 years) from the date of disbursement and are repayable in quarterly instalments. These loans are secured by hypothecation (exclusive charge) of the loans given by the Company. Loans from National Housing Bank to the extent of ₹ 3,033.38 Lakhs (Previous year ₹ 4,213.61 Lakhs) have been guaranteed by Bank guarantee of HDFC Bank Limited (₹ 200.00 Lakhs).

[^]Secured term loans from Banks and financial institutions carries rate of interest in the range of 7.85% to 11.65% p.a. (previous year 8.41% to 11.40% p.a.) The loans are having tenure of 3 to 10 years (previous year 3 to 10 years) from the date of disbursement and are repayable in monthly or quarterly or Half yearly instalments or yearly instalments. These loans are secured by hypothecation (exclusive charge) of the loans given by the Company.

^{*}Loan repayable on demand is secured against receivables and carries an interest rate of 8.5% per annum (previous year: nil).

Personal Guarantees from Promoters amount to ₹ 1,59,434.73 Lakhs (Previous year ₹ 2,08,832.47 Lakhs).

There are no defaults as on balance sheet date in repayment of borrowing & debt security and interest thereon.

The Company has not utilized any funds raised on short-term basis for long term purposes.

Summary of material accounting policies and other explanatory information

For the year ended 31 March 2025

(All amounts are in Indian Rupees in lakh unless stated otherwise)

Note -19: (Contd.)

Note -19.1. Terms of repayment of term loans including debt securities (principal amount)

Repayments	As at 31 March 2025					
	Monthly repayment schedule		Quarterly repayment schedule		Total	
	No. of instalments	Amount	No. of instalments	Amount	No. of instalments	Amount
Due within 1 Year	642	55,346.88	213	32,026.50	855	87,373.38
Due 1 to 3 Years	1,028	90,711.37	419	82,403.20	1,447	1,73,114.57
Due 3 to 5 Years	396	47,573.21	286	38,173.49	682	85,746.70
>5 Years	54	12,755.68	276	24,979.06	330	37,734.74
Total	2,120	2,06,387.14	1,194	1,77,582.25	3,314	3,83,969.39

- Interest rate ranges from 4.86% p.a. to 11.65% p.a. as at 31 March 2025.

- Instalment and amount are as per actual repayment schedule.

Repayments	As at 31 March 2024					
	Monthly repayment schedule		Quarterly repayment schedule		Total	
	No. of instalments	Amount	No. of instalments	Amount	No. of instalments	Amount
Due within 1 Year	636	44,674.38	189	28,507.12	825	73,181.50
Due 1 to 3 Years	1,056	82,112.42	327	46,156.83	1,383	1,28,269.25
Due 3 to 5 Years	583	54,634.50	229	30,963.68	812	85,598.18
>5 Years	74	17,454.02	208	24,117.38	282	41,571.40
Total	2,349	1,98,875.32	953	1,29,745.01	3,302	3,28,620.33

- Interest rate ranges from 4.86% p.a. to 11.40% p.a. as at 31 March 2024.

- Instalment and amount are as per actual repayment schedule.

Note -20: Others financial liabilities

	As at 31 March 2025	As at 31 March 2024
Loan liabilities	2.40	4,779.89
Book overdraft	2,513.68	-
Advances from customers	202.01	112.06
Payable towards collections in derecognised assets	807.26	715.91
Employee benefits payable	2,568.36	2,035.79
Lease liability (refer note 41)	1,003.19	932.07
Others	429.03	1,648.27
Total	7,525.93	10,223.99

Note -21 : Current tax liabilities (net)

	As at 31 March 2025	As at 31 March 2024
Provision for income tax (net of advance tax)	317.53	-
	317.53	-

Note -22 : Provisions

	As at 31 March 2025	As at 31 March 2024
Provision for employee benefits		
- Compensated absences	582.46	449.85
- Gratuity (refer note 39)	220.96	76.01
ECL for undisbursed loan commitment (refer note 22.3)	37.89	26.60
Total	841.31	552.46



Summary of material accounting policies and other explanatory information

For the year ended 31 March 2025

(All amounts are in Indian Rupees in lakh unless stated otherwise)

Note -22: (Contd.)

Note - 22.1 : Loan commitment

The table below shows the credit quality and the maximum exposure for credit risk based on the Company's internal credit rating system and year-end stage classification for loan commitments.

Note - 22.2 : Credit quality of exposure

As at 31 March 2025

Risk Categorisation	Stage 1	Stage 2	Stage 3	Total
Low risk	6,676.86	36.52	-	6,713.38
Medium risk	18,709.57	53.59	-	18,763.16
High risk	42.09	-	-	42.09
Total	25,428.52	90.11	-	25,518.63

As at 31 March 2024

Risk Categorisation	Stage 1	Stage 2	Stage 3	Total
Low risk	5,861.40	52.82	-	5,914.22
Medium risk	9,768.88	14.87	-	9,783.75
High risk	92.56	-	-	92.56
Total	15,722.84	67.69	-	15,790.53

Note - 22.3 : An analysis of changes in the gross carrying amount and the corresponding ECLs in relation to other undrawn commitments is as follows:

Reconciliation of gross carrying amount as at 31 March 2025

Particulars	Stage 1	Stage 2	Stage 3	Total
Gross carrying amount as at 1 April 2024	15,722.84	67.69	-	15,790.53
New assets originated or purchased	21,133.08	3.79	-	21,136.87
Assets derecognised or repaid (excluding write offs)	(9,143.18)	(51.66)	-	(9,194.84)
Transfers from Stage 1	(77.44)	77.44	-	-
Transfers from Stage 2	4.93	(4.93)	-	-
Transfers from Stage 3	-	-	-	-
Changes to contractual cash flows due to modifications not resulting in derecognition	(2,211.71)	(2.22)	-	(2,213.93)
Amounts written off	-	-	-	-
Gross carrying amount as at 31 March 2025	25,428.52	90.11	-	25,518.63

Reconciliation of gross carrying amount as at 31 March 2024

Particulars	Stage 1	Stage 2	Stage 3	Total
Gross carrying amount as at 1 April 2024	15,885.07	53.02	33.21	15,971.30
New assets originated or purchased	13,097.62	11.62	-	13,109.24
Assets derecognised or repaid (excluding write offs)	(11,599.73)	(46.05)	(31.10)	(11,676.88)
Transfers from Stage 1	(53.18)	53.18	-	-
Transfers from Stage 2	4.08	(4.08)	-	-
Transfers from Stage 3	2.11	-	(2.11)	-
Changes to contractual cash flows due to modifications not resulting in derecognition	(1,613.13)	-	-	(1,613.13)
Amounts written off	-	-	-	-
Gross carrying amount as at 31 March 2025	15,722.84	67.69	-	15,790.53

Summary of material accounting policies and other explanatory information

For the year ended 31 March 2025

(All amounts are in Indian Rupees in lakh unless stated otherwise)

Note -22: (Contd.)

Reconciliation of ECL balance as at 31 March 2025

Particulars	Stage 1	Stage 2	Stage 3	Total
Impairment allowance for loans to customers as at 1 April 2024	26.10	0.50	-	26.60
Assets derecognised or repaid	(15.29)	(0.25)	-	(15.54)
New assets originated	30.32	0.04	-	30.36
Impact on ECL of Exposures transferred between stages during the year	(4.01)	0.48	-	(3.53)
Transfers from Stage 1	(0.16)	0.16	-	-
Transfers from Stage 2	0.05	(0.05)	-	-
Transfers from Stage 3	-	-	-	-
Impairment allowance for loans to customers as at 31 March 2025	37.01	0.88	-	37.89

Reconciliation of ECL balance as at 31 March 2024

Particulars	Stage 1	Stage 2	Stage 3	Total
Impairment allowance for loans to customers as at 1 April 2023	47.78	1.58	6.41	55.77
Assets derecognised or repaid	(34.73)	(1.41)	(6.00)	(42.14)
New assets originated	21.69	0.11	-	21.80
Impact on ECL of Exposures transferred between stages during the year	(8.89)	0.06	-	(8.83)
Transfers from Stage 1	(0.18)	0.18	-	-
Transfers from Stage 2	0.02	(0.02)	-	-
Transfers from Stage 3	0.41	-	(0.41)	-
Impairment allowance for loans to customers as at 31 March 2024	26.10	0.50	-	26.60

Note -23 : Other non-financial liabilities

	As at 31 March 2025	As at 31 March 2024
Statutory dues payable	686.71	607.43
Other payables	67.61	96.38
Total	754.32	703.81

Note -24 : Equity share capital

	As at 31 March 2025		As at 31 March 2024	
	No. of share	Amount	No. of share	Amount
A. Authorised				
Equity shares of face value of ₹ 1 each (previous year ₹ 1 each)	10,00,00,000	1,000.00	2,70,00,000	270.00
	10,00,00,000	1,000.00	2,70,00,000	270.00
B. Issued, subscribed and paid up				
Equity shares of face value of ₹ 1 each (previous year ₹ 1 each)	7,83,82,358	783.82	2,02,98,020	202.98
C. Called-up and paid up capital - Fully paid-up				
Equity shares of face value of ₹ 1 each (previous year ₹ 1 each)	7,83,82,358	783.82	2,02,98,020	202.98
	7,83,82,358	783.82	2,02,98,020	202.98



Summary of material accounting policies and other explanatory information

For the year ended 31 March 2025

(All amounts are in Indian Rupees in lakh unless stated otherwise)

Note -24: (Contd.)

D. Reconciliation of the shares outstanding at the beginning and at the end of the reporting year

	Year ended 31 March 2025		Year ended 31 March 2024	
	No. of share	Amount	No. of share	Amount
Equity shares				
Equity shares at the beginning of year	2,02,98,020	202.98	20,14,202	201.42
Less: shares extinguished on splitting of shares (refer note 1 below)	-	-	(20,14,202)	(201.42)
Add: equity share issued during the year (refer note 2 below)	91,58,768	91.59	1,56,000	1.56
Add: shares issued pursuant to conversion of CCPS (refer note 3 below)	4,89,25,570	489.25	-	-
Add: shares issued during the year on split of existing shares	-	-	2,01,42,020	201.42
Outstanding at the end of the year	7,83,82,358	783.82	2,02,98,020	202.98

Note 1:

During the year ended 31 March 2024 there has been sub-division (split) of the nominal value of each Equity Share having a face value of ₹ 10/- (Rupees Ten Only) each into 10 (Ten) Equity Shares of ₹ 1/- (Rupee One Only) each.

Note 2:

During the year ended 31 March 2025, the Company has allotted 91,58,768 equity shares of face value of ₹ 1/- to Asian Development Bank (13,05,311 shares), British International Investment plc (19,00,444 shares), Multiples Private Equity Fund IV (14,46,578 shares), Multiples Private Equity GIFT Fund IV (15,46,066 shares) and Multiples PE GIFT Fund SPV 1 (29,60,369 shares).

Note 3:

During the year ended 31 March 2025, the Company has allotted 2,77,17,130 equity shares of ₹ 1 each on conversion of 2,77,17,130 CCPS of face value of ₹ 1 each fully paid-up and 2,12,08,440 equity shares of ₹ 1 each on conversion of 2,12,08,440 CCPS of face value of ₹ 2 each fully paid-up in pursuance of the rights conferred upon them.

E. Details of shareholders holding more than 5% shares in the Company :

Name of Shareholders	As at 31 March 2025		As at 31 March 2024	
	No. of shares	% of holding	No. of shares	% of holding
Promoters				
Mr. Sanjay Chaturvedi	25,00,000	3.19	25,00,000	12.32
Ms. Rupa Basu	25,00,000	3.19	25,00,000	12.32
Non-Promoters				
PI Opportunities Fund I	1,58,74,591	20.25	23,68,180	11.67
British International Investment plc (formerly known as CDC Group plc),	1,17,97,814	15.05	100	0.00
Multiples PE GIFT Fund SPV 1	1,03,58,376	13.22	-	-
Asian Development Bank	78,44,641	10.01	100	0.00
Topaz Inclusion Pte. Ltd.	70,69,490	9.02	39,18,670	19.31
PI Opportunities Fund I- Scheme II	69,82,040	8.91	46,10,920	22.72
Multiples Private Equity GIFT Fund IV	54,09,708	6.90	-	-
Multiples Private Equity Fund IV	50,61,598	6.46	-	-
Helion Venture Partners II LLC	-	-	16,37,630	8.07
Shubham Employees Welfare Trust	-	-	11,80,470	5.82
Motilal Oswal Financial Services Limited	-	-	10,23,090	5.04
Total	7,53,98,258	96.20	1,97,39,160	97.27

As per records of the Company, including its register of shareholders/ members and other declarations received from shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial ownerships of shares.

Summary of material accounting policies and other explanatory information

For the year ended 31 March 2025

(All amounts are in Indian Rupees in lakh unless stated otherwise)

Note -24: (Contd.)

F. Rights, preferences and restrictions attached to Equity shares

The Company has only one class of equity shares having the par value of each share is ₹ 1. Each shareholder shall have voting right equal to shareholding percentage of the total of the shares issued including compulsorily convertible preference shares on an as if converted basis. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company, after distribution of all preferential amount, in proportion to their shareholding.

G. Shares allotted as fully paid-up without payment being received in cash/by way of bonus shares

The Company has not issued bonus shares or shares for consideration other than cash or brought back any shares during the five year period immediately preceding the reporting date.

H. Disclosure of shareholding promoters

Disclosure of shareholding of promoters as at 31 March 2025 is as follows:

Name of promoters	Shares held by promoters				% change during the year
	As at 31 March 2025		As at 31 March 2024		
	No. of shares	% of total shares	No. of shares	% of total shares	
Mr. Sanjay Chaturvedi	25,00,000	3.19	25,00,000	12.32	(9.13)
Ms. Rupa Basu	25,00,000	3.19	25,00,000	12.32	(9.13)
Total	50,00,000	6.38	50,00,000	24.64	(18.26)

Disclosure of shareholding of promoters as at 31 March 2024 is as follows:

Name of promoters	Shares held by promoters				% change during the year
	As at 31 March 2024		As at 31 March 2023		
	No. of shares	% of total shares	No. of shares	% of total shares	
Mr. Sanjay Chaturvedi	25,00,000	12.32	25,00,000	12.41	(0.09)
Ms. Rupa Basu	25,00,000	12.32	25,00,000	12.41	(0.09)
Total	50,00,000	24.64	50,00,000	24.82	(0.18)

Note -25 : Instruments entirely equity in nature

	As at 31 March 2025		As at 31 March 2024	
	No. of share	Amount	No. of share	Amount
A. Authorised				
Preference Shares of ₹ 1/- Each (previous year ₹ 1 each)	5,00,00,000	500.00	5,00,00,000	500.00
Preference Shares of ₹ 2/- Each (previous year ₹ 2 each)	2,15,00,000	430.00	2,15,00,000	430.00
	7,15,00,000	930.00	7,15,00,000	930.00
B. Issued, subscribed and paid up				
CCPS of ₹ 1 each (previous year ₹ 1 each)-Series A	28,56,640	28.57	28,56,640	28.57
CCPS of ₹ 1 each (previous year ₹ 1 each)-Series B	10,47,010	10.47	42,47,230	42.47
CCPS of ₹ 1 each (previous year ₹ 1 each)-Series C	25,20,660	25.21	97,73,610	97.74
CCPS of ₹ 1 each (previous year ₹ 1 each)-Series D	1,57,330	1.57	1,74,21,290	174.21
CCPS of ₹ 2 each (previous year ₹ 2 each)-Series E	-	-	2,12,08,440	424.17
	65,81,640	65.82	5,55,07,210	767.16

During the year ended 31 March 2024 there has been sub-division (split) of the nominal value of each CCPS having a face value ₹ 10/- (Rupees ten only) each into 10 (Ten) CCPS of ₹ 1/- (Rupee one only) each and CCPS having a face value ₹ 20/- (Rupees twenty only) each into 10 (Ten) CCPS of ₹ 2/- (Rupee two only).

Rights, preference and restrictions attached to Compulsorily convertible preference shares ('CCPS')

The Company has issued its compulsorily convertible preference shares of face value of ₹ 1/- each in series A, B, C, D and of face value of ₹ 2/- each in Series E. Each shareholder of the Company is entitled to vote in proportion of the share of paid-up capital of the Company held by the Shareholder. The shares will carry a non-cumulative dividend right of 0.01% per annum if decided by the board on the subscription amount in preference to other class of shares as and when and if declared by the Board. The shares are convertible in ratio of 1 equity share for 1 CCPS.



Summary of material accounting policies and other explanatory information

For the year ended 31 March 2025

(All amounts are in Indian Rupees in lakh unless stated otherwise)

Note -25: (Contd.)

For series A shares, the shares will be automatically converted into equity shares either 2 days prior to filing of the draft red herring prospectus in connection with the occurrence of the qualified Initial Public Offer (IPO) or the last date on which all convertible instruments of a company undertaking an IPO must be converted into Equity Shares under applicable law or on 31 July 2029, whichever is earlier.

For series B shares, the shares will be automatically converted into equity shares either 2 days prior to filing of the draft red herring prospectus in connection with the occurrence of the qualified IPO or the last date on which all convertible instruments of a company undertaking an IPO must be converted into Equity Shares under applicable law or on 25 July 2032, whichever is earlier.

For series C shares, the shares will be automatically converted into equity shares either 2 days prior to filing of the draft red herring prospectus in connection with the occurrence of the qualified IPO or the last date on which all convertible instruments of a company undertaking an IPO must be converted into Equity Shares under applicable law or on 25 July 2032, whichever is earlier

For series D shares, the shares will be automatically converted into equity shares either 2 days prior to filing of the draft red herring prospectus in connection with the occurrence of the qualified IPO or the last date on which all convertible instruments of a company undertaking an IPO must be converted into Equity Shares under applicable law or on 23 January 2037, whichever is earlier

All CCPS of Series E1 and E2 have been converted into equity shares during the year ended March 2025.

Details of compulsorily convertible preference shares held by shareholders holding more than 5% of the aggregate shares in the Company

	As at 31 March 2025		As at 31 March 2024	
	No. of CCPS	% of holding	No. of CCPS	% of holding
Series A - Compulsorily convertible preference shares				
Helion Venture Partners II LLC	28,56,640	100.00%	28,56,640	100.00%
Series B - Compulsorily convertible preference shares				
PI Opportunities Fund I	-	-	32,00,220	75.35%
Helion Venture Partners II LLC	10,47,010	100.00%	10,47,010	24.65%
Series C - Compulsorily convertible preference shares				
India Business Excellence Fund- IIA	-	-	37,21,410	38.08%
Helion Venture Partners II LLC	25,20,660	100.00%	25,20,660	25.79%
Motilal Oswal Financial Services Limited	-	-	10,44,610	10.69%
PI Opportunities Fund I	-	-	20,66,100	21.14%
Series D - Compulsorily convertible preference shares				
PI Opportunities Fund I	-	-	1,68,32,630	96.62%
Helion Venture Partners II LLC	1,57,330	100.00%	-	-
Series E1 - Compulsorily convertible preference shares				
Topaz Inclusion Pte. Ltd.	-	-	24,00,820	50.31%
PI Opportunities Fund I Scheme II	-	-	23,71,120	49.69%
Series E2 - Compulsorily convertible preference shares				
Asian Development Bank	-	-	65,39,230	39.78%
British International Investment plc (formerly known as CDC Group plc),	-	-	98,97,270	60.22%

The reconciliation of compulsorily convertible preference shares outstanding at the beginning and at the end of the reporting period:

	As at 31 March 2025		As at 31 March 2024	
	No. of CCPS	% of holding	No. of CCPS	% of holding
Series A - Compulsorily convertible preference shares				
Shares at the beginning of year	28,56,640	28.57	2,85,664	2.86
Add/(Less): shares issued/(converted) during the year	-	-	25,70,976	25.71
Share at the end of period	28,56,640	28.57	28,56,640	28.57

Summary of material accounting policies and other explanatory information

For the year ended 31 March 2025

(All amounts are in Indian Rupees in lakh unless stated otherwise)

Note -25: (Contd.)

	As at 31 March 2025		As at 31 March 2024	
	No. of CCPS	% of holding	No. of CCPS	% of holding
Series B - Compulsorily convertible preference shares				
Shares at the beginning of year	42,47,230	42.48	4,24,723	4.25
Add/(Less): shares issued/(converted) during the year	(32,00,220)	(32.00)	38,22,507	38.23
Share at the end of period	10,47,010	10.48	42,47,230	42.48
Series C - Compulsorily convertible preference shares				
Shares at the beginning of year	97,73,610	97.73	9,77,361	9.77
Add/(Less): shares issued/(converted) during the year	(72,52,950)	(72.53)	87,96,249	87.96
Share at the end of period	25,20,660	25.20	97,73,610	97.73
Series D - Compulsorily convertible preference shares				
Shares at the beginning of year	1,74,21,290	174.21	17,42,129	17.42
Add/(Less): shares issued/(converted) during the year	(1,72,63,960)	(172.64)	1,56,79,161	156.79
Share at the end of period	1,57,330	1.57	1,74,21,290	174.21
Series E - Compulsorily convertible preference shares				
Shares at the beginning of year	2,12,08,440	424.17	21,20,844	42.42
Add/(Less): shares issued/(converted) during the year	(2,12,08,440)	(424.17)	1,90,87,596	381.75
Share at the end of period	-	-	2,12,08,440	424.17
Total	65,81,640	65.82	5,55,07,210	767.16

Note -26 : Other equity

	As at 31 March 2025	As at 31 March 2024
(i) Securities premium		
Opening balance	98,473.11	98,153.38
Addition during the year	39,190.16	319.73
Closing balance	1,37,663.27	98,473.11
(ii) Statutory reserves (As per section 29C of the National Housing Bank Act, 1987)		
Opening balance	7,545.70	4,826.32
Addition during the year	3,505.89	2,719.38
Closing balance	11,051.59	7,545.70
(iii) Share based payment reserve		
Opening balance	2,690.97	1,811.69
Addition during the year	1,172.11	1,048.98
Transfer to Securities premium	-	(139.40)
Transfer to retained earnings	(38.74)	(30.30)
Closing balance	3,824.34	2,690.97
(iv) Surplus in Statement of Profit & Loss		
Opening balance	28,835.29	17,983.73
Add : Profit transferred from statement of profit and loss	17,529.44	13,596.88
Less: Transfer to statutory reserve under Section 29C of the NHB Act, 1987	(3,505.89)	(2,719.38)
Less: Remeasurement of defined employee benefit plans	(77.95)	(56.24)
Add: Transfer from share based payment reserve	38.74	30.30
Closing balance	42,819.63	28,835.29
(v) Equity component of compound financial Instrument:	28.20	15.77
Total	1,95,387.03	1,37,560.84



Summary of material accounting policies and other explanatory information

For the year ended 31 March 2025

(All amounts are in Indian Rupees in lakh unless stated otherwise)

Note -26: (Contd.)

Nature and purpose of reserves:

Share premium :

Share Premium is used to record the premium on issue of shares. The reserve is utilised in accordance with provisions of the Companies Act, 2013.

Statutory reserve under Section 29C of the NHB Act, 1987 (refer note - 55.2)

Section 29C (i) of The National Housing Bank Act, 1987 defines that every housing finance institution which is a Company shall create a reserve fund and transfer therein a sum not less than twenty percent of its net profit every year as disclosed in the statement of profit and loss before any dividend is declared. For this purpose any special reserve created by the Company under Section 36(1) (viii) of Income tax Act 1961, is considered to be an eligible transfer. During the year ended 31 March 2025, the Company has transferred an amount of ₹ 2,439.85 Lakhs (Previous year: 1,905.24 Lakh) to special reserve in terms of Section 36(1) (viii) of the Income Tax Act 1961 considered eligible for statutory reserve u/s 29C of NHB Act 1987 and ₹ 1,066.03 Lakh (Previous year: ₹ 814.15 Lakh) to the reserve in terms of Section 29C of the National Housing Bank ("NHB") Act, 1987.

Share based payments reserve :

This Reserve relates to stock options granted by the Company to employees under ESOP Scheme 2013, ESOP Scheme 2020 and under ESOP Scheme 2022. This Reserve is transferred to securities premium on exercise of vested options.

Retained earnings:

Retained earnings represent the amount of accumulated earnings of the Company, re-measurement differences on defined benefits plans and any transfer from share based payment reserve.

Note -27 : Interest income

	Year ended 31 March 2025	Year ended 31 March 2024
On financial assets measured at amortised cost*		
Interest on term loans	71,150.24	54,724.02
Interest income on deposits with banks	320.78	281.14
Unwinding of interest income on security deposit	24.83	11.39
On financial assets classified at fair value through profit or loss		
Income from investments of security receipt	40.67	-
	71,536.52	55,016.55

*Financial assets measured at amortised cost are calculated using the effective interest method

Note -28 : Fees and commission income

	Year ended 31 March 2025	Year ended 31 March 2024
Application fee	1,218.61	1,202.66
Other fee income	803.07	725.92
	2,021.68	1,928.58

Note -29 : Net gain on fair value changes

	Year ended 31 March 2025	Year ended 31 March 2024
Net gain on instruments at fair value through profit or loss		
Investment in mutual funds		
- Realised	1,512.49	1,751.85
	1,512.49	1,751.85

Summary of material accounting policies and other explanatory information

For the year ended 31 March 2025

(All amounts are in Indian Rupees in lakh unless stated otherwise)

Note -30 : Net gain on derecognition of financial instruments under amortised cost category

	Year ended 31 March 2025	Year ended 31 March 2024
Net gain on derecognition of financial instruments	4,181.48	1,570.45
	4,181.48	1,570.45

Note -31 : Other income

	Year ended 31 March 2025	Year ended 31 March 2024
Marketing support income	3,104.30	1,264.75
Interest on income tax refund	-	11.28
Miscellaneous income	54.81	42.98
	3,159.11	1,319.01

Note -32 : Finance costs

	Year ended 31 March 2025	Year ended 31 March 2024
On financial liabilities measured at amortised cost:		
Interest on debt securities	1,011.34	131.58
Interest on borrowings (other than debt securities)	29,014.85	21,568.32
Interest on cash credit facilities and overdraft	2.29	0.34
Interest on lease liability	94.03	79.48
	30,122.51	21,779.72

Note -33 : Impairment on financial assets

	Year ended 31 March 2025	Year ended 31 March 2024
On financial assets measured at amortised cost		
Loans		
Loans assets and EIS receivable	997.10	(123.14)
Loans write off	261.95	107.17
Others		
Loan commitment (refer note 22.1)	11.28	(29.17)
Assets held for sale (refer note 16)	26.86	23.11
Loss on sale and settlement of assets acquired	330.87	127.35
Provision for diminution in value of Investment	(77.02)	(134.22)
	1,551.04	(28.90)

Note -34 : Employee benefits expense

	Year ended 31 March 2025	Year ended 31 March 2024
Salaries and wages	18,196.36	14,553.85
Share based payments to employees	1,172.11	1,048.98
Contribution to provident and other funds	863.10	737.99
Gratuity (refer note 39)	123.30	106.06
Compensated Absences	257.50	202.70
Staff welfare expenses	210.66	338.46
	20,823.03	16,988.04



Summary of material accounting policies and other explanatory information

For the year ended 31 March 2025

(All amounts are in Indian Rupees in lakh unless stated otherwise)

Note -35 : Depreciation and amortization

	Year ended 31 March 2025	Year ended 31 March 2024
Depreciation on property, plant and equipment (refer note 13(a))	485.89	398.80
Amortisation on intangible assets (refer note 13(c))	61.52	60.81
Depreciation on ROU Assets (refer note 41)	534.96	529.38
	1,082.37	988.99

Note -36 : Other expenses

	Year ended 31 March 2025	Year ended 31 March 2024
Rent	517.71	437.00
Rates and taxes	21.85	7.44
Printing and stationery	131.59	129.21
Brokerage & commission	11.09	2.53
Advertisements and sales promotion	247.21	199.22
Legal and professional	1,829.93	966.93
Auditors' fees and expenses (refer note 36.1)	119.08	85.19
Information technology support	1,314.88	891.49
Postage, telegrams and telephones	86.52	79.66
Corporate social responsibility (refer note 48)	187.50	134.57
Donation	74.03	-
Storage	33.54	28.13
Communication	79.79	76.95
Travelling and conveyance	588.73	437.77
Recruitment and training	304.43	191.92
Repairs and maintenance	267.71	203.96
Insurance	169.68	131.55
Offices Supplies	68.81	83.86
Bank charges	130.61	183.07
Net loss on derecognition of property, plant and equipment	5.33	10.47
Electricity and water charges	179.69	150.31
Director's sitting fees	27.47	23.22
Customer Service Expenses	217.74	121.06
Miscellaneous	30.91	86.31
	6,645.83	4,661.82

Note - 36.1 : Payment to statutory auditors (including fee paid to predecessor auditor):*

	Year ended 31 March 2025	Year ended 31 March 2024
- As Auditor	113.48	82.50
- For reimbursement of expenses;	5.60	2.69
	119.08	85.19

*the figures are exclusive of GST.

Note - 37 : Tax expenses

	Year ended 31 March 2025	Year ended 31 March 2024
(a) Income tax recognised in the Statement of Profit and Loss:		
Current income tax:		
Current income tax charge	4,459.96	3,252.70

Summary of material accounting policies and other explanatory information

For the year ended 31 March 2025

(All amounts are in Indian Rupees in lakh unless stated otherwise)

Note -37: (Contd.)

	Year ended 31 March 2025	Year ended 31 March 2024
Adjustments in respect of current income tax of previous year	0.63	(47.21)
Deferred tax		
Relating to origination and reversal of temporary differences	196.47	394.40
	4,657.06	3,599.89
(b) Income tax recognized in other comprehensive income:		
Tax impact on remeasurement of defined benefit plans	(26.20)	(18.91)
	(26.20)	(18.91)

Reconciliation of tax expense and the accounting profit multiplied by enacted tax rate applicable to the Company is 25.17% (previous year 25.17%) for 31 March 2025 and 31 March 2024

	Year ended 31 March 2025	Year ended 31 March 2024
Accounting profit/(loss) before tax expense	22,186.50	17,196.77
Income tax rate	25.17%	25.17%
Expected tax expense	5,583.90	4,328.08
Tax effect of adjustment to reconcile expected income tax expense to reported income tax expense		
Effect of expenses that are not deductible in determining taxable profit	85.07	122.57
Tax impact of expenses which allowed as tax credit	(234.15)	(133.88)
Tax deduction on addition of new employees u/s 80JJAA of the Income tax Act, 1961	(108.37)	(114.70)
Tax deduction under section 36(1)(viii) of the Income tax Act, 1961	(615.87)	(479.51)
Impact of change in tax rate/ different tax rate	(4.83)	-
Tax for earlier years	0.63	(47.21)
Others	(49.32)	(75.46)
Tax expense	4,657.06	3,599.89

Note -38 : Earnings per equity share

Basic earnings per share (EPS) is calculated by dividing the net profit for the year attributable to equity holders of the Company by the weighted average number of equity shares outstanding during the year.

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

Earnings per equity share	Year ended 31 March 2025	Year ended 31 March 2024
Following reflects the profit and share data used in EPS computations:		
Basic		
Weighted average number of equity shares for computation of Basic EPS (in Nos.)	7,86,15,592	7,57,77,623
Net profit for calculation of basic EPS (In Lakhs)	17,529.44	13,596.88
Basic earnings per share (In ₹)	22.30	17.94
Diluted		
Weighted average number of equity shares for computation of Diluted EPS (in Nos.)	8,26,21,241	7,94,75,752
Net profit for calculation of Diluted EPS (in Lakhs)	17,549.93	13,617.45
Diluted earnings per share (In ₹)	21.24	17.13
Reconciliation of profit for calculation of diluted EPS		
Net profit for calculation of basic EPS (₹ in Lakhs)	17,529.44	13,596.88
Interest on optionally convertible debentures (net of income tax)	20.49	20.57
Net profit for calculation of Diluted EPS (₹ in Lakhs)	17,549.93	13,617.45



Summary of material accounting policies and other explanatory information

For the year ended 31 March 2025

(All amounts are in Indian Rupees in lakh unless stated otherwise)

Note -38: (Contd.)

Earnings per equity share	Year ended 31 March 2025	Year ended 31 March 2024
Reconciliation of Weighted average number of shares outstanding		
Weighted average number of equity shares for computation of Basic EPS	7,86,15,592	7,57,77,623
Employee stock option	7,36,739	4,29,219
Optionally convertible debentures	32,68,910	32,68,910
Weighted average number of equity shares for computation of Diluted EPS	8,26,21,241	7,94,75,752
Nominal/Face value of equity shares (In ₹)	1.00	1.00

During the previous year ended 31 March 2024 there has been sub-division (split) of the nominal value of each Equity Share having a face value of ₹ 10/- (Rupees Ten Only) each into 10 (Ten) Equity Shares of ₹ 1/- (Rupee One Only) each, Compulsorily Convertible Preference Share having a present face value ₹ 10/- (Rupees Ten Only) each into 10 (Ten) Preference Shares of ₹ 1/- (Rupee One Only) each and Compulsorily Convertible Preference Share having a present face value ₹ 20/- (Rupees Twenty Only) each into 10 (Ten) Preference Shares of ₹ 2/- (Rupee Two Only).

Note 39 : Retirement benefit plan

i) Defined contribution plan

During the year, the Company has recognised the following amounts in the statement of profit and loss:

	Year ended 31 March 2025	Year ended 31 March 2024
Employers' Contribution to Employee's Provident Fund	748.87	638.03
Total	748.87	638.03

Provident fund is a defined contribution plan. The contribution towards provident fund has been deposited with Regional Provident Fund Commissioner and is charged to Statement of Profit and Loss.

ii) Defined benefit plan

The Company has defined benefit gratuity plan (funded). The Company's defined benefit gratuity plan is final salary plan for employees, which requires contributions to be made to a separately administered fund.

The gratuity plan is governed by the Payment of Gratuity Act 1972. Under the act, employees who has completed five year of service is entitled to specific benefit. The level of benefits is provided depends on the member's length of service and salary at retirement age. The fund has form of a trust and it is governed by trustees.

The following tables summarise the components of net benefit expense recognised in the statement of profit or loss and the funded status and amounts recognised in the balance sheet for the respective plans:

Table showing change in the present value of projected benefit obligation

Particulars	As at 31 March 2025	As at 31 March 2024
Change in benefit obligations		
Present value of benefit obligation at the beginning of the year	693.19	513.17
Interest cost	49.18	37.28
Current Service cost	117.91	102.08
Benefit Paid From the Fund	(63.46)	(59.43)
Actuarial Losses on Obligations - Due to change in demographic assumptions	33.71	8.88
Actuarial Losses on Obligations - Due to change in financial assumptions	16.14	19.02
Actuarial Losses on Obligations - Due to experience	64.43	72.19
Liability at the end of the year	911.10	693.19

Summary of material accounting policies and other explanatory information

For the year ended 31 March 2025

(All amounts are in Indian Rupees in lakh unless stated otherwise)

Note -39: (Contd.)

Table Showing Change in the Fair Value of Plan Assets

Particulars	As at 31 March 2025	As at 31 March 2024
Fair Value of Plan Assets at the beginning of the year	617.18	458.36
Interest income	43.79	33.30
Contributions by the employer	82.50	160.00
Benefit paid from the fund	(63.46)	(59.42)
Return on plan assets, excluding interest income	10.13	24.94
Fair Value of Plan Assets at the end of the year	690.14	617.18

Amount recognized in the Balance Sheet

Particulars	As at 31 March 2025	As at 31 March 2024
Present value of benefit obligation at the end of the year	911.10	693.19
Fair value of plan assets at the end of the year	690.14	617.18
Net liability recognized in the balance sheet	220.96	76.01

Expenses recognized in the Statement of Profit and Loss

	Year ended 31 March 2025	Year ended 31 March 2024
Current service cost	117.91	102.08
Net Interest cost	5.39	3.98
Expenses recognised	123.30	106.06

Expenses recognized in the Other comprehensive income (OCI)

	Year ended 31 March 2025	Year ended 31 March 2024
Actuarial losses on obligation for the year	114.29	100.09
Return on Plan Assets, excluding Interest Income	(10.13)	(24.94)
Net losses for the year recognized in OCI	104.16	75.15

The actuarial assumptions used to determine benefit obligations for gratuity as at 31 March 2025 and 31 March 2024 are as follows:

	As at 31 March 2025	As at 31 March 2024
Discount rate	6.45%	7.10%
Salary escalation rate	11.00%	11.00%
Rate of employee turnover:		
Business	10.20%	14.30%
Manager	65.20%	74.50%
Executive	89.30%	84.00%
Mortality rate	100% of IALM 2012-14	100% of IALM 2012-14

Balance sheet reconciliation

	As at 31 March 2025	As at 31 March 2024
Opening net liability	76.01	54.80
Expenses recognized in Statement of Profit and Loss	123.30	106.06
Expenses recognized in OCI	104.16	75.15
(Employer's contribution)	(82.50)	(160.00)
Net liability recognized in the balance sheet	220.97	76.01



Summary of material accounting policies and other explanatory information

For the year ended 31 March 2025

(All amounts are in Indian Rupees in lakh unless stated otherwise)

Note -39: (Contd.)

Cash flow projection

Maturity analysis of the benefit payments from the fund

Particulars	As at 31 March 2025	As at 31 March 2024
Projected benefits payable in future years from the date of reporting		
1 st following year	429.00	381.90
2 to 5 years	356.73	258.65
6 to 10 years	188.76	127.64
More than 10 years	225.63	123.38

- Expected Contribution during the next annual reporting period is ₹ 307.95 Lakh (previous year ₹ 1,321.36 Lakh).
- Weighted average duration of defined benefit obligation is 3 years (previous year 3 years)

Sensitivity analysis

Particulars	As at 31 March 2025	As at 31 March 2024
Projected benefit obligation on current assumptions		
Delta effect of +1% change in rate of discounting	(30.80)	(19.59)
Delta effect of -1% change in rate of discounting	33.78	21.23
Delta effect of +1% change in rate of salary increase	32.03	20.26
Delta effect of -1% change in rate of salary increase	(29.84)	(19.10)
Delta effect of +50%/+5% change in rate of employee turnover	(63.35)	(37.65)
Delta effect of -50%/-5% change in rate of employee turnover	161.06	100.61

The above sensitivity analysis have been determined based on reasonably possible changes of the assumptions occurring at the end of the reporting period, while holding all other assumptions constant. The sensitivity analysis presented above may not be representative of the actual change in the defined benefit obligation as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions may be correlated.

Furthermore, in presenting the above sensitivity analysis, the present value of the defined benefit obligation has been calculated using the projected unit credit method at the end of reporting period.

There was no change in the methods and assumptions used in preparing the sensitivity analysis from prior years.

Other benefits

The Company operates compensated absences plan, where in every employee is entitled to the benefit equivalent to 21 days leave salary for every completed year of service subject to maximum 42 accumulation of leaves. The salary for calculation of earned leave is last drawn salary. The same is payable during the service, early retirement, withdrawal of scheme, resignation by employee and upon death of employee.

Note 40 : Segment information

The Company's main business is financing by way of loans for purchase or construction of residential houses, commercial real estate and certain other purposes in India. All other activities of the Company revolve around the main business. Accordingly, there are no separate reportable segments as per IND-AS 108 dealing with Operating Segment.

There is no revenue from transactions with a single external customer amounted to 10% or more of the Company's total revenue in year ended 31 March 2025 or 31 March 2024.

Note 41 : Leases where the Company is a Lessee

The Company's lease asset class primarily consist of leases for buildings and car . Generally, the Company is restricted from assigning and subleasing the leased assets. The Company applies the short-term lease recognition exemption to its short-term leases (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option).

Summary of material accounting policies and other explanatory information

For the year ended 31 March 2025

(All amounts are in Indian Rupees in lakh unless stated otherwise)

Note -41: (Contd.)

Set out below are the carrying amounts of right-of-use assets recognised and the movements during the year:

Particulars	As at 31 March 2025	As at 31 March 2024
Opening net carrying balance	881.27	721.33
Additions	661.51	726.42
Deletion	(41.79)	(37.10)
Depreciation	(534.96)	(529.38)
Closing net carrying balance	966.03	881.27

Set out below are the carrying amounts of lease liabilities (included under Other financial liability) and the movements during the year:

Particulars	As at 31 March 2025	As at 31 March 2024
Opening Balance	932.07	682.58
Additions	618.02	725.95
Deletions	(44.37)	(37.10)
Accretion of interest	94.03	79.48
Payments	(596.56)	(518.84)
Closing Balance	1,003.19	932.07

Set out below are the undiscounted potential future rental payments relating to periods following the exercise of termination options that are not included in the lease term

Particulars	Within five years	More than five years	Total
31 March 2025			
Termination options expected to be exercised	-	-	-
31 March 2024			
Termination options expected to be exercised	11.80	-	11.80

Amounts recognized in the statement of Profit and Loss	Year ended 31 March 2025	Year ended 31 March 2024
Depreciation expense		
Depreciation on right of use assets	534.96	529.38
Other expenses		
Short-term lease rent expense	517.71	437.00
Finance cost		
Interest expense on lease liability	94.03	79.48

The Company has total cash outflows for leases of ₹ 1,114.28 Lakh for the year ended 31 March 2025 (₹ 790.57 Lakh in 31 March 2024).

Amount recognised in statement of cash flow

Particulars	Year ended 31 March 2025	Year ended 31 March 2024
a) cash payments for the principal portion of the lease liability within financing activities;	541.99	439.36
b) cash payments for the interest portion of the lease liability within financing activities applying the requirements in Ind AS 7, Statement of Cash Flows, for interest paid; and	94.03	79.48
c) short-term lease payments, payments for leases of low-value assets and variable lease payments not included in the measurement of the lease liability within operating activities.	478.26	271.73



Summary of material accounting policies and other explanatory information

For the year ended 31 March 2025

(All amounts are in Indian Rupees in lakh unless stated otherwise)

Note 42: Change in liabilities arising from financing activities

Particulars	1 April 2024	Cash flows (net)	Other*	As at 31 March 2025
Debt securities	327.27	20,000.00	11.93	20,339.20
Borrowings other than debt securities	3,28,845.93	35,006.06	790.81	3,64,642.80
Lease liabilities	932.07	(596.56)	667.68	1,003.19
Total	3,30,105.27	54,409.50	1,470.42	3,85,985.19

Particulars	1 April 2023	Cash flows (net)	Other*	As at 31 March 2024
Debt securities	4,574.18	(4,250.00)	3.09	327.27
Borrowings other than debt securities	1,76,037.05	1,51,511.21	1,297.67	3,28,845.93
Lease liabilities	682.58	(518.84)	768.33	932.07
Total	1,81,293.81	1,46,742.37	2,069.09	3,30,105.27

*Other column represents non-cash adjustments.

Note 43: Contingent liabilities and commitments (to the extent not provided for)

i) Contingent liabilities

Particulars	As at 31 March 2025	As at 31 March 2024
Claims against the Company not acknowledged as debt		
(a) Income tax matters under dispute*	297.38	186.03
Guarantees excluding financial guarantees		
(b) Bank Guarantees given to HDFC bank for refinance facilities availed from NHB	200.00	200.00

The Company's pending litigations comprise of claims against the Company primarily by the customers. The Company has reviewed all its pending litigations and proceedings and has adequately provided for where provisions are required and disclosed the contingent liabilities where applicable, in its financial statements.

*Part of the aforementioned contingent liabilities towards income tax have been paid under protest.

ii) Capital and other commitments

Particulars	As at 31 March 2025	As at 31 March 2024
Capital		
(a) Estimated amount of contracts remaining to be executed on capital account and not provided for	202.07	49.74
Other commitments		
(a) Undisbursed amount of loans sanctioned (refer note 22.1)	25,518.63	15,790.53

Note 44: Related party disclosures

As per Ind AS 24, the disclosures of transactions with the related parties are given below:

a) List of related parties where control exists and related parties with whom transactions have taken place and relationships:

Key Management Personnel	
Mr. Sanjay Chaturvedi	Managing Director
Ms. Rupa Basu	Joint Managing Director
Mr. Vinod Rai	Independent Director
Mr. Rakesh Rewari	Independent Director
Mr. Latika Thukral	Independent Director
Mr. Manoj Dattatraya Rane	Independent Director
Mr. Sarvanan Nattanmai	Nominee Director

Summary of material accounting policies and other explanatory information

For the year ended 31 March 2025

(All amounts are in Indian Rupees in lakh unless stated otherwise)

Note -44: (Contd.)

Mr. Manoj Jaiswal (upto 23 December 2024)	Nominee Director
Ms. Nithya Easwaran (from 10 December 2024)	Nominee Director
Mr. Rahul Chandra	Nominee Director
Mr. Pranav Kumar	Nominee Director
Mr. Gaurav Malhotra	Nominee Director
Mr. Vishal Kanodia	Chief Financial Officer
Ms. Neeta Kamra (upto 27 December 2024)	Company Secretary
Mr. Amul Tyagi (from 27 December 2024)	Company Secretary

Post Employment Benefits for the benefits of employees of the Company

Shubham Employees' Welfare Trust

Shubham Gratuity Trust

b) The nature and volume of transactions carried out with the above related parties are in the ordinary course of business and are as follows :

Payments to key managerial personnel*

	Year ended 31 March 2025	Year ended 31 March 2024
Short term benefits (remuneration)	861.61	780.71
Share based payment [#]	292.69	461.03

*The amount excludes provision made for gratuity and leave encashment which are provided for a group of employees on overall basis.

[#]Share based payments includes the expenses booked during the year on proportionate basis as per vesting schedule against ESOPs granted to the KMPs on the basis of ESOP option valuation for respective grants till 31 March 2025.

Transactions during the year

	Year ended 31 March 2025	Year ended 31 March 2024
Key management personnel:		
Sitting fees paid	25.20	21.30
Interest paid on Optionally convertible debentures	27.38	27.50
Shubham Employee Welfare Trust		
- Donation	74.03	-
Shubham Gratuity Trust:		
Contribution to Gratuity Trust	82.50	160.00
Reimbursement from Trust	63.25	59.53

The Company has not entered into any non-cash transactions with it's directors or persons connected with them.

Balances at year end

Particulars	As at 31 March 2025	As at 31 March 2024
Key management personnel		
Optionally Convertible debentures**	342.99	342.99
Interest outstanding	0.05	0.05
ESOPs outstanding ^{##}	914.79	622.10
Receivable from Gratuity trust		
Gratuity amount receivable	7.85	4.89

**Outstanding balance of optionally convertible debentures are as per contractual repayment term.

^{##}ESOPs outstanding includes proportionate liability outstanding in the books as per vesting schedule with respective option valuation of the grants.

Refer note 19 for personal guarantee given by the directors.



Summary of material accounting policies and other explanatory information

For the year ended 31 March 2025

(All amounts are in Indian Rupees in lakh unless stated otherwise)

Note -44: (Contd.)

Terms and conditions

All transactions with these related parties are priced on an arm's length basis. Outstanding amount as at the end of the year, in respect of loan and advances (if any) are unsecured and to be settled in cash and / or adjusted against goods or services.

Note 45: Capital management

For the purpose of the Company's capital management, capital includes issued equity capital, share premium and all other equity reserves attributable to the equity holders of the Company. The primary objective of the Company's capital management is to maximise the shareholder value.

The Company manages its capital structure in light of changes in economic conditions and the requirements of the financial covenants. The Company monitors capital using a gearing ratio, which is total debt divided by net worth. The Company's policy is to keep the gearing ratio at reasonable level of 6-8 times in imminent year while the Master Direction – Non-Banking Financial Company – Housing Finance Company (Reserve Bank) Directions, 2021 (the "RBI Master Directions") currently permits HFCs to borrow up to 13 times of their net owned funds ("NOF") on or after 31 March 2023. The Company includes with in debt, its all interest bearing loans and borrowings.

Debt to Net worth ratio is as under:

Particulars	As at 31 March 2025	As at 31 March 2024
Debts	3,84,982.00	3,29,173.20
Net worth (equity including equity share capital, instrument entirely equity in nature and other equity)	1,96,236.67	1,38,530.98
Debt to net worth (in times)	1.96	2.38

In order to achieve this overall objective, the Company's capital management, amongst other things, aims to ensure that it meets financial covenants attached to the interest-bearing loans and borrowings. Breaches in meeting the financial covenants would permit the bank to immediately call loans and borrowings. There have been no breaches in the financial covenants of any interest-bearing loans and borrowing in the current year.

Note 46 : Maturity analysis of assets and liabilities

The table below shows an analysis of assets and liabilities analysed according to when they are expected to be recovered or settled. With regard to loans and advances to customers, the Company uses the same basis of expected repayment behaviour as used for estimating the EIR. Issued debt reflect the contractual coupon amortisations:

Assets	As at 31 March 2025			As at 31 March 2024		
	Within 12 months	After 12 months	Total	Within 12 months	After 12 months	Total
Financial assets						
Cash and cash equivalents	16,036.64	-	16,036.64	26,207.55	-	26,207.55
Bank balance other than cash and cash equivalents	529.79	200.52	730.31	103.47	202.54	306.01
Loans	1,05,489.21	4,48,858.62	5,54,347.83	16,843.65	4,20,203.95	4,37,047.60
Investments	341.85	1,227.69	1,569.54	500.85	1,794.51	2,295.36
Other financial assets	4,217.54	2,827.87	7,045.41	1,920.14	2,160.43	4,080.57
Non-financial assets						
Current tax assets (net)	34.18	-	34.18	810.07	-	810.07
Deferred tax assets (net)	-	694.12	694.12	-	864.38	864.38
Property, plant and equipment	-	1,145.67	1,145.67	-	910.43	910.43
Intangible assets under development	-	53.94	53.94	-	49.27	49.27
Intangible assets	-	84.80	84.80	-	96.94	96.94
Right-of-use assets	349.78	616.25	966.03	-	881.27	881.27
Other non-financial assets	6,279.65	9.36	6,289.01	4,727.09	13.58	4,740.67
Assets held for sale	910.45	1,707.28	2,617.73	605.48	1,347.67	1,953.15
Total assets	1,34,189.09	4,57,426.12	5,91,615.21	51,718.30	4,28,524.97	4,80,243.27

Summary of material accounting policies and other explanatory information

For the year ended 31 March 2025

(All amounts are in Indian Rupees in lakh unless stated otherwise)

Note -46: (Contd.)

Assets	As at 31 March 2025			As at 31 March 2024		
	Within 12 months	After 12 months	Total	Within 12 months	After 12 months	Total
LIABILITIES						
Financial liabilities						
Trade payables						
(i) total outstanding dues of micro enterprises and small enterprises	162.12	-	162.12	169.37	-	169.37
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises	795.33	-	795.33	889.46	-	889.46
Debt securities	-	20,339.20	20,339.20	68.23	258.99	327.22
Borrowings (other than debt securities)	89,451.20	2,75,191.60	3,64,642.80	72,780.19	2,54,175.02	3,26,955.21
Other financial liabilities	6,855.73	670.20	7,525.93	11,667.96	446.80	12,114.76
Non-financial liabilities						
Current tax liabilities (net)	317.53	-	317.53	-	-	-
Provisions	370.65	470.66	841.31	139.96	412.50	552.46
Other non-financial liabilities	754.32	-	754.32	703.81	-	703.81
Total liabilities	98,706.88	2,96,671.66	3,95,378.54	86,418.98	2,55,293.31	3,41,712.29
Net	35,482.21	1,60,754.46	1,96,236.67	(34,700.68)	1,73,231.66	1,38,530.98

On the basis of ageing as given above, expected dates of realization of assets and payment of financial liabilities along with maturity analysis and management plans to raise funds, the Company is capable of meeting its liabilities as and when they fall due within a period of one year from the balance sheet date.

Note 47: Financial risk management

47.1 Introduction and risk profile

Whilst risk is inherent in the Company's activities, it is managed through an integrated risk management framework, including ongoing identification, measurement and monitoring, subject to risk limits and other controls. This process of risk management is critical to the Company's continuing profitability and each individual within the Company is accountable for the risk exposures relating to his or her responsibilities. The Company is exposed to credit risk, liquidity risk, interest rate risk and market risk. It is also subject to various operating and business risks. The Company also has a system of internal controls to reduce the residual risk in each of these categories and the effectiveness of these controls is assessed periodically.

47.1.1 Risk management structure and policies

The Board of Directors are responsible for the overall risk management approach and for approving the risk management strategies and principles. The Risk Management Committee has the overall responsibility for the development of the risk strategy and implementing principles, frameworks, policies and limits. The Risk Management Committee is responsible for managing risk decisions and monitoring risk levels and reports to the Board.

The Risk Management Committee is responsible for implementing and maintaining risk related procedures to ensure an independent control process is maintained. The departments works closely with and reports to the Risk Management Committee, to ensure that procedures are compliant with the overall framework.

The departments is also responsible for monitoring compliance with risk principles, policies and limits across the Company, including monitoring the actual risk of exposures against authorised limits and the assessment of risks of new products and structured transactions. The Company's treasury is responsible for managing its assets and liabilities and the overall financial structure. It is also primarily responsible for the funding and liquidity risks of the Company.

47.2 Credit risk

Credit risk is the risk that the Company will incur a loss because its customers or counterparties fail to discharge their contractual obligations. Credit risk in the Company is managed through a framework that sets out policies and procedures covering the measurement and management of credit risk. There is a clear segregation of duties between transaction originators in the business function and approvers in the credit risk function. Board approved credit policies and procedures mitigate the Company's prime risk which is the default risk. There is a robust Credit Risk Management set-up in the Company at various levels.



Summary of material accounting policies and other explanatory information

For the year ended 31 March 2025

(All amounts are in Indian Rupees in lakh unless stated otherwise)

Note -47: (Contd.)

47.2.1 Analysis of risk concentration

The Company's concentrations of risk are managed based on Loan to value (LTV) segregation, employment type and geographical spread. The following tables stratify credit exposures from housing and other loans to customers by these metrics. LTV is calculated as the ratio of gross amount of the loan - or the amount committed for loan commitments - to the value of the collateral. The value of the collateral for housing and other loans is based on collateral value at origination.

Disclosures below represents owned book term loans portfolio i.e. excluding MRR of securitised and assigned loans.

Loans to Customers:

As at 31 March 2025

LTV bucket	Stage 1	Stage 2	Stage 3	Total
<=40	1,17,379.58	3,709.31	2,429.71	1,23,518.60
40-60	1,42,831.21	3,839.98	2,017.71	1,48,688.90
60-70	71,012.84	2,258.64	813.78	74,085.26
70-80	77,209.94	2,032.14	736.30	79,978.38
>80	1,22,041.94	2,571.35	1,070.07	1,25,683.36
Total	5,30,475.51	14,411.42	7,067.57	5,51,954.50

Sector/Employment	Stage 1	Stage 2	Stage 3	Total
Housing:				
Salaried	2,25,491.01	3,865.05	1,389.71	2,30,745.77
Self Employed	1,61,592.52	5,147.51	2,456.80	1,69,196.83
Non-Housing:				
Salaried	51,369.72	1,405.80	731.24	53,506.76
Self Employed	92,022.26	3,993.07	2,489.82	98,505.15
Total	5,30,475.51	14,411.43	7,067.57	5,51,954.51

Geographical Concentration	Stage 1	Stage 2	Stage 3	Total
Andhra Pradesh	18,241.18	322.94	236.47	18,800.59
Bihar	408.76	83.23	97.35	589.34
Chhattisgarh	205.59	35.09	18.13	258.81
Delhi	88,303.05	1,090.22	369.74	89,763.01
Gujarat	36,639.58	766.57	442.96	37,849.11
Haryana	22,102.74	1,007.37	392.32	23,502.43
Jharkhand	218.91	73.01	74.28	366.20
Madhya Pradesh	28,395.92	1,645.51	799.24	30,840.67
Maharashtra	1,61,067.12	4,704.61	2,143.44	1,67,915.17
Punjab	22,271.13	670.10	447.08	23,388.31
Rajasthan	44,906.68	779.57	143.57	45,829.82
Tamil Nadu	13,431.45	52.82	70.84	13,555.11
Telangana	16,739.88	313.93	150.16	17,203.97
Uttar Pradesh	66,953.44	2,546.06	1,519.42	71,018.92
Uttarakhand	10,590.08	320.40	162.57	11,073.05
Total	5,30,475.51	14,411.43	7,067.57	5,51,954.51

Summary of material accounting policies and other explanatory information

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(All amounts are in Indian Rupees in lakh unless stated otherwise)

Note -47: (Contd.)

As at 31 March 2024

LTV bucket	Stage 1	Stage 2	Stage 3	Total
<=40	88,907.53	2,796.96	1,821.42	93,525.91
40-60	1,17,475.76	3,311.46	1,461.68	1,22,248.90
60-70	59,689.89	1,655.27	599.13	61,944.29
70-80	58,287.80	1,614.44	391.30	60,293.54
>80	97,117.44	1,710.93	881.07	99,709.44
Total	4,21,478.42	11,089.06	5,154.60	4,37,722.08

Sector/Employment	Stage 1	Stage 2	Stage 3	Total
Housing:				
Salaried	1,84,268.66	3,276.18	1,082.15	1,88,626.99
Self Employed	1,20,076.63	4,100.93	1,925.63	1,26,103.19
Non-Housing:				
Salaried	39,108.85	980.86	597.24	40,686.95
Self Employed	78,024.28	2,731.09	1,549.58	82,304.95
Total	4,21,478.42	11,089.06	5,154.60	4,37,722.08

Geographical Concentration	Stage 1	Stage 2	Stage 3	Total
Andhra Pradesh	11,253.51	-	-	11,253.51
Bihar	485.16	128.94	73.85	687.95
Chhattisgarh	234.24	45.97	14.42	294.63
Delhi	71,905.75	781.80	267.10	72,954.65
Gujarat	24,893.21	551.34	231.64	25,676.19
Haryana	36,348.82	1,393.94	428.11	38,170.87
Jharkhand	331.73	44.52	76.98	453.23
Madhya Pradesh	22,914.24	1,061.08	431.39	24,406.71
Maharashtra	1,41,874.71	3,833.60	1,971.39	1,47,679.70
Punjab	18,407.33	476.68	380.19	19,264.20
Rajasthan	16,610.07	786.33	218.24	17,614.64
Tamil Nadu	4,892.61	-	-	4,892.61
Telangana	8,070.46	-	29.25	8,099.71
Uttar Pradesh	56,199.82	1,821.97	939.30	58,961.09
Uttarakhand	7,056.75	162.90	92.74	7,312.39
Total	4,21,478.41	11,089.07	5,154.60	4,37,722.08

47.3 Liquidity risk

Liquidity Risk refers to the risk that the Company can not meet its financial obligations. The objective of Liquidity risk management is to maintain sufficient liquidity and ensure that funds are available for use as per requirement. The unavailability of adequate amount of funds at optimum cost and co-terminus tenure to repay the financial liabilities and further growth of business may result in Asset Liability Management (ALM) mismatch caused by a difference in the maturity profile of Company assets and liabilities. This risk may arise from the unexpected increase in the cost of funding an asset portfolio at the appropriate maturity and the risk of being unable to liquidate a position in a timely manner and at a reasonable price. The Company manages liquidity risk by maintaining adequate cash reserves and undrawn credit facilities, by continuously monitoring forecast and actual cash flows, and by matching the maturity profiles of financial assets and liabilities.



Summary of material accounting policies and other explanatory information

For the year ended 31 March 2025

(All amounts are in Indian Rupees in lakh unless stated otherwise)

Note -47: (Contd.)

The table below summaries the maturity profile of the undiscounted cash flows of the Company's financial assets and liabilities:

As at 31 March 2025

Particulars	Up to 1 year	1-3 years	3-5 years	5 years above	Total
Cash and bank balances	16,566.43	-	200.52	-	16,766.95
Loans	97,851.58	2,07,745.46	1,86,621.25	10,92,745.50	15,84,963.79
Investments	369.16	433.05	361.19	531.53	1,694.93
Other financial assets	4,635.14	3,058.72	214.92	6.76	7,915.54
Total	1,19,422.31	2,11,237.23	1,87,397.88	10,93,283.79	16,11,341.21
Borrowings (including debt securities)	1,16,942.96	2,09,927.86	98,474.23	42,031.56	4,67,376.61
Trade payables	957.45	-	-	-	957.45
Other financial liabilities (Other than lease liability)	6,522.74	-	-	-	6,522.74
Lease liability	412.49	536.56	202.25	37.34	1,188.64
Total	1,24,835.64	2,10,464.42	98,676.48	42,068.90	4,76,045.44

As at 31 March 2024

Particulars	Up to 1 year	1-3 years	3-5 years	5 years above	Total
Cash and bank balances	26,311.26	2.30	-	200.00	26,513.56
Loans	75,555.58	1,55,572.02	1,44,710.28	8,63,559.14	12,39,397.02
Investments	545.01	638.18	532.27	782.30	2,497.76
Other financial assets	1,920.15	1,811.21	313.33	9.93	4,054.62
Total	1,04,332.00	1,58,023.71	1,45,555.88	8,64,551.37	12,72,462.96
Borrowings (including debt securities)	99,066.84	1,61,486.48	99,117.20	46,385.56	4,06,056.08
Trade payables	1,058.83	-	-	-	1,058.83
Other financial liabilities (Other than lease liability)	11,182.69	-	-	-	11,182.69
Lease liability	485.27	372.71	74.09	-	932.07
Total	1,11,793.63	1,61,859.19	99,191.29	46,385.56	4,19,229.67

47.4 Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market factors. Such changes in the values of financial instruments may result from changes in the interest rates, credit, liquidity and other market changes. The Company's exposure to market risk is primarily on account of interest rate risk.

Interest rate risk

The Company is subject to interest rate risk, primarily since it lends to customers at rates and for maturity periods that may differ from funding sources. Interest rates are highly sensitive to many factors beyond control, including the monetary policies of the Reserve Bank of India, deregulation of the financial sector in India, domestic and international economic and political conditions, inflation and other factors. In order to manage interest rate risk, the Company seek to optimize borrowing profile between short-term and long-term loans. The Company adopts funding strategies to ensure diversified resource-raising options to minimize cost and maximize stability of funds. Assets and liabilities are categorized into various time buckets based on their maturities and Asset Liability Management Committee supervise an interest rate sensitivity report periodically for assessment of interest rate risks.

The Company mitigates its interest rate risk by keeping a balanced portfolio of fixed and variable rate loans and borrowings.

Interest rate sensitivity

The following table demonstrates the sensitivity to a reasonably possible change in interest rates (all other variables being constant) of the Company's statement of profit and loss (before taxes) and equity:

Summary of material accounting policies and other explanatory information

For the year ended 31 March 2025

(All amounts are in Indian Rupees in lakh unless stated otherwise)

Note -47: (Contd.)

(a) Loans (at floating rate)

Particulars	Year ended 31 March 2025		Year ended 31 March 2024	
	Basis points	Amount	Basis points	Amount
Increase in basis points	50.00	2,707.62	50.00	2,155.70
Decrease in basis points	(50.00)	(2,707.62)	(50.00)	(2,155.70)

(b) Borrowings (other than debt securities) (at floating rate)

Particulars	Year ended 31 March 2025		Year ended 31 March 2024	
	Basis points	Amount	Basis points	Amount
Increase in basis points	50.00	1,792.08	50.00	1,540.66
Decrease in basis points	(50.00)	(1,792.08)	(50.00)	(1,540.66)

Note 48: Corporate social responsibility

In accordance with section 135 (5) of the Companies Act, 2013 ('the Act'), the company is required to spend a certain amount as expenditure towards Corporate Social Responsibility (CSR). The proviso to section 135 (5) of the Act provides that if the specified amount is not spent by the company during the year, the Directors' Report should disclose the reasons for not spending the amount. In accordance with the above section, the amount which is not spent as per the provisions of the Act on CSR activities, the Company is not required to create provision in the financial statement. Accordingly, the Company has not created any provision with regard to the CSR activities in the Financial Statement.

(a) CSR Contribution other than Related Party

As at 31 March 2025

Nature of Activity	To be incurred	Incurred	Excess/(Shortfall)
(i) Construction/acquisition of any asset	-	-	-
ii) On purposes other than (i) above	187.50	187.50	-

As at 31 March 2024

Nature of Activity	To be incurred	Incurred	Excess/(Shortfall)
(i) Construction/acquisition of any asset	-	-	-
ii) On purposes other than (i) above	134.57	134.57	-

(b) CSR contribution with related party

Contribution to a trust controlled by the Company in relation to CSR expenditure Nil (Previous Year Nil)

(c) where a provision is made with respect to a liability incurred by entering into a contractual obligation, the movements in the provision during the year shall be shown separately.

Note 49: Expenditure in foreign currency

There are no expenditure incurred in foreign currency during the current year and previous year.

Note 50: Employee Stock Option Plan

(i) Details of the plan are given below:

The shareholders of the Company passed special resolution in the extra-ordinary general meetings of the Company in previous years authorizing Board/Compensation Committee to create, offer, issue and allot from time to time such Employee Stock Options not exceeding 1,19,047, 1,27,889 and 1,63,667 to employees under the Employee Stock Option Scheme 2013 ('ESOP Scheme 2013'), Employee Stock Option Scheme 2020 ('ESOP Scheme 2020') and Employee Stock Option Scheme 2022 ('ESOP Scheme 2022') respectively. Each such stock option, upon satisfying all such conditions as may be prescribed in accordance with the ESOP Scheme 2013, ESOP Scheme 2020 and ESOP Scheme 2022 is exercisable for ten (10) equity share of face value of Rs. 1/- fully paid up on payment to the Company such price as may be determined in accordance with the respective scheme.



Summary of material accounting policies and other explanatory information

For the year ended 31 March 2025

(All amounts are in Indian Rupees in lakh unless stated otherwise)

Note -50: (Contd.)

If an Employee Stock Option expires or becomes un-exercisable without having been exercised in full, such options, would be available to the Compensation Committee for granting to other employees.

The Employee Stock Options granted under ESOP Scheme 2013, ESOP Scheme 2020 and ESOP Scheme 2022 shall vest for a minimum period of one (1) year and a maximum of four (4) years from the date of grant of the option. The exact period for which the options would vest shall be determined by the Compensation Committee, subject to the aforesaid limits regarding the minimum and maximum vesting period. There shall be a minimum period of one year between the grant of options and vesting of option.

Details of all grants in operation during the year ended 31 March 2025 are as given below:

Particular	Date of Grant	Option Granted	Exercise Price	Method of Settlement	Vesting Period	Fair Value on Grant Date
ESOP Scheme 2013						
Series I	1 May 2015 and 24 August 2015	16,092	10	Equity	1-4 years	₹ 9,55.28 to ₹ 9,56.74
Series II	1 October 2017	16,800	10	Equity	1-4 years	₹ 1,158.76 to ₹ 1,160.10
Series III	1 July 2018	11,500	10	Equity	1-4 years	₹ 1,379.06 to ₹ 1,380.74
Series IV	1 May 2019, 1 October 2019 and 1 January 2020	39,000	10	Equity	1-4 years	₹ 1,490.20 to ₹ 1,491.79 and ₹ 1,206.82 to ₹ 1,208.50
Series V	1 May 2021	500	10	Equity	1-4 years	₹ 2,675.86 to ₹ 2,677.49
Series VI	1 June 2022 and 1 January 2023	26,850	10	Equity	1-4 years	₹ 2,821.16 and ₹ 3,002.19
Series VII	1 June 2023	500	10	Equity	1-2 years	₹ 3042.63
Series VIII	1 June 2024	500	10	Equity	1 years	₹ 3375.82
ESOP Scheme 2020						
Series I	1 May 2020	10,000	1,166	Equity	1-4 years	₹ 392.81 to ₹ 560.85
Series II	1 May 2021	9,260	1,166	Equity	1-4 years	₹ 1690.95 to ₹ 1,932.32
Series III	1 June 2022	20,876	1,166	Equity	1-4 years	₹ 1,957.11 and ₹ 1,998.48
Series IV	1 June 2023 & 1 October 2023	22,413	1,166	Equity	1-4 years	₹ 2,234.65 , ₹ 2,279.90 , ₹ 2,315.77 and ₹ 2484.08
Series V	1 June 2024	25,933	1,166	Equity	1-4 years	₹ 2514.32, ₹ 2,551.7, ₹ 2,586.89 and ₹ 2,618.34
ESOP Scheme 2022						
Series I	1 June 2023, 1 October 2023 and 1 January 2024	29,225	2,829	Equity	1-4 years	₹ 1,610.67, ₹ 1,758.48 & ₹ 1,682.41
Series II	1 June 2024 and 1 January 2025	18,288	2,829	Equity	1-4 years	₹ 1,805 & ₹ 2,354.5

Vesting conditions:

The Compensation Committee, in its discretion, at the time of each Grant, may lay down certain performance metrics on the achievement of which the granted options would vest, the detailed terms and conditions relating to such performance based vesting, and the proportion in which options are granted would vest (subject to the minimum and maximum vesting period as specified above).

The options would vest only if the option grantee continues to be in employment of the Company on the date that they are due to vest. No options would vest in case employment is severed and in such case the date of resignation / termination shall be considered for reckoning the period of vesting.

(ii) The expense recognised for employee services received during the year is shown in the following table:

Particulars	As at 31 March 2025	As at 31 March 2024
Expense arising from equity-settled share-based payment transactions	1,172.11	1,048.98
Total	1,172.11	1,048.98

Summary of material accounting policies and other explanatory information

For the year ended 31 March 2025

(All amounts are in Indian Rupees in lakh unless stated otherwise)

Note -50: (Contd.)

(iii) Movements during the year

The following table illustrates the number and weighted average exercise prices (WAEP) of, and movements during the year:

As at 31 March 2025

Particulars	ESOP Scheme 2022	ESOP Scheme 2020	ESOP Scheme 2013
	Series-I to II	Series-I to V	Series-I to VIII
Outstanding at 1 April 2024	31,450	69,406	1,12,242
Granted during the year	18,688	27,121	500
Forfeited during the year	(2,241)	(7,353)	(250)
Exercised during the year	-	-	-
Expired during the year	(384)	(692)	(750)
Outstanding at 31 March 2025	47,513	88,482	1,11,742
Exercisable at 31 March 2025	5,454	36,414	1,00,157
Weighted average exercise prices (WAEP) (₹)	2,829	1,166	10

As at 31 March 2024

Particulars	ESOP Scheme 2022	ESOP Scheme 2020	ESOP Scheme 2013
	Series-I to III	Series-I to V	Series-I to VII
Outstanding at 1 April 2023	-	64,657	1,16,992
Granted during the year	33,300	25,701	500
Forfeited during the year	(1,850)	(3,661)	-
Exercised during the year	-	(15,600)	(4,850)
Expired during the year	-	(1,691)	(400)
Outstanding at 31 March 2024	31,450	69,406	1,12,242
Exercisable at 31 March 2024	-	21,755	87,442
Weighted average exercise prices (WAEP) (₹)	2829	1,166	10

1. Weighted average remaining contractual life for the share options outstanding as at 31 March 2025 was 0.07 years, 1.78 years and 2.82 years (Previous year 0.31 years, 2.09 years and 3.42) for ESOP Scheme 2013, ESOP Scheme 2020 and ESOP Scheme 2022 respectively.
2. Weighted average fair value of options granted during the year was ₹ 3,375.82, ₹ 2,618.34 & ₹ 1834.90 (Previous year was ₹ 3042.63, ₹ 2909.08 & ₹ 1593.23) for ESOP Scheme 2013, ESOP Scheme 2020 and Scheme 2022 respectively.
3. Exercise prices for options outstanding at the end of the year was ₹ 10, ₹ 1,166 and ₹ 2,829 per option (Previous year ₹ 10 , ₹ 1,166 and ₹ 2,829 per option) for ESOP Scheme 2013, ESOP Scheme 2020 and Scheme 2022 respectively. Where one option is equal to 10 equity shares having face value of ₹ 1.

The following tables list the inputs to the Black-Scholes Model used for the options granted:

Particulars	Fair value on Grant date	Expected volatility (%)	Risk free interest rate (%)	Dividend yield (%)	Expected maturity from date of vesting
ESOP Scheme 2013					
Series I	962.56	13.95 and 15.74	7.90 to 8.03 and 8.05 to 8.30	Nil	Upto 3 Years
Series II	1,166.41	11.67	6.70 to 7.01	Nil	Upto 3 Years
Series III	1,386.30	10.87	8.07 to 8.36	Nil	Upto 3 Years
Series IV	1,497.67 and 1,215.00	13.5 to 14.12 and 41.43 to 49.63	7.30 to 7.66 and 6.23 to 6.80	Nil	Upto 3 Years
Series V	2,676.67	43.80 to 44.06	4.47 to 5.81	Nil	Upto 3 Years



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For the year ended 31 March 2025

(All amounts are in Indian Rupees in lakh unless stated otherwise)

Note -50: (Contd.)

Particulars	Fair value on Grant date	Expected volatility (%)	Risk free interest rate (%)	Dividend yield (%)	Expected maturity from date of vesting
Series VI	2,821.16 and 3,002.19	43.94 to 45.00 and 38.66 to 42.07	6.50 to 7.03 and 6.96 to 7.17	Nil	Upto 3 Years
Series VII	3,042.63	40.49 to 41.92	6.78 to 6.81	Nil	Upto 3 Years
Series VIII	3,375.82	36.21	6.93	Nil	Upto 3 Years
ESOP Scheme 2020					
Series I	1,175.00	45.32 and 47.03	4.58 to 5.91	Nil	Upto 3 Years
Series II	1,818.31	43.80 to 44.06	4.70 to 5.81	Nil	Upto 3 Years
Series III	1,957.11 and 1,998.48	45.00 to 45.68	6.50 to 7.18	Nil	Upto 3 Years
Series IV	2,234.65 , 2,279.90, 2,315.77 & 2484.08	40.49 to 47.60 & 39.59 to 41.28	6.78 to 6.88 & 7.11 to 7.14	Nil	Upto 3 Years
Series V	2,618.34	36.21 to 40.22	6.93	Nil	Upto 3 Years
ESOP Scheme 2022					
Series I	1610.67, 1682.41 & 1758.48	40.49 to 47.60 & 39.59 to 41.28	6.78 to 6.88, 7.02 to 7.09 & 7.11 to 7.14	Nil	Upto 3 Years
Series II	1805.49 & 2354.50	36.21 to 40.22 & 35.42 to 39.59	6.93 & 6.62 to 6.70	Nil	Upto 3 Years

Note 51: Fair value of financial instruments not measured at fair value

Set out below is a comparison, by class, of the carrying amounts and fair values of the Company's financial instruments other than those with carrying amounts that are approximates of fair value. This table does not include the fair values of non-financial assets and non-financial liabilities.

As at 31 March 2025

Particulars	Carrying value	Fair Value			
		Level I	Level II	Level III	Total
Financial assets					
Investments	1,694.93	-	-	1,569.54	1,569.54
Non-financial assets					
Asset held for sale	2,617.73	-	-	4,191.21	4,191.21
Financial liabilities					
Debt Securities at fixed rate	314.84	-	-	314.84	314.84
Borrowings (Other than debt securities) at fixed rate	25,437.45	-	25,117.14	-	25,117.14

As at 31 March 2024

Particulars	Carrying value	Fair Value			
		Level I	Level II	Level III	Total
Financial assets					
Investments	2,497.77	-	-	2,295.36	2,295.36
Non-financial assets					
Asset held for sale	1,953.15	-	-	3,121.85	3,121.85
Financial liabilities					
Debt Securities at fixed rate	327.27	-	-	327.27	327.27
Borrowings (Other than debt securities) at fixed rate	19,776.94	-	18,799.64	-	18,799.64

There have been no transfers between Level 1, Level 2 and Level 3 for the 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 are in Indian Rupees in lakh unless stated otherwise)

Note -51: (Contd.)

Valuation methodologies of financial instruments not measured at fair value

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

The management assessed that cash and cash equivalents, investments, other financial assets, trade payables, and other financial liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments.

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:

Assets held for sale - Real estate properties are valued on the basis of a well progressed sale process with price quotes from real estate agents.

Investments in Security Receipts - The Valuation is based on the net asset value determined by the asset manager or as per Master Direction – Reserve Bank of India (Transfer of Loan Exposures) Directions, 2021 RBI/DOR/2021-22/86 DOR.STR.REC.51/21.04.048/2021-22 dated 24 September 2021.

Debt securities and Borrowings - The fair value of certain fixed rate borrowings is determined by discounting expected future contractual cash flows using current market interest rates charged for similar new loans. The fair value of floating rate borrowings are deemed to be equivalent to the carrying value.

Note 52: Transfers of financial assets that are derecognised in their entirety

The Company has elected to apply the de-recognition provisions of Ind AS 109 prospectively from the date of transition to Ind AS. Thus, Pre-transition securitisation deals continues to be de-recognised in their entirety. The table below outlines details for each type of continued involvement relating to transferred assets derecognised in their entirety.

Particulars	Carrying amount of continuing involvement in statement of financial position		Fair value of continuing involvement		Maximum exposure to loss
	Balance with banks	Loans	Balance with banks	Loans	
Type of continuing involvement : Securitisation					
31 March 2025	-	-	-	-	-
31 March 2024	-	39.93	-	39.93	39.93

Note 53: Additional regulatory disclosures

- The Company has used the borrowings from banks and financial institutions for the specific purpose for which it was taken.
- The Company does not have any Benami Property where any proceedings have been initiated or pending against the Company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder.
- The Company has submitted the quarterly return or statements of current assets with banks or financial institutions in agreement with the books of accounts for borrowings taken on the basis of security of current assets.
- The Company is not declared a wilful defaulter by any bank or financial Institution or other lender during the year.
- During the current financials year, the Company has neither entered into any transactions with, nor does it have any outstanding balances receivable from or payable to, any companies that have been struck off under the provisions of Section 248 of the Companies Act, 2013 or Section 560 of the Companies Act, 1956.
- The Company does not have any pending charges or satisfaction yet to be registered with ROC beyond the statutory period.
- The Company does not have any layers prescribed under clause (87) of section 2 of the Act read with Companies (Restriction on number of Layers) Rules, 2017.
- The Company has not opted for any Scheme of Arrangements which has been approved by the Competent Authority in terms of sections 230 to 237 of the Companies Act, 2013.



Summary of material accounting policies and other explanatory information

For the year ended 31 March 2025

(All amounts are in Indian Rupees in lakh unless stated otherwise)

Note -53: (Contd.)

- ix) The Company has not advanced or loaned or invested funds (either borrowed funds or share premium or any other sources or kind of funds) to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding (whether recorded in writing or otherwise) that the Intermediary shall
- directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries) or
 - provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries;
- x) The Company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the company shall.
- directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries) or
 - provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries;
- xi) The Company does not have any transaction which not have been recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961). Also, there is no previously unrecorded income and related assets which need to be recorded in the books of account during the year.
- xii) Liquidity coverage ratio is not applicable to the Company as on the reporting date.

Note 54:

The Ministry of Corporate Affairs (MCA) has prescribed a new requirement for companies under the proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 inserted by the Companies (Accounts) Amendment Rules, 2021 requiring companies, which uses accounting software for maintaining its books of account, shall use only such accounting software which has a feature of recording audit trail of each and every transaction, creating an edit log of each change made in the books of account along with the date when such changes were made and ensuring that the audit trail cannot be disabled.

The Company has used an accounting software for maintenance of accounting records and also a software for maintenance of payroll records which has a feature of recording audit trail (edit log) facility and the same was enabled throughout the year at the application level. The said software are operated by a third-parties software service providers and are used in the form of Software-as-a-Service (SaaS). For accounting software, the SOC Type 2 report does not provide information on availability of audit logs for any direct changes made at the database level and for payroll software, the 'Type 2 report' issued by the Independent Service Auditor in accordance with ISAE 3000 (Revised), did not demonstrate whether the audit trail feature specifically captures the details of what data was changed at the database level.

Note - 55

Disclosures as required in terms of Master Direction – Non-Banking Financial Company – Housing Finance Company (Reserve Bank) Directions, 2021 vide reference no. RBI/2020-21/73 DOR.FIN.HFC.CC.No.120/03.10.136/2020-21, dated 17 February 2021, Master Direction – Reserve Bank of India (Non-Banking Financial Company – Scale Based Regulation) Directions, 2023 vide reference no. RBI/DoR/2023-24/106 DoR.FIN.REC.No.45/03.10.119/2023-24, dated 19 October 2023 and other regulatory disclosures.

Note 55.1: Capital

Particulars	As at 31 March 2025	As at 31 March 2024
Capital to Risk Assets Ratio (CRAR) (%)	46.24%	41.88%
CRAR - Tier I Capital (%)	45.76%	41.45%
CRAR - Tier II Capital (%)	0.48%	0.43%
Amount of subordinated debt raised as Tier- II Capital	-	-
Amount raised by issue of Perpetual Debt Instruments	-	-

Summary of material accounting policies and other explanatory information

For the year ended 31 March 2025

(All amounts are in Indian Rupees in lakh unless stated otherwise)

Note -55: (Contd.)

Note 55.2: Reserve Fund u/s 29C of NHB Act, 1987

Particulars	As at 31 March 2025	As at 31 March 2024
Balance at the beginning of the year		
Statutory reserve under Section 29C of the NHB Act, 1987	1,482.49	668.35
Amount of special reserve under section 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	6,063.22	4,157.99
Total	7,545.71	4,826.34
Addition / appropriation/ withdrawal during the year		
Add: Amount transferred under Section 29C of the NHB Act, 1987	1,066.03	814.14
Add: Amount of special reserve under Section 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	2,439.85	1,905.23
Less: Amount appropriated from the Statutory Reserve u/s 29C of the NHB Act, 1987	-	-
Less: 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	-	-
Total	3,505.88	2,719.37
Balance at the end of the year		
Statutory reserve under section 29C of the NHB Act, 1987	2,548.52	1,482.49
Amount of special reserve under section 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	8,503.07	6,063.22
Total	11,051.59	7,545.71

Note 55.3: Details of loans transferred/acquired during the year ended 31 March 2025 under the Master Direction - RBI (Transfer of Loan Exposures) Directions, 2021 dated 24 September 2021 are given below:

(i) Details of stressed loans transferred/acquired:

Sr. No.	Particulars	As at 31 March 2025			As at 31 March 2024		
		To ARC	To permitted transferees	To other transferees	To ARC	To permitted transferees	To other transferees
(i)	No. of accounts	-	-	-	-	-	-
(ii)	Aggregate principal outstanding of loans transferred	-	-	-	-	-	-
(iii)	Weighted average residual tenure of the loans transferred (in years)	-	-	-	-	-	-
(iv)	Net book value of the loans transferred (at the time of transfer)	-	-	-	-	-	-
(v)	Aggregate consideration	-	-	-	-	-	-
(vi)	Aggregate consideration realised in respect of loans transferred in earlier years	-	-	-	-	-	-

Note: Details of ratings of security receipts are as below:

Particulars	Rating Agency	Recovery rating	Outstanding as on 31 March 2025	Outstanding as on 31 March 2024
Security Receipts-1	Acuite Ratings & Research Limited	Withdrawal*	0.01	64.79
Security Receipts-2	Infomerics Valuation and Rating Private Limited	IVR RR1	1,694.92	2,432.98

*The rating withdrawal is on account of full redemption of security receipts.



Summary of material accounting policies and other explanatory information

For the year ended 31 March 2025

(All amounts are in Indian Rupees in lakh unless stated otherwise)

Note -55: (Contd.)

(ii) Details of loans not in default transferred/acquired through assignment:

Sr. No.	Particulars	Year ended 31 March 2025		Year ended 31 March 2024	
		Transferred	Acquired	Transferred	Acquired
(i)	Aggregate amount of loans transferred	41,201.55	-	13,928.92	-
(ii)	Weighted average maturity (in years)	14.65	-	11.75	-
(iii)	Weighted average holding period (in years)	1.37	-	1.73	-
(iv)	Retention of beneficial economic interest by obligator (%)	12.24%	-	10.00%	-
(v)	Tangible security coverage (%)	100.00%	-	100.00%	-
(vi)	Rating wise distribution of rated loans	Not Applicable	-	Not Applicable	-

Note:

- The Company has not agreed to replace loans transferred to transferee(s) or pay damages arising out of any representation or warranty.
- No stressed loans have been transferred and acquired during the year.

Note 55.4 : Investments

Sr. No.	Particulars	As at 31 March 2025	As at 31 March 2024
Value of Investments			
(i)	Gross value of Investments		
(a)	In India	1,694.93	2,497.77
(b)	Outside India	-	-
(ii)	Provisions for Depreciation		
(a)	In India	125.39	202.41
(b)	Outside India	-	-
(iii)	Net value of Investments		
(a)	In India	1,569.54	2,295.36
(b)	Outside India	-	-
Movement of provisions held towards depreciation on investments			
(i)	Opening Balance	202.41	336.62
(ii)	Add: Provisions made during the year	(77.02)	(134.21)
(iii)	Less: Write-off/Written-back of excess provisions during the year	-	-
(iv)	Closing Balance	125.39	202.41

Note 55.5 : Derivative

(a) Forward Rate Agreement (FRA) / Interest Rate Swap (IRS)

Sr. No.	Particulars	As at 31 March 2025	As at 31 March 2024
(i)	The notional principal of swap agreements	-	-
(ii)	Losses which would be incurred if counterparties failed to fulfil their obligations under the agreements	-	-
(iii)	Collateral required by the HFC upon entering into swaps	-	-
(iv)	Concentration of credit risk arising from the swaps	-	-
(v)	The fair value of the swap book	-	-

Summary of material accounting policies and other explanatory information

For the year ended 31 March 2025

(All amounts are in Indian Rupees in lakh unless stated otherwise)

Note -55: (Contd.)

(b) Exchange Traded Interest Rate (IR) Derivative

Sr. No.	Particulars	As at 31 March 2025	As at 31 March 2024
(i)	Notional principal amount of exchange traded IR derivatives undertaken during the year (instrument-wise)	-	-
	(a)		
	(b)		
	(c)		
(ii)	Notional principal amount of exchange traded IR derivatives outstanding as on reporting date (instrument-wise)	-	-
	(a)		
	(b)		
	(c)		
(iii)	Notional principal amount of exchange traded IR derivatives outstanding and not "highly effective" (instrument-wise)	-	-
	(a)		
	(b)		
	(c)		
(iv)	Mark-to-market value of exchange traded IR derivatives outstanding and not "highly effective" (instrument-wise)	-	-
	(a)		
	(b)		
	(c)		

(c) Risk Exposure in Derivatives

(i) Qualitative Disclosure - There is no derivative transaction during the year.

(ii) Quantitative Disclosure

Sr. No.	Particulars	As at 31 March 2025	As at 31 March 2024
		Currency Derivatives	Interest Rate Derivatives
(i)	Derivatives (Notional principal amount)	-	-
(ii)	Marked to market position (1)		
	(a) Assets+	-	-
	(b) Liability	-	-
(iii)	Credit exposure	-	-
(iv)	Unhedged Exposures	-	-

Note 55.6 : Securitization

Securitisation and Minimum Retention Requirement

Sr. No.	Particulars	As at 31 March 2025	As at 31 March 2024
		No./Amount	No./Amount
1	No of SPV's sponsored by the HFC for Securitisation transactions	-	2
2	Total amount of securitized assets as per books of the SPVs sponsored	-	-
3	Total amount of exposure retained by the company toward the MRR as on the date of balance sheet		
	(i) Off balance sheet exposures towards credit enhancements		
	a) First loss	-	-
	b) Others	-	-



Summary of material accounting policies and other explanatory information

For the year ended 31 March 2025

(All amounts are in Indian Rupees in lakh unless stated otherwise)

Note -55: (Contd.)

Sr. No.	Particulars	As at 31 March 2025	As at 31 March 2024
		No./Amount	No./Amount
	(ii) On balance sheet exposures towards credit enhancements		
	a) First loss	-	-
	b) Others	-	39.93
4	Amount of exposures to securitisation transaction other than MRR		
	(i) Off balance sheet exposures towards credit enhancements		
	a) Exposures to own securitisation		
	a) First loss	-	-
	b) Others	-	-
	b) Exposures to third party securitisation		
	a) First loss	-	-
	b) Others	-	-
	(ii) On balance sheet exposures towards credit enhancements		
	a) Exposures to own securitisation		
	a) First loss	-	-
	b) Others	-	-
	b) Exposures to third party securitisation		
	a) First loss	-	-
	b) Others	-	-
5	Sale consideration received for the securitised assets and gain/loss on sale on account of securitisation	-	-
6	Form and quantum (outstanding value) of services provided by way of, liquidity support, post-securitisation asset servicing, etc.	-	-
7	Performance of facility provided. Please provide separately for each facility viz. Credit enhancement, liquidity support, servicing agent etc. Mention percent in bracket as of total value of facility provided.	-	-
	(a) Amount paid	-	-
	(b) Repayment received	-	-
	(c) Outstanding amount	-	-
8	Average default rate of portfolios observed in the past. Please provide breakup separately for each asset class i.e. RMBS, Vehicle Loans etc	-	-
9	Amount and number of additional/top up loan given on same underlying asset. Please provide breakup separately for each asset class i.e. RMBS, Vehicle Loans etc	-	-
10	Investor complaints	-	-
	(a) Directly/Indirectly received and;		
	(b) Complaints outstanding		

Summary of material accounting policies and other explanatory information

For the year ended 31 March 2025

(All amounts are in Indian Rupees in lakh unless stated otherwise)

Note -55: (Contd.)

Note 55.7: Asset Liability Management

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 one month upto 142 months	2 months upto 3 months	Over 3 months to 6 months	Over 6 months to 1 year	Over 1 year to 3 years	Over 3 to 5 years	Over 5 years	Total
Liabilities											
Deposits	-	-	-	-	-	-	-	-	-	-	-
Borrowings from banks	992.05	-	6,902.09	4,688.94	5,878.57	15,441.03	32,598.45	1,07,855.10	50,119.69	6,777.94	2,31,253.86
Market borrowings	4,496.57	-	158.71	672.61	667.99	5,830.67	11,123.51	64,591.38	35,302.98	30,883.72	1,53,728.14
Foreign currency liabilities	-	-	-	-	-	-	-	-	-	-	-
Assets											
Advances*	8,043.67	2,719.16	5,133.20	8,739.62	7,744.55	25,157.02	48,395.59	1,92,515.31	1,06,259.10	1,51,985.79	5,56,693.01
Investments	4.06	4.07	21.70	30.51	30.51	97.80	180.51	433.05	361.19	531.53	1,694.93
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 one month upto 2 months	2 months upto 3 months	Over 3 months to 6 months	Over 6 months to 1 year	Over 1 year to 3 years	Over 3 to 5 years	Over 5 years	Total
Liabilities											
Deposits	-	-	-	-	-	-	-	-	-	-	-
Borrowings from banks	1,171.68	79.97	3,650.00	3,945.84	5,680.52	14,028.25	25,830.67	91,776.71	55,420.85	11,569.47	2,13,153.96
Market borrowings	3,616.29	-	198.60	731.36	732.15	5,440.36	9,633.47	35,798.41	29,955.50	29,913.10	1,16,019.24
Foreign currency liabilities	-	-	-	-	-	-	-	-	-	-	-
Assets											
Advances*	6,388.97	1,751.79	3,687.08	7,848.45	7,489.80	21,151.93	40,408.20	1,54,957.30	85,301.24	1,09,696.61	4,38,681.37
Investments	6.49	6.49	31.97	44.96	44.96	144.12	266.01	638.18	532.27	782.30	2,497.75
Foreign currency assets	-	-	-	-	-	-	-	-	-	-	-

Note: In computing the above information certain estimates, assumptions and adjustments have been made by the Management.

*Advances are net of Stage3 ECL and excluding the minimum retention requirement of securitisation deals.



Summary of material accounting policies and other explanatory information

For the year ended 31 March 2025

(All amounts are in Indian Rupees in lakh unless stated otherwise)

Note -55: (Contd.)

Note 55.8: Exposure

(a) Exposure to Real Estate Sector*

Sr. No.	Particulars	As at 31 March 2025	As at 31 March 2024
a)	Direct exposure		
	(i) Residential Mortgages		
	Lending fully secured by mortgages on residential property that is or will be occupied by the borrower or that is rented:	3,50,366.95	2,84,300.79
	(ii) Commercial Real Estate		
	Lending secured by mortgages on commercial real estates (office buildings, retail space, multipurpose commercial premises, multi-family 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	43,241.35	18,254.37
	(iii) Investments in Mortgage Backed Securities (MBS) and other securitised exposures-		
	(a) Residential	-	-
	(b) Commercial Real Estate	-	-
b)	Indirect exposure		
	Fund based and non-fund based exposure on NHB and HFCs	-	-
	Total Exposure to Real Estate Sector	3,93,608.30	3,02,555.16

*The Company has considered only housing loans for the purpose of determining the exposure to real estate sector.

(b) Exposure to Capital Market

The Company does not have any capital market exposure as on reporting date.

Sr. No.	Category	As at 31 March 2025	As at 31 March 2024
(i)	Direct investment in equity shares, convertible bonds, convertible debentures and units of equity-oriented mutual funds the corpus of which is not exclusively invested in corporate debt;	-	-
(ii)	Advances against shares / bonds / debentures or other securities or on clean basis to individuals for investment in shares (including IPOs / ESOPs), convertible bonds, convertible debentures, and units of equity-oriented mutual funds;	-	-
(iii)	Advances for any other purposes where shares or convertible bonds or convertible debentures or units of equity oriented mutual funds are taken as primary security;	-	-
(iv)	Advances for any other purposes to the extent secured by the collateral security of shares or convertible bonds or convertible debentures or units of equity oriented mutual funds i.e. where the primary security other than shares / convertible bonds / convertible debentures / units of equity oriented mutual funds 'does not fully cover the advances;	-	-
(v)	Secured and unsecured advances to stockbrokers and guarantees issued on behalf of stockbrokers and market makers;	-	-
(vi)	Loans sanctioned to corporates against the security of shares / bonds / debentures or other securities or on clean basis for meeting promoter's contribution to the equity of new companies in anticipation of raising resources;	-	-
(vii)	Bridge loans to companies against expected equity flows / issues;	-	-
(viii)	Underwriting commitments taken up by the HFCs in respect of primary issue of shares or convertible bonds or convertible debentures or units of equity oriented mutual funds.	-	-
(ix)	Financing to stockbrokers for margin trading	-	-
(x)	All exposures to Alternate Investment Funds		
	(a) Category I	-	-
	(b) Category II	-	-
	(c) Category III	-	-
	Total Exposure to Capital Market	-	-

Summary of material accounting policies and other explanatory information

For the year ended 31 March 2025

(All amounts are in Indian Rupees in lakh unless stated otherwise)

Note -55: (Contd.)

(c) Sectoral exposure*

Sr. No.	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	-	-	-	-	-	-
	i....	-	-	-	-	-	-
	ii....	-	-	-	-	-	-
	Others	-	-	-	-	-	-
	Total of Industry (i+ii+...+ Others)	-	-	-	-	-	-
3	Services	-	-	-	-	-	-
	i. Housing Loans	3,62,164.14	3,665.61	1.01%	2,96,034.69	2,872.00	0.97%
	ii. Commercial Real Estate-RH	43,241.35	-	0.00%	18,253.97	-	0.00%
	ii. Non Housing Loans	1,78,764.32	3,450.36	1.93%	1,41,827.01	2,312.00	1.63%
	Total of Services	5,84,169.81	7,115.97	1.22%	4,56,115.67	5,184.00	1.14%
4	Personal Loans	-	-	-	-	-	-
	i...	-	-	-	-	-	-
	ii...	-	-	-	-	-	-
	Others	-	-	-	-	-	-
	Total of Personal Loans	-	-	-	-	-	-
5	Others, if any (please specify)	-	-	-	-	-	-

*The Company has considered loans (excluding the minimum retention requirement of securitisation deals) for the purpose of this disclosure.

(d) Details of financing of parent company products

The Company does not have any parent company. Hence, disclosure with respect to details of financing of parent company products is not applicable on the Company.

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

During the year ended 31 March 2025 and 31 March 2024, the Company's credit exposure (whether in term of sanctioned amount or entire amount outstanding, whichever is higher) to single borrowers and group of borrowers were within the limit prescribed by National Housing Bank for Housing Finance Companies.

(f) Unsecured Advances

- The Company has not given any unsecured loan borrowers during current year and previous year.
- The total amount advance for which intangible securities such as charge over rights, licenses, authority, etc. has been taken as also the estimated value of such intangible collateral- Nil

Note 55.9: Exposure to group companies engaged in real estate business

Sr. No.	Description	As at 31 March 2025		As at 31 March 2024	
		Amount	% of owned fund	Amount	% of owned fund
(i)	Exposure to any single entity in a group engaged in real estate business	-	-	-	-
(ii)	Exposure to all entities in a group engaged in real estate business	-	-	-	-



Summary of material accounting policies and other explanatory information

For the year ended 31 March 2025

(All amounts are in Indian Rupees in lakh unless stated otherwise)

Note -55: (Contd.)

Note 55.10: Intra-group exposures

Sr. No.	Category	As at 31 March 2025	As at 31 March 2024
i)	Total amount of intra-group exposures	-	-
ii)	Total amount of top 20 intra-group exposures	-	-
iii)	Percentage of intra-group exposures to total exposure of the NBFC on borrowers/ customers	-	-

Note 55.11: Unhedged foreign currency exposure

Sr. No.	Category	As at 31 March 2025	As at 31 March 2024
i)	Unhedged foreign currency exposures	-	-

Summary of material accounting policies and other explanatory information

For the year ended 31 March 2025

(All amounts are in Indian Rupees in lakh unless stated otherwise)

Note -55: (Contd.)

Note 55.12: Related Party Transactions

(a) Transactions during the year:

Related Party	Directors	Key Management Personnel	Relatives of Key Management Personnel	Shubham Employees Gratuity Trust	Shubham Employee Welfare Trust	Total
Particulars	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year
Borrowings	-	-	-	-	-	-
Optionally Convertible debentures issued	-	-	-	-	-	-
Deposits	-	-	-	-	-	-
Placement of Deposits	-	-	-	-	-	-
Advances	-	-	-	-	-	-
Investments	-	-	-	-	-	-
Purchase of Fixed/other assets	-	-	-	-	-	-
Sale of Fixed/other assets	-	-	-	-	-	-
Interest paid	27.38	27.50	-	-	27.38	27.50
Interest received	-	-	-	-	-	-
Donation	-	-	-	-	74.03	-
Contribution to Gratuity Trust	-	-	-	160.00	-	160.00
Reimbursement from Trust	-	-	-	59.53	-	59.53
Short term benefits (remuneration)*	598.47	541.82	263.14	238.89	-	780.71
Share based payment#	-	-	292.69	461.03	-	461.03
Sitting Fees	25.20	21.30	-	-	25.20	21.30
Others	-	-	-	-	-	-

*The amount excludes provision made for gratuity and leave encashment which are provided for a group of employees on overall basis.

#Share based payments includes the expenses booked during the year on proportionate basis as per vesting schedule against ESOPs granted to the KMPs bases of option valuation for respective equity settled grants till 31 March 2025.

The company does not have any subsidiaries, associates and joint ventures



Summary of material accounting policies and other explanatory information

For the year ended 31 March 2025

(All amounts are in Indian Rupees in lakh unless stated otherwise)

Note -55: (Contd.) (b) Balances at the year end:

Related Party	Directors		Key Management Personnel		Relatives of Key Management Personnel		Shubham Employees Gratuity Trust		Shubham Employee Welfare Trust		Total	
	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year
Particulars												
Borrowings	-	-	-	-	-	-	-	-	-	-	-	-
Optionally Convertible debentures issued	342.99	342.99	-	-	-	-	-	-	-	-	342.99	342.99
	(342.99)	(342.99)	-	-	-	-	-	-	-	-	(342.99)	(342.99)
Deposits	-	-	-	-	-	-	-	-	-	-	-	-
Placement of Deposits	-	-	-	-	-	-	-	-	-	-	-	-
Advances	-	-	-	-	-	-	-	-	-	-	-	-
Investments	-	-	-	-	-	-	-	-	-	-	-	-
Purchase of Fixed/other assets	-	-	-	-	-	-	-	-	-	-	-	-
Sale of Fixed/other assets	-	-	-	-	-	-	-	-	-	-	-	-
Interest paid	-	-	-	-	-	-	-	-	-	-	-	-
Interest received	-	-	-	-	-	-	-	-	-	-	-	-
Donation	-	-	-	-	-	-	-	-	-	-	-	-
Contribution to Gratuity Trust	-	-	-	-	-	-	-	-	-	-	-	-
Reimbursement from Trust	-	-	-	-	-	-	-	-	-	-	-	-
Short term benefits (remuneration)*	-	-	-	-	-	-	-	-	-	-	-	-
Share based payment [#]	-	-	-	-	-	-	-	-	-	-	-	-
Sitting Fees	-	-	-	-	-	-	-	-	-	-	-	-
Amount receivable	-	-	-	-	-	-	7.85	4.89	-	-	7.85	4.89
	-	-	-	-	-	-	(29.50)	(47.00)	-	-	(29.50)	(47.00)
ESOPs outstanding ^{##}	-	-	-	-	914.79	622.10	-	-	-	-	914.79	622.10
	-	-	-	-	(914.79)	(622.10)	-	-	-	-	(914.79)	(622.10)
Others	-	-	-	-	-	-	-	-	-	-	-	-

^{##} ESOPs outstanding includes proportionate liability outstanding in the books as per vesting schedule with respective option valuation of the grants.

Figures in bracket are maximum outstanding during the year.

Policy on dealing with related party transactions displayed on the website.

Summary of material accounting policies and other explanatory information

For the year ended 31 March 2025

(All amounts are in Indian Rupees in lakh unless stated otherwise)

Note -55: (Contd.)

Note 55.13: Registration obtained from other financial sector regulators

The Company has not obtained registration from any other financial sector regulators.

Note 55.14: Group Structure

The Company does not have any parent company or any subsidiary, so group structure is not applicable.

Note 55.15: Rating assigned by Credit Rating Agencies and migration of rating during the year

During the year, ICRA, CRISIL and India Ratings has affirmed company's Long-Term Rating A with stable. The Company carries following ratings from ICRA & CRISIL and India Ratings:

Instrument	Rating	
	As at 31 March 2025	As at 31 March 2024
Term Loans	[ICRA] A+ (Stable), [IND] A+(Positive)	[ICRA]A (Positive), [IND]A+ (Stable)
Non-convertible Debentures (Secured)	[ICRA] A+ (stable)	-
Commercial paper (Unsecured)	CARE A1+	[ICRA]A1

Note 55.16: Net Profit or Loss for the period, prior period items and changes in accounting policies

During the year net profit or loss for the period and changes in accounting policies is ₹ Nil (previous year- ₹ Nil).

During the year prior period expenses booked of ₹ 25.10 Lakh (previous year ₹ 55.27 Lakh).

Note 55.17: Revenue Recognition

During the year, there are no circumstances in which revenue recognition has been postponed pending the resolution of significant uncertainties.

Note 55.18: Consolidated Financial Statements (CFS)

The Company does not have any subsidiary, associate or joint venture accordingly consolidation of financial statements is not applicable.

Note 55.19: Provisions and Contingencies

Sr. No.	Break up of 'Provisions and Contingencies' shown under the head Expenditure in Profit and Loss Account	As at 31 March 2025	As at 31 March 2024
(i)	Provision for depreciation on investment	(77.02)	(134.22)
(ii)	Provision made towards Income tax	4,459.96	3,252.70
(iii)	Provision towards Non-Performing Assets	315.73	16.91
(iv)	Provision for Standard Assets	629.75	(175.07)
(v)	Provision for loan commitments	11.28	29.17
(vi)	Provision for EIS receivable & Securitised MRR	16.70	(4.50)
(vii)	Provision for Standard Assets- Teaser Loan	-	-
(viii)	Provision for Standard Assets- CRE	-	-
(ix)	Provision for Standard Assets- CRE-RH	34.92	39.52
(x)	Provision for Assets acquired under SARFAESI	26.86	23.11
(xi)	Provision for Gratuity	123.30	106.06
(xii)	Provision for Compensated Absences	257.50	202.70



Summary of material accounting policies and other explanatory information

For the year ended 31 March 2025

(All amounts are in Indian Rupees in lakh unless stated otherwise)

Note -55: (Contd.)

Note 55.20: Break up of Loan, Advances and Provisions thereon

(A) Loans

Particulars	Housing		Non-Housing	
	As at 31 March 2025	As at 31 March 2024	As at 31 March 2025	As at 31 March 2024
Standard assets				
a) Total outstanding amount	3,78,031.46	2,96,887.29	1,73,503.74	1,38,252.68
b) Provision made	1,255.59	915.99	1,098.66	773.33
Sub-standard assets				
a) Total outstanding amount	2,664.17	1,952.29	2,583.38	1,456.58
b) Provision made	714.92	609.45	718.51	454.71
Doubtful assets-I				
a) Total outstanding amount	559.08	552.10	540.81	514.76
b) Provision made	150.03	172.35	145.13	160.69
Doubtful assets-II				
a) Total outstanding amount	413.77	335.33	322.19	336.35
b) Provision made	111.03	104.68	86.46	105.00
Doubtful assets-III				
a) Total outstanding amount	9.30	3.72	3.23	3.06
b) Provision made	8.83	2.87	3.21	3.04
Loss assets				
a) Total outstanding amount	19.29	28.79	0.75	0.85
b) Provision made	19.29	28.79	0.75	0.85
Total				
a) Total outstanding amount	3,81,697.07	2,99,759.52	1,76,954.10	1,40,564.28
b) Provision made	2,259.69	1,834.13	2,052.72	1,497.62

The Company has considered loans (excluding the minimum retention requirement of securitisation deals) for the purpose of this disclosure.

(b) Investments

Particulars	As at 31 March 2025	As at 31 March 2024
a) Total outstanding amount	1,694.93	2,497.77
b) Provision made	125.39	202.41

Note 55.21: Divergence in Asset Classification and Provisioning

- a) the additional provisioning requirements assessed by RBI or National Housing Bank (NHB) in the case of Housing Finance Companies) exceeds 5 percent of the reported profits before tax and impairment loss on financial instruments for the year ended 31 March 2025 is Nil (previous year: Nil).
- b) the additional Gross NPAs identified by RBI/NHB exceeds 5 per cent of the reported Gross NPAs for the reference period.

Sr. No.	Particulars	As at 31 March 2025	As at 31 March 2024
1	Gross NPAs as on 31 March 2025* as reported by the HFC	-	-
2	Gross NPAs as on 31 March 2025 as assessed by the Reserve Bank of India/ NHB	-	-
3	Divergence in Gross NPAs (2-1)	-	-
4	Net NPAs as on 31 March 2025 as reported by the HFC	-	-
5	Net NPAs as on 31 March 2025 as assessed by Reserve Bank of India/ NHB	-	-
6	Divergence in Net NPAs (5-4)	-	-

Summary of material accounting policies and other explanatory information

For the year ended 31 March 2025

(All amounts are in Indian Rupees in lakh unless stated otherwise)

Note -55: (Contd.)

Sr. No.	Particulars	As at 31 March 2025	As at 31 March 2024
7	Provisions for NPAs as on 31 March 2025 as reported by the HFC	-	-
8	Provisions for NPAs as on 31 March 2025 as assessed by Reserve Bank of India/ NHB	-	-
9	Divergence in provisioning (8-7)	-	-
10	Reported Profit before tax and impairment loss on financial instruments for the year ended 31 March 2025	-	-
11	Reported Net Profit after Tax (PAT) for the year ended 31 March 2025	-	-
12	Adjusted (notional) Net Profit after Tax (PAT) for the year ended 31 March 2025 after considering the divergence in provisioning	-	-

*31 March 2025 is the close of the reference period in respect of which divergences were assessed

Note 55.22: Draw down from reserves

During the year, there have been no draw down from the statutory reserves (previous year - ₹ Nil).

Note 55.23: Concentration of public deposits

The Company does not have any public deposits

Particulars	As at 31 March 2025	As at 31 March 2024
Total Deposits of twenty largest depositors	Not Applicable	Not Applicable
Percentage of Deposits of twenty largest depositors to Total Deposits of the HFC	Not Applicable	Not Applicable

Note 55.24: Concentration of Loan and advances

Particulars	As at 31 March 2025	As at 31 March 2024
Total loans and advances to twenty largest borrowers*	19,868.78	15,360.00
Percentage of loans and advances to twenty largest borrowers to total advances of the Company*	3.56%	3.49%

*Largest borrowers represent highest loan outstanding at reporting period

Note 55.25: Concentration of all exposure (including off-balance sheet exposure)

Particulars	As at 31 March 2025	As at 31 March 2024
Total exposure to twenty largest borrowers/customers	24,159.23	17,293.34
Percentage of exposures to twenty largest borrowers/customers to total exposure of Company	4.14%	3.79%

Note 55.26: Concentration of Non-Performing Assets (NPAs)

Particulars	As at 31 March 2025	As at 31 March 2024
Total exposure to top ten NPA accounts	357.91	308.00

Note 55.27: Sector-wise NPAs

Sr. No.	Particulars	As at 31 March 2025		As at 31 March 2024	
		Amount	%	Amount	%
	Housing Loans:				
(a)	Individuals	3,665.61	1.05%	2,872.25	1.01%
(b)	Builders/Project Loans	-	-	-	-
(c)	Corporates	-	-	-	-
(d)	Others	-	-	-	-



Summary of material accounting policies and other explanatory information

For the year ended 31 March 2025

(All amounts are in Indian Rupees in lakh unless stated otherwise)

Note -55: (Contd.)

Sr. No.	Particulars	As at 31 March 2025		As at 31 March 2024	
		Amount	%	Amount	%
	Non-Housing Loans:				
(a)	Individuals	3,394.27	1.96%	2,312.00	1.69%
(b)	Builders/Project Loans	-	-	-	-
(c)	Corporates	56.09	1.68%	-	-
(d)	Others	-	-	-	-

Note 55.28: Movement of Non-Performing Assets (NPAs)

Sr. No.	Particulars	As at 31 March 2025	As at 31 March 2024
I	Net NPAs to Net Advances (%)*	0.93%	0.81%
II	Movement of NPAs (Gross)		
a)	Opening balance	5,183.83	5,407.04
b)	Additions during the year	5,075.94	3,201.00
c)	Reductions during the year	3,143.80	3,424.21
d)	Closing balance	7,115.97	5,183.83
III	Movement of Net NPAs		
a)	Opening balance	3,541.41	3,782.11
b)	Additions during the year	3,673.90	2,181.00
c)	Reductions during the year	2,057.50	2,421.70
d)	Closing balance	5,157.81	3,541.41
IV	Movement of provisions for NPAs and Contingencies (excluding provisions on standard assets)		
a)	Opening balance	1,642.42	1,624.93
b)	Provision made during the year	991.71	1,020.00
c)	Written-off/Write back of excess provisions	675.97	1,002.51
d)	Closing balance	1,958.16	1,642.42

* (Gross stage III loans EAD - impairment loss allowance for stage III) / (Gross total loans EAD - Impairment loss allowance for stage III)

Note 55.29: Overseas Assets

The Company does not hold any overseas assets

Particulars	As at 31 March 2025	As at 31 March 2024
Overseas Assets	-	-
Total	-	-

Note 55.30: Off-balance Sheet SPVs sponsored

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

Name of the SPV sponsored	
Domestic	Overseas
-	-

Summary of material accounting policies and other explanatory information

For the year ended 31 March 2025

(All amounts are in Indian Rupees in lakh unless stated otherwise)

Note -55: (Contd.)

Note 55.31: Customer Complaints#

1. Summary information on complaints received by the Company from customers and from the offices of Ombudsman

Sr. No.	Particulars	As at 31 March 2025	As at 31 March 2024
Complaints received by the Company from its customers			
I)	Number of complaints pending at beginning of the year	5	4
II)	Number of complaints received during the year	543	366
III)	Number of complaints disposed during the year:	529	365
	IIIa) Of which, number of complaints rejected by the Company	-	-
IV)	Number of complaints pending at the end of the year	19	5
Maintainable complaints received by the HFC from Office of Ombudsman			
V)	Number of maintainable complaints received by the HFC from Office of Ombudsman	-	-
Va)	Of V, number of complaints resolved in favour of the HFC by Office of Ombudsman	-	-
Vb)	Of V number of complaints resolved through conciliation/mediation/advisories issued by Office of Ombudsman	-	-
Vc)	Of V, number of complaints resolved after passing of Awards by Office of Ombudsman against the HFC	-	-
VI)	Number of Awards unimplemented within the stipulated time (other than those appealed)	-	-

2. Top five grounds of complaints received by the HFCs from customers during the year

Sr. No.	Grounds of complaints, (i.e. complaints relating to)	Number of complaints pending at the beginning of the year (i)	Number of complaints received during the year (ii)	% increase/decrease in the number of complaints received over the previous year (iii)	Number of complaints pending at the end of the year (iv)	Of iv, number of complaints pending beyond 30 days
(a)	EMI Payment and Refund related	3	162	14.08%	7	-
(b)	Delay in disbursement	2	85	-26.72%	3	-
(c)	Change in base rate	-	80	247.83%	2	-
(d)	Loan closure related	-	57	185.00%	3	-
(e)	Loan application related	-	49	145.00%	1	-
(f)	Complaints relating to-Others	-	110	144.44%	3	-

2a. Top five grounds of complaints received by the HFCs from customers during the previous year

Sr. No.	Grounds of complaints, (i.e. complaints relating to)	Number of complaints pending at the beginning of the year (i)	Number of complaints received during the year (ii)	% increase/decrease in the number of complaints received over the previous year (iii)	Number of complaints pending at the end of the year (iv)	Of iv, number of complaints pending beyond 30 days
(a)	EMI Payment and Refund related	1	142	8.40%	3	-
(b)	Delay in disbursement	2	116	-11.45%	2	-
(c)	Change in base rate	1	23	-41.03%	-	-
(d)	Loan closure related	-	20	-50.00%	-	-
(e)	Loan application related	-	20	-20.00%	-	-
(f)	Complaints relating to-Others	-	45	-44.44%	-	-

Note 55.32 :

- (a) Details of non-compliance with requirements of Companies Act, 2013 - Nil
- (b) Details of penalties and strictures - Nil
- (c) Remuneration of Directors : (Refer to note no. 55.12)
- (d) Breach of covenant

There is no instance of breach of covenant of loan availed or debt securities issued.



Summary of material accounting policies and other explanatory information

For the year ended 31 March 2025

(All amounts are in Indian Rupees in lakh unless stated otherwise)

Note -55: (Contd.)

Note 55.33: Penalties imposed by NHB and other regulators

During the year there is no penalty (Previous year ₹ Nil) imposed on the Company.

Note 55.34 : A comparison between provisions required under Income recognition, asset classification and provisioning (IRACP) and impairment allowances as per Ind AS 109 'Financial instruments' as per RBI circular DOR (NBFC).CC.PD.No.109/22.10.106/2019-20 dated March 13, 2020.

Asset Classification as per RBI Norms	As at 31 March 2025					
	Asset classification as per Ind AS 109	Gross Carrying Amount as per Ind AS	Loss Allowances (Provisions) as required under Ind AS 109	Net Carrying Amount	Provisions required as per IRACP norms	Difference between Ind AS 109 provisions and IRACP norms
(1)	(2)	(3)	(4)	(5)=(3)-(4)	(6)	(7) = (4)-(6)
Performing assets						
Standard	Stage 1	5,37,064.04	1,949.16	5,35,114.88	1,786.64	162.52
	Stage 2	14,471.16	405.09	14,066.07	185.52	219.57
Subtotal- Performing assets		5,51,535.20	2,354.25	5,49,180.95	1,972.16	382.09
Non-Performing Assets (NPA)						
Substandard	Stage 3	5,247.55	1,433.44	3,814.11	800.93	632.51
Doubtful assets						
Up to 1 year	Stage 3	1,099.90	295.16	804.74	442.26	(147.10)
1 to 3 years	Stage 3	735.96	197.49	538.47	444.02	(246.53)
More than 3 years	Stage 3	12.53	12.04	0.49	12.60	(0.56)
Subtotal- Doubtful		1,848.39	504.69	1,343.70	898.88	(394.19)
Loss Assets	Stage 3	20.03	20.03	0.00	20.14	(0.11)
Loan commitments	Stage 1	25,428.52	37.00	25,391.52	-	37.00
	Stage 2	90.11	0.89	89.22	-	0.89
	Stage 3	-	-	-	-	-
Subtotal of loan commitments		25,518.63	37.89	25,480.74	-	37.89
Grand Total	Stage 1	5,62,492.56	1,986.16	5,60,506.40	1,786.64	199.52
	Stage 2	14,561.27	405.98	14,155.29	185.52	220.46
	Stage 3	7,115.97	1,958.16	5,157.81	1,719.95	238.21
	Total	5,84,169.80	4,350.30	5,79,819.50	3,692.11	658.19

Asset Classification as per RBI Norms	As at 31 March 2024					
	Asset classification as per Ind AS 109	Gross Carrying Amount as per Ind AS	Loss Allowances (Provisions) as required under Ind AS 109	Net Carrying Amount	Provisions required as per IRACP norms	Difference between Ind AS 109 provisions and IRACP norms
(1)	(2)	(3)	(4)	(5)=(3)-(4)	(6)	(7) = (4)-(6)
Performing assets						
Standard	Stage 1	4,24,011.03	1,339.50	4,22,671.53	1,380.99	(41.49)
	Stage 2	11,129.28	349.93	10,779.35	221.58	128.35
Subtotal performing assets		4,35,140.31	1,689.43	4,33,450.88	1,602.57	86.86
Non-Performing Assets (NPA)						
Substandard	Stage 3	3,408.88	1,064.16	2,344.72	538.55	525.61

Summary of material accounting policies and other explanatory information

For the year ended 31 March 2025

(All amounts are in Indian Rupees in lakh unless stated otherwise)

Note -55: (Contd.)

As at 31 March 2024						
Asset Classification as per RBI Norms	Asset classification as per Ind AS 109	Gross Carrying Amount as per Ind AS	Loss Allowances (Provisions) as required under Ind AS 109	Net Carrying Amount	Provisions required as per IRACP norms	Difference between Ind AS 109 provisions and IRACP norms
Doubtful assets						
Up to 1 year	Stage 3	1,066.65	332.98	733.67	430.27	(97.29)
1 to 3 years	Stage 3	671.55	209.64	461.91	406.18	(196.54)
More than 3 years	Stage 3	6.78	5.91	0.87	6.83	(0.92)
Subtotal- Doubtful		1,744.98	548.53	1,196.45	843.28	(294.75)
Loss Assets	Stage 3	29.63	29.63	-	29.87	(0.24)
Loan commitments	Stage 1	15,722.84	26.10	15,696.74	-	26.10
	Stage 2	67.69	0.50	67.19	-	0.50
	Stage 3	-	-	-	-	-
Subtotal of loan commitments		15,790.53	26.60	15,763.93	-	26.60
Grand Total	Stage 1	4,39,733.87	1,365.60	4,38,368.27	1,380.99	(15.39)
	Stage 2	11,196.97	350.43	10,846.54	221.58	128.85
	Stage 3	5,183.49	1,642.32	3,541.17	1,411.70	230.62
	Total	4,56,114.33	3,358.35	4,52,755.98	3,014.27	344.08

The Company has considered loans (excluding the minimum retention requirement of securitisation deals) for the purpose of this disclosure.

Note 55.35: Loan against deposition of gold

The Company has not given any Gold Loan/loan against deposition of gold during the year (previous year- Nil).

Note 55.36: Overseas Operations

The Company did not have overseas operations and joint venture partners with regard to joint ventures and overseas subsidiaries.

Note 55.37: Details on Principal Business Criteria

Principal Business Criteria for the Company to be classified as "Housing Finance Company" as per the Paragraph 4.1.17 of Master Direction – Non-Banking Financial Company – Housing Finance Company (Reserve Bank) Directions, 2021, RBI/2020-21/73 DOR.FIN. HFC.CC.No.120/03.10.136/2020-21, 17 February 2021 is given below:

Particulars	As at 31 March 2025	As at 31 March 2024
Percentage of total assets towards housing finance	65.26%	63.18%
Percentage of total assets towards housing finance to individuals	59.91%	59.94%

Note 55.38: Schedule to the balance sheet

(1) Loans and advances availed by the HFC inclusive of interest accrued thereon but not paid:

Liabilities Side	As at 31 March 2025		As at 31 March 2024	
	Amount outstanding	Amount overdue	Amount outstanding	Amount overdue
a) Debentures : Secured	20,024.36	-	-	-
Unsecured	314.84	-	327.27	-
(other than falling within the meaning of public deposits*)				
b) Deferred Credits	-	-	-	-
c) Term Loans	3,59,642.80	-	3,28,845.93	-
d) Inter-corporate loans and borrowing	-	-	-	-
e) Commercial Paper	-	-	-	-
f) Public Deposits	-	-	-	-
g) Other Loans (repayable on demand)	5,000.00	-	-	-



Summary of material accounting policies and other explanatory information

For the year ended 31 March 2025

(All amounts are in Indian Rupees in lakh unless stated otherwise)

Note -55: (Contd.)

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

Liabilities Side	As at 31 March 2025		As at 31 March 2024	
	Amount outstanding	Amount overdue	Amount outstanding	Amount overdue
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	-	-	-	-

(3) Break-up of Loans and Advances including bills receivables [other than those included in (4) below]:

Assets Side	As at 31 March 2025	As at 31 March 2024
	Amount Outstanding	Amount Outstanding
a) Secured	5,58,637.80	4,40,339.13
b) Unsecured	22.44	40.49

(4) Break up of Leased Assets and stock on hire and other assets counting towards asset financing activities

Particulars	As at 31 March 2025	As at 31 March 2024
(i) Lease assets including lease rentals under sundry debtors		
a) Financial lease	-	-
b) Operating lease	-	-
(ii) Stock on hire including hire charges under sundry debtors		
a) Assets on hire	-	-
b) Repossessed Assets	-	-
(iii) Other loans counting towards asset financing activities		
a) Loans where assets have been repossessed	-	-
b) Loans other than (a) above	-	-

(5) Break-up of Investments

Current investments	As at 31 March 2025	As at 31 March 2024
1. Quoted		
(i) Shares	-	-
(a) Equity	-	-
(b) Preference	-	-
(ii) Debentures and Bonds	-	-
(iii) Units of mutual funds	-	-
(iv) Government Securities	-	-
(v) Others	-	-
2. Unquoted		
(i) Shares	-	-
(a) Equity	-	-
(b) Preference	-	-
(ii) Debentures and Bonds	-	-
(iii) Units of mutual funds	-	-
(iv) Government Securities	-	-
(v) Security Receipts	-	-

Summary of material accounting policies and other explanatory information

For the year ended 31 March 2025

(All amounts are in Indian Rupees in lakh unless stated otherwise)

Note -55: (Contd.)

Long term investments	As at 31 March 2025	As at 31 March 2024
	Amount Outstanding	Amount Outstanding
1. Quoted		
(i) Shares	-	-
(a) Equity	-	-
(b) Preference	-	-
(ii) Debentures and Bonds	-	-
(iii) Units of mutual funds	-	-
(iv) Government Securities	-	-
(v) Others	-	-
2. Unquoted		
(i) Shares	-	-
(a) Equity	-	-
(b) Preference	-	-
(ii) Debentures and Bonds	-	-
(iii) Units of mutual funds	-	-
(iv) Government Securities	-	-
(v) Security Receipts	1,694.93	2,497.77

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

Category	Amount net of provisions					
	As at 31 March 2025			As at 31 March 2024		
	Secured	Unsecured	Total	Secured	Unsecured	Total
1. Related parties						
a) Subsidiaries	-	-	-	-	-	-
b) Companies in the same group	-	-	-	-	-	-
c) Other related parties	-	-	-	-	-	-
2. Other than related parties [#]	5,54,325.72	22.11	5,54,347.83	4,36,967.65	40.29	4,37,007.94
Total	5,54,325.72	22.11	5,54,347.83	4,36,967.65	40.29	4,37,007.94

[#] excluding securitised loans

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

Category	As at 31 March 2025		As at 31 March 2024	
	Market Value / Break up or fair value or NAV	Book Value (net of provision)	Market Value / Break up or fair value or NAV	Book Value (net of provision)
1. Related parties				
a) Subsidiaries	-	-	-	-
b) Companies in the same group	-	-	-	-
c) Other related parties	-	-	-	-
2. Other than related parties	1,694.93	1,569.54	2,497.77	2,295.36
Total	1,694.93	1,569.54	2,497.77	2,295.36



Summary of material accounting policies and other explanatory information

For the year ended 31 March 2025

(All amounts are in Indian Rupees in lakh unless stated otherwise)

Note -55: (Contd.)

(8) Other information

Particulars	As at 31 March 2025	As at 31 March 2024
(i) Gross Non-Performing Assets		
a) Related parties	-	-
b) Other than related parties	7,115.97	5,184.04
(ii) Net Non-Performing Assets		
a) Related parties	-	-
b) Other than related parties	5,157.81	3,542.11
(iii) Assets acquired in satisfaction of debt	-	-

Note 55.39: Disclosure as required by Liquidity Risk Management Framework for Non-Banking Financial Companies - Public disclosure on liquidity risk

(1) Funding Concentration based on significant counterparty (both deposits and borrowings)

Particulars	As at 31 March 2025	As at 31 March 2024
i) Number of Significant Counterparties*	20	21
ii) Amount	3,64,242.22	3,03,375.14
iii) Percentage of funding concentration to total deposits	NA	NA
iv) Percentage of funding concentration to total liabilities	92.12%	88.87%

* Significant counterparty is as defined in RBI Circular RBI/2019-20/88 DOR.NBFC (PD).

(2) Top 10 borrowings

Particulars	As at 31 March 2025	As at 31 March 2024
i) Total amount of top 10 borrowings	2,90,497.06	2,48,459.71
ii) Percentage of amount of top 10 borrowings to total borrowings	75.46%	75.92%

(3) Funding Concentration based on significant instrument/product*

Liabilities Side	As at 31 March 2025		As at 31 March 2024	
	Amount	Percentage of total liabilities	Amount	Percentage of total liabilities
i) Redeemable non-convertible debentures	20,024.36	5.06%	NA	NA
ii) Term Loans	3,59,642.80	90.96%	3,26,955.21	95.78%
iii) Commercial papers	NA	NA	NA	NA

*Significant instrument/product is as defined in RBI Circular RBI/2019-20/88 DOR.NBFC (PD) CC.No.102/03.10.001/2019-20 dated 4 November 2019 on Liquidity Risk Management Framework for Non-Banking Financial Companies and Core Investment Companies.

(4) Stock Ratio

Particulars	As at 31 March 2025	As at 31 March 2024
(i) Non convertible debentures (original maturity of less than one year) as a percentage of total public funds**	NA	NA
(ii) Non convertible debentures (original maturity of less than one year) as a percentage of total liabilities*	-	-
(iii) Non convertible debentures (original maturity of less than one year) as a percentage of total assets	-	-
(iv) Short term liabilities as a percentage of total public funds***	NA	NA

Summary of material accounting policies and other explanatory information

For the year ended 31 March 2025

(All amounts are in Indian Rupees in lakh unless stated otherwise)

Note -55: (Contd.)

Particulars	As at 31 March 2025	As at 31 March 2024
(v) Short term liabilities as a percentage of total liabilities ^{#*}	24.97%	25.21%
(vi) Short term liabilities as a percentage of total assets [#]	16.68%	17.94%
(vii) Short term liabilities as a percentage of long term assets [#]	21.58%	20.09%
(viii) Commercial paper as a percentage of total public funds ^{**}	NA	NA
(ix) Commercial paper as a percentage of total liabilities [*]	NA	NA
(x) Commercial paper as a percentage of total assets	NA	NA
(xi) Long term assets as a percentage of total assets	77.32%	89.29%

*Total liabilities are excluding equity share capital and other equity.

**Public funds is as defined in Master Direction – Reserve Bank of India (Non-Banking Financial Company – Scale Based Regulation) Directions, 2023” dated 19 Oct 2023.

[#]Short term liabilities are excluding short term non convertible debentures.

(5) Institutional set-up for liquidity risk management

Liquidity Risk Management framework consists of Asset Liability Management Committee [ALCO] which is a subcommittee of the Board of Directors. The meetings of ALCO are held at periodic intervals. While the ALCO is responsible for oversight of specific risks relating to liquidity and interest rate sensitivity, the Risk Management Committee is responsible for company wide risk management.

Note 55.40 Disclosure pursuant to RBI notification No.RBI/2020-21/16 DOR No. BP.BC/3/21.04.048/2020-21 on Resolution Framework for COVID-19-related Stress dated 6 August 2020 read with RBI/2021-22/32 DOR.STR. REC.12/21.04.048/2021-22 dated 5 May 2021 in relation to resolution framework-2.0:

Format – B

Type of Borrower	Exposure to accounts classified as standard consequent to the implementation of resolution plan-position as the end of the previous half-year (A) (30-09-24)	Of (A) aggregate debt that slipped in to NPA during the half year	Of (A) amount written off during the half year	Of (A) amount paid by the borrowers during the half year [#]	Exposure of accounts classified as standard consequent to implementation of resolution plan-position as at the end of this half year (31-03-25) [#]
Personal loan	1,158.59	130.24	4.94	76.33	957.61
Corporate persons*	-	-	-	-	-
Of which MSMEs	-	-	-	-	-
Others	-	-	-	-	-
Total	1,158.59	130.24	4.94	76.33	957.61

*As defined in Section 3(7) of the Insolvency and Bankruptcy Code, 2016

[#]The Company has given moratorium to its borrowers as a part of restructuring

Note 55.41:

The Company has not received any whistle-blower complaints during the year.

Note 55.42:

The frauds detected and reported for the year amounted to ₹ 20.13 Lakh (Previous year ₹ 29.87 Lakh)

Note 56: New and amended standards

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. MCA has notified Ind AS – 117 Insurance Contracts and amendments to Ind AS 116 – Leases, relating to sale and leaseback transactions, applicable to the Company w.e.f. 1 April 2024. The Company has reviewed the new pronouncements and based on its evaluation has determined that it does not have any significant impact in its financial statements.



Summary of material accounting policies and other explanatory information

For the year ended 31 March 2025

(All amounts are in Indian Rupees in lakh unless stated otherwise)

Note 57: Previous year figures regrouping

The previous year's figures have been regrouped and reclassified wherever necessary to confirm to the current year's presentation. These regroupings and reclassifications do not have a material impact on financial statements.

The accompanying notes are an integral part of the financial statements

As per our report of even date attached

For Walker Chandiok & Co LLP

Chartered Accountants

ICAI Firm Registration No. 001076N/N500013

Sd/-

Lalit Kumar

Partner

Membership Number: 095256

For and on behalf of the Board of Directors of

Shubham Housing Development Finance Company Limited

Sd/-

Sanjay Chaturvedi

Managing Director

DIN : 01636432

Sd/-

Vishal Kanodia

Chief Financial Officer

Place: Gurugram

Date: 8 May 2025

Sd/-

Rupa Basu

Joint Managing Director

DIN : 08068918

Sd/-

Amul Tyagi

Company Secretary

(M. No.: ACS 59974)

Place: Gurugram

Date: 8 May 2025

Notes:

Notes:



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Community Centre, Naraina Vihar, New Delhi - 110028
Corporate Identity Number (CIN) - U65921DL2010PLC199469