

Aditya Birla Housing  
Finance Ltd.



HOME LOANS

EVERY STEP, WITH  
THE CUSTOMER  
AT THE HEART



ANNUAL REPORT  
2024 - 25





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## Board of Directors

# Guiding to Achieve Excellence



**Vishakha Mulye**  
Chief Executive Officer

Vishakha Mulye is the Chief Executive Officer at Aditya Birla Capital Limited ("ABCL"), the holding company of the financial services arm of Aditya Birla Group. She is a director on the board of Aditya Birla Management Corporation Private Limited ("ABMCP"), the apex corporate body of Aditya Birla Group that provides strategic direction and vision to group companies.

Taking charge in 2022, Vishakha has been instrumental in scripting the transformational journey of Aditya Birla Capital. By leveraging data, digital and technology, she has reimagined its business model to drive accelerated growth momentum and improved profitability across businesses, thus further strengthening its leadership position in the market.

A strong proponent of digital-first and customer-first value proposition, Vishakha has been bolstering the company's digital capabilities and leveraging the group ecosystem to provide simplified financial solutions to customers in a frictionless manner. Under her mentorship, ABCL developed the omni-channel D2C platform and launched its user-friendly, intuitive mobile app - 'ABCD' to offer customers comprehensive

financial products and services including Loans, Investments, Insurance, and Payments through a unified digital-first solution. ABCL launched its all-inclusive digital B2B lending platform 'Udyog Plus', to provide seamless lending and value-added services to the MSME ecosystem. In line with its strategic priorities, Vishakha and her leadership team has also led successful fundraising from marquee investors towards supporting the future growth prospects of ABCL's businesses.

Vishakha is on the board of ABCL's operating companies including, Aditya Birla Finance Limited, Aditya Birla Housing Finance Limited, Aditya Birla Sun Life AMC Limited, Aditya Birla Sun Life Insurance Company Limited and Aditya Birla Health Insurance Co. Limited. She is also a director on the board of Aditya Birla Capital Foundation and is an independent director on the board of NPCI International Payments Limited. Vishakha is a member of Aspen Institute's 'India Leadership Initiative' and served as the Deputy Co-Chair of CII's National Forum on NBFC & HFCs 2023-24.

Prior to joining Aditya Birla Group, Vishakha held a range of leadership positions and led significant strategic transformations, as a part of the ICICI Group. As the Executive Director on the Board of ICICI Bank, she helmed their domestic and international Wholesale Banking, Proprietary Trading, Markets and Transaction Banking services. She was also the MD and CEO at ICICI Venture Funds Management Company Limited and served as the Group CFO at ICICI Bank. Amongst her numerous achievements, Vishakha played a pivotal role in driving the merger of ICICI and ICICI Bank, which led to the formation of the second largest private sector bank in India. During her long career span, Vishakha also led ICICI Bank's structured finance business,

served on the Board of ICICI Lombard General Insurance Company Limited, and chaired the Board of ICICI Bank, Canada.

A chartered accountant and a career banker with over 3 decades of track record in leading large-scale, long-term profitable businesses, Vishakha has been lauded with several prestigious honours for her valuable contribution to the world of business and finance including:

- The Economic Times Businesswoman of the Year Award, 2024
- ICAI CA Business Leader Award for Large Corporates, 2024
- Forbes Asia's Power Businesswomen List, 2024
- Forbes Asia's 50 Over 50 List, 2024
- Fortune Asia's Most Powerful Women List, 2024
- Fortune India's List of Most Powerful Women in Business, 2024; 2020-2022; 2012-2018
- Lokmat Mukta Sanman Award, 2019
- Business Today's List of Most Powerful Women (MPW) in Business, 2007-2013. In 2013, she was inducted into the MPW Hall of Fame, after a record seven-time win
- India Television Academy's GR8! Women Award, 2012
- Institute of Chartered Accountants of India's CA Corporate Leader Award, 2008
- World Economic Forum's Young Global Leader, 2007
- IMA India's CFO Award, 2006



**Pankaj Gadgil**  
Managing Director & CEO

Pankaj Gadgil is the Managing Director & CEO of Aditya Birla Housing Finance Limited (ABHFL). Pankaj is responsible for providing strategic direction to the housing finance company and building it to be a material player in the industry.

He is also a member of the Senior Management Team at Aditya Birla Capital and is responsible for developing the digital platform for Aditya Birla Capital and developing strategy for its payments business.

Pankaj has diverse experience spanning over 25 years, having handled multiple roles in areas of banking and finance. Before joining Aditya Birla Capital, Pankaj worked for 19 years at ICICI Bank, in the areas of Retail Assets & Liabilities, Business Banking, SMEs, Payments, and large ecosystems. He is credited with several 'industry first' digital propositions, like InstaBIZ, Connected & API Banking, Trade Online, Eazypay & InstaOD etc. These digital propositions have won the bank several domestic and international awards, accredited by Asian Banker, Gartner Innovation, IBA, Business Today, etc.

In his earlier stint, his thought leadership, focus on customer insights, distribution efficiency, enabling service architecture, and digital transformation have created a footprint of more than 2 million customers. This has led to significant

growth in profit pools and market share in the Small Business segment for the Bank.

He has also served as the Bank's nominee member on the Board of National Payments Corporation of India (NPCI), NPCI International, ICICI Merchant Services Ltd., and ICICI Securities Ltd.

Pankaj is a MBA from Savitribai Phule Pune University and holds a diploma in foreign trade from the Department of Economics.



**Narayanan N R**  
Independent Director

Mr. Narayanan holds degree in Engineering from IIT Roorkee and completed PGDM from IIM Bangalore.

Mr. Narayanan has over 35 years of experience across various functions of retail banking and extensive experience of retail assets financing business, including housing finance.

Mr. Narayanan superannuated from ICICI Bank and headed the Retail Secured Assets Business, Debt Service Management Group - Collections, Construction & Reality Funding Group, Retail Structured Finance Group and Group Company 'I-Process Services (India) Private Limited' and served as Nominee Director on the Board of ICICI Home Finance Company Limited.

He has served as an independent director on the Boards of reputed financial institutions post his superannuation from ICICI Bank.



**V Chandrasekaran**  
Independent Director

Mr. Chandrasekaran has worked for nearly 33 years in the Finance and Investment functions of Life Insurance, Housing Finance, and Mutual Fund at the Life Insurance Corporation of India (LIC) with adequate exposure to a gamut of investments. He has been involved in investment decision-making processes, investment monitoring, and accounting.

At LIC, he had served as the Executive Director of Finance and Accounts, Investment Monitoring and Accounting, Investment Operations, Investment, Risk Management, and Research.

He is currently on the Board of reputed companies as Independent Director following his superannuation from his service of LIC as the Executive Director.

Mr. Chandrasekaran is a qualified Chartered Accountant.

## Leadership Team

# Driving Growth at ABHFL



**Mr. Ashish Damani**  
Chief Financial Officer



**Mr. Dharmendra Patro**  
Chief Credit Officer



**Mr. Subhajeet Roy Choudhury**  
Chief Risk Officer



**Mr. Vikas Malpani**  
Head- Construction Finance



**Mr. Nitin Phanse**  
Head- Prime Housing



**Mr. Mohit Sapru**  
Head- Affordable Housing



**Ms. Shreya Shah**  
Chief Compliance Officer



**Mr. Jay Thakkar**  
Head - Human Resources  
& Administration



**Mr. Kunal Urdhwareshe**  
Head - Analytics



**Ms. Mohua Chowdhury**  
Head - Operations &  
Process Excellence



**Ms. Preeti Mishra**  
Head-Product, Digital, BD,  
Partnerships & Customer Service



**Mr. Sachin Mishra**  
Head - Informal



**Ms. Shraddha Bhujabal**  
Head - Marketing



**Mr. Vipin Chaudhary**  
Head- Collections



**Mr. Rajan Suri**  
Chief Business Officer



**Mr. Rakesh Agarwal**  
Head Internal Audit

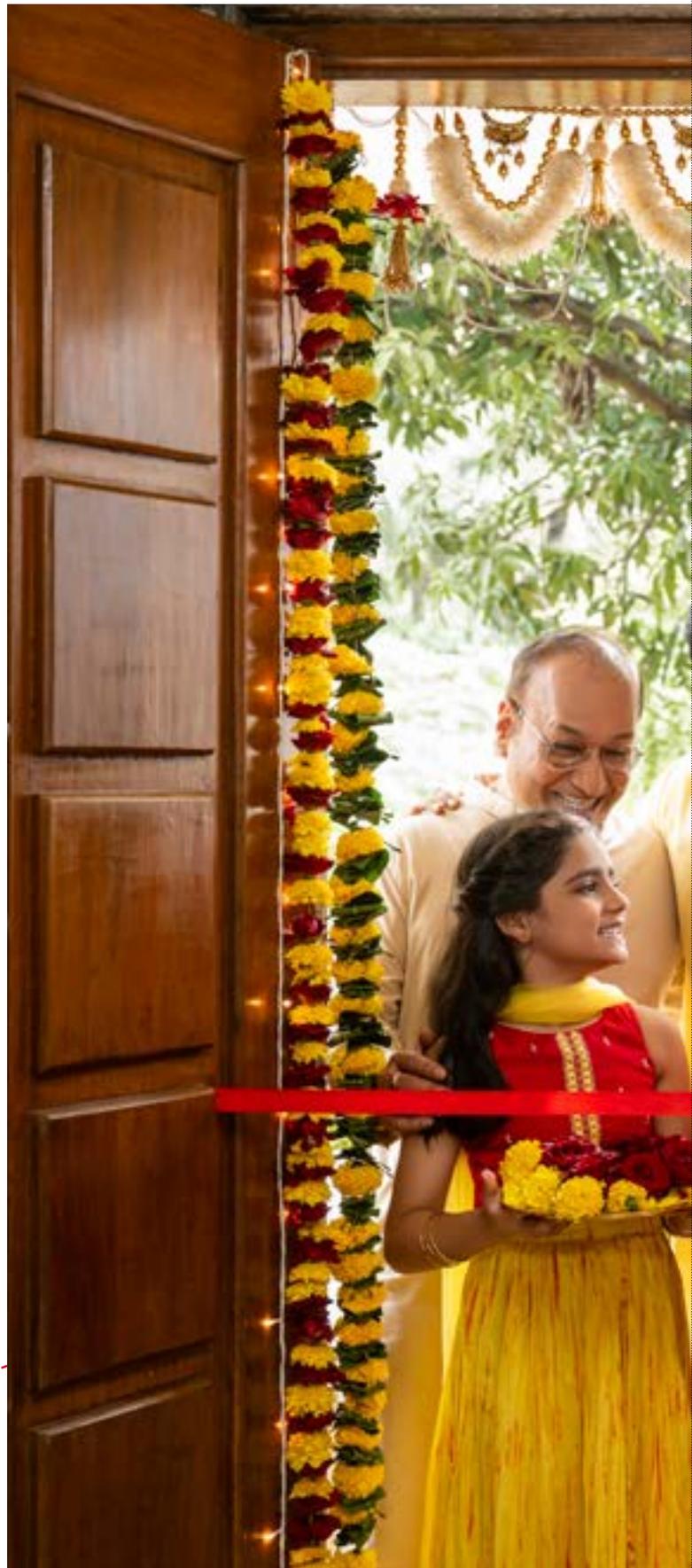


**Mr. Charandeep Hattar**  
Head- Information Technology

# Where Homeownership Begins With YOU!

At the heart of our journey lies a deep commitment to empowering customers through homeownership and turning ***your aspirations into our motive***. Anchored in a customer-first philosophy, we have broadened our product suite to cater to diverse financial needs, delivering meaningful impact across customer segments. This product diversification, along with focused execution and a sharp understanding of evolving customer preferences, has driven rapid growth in disbursements and loan book accompanied by a marked enhancement in portfolio quality.

By fusing technology-led transformation with prudent risk management, we are reshaping the borrowing experience to be more seamless, intuitive, and responsive. Our digital reinventions have enhanced service delivery, improved access, and unlocked deeper customer insights reinforcing our position as a future-ready, customer-centric housing finance partner, committed to creating long-term value for all stakeholders.





## FY24-25 IN NUMBERS

**₹ 17,648** Crore  
Disbursement

**11.03%**  
ROE

**₹ 31,053** Crore  
AUM

**16.54%**  
CRAR

**₹ 419** Crore  
PBT

**3,900+**  
Employees

**5.07%**  
NII

**175**  
Branches

**0.66%**  
Gross Stage 3

**91,200+**  
Customers

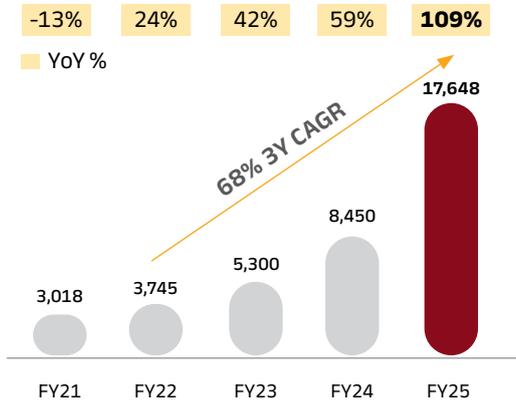
**AAA (stable)**  
Long term credit rating  
by Crisil, ICRA and India  
Rating

**21,000+**  
Channel partners

# Delivering robust performance

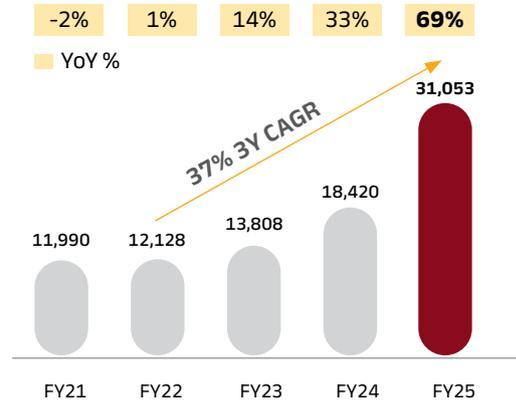
## Disbursements

(₹ Cr)



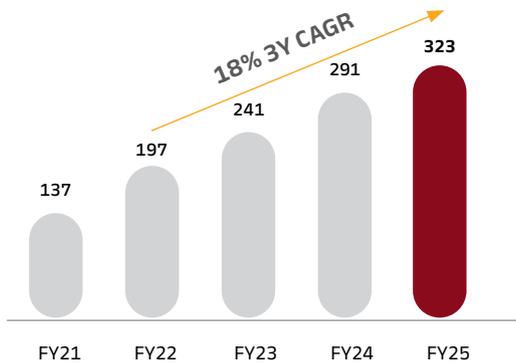
## Assets under management

(₹ Cr)



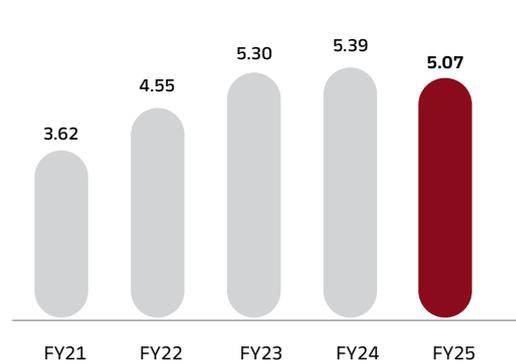
## Profit after tax

(₹ Cr)



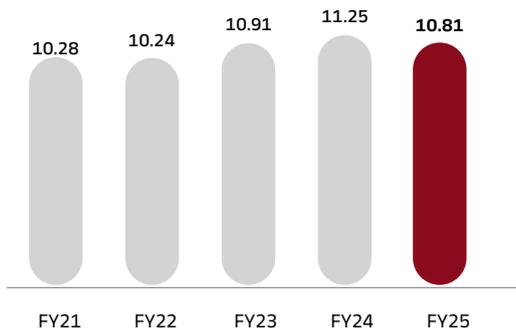
## Net interest income

(%)



## Effective interest rate

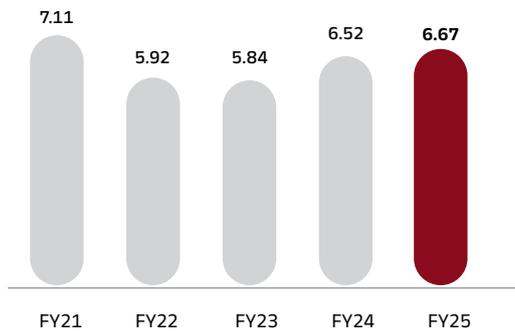
(%)





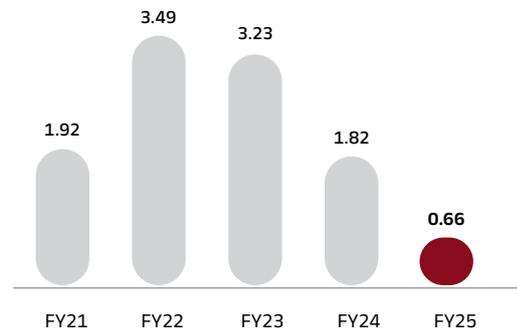
### Cost of funds

(%)



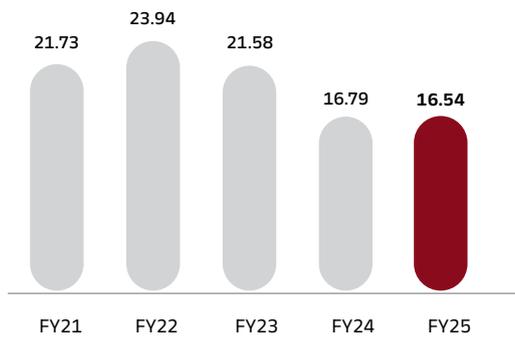
### Gross non-performing assets

(%)



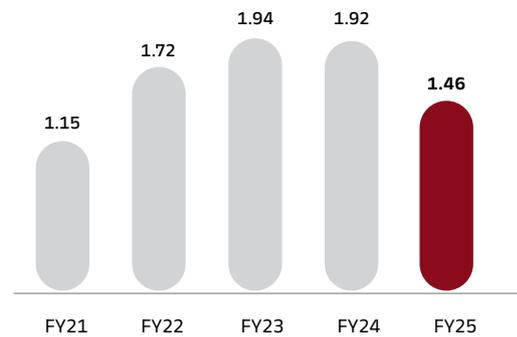
### Capital to risk-weighted assets ratio

(%)



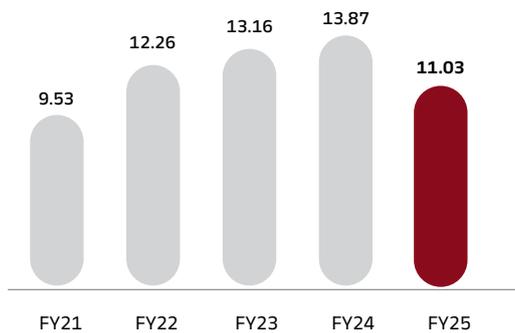
### Return on assets

(%)



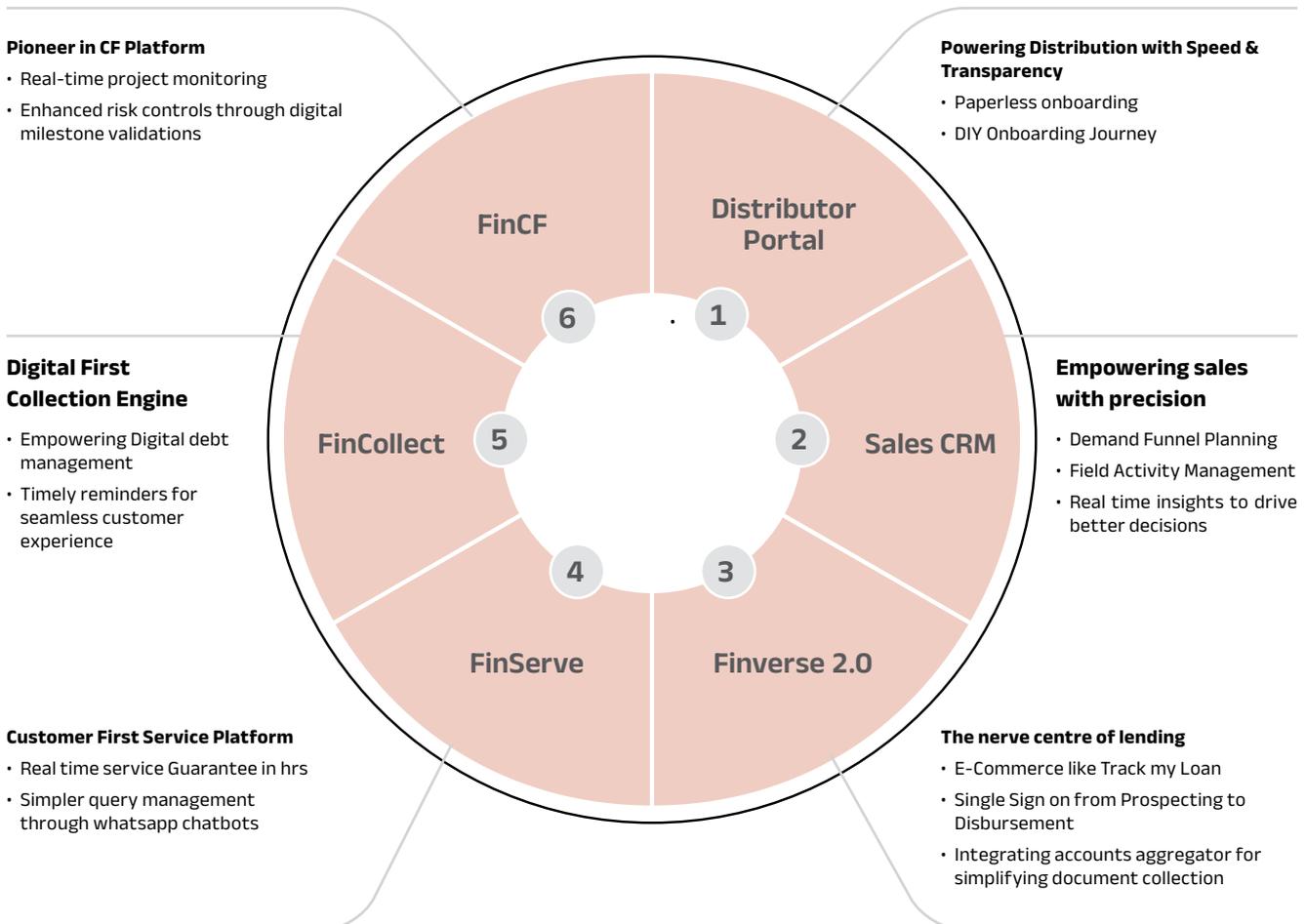
### Return on equity

(%)



# Digital platforms across customer life cycle

**At ABHFL, our digital transformation journey is anchored in the belief that great customer experiences begin with seamless, intuitive, and responsive systems. We have reimagined the lending lifecycle to place the customer at the core, digitizing key touchpoints across distribution, sales, service, and collections. Enhanced agility, faster access to credit, and greater transparency are now embedded in every interaction. Our focus remains on creating a unified digital ecosystem that empowers teams, partners, and customers alike with real-time visibility and quicker decision-making.**



Complementing this digital evolution is our growing use of **data and analytics**. From real-time dashboards to predictive risk models and early warning frameworks, we continue to strengthen our ability to take informed decisions across the customer lifecycle. These data-led capabilities allow us to improve turnaround times, enhance portfolio quality, and deliver highly personalized borrowing experiences driving impact at scale while staying deeply aligned with our customers' needs.

**Demand**

- ✓ Bureau Based Income Estimation
- ✓ Pre-Approved Top-up
- ✓ Lead scoring model

**Fulfilment**

- ✓ Bureau Hit LAP, HL
- ✓ Lost Opportunity Analysis-Reject Inferencing
- ✓ Channel Activation Propensity Model

**Collection**

- ✓ Flow Prediction Model
- ✓ PDM: Bounce
- ✓ Propensity to Pay Charges

**Ancillary Models**

- ✓ Foreclosure Prediction Model
- ✓ FOS Hiring Model
- ✓ Project-CADET

**Pioneering the Gen AI revolution**

We are proud to be a pioneer in integrating Generative AI across the customer lifecycle redefining how housing finance is delivered, experienced, and scaled. Gen AI applications are designed to streamline & enhance every stage of customer life cycle.

**Gen AI Revolution**

Onboarding & Activation of Channel Partners

Sales pitches, & real time credit and technical assistance

Personalized customer sentiment analysis & query handling

Our AI-led platforms have unlocked unprecedented agility and intelligence. With these tools we are not only enhancing productivity across touchpoints but also delivering faster, personalized, and more efficient experiences truly embodying the future of customer-centric lending.



## Corporate Information

### BOARD OF DIRECTORS

**Mrs. Vishakha Mulye**  
Non-Executive Director

\* **Mrs. Anita Ramachandran**  
Independent Director

**Mr. V Chandrasekaran**  
Independent Director

**Mr. Narayanan N R**  
Independent Director

**Mr. Pankaj Gadgil**  
Managing Director & Chief  
Executive Officer

\*Term of Independent Director ceased  
w.e.f. March 30, 2025

### COMMITTEES OF THE BOARD

#### AUDIT

Mr. V. Chandrasekaran (Chairman)

Mrs. Vishakha Mulye

Mr. Narayanan N R

\* Mrs. Anita Ramachandran  
(\*till March 30, 2025)

#### NOMINATION AND REMUNERATION

\* Mrs. Anita Ramachandran  
(Chairperson)(\*till March 30, 2025)

Mr. V. Chandrasekaran

Mrs. Vishakha Mulye

Mr. Narayanan N R

#### STAKEHOLDER RELATIONSHIP

Mrs. Vishakha Mulye (Chairperson)

Mr. Pankaj Gadgil

Mr. Narayanan N R

#### CORPORATE SOCIAL RESPONSIBILITY

Mr. Narayanan N R (Chairman)

Mr. Pankaj Gadgil

Mrs. Vishakha Mulye

#### RISK MANAGEMENT

Mr. Narayanan N R (Chairman)

Mr. V. Chandrasekaran

Mrs. Vishakha Mulye

Mr. Pankaj Gadgil

### ASSET- LIABILITY MANAGEMENT

Mr. Pankaj Gadgil (Chairman)

Mr. Ashish Damani

Ms. Preeti Mishra

Mr. Subhajeet Roy Choudhury

Mr. Dharmendra Patro

Mr. Anubhav Katare

### INFORMATION TECHNOLOGY (IT) STRATEGY

Mr. Narayanan N R (Chairman)

\* Mrs. Anita Ramachandran  
(\*till 30 March 2025)

Mr. Pankaj Gadgil

Mr. Ashish Damani

Mr. Subhajeet Roy Choudhury

Ms. Preeti Mishra

Mr. Dharmendra Patro

Mr. Jimit Shah

Mr. Charandeep Hattar

### KEY MANAGERIAL PERSONNEL

**Mr. Pankaj Gadgil**  
Managing Director &  
Chief Executive Officer

**Mr. Ashish Damani**  
Chief Financial Officer

**Ms. Hiral Sidhpura**  
Company Secretary

### SENIOR MANAGEMENT

**Ms. Shreya Shah**  
Chief Compliance Officer

**Mr. Subhajeet Roy Choudhury**  
Chief Risk Officer

**Mr. Rakesh Agarwal**  
Head Internal Audit

### JOINT STATUTORY AUDITORS

**M/s. B. K. Khare & Co**  
Chartered Accountants

**M/s. Sarda & Pareek LLP**  
Chartered Accountants

### SECRETARIAL AUDITORS

**BNP & Associates**

### DEBENTURES TRUSTEES

**Vistra ITCL (India) Limited**

The Capital Building, Unit No.505- A2,  
Bandra Kurla Complex Bandra East,  
Mumbai, Maharashtra, India, 400051  
Ph Tel: +91 022-69300045

### REGISTRAR & SHARE TRANSFER AGENT

**MUFG Intime India Private Limited**

(formerly known as Linkintime India  
Private Limited)

C 101, 247 Park, L B S Marg, Vikhroli  
West, Mumbai - 400 083

Tel: +91 22 49186000

Fax: +91 22 49186060

E-mail Id: [benpos@in.mpms.mufg.com](mailto:benpos@in.mpms.mufg.com)

### REGISTERED OFFICE

Indian Rayon Compound,  
Veraval - 362 266

Gujarat

T: +91 22 6279 9505

CIN: U65922GJ2009PLC083779

E: [care.housingfinance@adityabirlacapital.com](mailto:care.housingfinance@adityabirlacapital.com)

W: [www.adityabirlahousingfinance.com](http://www.adityabirlahousingfinance.com)

### CORPORATE OFFICE

One World Center,  
Tower-1, 9<sup>th</sup> Floor,  
Jupiter Mill Compound,  
841, Senapati Bapat Marg,  
Elphinstone Road,  
Mumbai - 400 013  
T: +91 22 6279 9505



# Management Discussion & Analysis

## OVERVIEW OF GLOBAL ECONOMY

The global economy in FY25 was shaped by geopolitical conflicts, inflationary pressures, economic slowdowns, and regulatory shifts. While ongoing conflicts in Ukraine and the Middle East disrupted trade routes and energy markets, de-escalation efforts continued, offering a potential path toward stability.

Headline inflation moderated globally, declining from 6.8% in 2023 to 5.2% in 2024 with further easing expected to 4.3% in 2025 and 3.6% in 2026, according to IMF. With inflation showing signs of moderation, several central banks, including the U.S. Federal Reserve and the European Central Bank, began cutting interest rates in 2024 to support economic growth. However, due to persistent stagflation risks and inflation concerns, the Fed has now paused rate cuts, adopting a more cautious stance.

The U.S. presidential election led to leadership changes, expected to reshape economic policy, trade agreements, and global market dynamics. China continued to grapple with economic headwinds, as a weak domestic demand and deflationary concerns weighed on growth, despite government stimulus measures. Additionally, supply chain diversification away from China further impacted industrial output and export competitiveness. Geopolitical uncertainties and volatile energy prices further intensified economic fragility worldwide.

Despite these headwinds, the global economy exhibited resilience, with the IMF projecting steady growth of 3.2% for both 2025 and 2026.

## OVERVIEW OF INDIAN ECONOMY

The Indian economy experienced a year of dynamic shifts in FY25, shaped by policy recalibrations, evolving market trends, shifting consumer dynamics, and a rapidly expanding digital ecosystem. The RBI transitioned to an accommodative policy stance after an extended period of monetary tightening, acknowledging a moderation in headline inflation while remaining vigilant about persistent food price volatility. While inflation eased from the peaks of 2022, global disruptions and supply-side challenges continue to pose risks. To support economic growth, the RBI implemented a measured 50-basis-point repo rate cut in early 2025, with further rate reductions remaining contingent on evolving macro-economic conditions & inflationary trends.

India has solidified its position as a premier global investment destination, ranking among the top five choices for global CEOs in 2024 as per PWC's Annual Global CEO survey. Flagship initiatives such as Make in India and Digital India, alongside significant improvements in infrastructure, ease of doing business, and targeted incentives, have bolstered domestic manufacturing and attracted substantial foreign investments.

The financial, real estate, and professional services sectors have also surpassed pre-pandemic levels, a trend expected to sustain in the coming years, reflecting a well-balanced and resilient growth trajectory. Furthermore, in terms of the digital economy, UPI has played a pivotal role in promoting financial inclusion and accelerating India's transition to digital economy, with transactions surging 30% in value and 42% in volume in FY25 compared to FY24.

In FY25, equity markets witnessed contrasting trends, with 18-month-long rally propelling indices to record highs, followed by a phase of correction in the latter part of the year. Global market volatility, policy adjustments, and evolving investor sentiment contributed to this recalibration. However, consumer spending remained resilient, supported by rising per capita incomes and private sector expansion. The Union Budget 2025-26 played a pivotal role in fostering economic activity, introducing targeted fiscal measures- some reducing tax burdens, others increasing disposable incomes thereby reinforcing domestic consumption.

Looking ahead, India's economic outlook remains robust, with GDP growth projected at 6.2% in 2025 & 6.3% in 2026, reaffirming its position as the fastest-growing major economy. A stable macroeconomic environment, structural policy reforms, and resilient domestic demand are expected to sustain long-term growth momentum, positioning India as a key driver of global economic expansion.

## OVERVIEW OF THE HOUSING SECTOR

The Indian real estate sector stands as a cornerstone of the nation's economy, being the second-largest employment generator after agriculture contributing 18% of the total employment in India. It contributed approximately 7.3% to the GDP, with projections indicating an expansion to \$1 trillion by 2030, and accounting for 13% of the GDP in 2025.

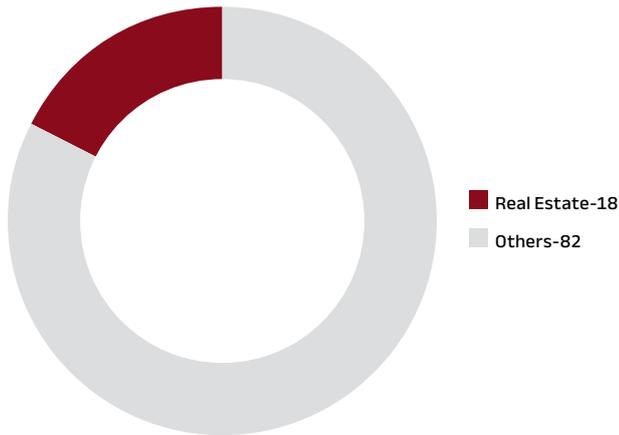
The real estate sector in India has experienced the power of policy support in the last decade. Initiatives like RERA (Real Estate Regulatory Authority), FDI relaxations, GST, and bankruptcy code reforms have made the sector more transparent, structured, and investment friendly.

The demand for premium and luxury housing has also gained significant traction. Luxury & Premium housing (>1 Cr) accounted for 46% of total sales in Q4 FY25, highlighting a structural shift in consumer preferences. In addition, real estate has emerged as the preferred asset class for investment, playing a crucial role in portfolio diversification. Recent survey data as per Anarock indicates a strong shift, with 40% of investors actively diversifying their portfolios favoring real estate.



## Employment share

(%)



## HOUSING FINANCE SECTOR

India's housing finance market has witnessed strong growth, driven by increasing homeownership aspirations, government policy support, and improving affordability. As per CIBIL TransUnion Report, as of October 2024, the Housing Loan (HL) portfolio stood at ₹37.2 trillion, reflecting a 14% YoY growth. Within this, the regular housing loan segment accounted for ₹25.1 trillion registering a strong 20% YoY growth, while affordable housing loans reached ₹12.2 trillion, having 6% YoY growth. In the Loan Against Property (LAP) segment, the total outstanding portfolio stood at ₹11.1 trillion, marking a robust 23% YoY growth.

Banks continue to dominate the housing loan market, accounting for approximately 70% of total HL originations, while NBFCs (including HFCs) hold a significant share in LAP originations (approximately 45%). In both HL and LAP, NBFCs account for a major share of originations from New-to-Credit (NTC) customers, reinforcing their role in expanding credit accessibility. The average ticket size at origination has been increasing, currently at approximately ₹ 30 lakh for HL and approximately ₹23 lakh for LAP, reflecting evolving borrower profiles and a rising demand for higher loan amounts. HFCs are gradually gaining market share, leveraging their flexible eligibility criteria, enhanced customer service, efficient documentation, and faster processing times.

Furthermore, securitization is transforming India's housing finance landscape by enhancing credit access and liquidity. As per ICRA, securitization volumes are estimated at an all-time high of ₹2.35 Tn for FY25 growing by 23% YoY. These trends highlight the sector's shift towards diversified funding sources

to serve a broader borrower base. Furthermore, NHB has set up- RMBS Development Company Limited (RDCL) to play the role of a commercially sustainable market intermediary to facilitate the growth and development of Residential Mortgage-Backed Securitization (RMBS) market in the country. ABHFL holds a 5% stake in RDCL.

## Opportunities & Threats

### Opportunities

- **Low Mortgage Penetration:** India's mortgage-to-GDP ratio (~12%) remains significantly below global benchmarks like China (~30%) & developed economies (>50%) highlighting strong long-term credit growth potential.
- **Evolving Consumer Preferences:** The post-pandemic shift in preference towards larger homes, gated communities, and better amenities has accelerated demand for ready-to-move-in and near-completion units.
- **Rise of Tier II & III Cities:** Improved connectivity, infrastructure investments, and reverse migration have triggered a surge in housing demand in non-metro locations, supported by local economic growth and rising aspirations.
- **Demographic Dividend:** With over 65% of India's population below the age of 35, the country is entering a phase of peak household formation, driving long-term demand for both affordable and mid-income housing.
- **Government Support:** Continued policy thrust through initiatives like PMAY, tax incentives, credit guarantee schemes, and interest subventions for EWS/LIG segments is fostering inclusive homeownership and catalyzing housing finance penetration.
- **Digital Acceleration:** Technology-led innovations, including paperless onboarding, alternative data underwriting, and co-lending partnerships with FinTech, are helping expand reach to underbanked and new-to-credit borrowers.

### Threats

- **Competitive Intensity:** With banks and large NBFCs aggressively expanding into retail mortgages, housing finance companies face continued pressure to preserve margins while ensuring portfolio quality.
- **Macro Uncertainty:** Global volatility, including inflationary pressures and currency fluctuations, may indirectly impact funding costs and borrower repayment capacity.

Management Discussion & Analysis (Contd.)

**Conclusion**

India’s housing and housing finance sectors are poised for sustained growth, driven by rising affordability, urban migration, and evolving consumer preferences. Strong policy support, increasing mortgage penetration, and expanding credit access continue to enhance sectoral momentum. The long-term outlook remains robust, with housing demand expected to accelerate, creating significant opportunities for developers and lenders alike.

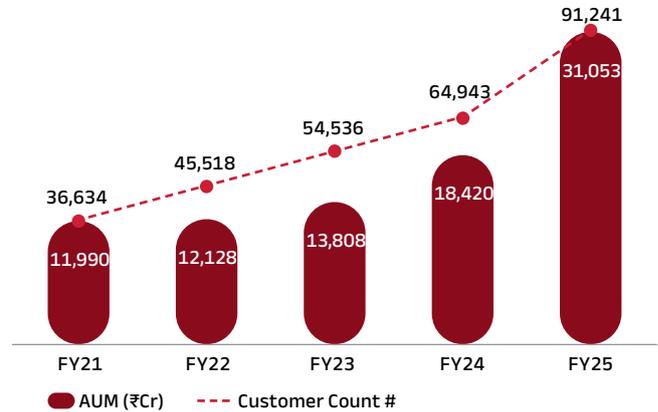
towards Housing loans, ₹9,382 Crore towards Mortgage Loans, and ₹4,406 Crore towards Developer Finance loans. ABHFL grew its AUM by ~69% in FY25.

**BUSINESS OVERVIEW**

**Business performance**

ABHFL’s priority is to build a digital and analytics-backed housing finance franchise, catering to the housing needs of all across tier-I, tier-II & tier-III cities with optimum credit quality. The Company currently services 91,200+ customers and its AUM stood at ₹ 31,053 Crore in FY 2025 of which ₹17,265 Crore was

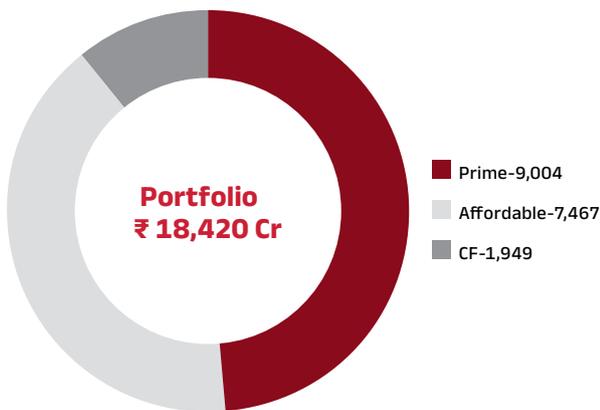
**ABHFL Portfolio Trend & Active Customers**



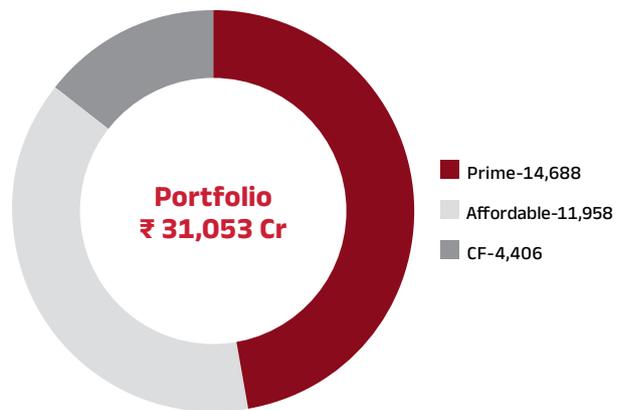
**Retail Granularity**

The average ticket size is around ₹ 29 lakhs with the retail loans contributing to 86% of the portfolio.

**FY24**



**FY25**



**Financial and operational performance**

**Positive Growth in key financial parameters:**

ABHFL continues to deliver strong core operating profit over the years. Organization reported NII of 5.07% (PY: 5.39%) backed by growth in all segments. Investments in talent and technology to drive future growth resulted in higher CIR of 58% in FY 2025 from 54% in FY 2024. Combined impact of the above variables led to an increase in PAT to ₹ 323 Cr (11% growth over P.Y.). The ROA and ROE were at 1.46% (P.Y.:1.92%) and 11.03% (P.Y: 13.87%) respectively.

**Capital Adequacy Ratio (CAR)**

The Capital adequacy ratio as on March 31, 2025 was 16.54%. The net worth of the Company as on March 31, 2025 was ₹3,783 Crore as against the previous year figure of ₹2,260 Crore.



## Key Financials

₹ in Crore except %

Key Performance Parameters	FY 2024-25	FY 2023-24
AUM	31,053	18,420
Average yield (%)	10.81%	11.25%
Net Interest cost/ Avg. loan book (%)	6.67%	6.52%
Other Income	0.94%	0.65%
NII* (%)	5.07%	5.39%
Net Interest Income	1,126	815
Opex	653	443
Opex /Avg. Loan Book (%)	2.94%	2.93%
Cost Income Ratio (%)	57.98%	54.35 %
Credit Provisioning	54	-5
Credit Provisioning/Avg. Loan Book (%)	0.24%	-0.03%
Profit Before Tax	419	376
Profit After Tax	323	291
Net worth	3,783	2,260

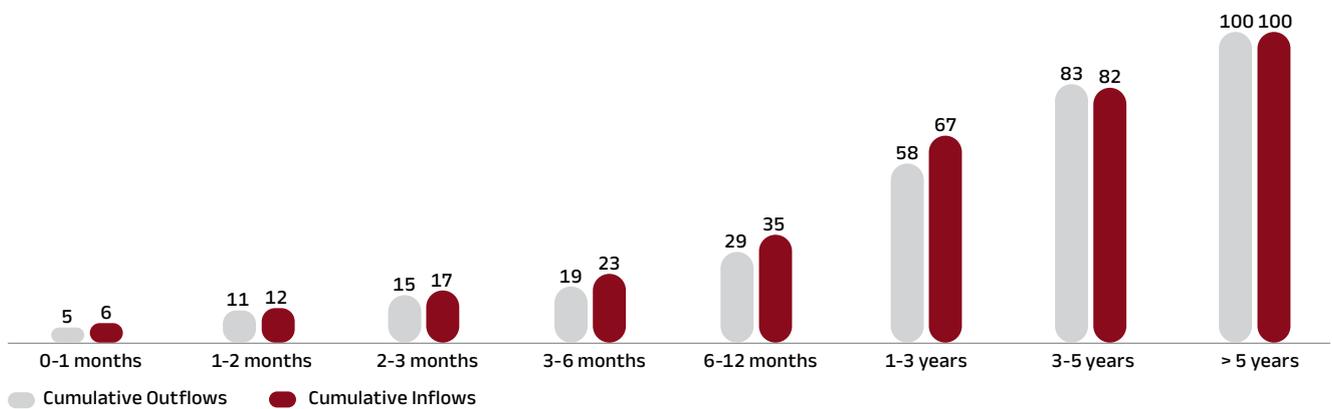
\* NII including fee (net of DSA Expenses and Processing Cost)

## Asset Liability Management (ALM)

**Positive ALM:** Asset Liability Management is addressed optimally and within the norms stipulated by NHB/Board. ABHFL is well positioned to meet its liquidity needs by maintaining positive ALM. The chart below depicts the mismatch between the inflows and outflows for each of the buckets.

## Asset Liability Management (ALM)

(%)



## Management Discussion & Analysis (Contd.)

### Liquidity Management

The Company has maintained a healthy Liquidity Coverage Ratio (LCR) in Q4 FY25 by maintaining an average LCR of 131% against regulatory requirement of 85%.

The Company has also maintained adequate liquidity in the form of unutilized Bank lines to the tune of ₹ 2,650 crores (Unutilized Long-Term Lines of ₹ 2,050 Crore and working Capital Lines of ₹ 600 Crore) as on March 31, 2025.

### Credit Ratings

The company has been assigned the following Ratings by ratings agencies as details below:

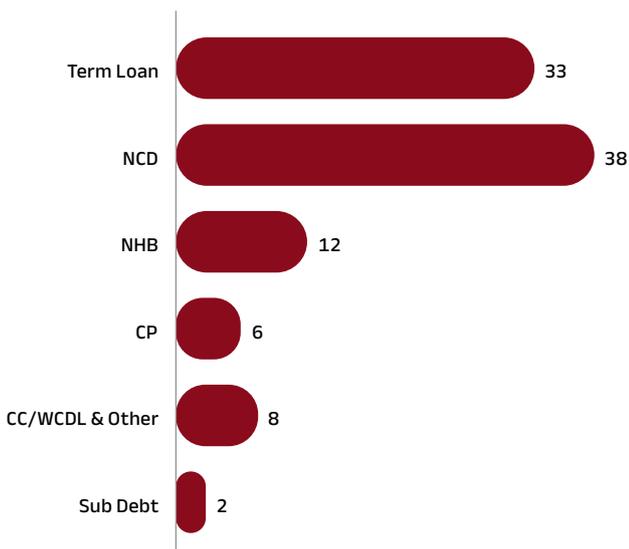
Credit Rating Agency	Instruments	Ratings	Outlook
India Ratings	Non-Convertible Debentures	AAA	Stable
	Sub-Debt	AAA	
	Commercial Paper	A1+	
	Fund based limits from Banks	AAA	
ICRA	Non-Convertible Debentures	AAA	Stable
	Sub-Debt	AAA	
	Commercial Paper	A1+	
	Fund based limits from Banks	AAA/A1+	
CRISIL	Non-Convertible Debentures	AAA	Stable
	Sub-Debt	AAA	
	Commercial Paper	A1+	
	Fund based limits from Banks	AAA	

### Borrowing Profile

The Company primarily sources funds from banks in the form of term loans and cash credit/WCDL, NHB and from the money market through Non-Convertible Debentures (NCDs) and commercial papers. During the year, the Company borrowed from Bank ₹ 5,558 crore (which includes NHB refinance of ₹ 753 crore). The Company also raised ₹ 6,340 Crore through private placement of Secured NCDs. The borrowing profile as on March 31, 2025 and March 31, 2024 is shown below:

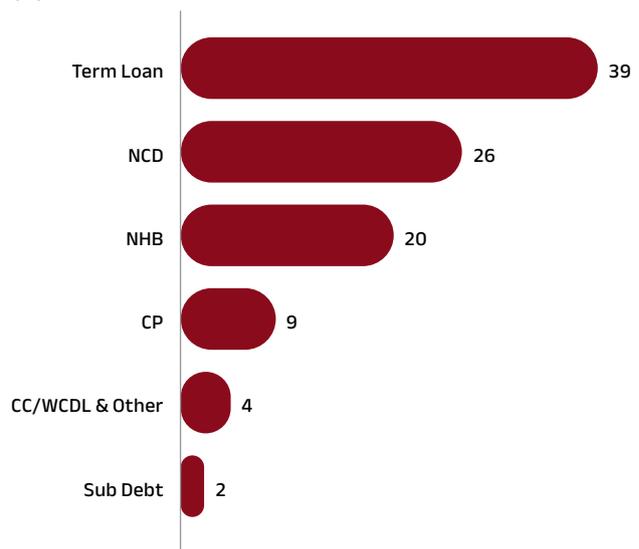
#### March 31, 2025: ₹25,893 Crore

(%)



#### March 31, 2024: ₹15,416 Crore

(%)





## Our Strategy

### Product

The 15+ Product Proposition, launched last year, successfully captured a 30% disbursement share, reflecting its market appeal. Continuous product enhancements, driven by external insights, strengthened our offerings. To mitigate interest rate risk, we introduced a semi-fixed product option, providing greater financial stability to customers. Additionally, we streamlined processes and automated workflows for the PMAY-U ISS 2.0 scheme, facilitating easier access for first-time homebuyers. Leveraging Generative AI, we enhanced customer engagement by offering 24/7 product support and query resolution, driving increased adoption and satisfaction.

# 15+

Product Propositions launched

### Digital Transformation

ABHFL embarked on a transformational journey with Digital and Analytics being the core drivers. Digital Platforms and analytical models were developed based on customer life cycle (Prospecting – Fulfilment – Servicing – Collections).

Launched in April 2023, Finverse implemented key digital interventions in 2024 to enhance credit /operational efficiency and regulatory compliance. Efficiency-focused initiatives include a multi-vendor account aggregator, credit delegation of authority, Automated CAM, and existing exposure auto fetch. On the regulatory front, Finverse introduced Key Facts Statements (KFS) and risk categorization to ensure transparency and adherence to compliance standards.

SMP (Sales Management Planning) module was launched on our platform Sales CRM which boosts sales strategy with target visibility, channel partner planning, and real-time progress monitoring, aligning sales efforts with business goals for increased productivity and forecasting accuracy. This module enabled sales planning completion within 48 hrs at the start of the month. This has also helped real time transparent planning visibility to line managers for effective planning and interventions.

Furthermore, we have made significant enhancements across all our digital platforms, leading to more efficient and seamless operations.

# 100%

Adoption of Finverse

### Data Analytics

With the world increasingly relying on advanced analytical capabilities, we have built and enhanced 24 Analytical models deployed across the customer journey from demand generation to collections. These models drive data-driven decision-making in key areas such as credit underwriting, risk assessment, portfolio management, fraud detection, and customer engagement, ensuring sharper insights and improved efficiency.

# 24

Analytical Models

### Distribution

ABHFL has presence in 18 States & Union Territories and 130+ Cities. A network of 175 branches servicing 8143 Pin codes covering ~85% of total origination opportunity. Our analytic driven Micro-market penetration strategy has helped scale business in Top 10 cities by 88% in FY '25. With the focus on scaling up retail business, it was imperative to create a sustainable distribution. Total Channel base increased to 1.8x compared to FY24. We have extended our avenues of distribution for ABG (Aditya Birla Group) Ecosystem to ABG Companies, employees, and distributors which has yielded a contribution of 12% in FY 25 (of Retail Disbursement). Additionally, penetration was achieved in the Developer Retail ecosystem through CF to Retail Channel. We also strengthened our newly established digital channel by onboarding two digital partners, Bharat Pe and Money view, to expand our reach and enhance customer acquisition.

# 1.8X

Channel Partner Base

# 12%

ABG Ecosystem Contribution to retail disbursement

## Management Discussion & Analysis (Contd.)



Milaap Channel Partner – Conducted 6 Milaaps in FY25 across major cities, bringing together 300+ partners Pan India- Mumbai, Delhi, Ahmedabad, Pune.

### Due Diligence:

At ABHFL, maintaining a high-quality portfolio is at the core of our lending philosophy. To ensure disciplined risk management, we have built a robust collection infrastructure that integrates both digital and physical engagement channels. Our approach focuses on pre-delinquency management, early-stage default prevention, and overall credit risk mitigation. Key focus areas include reducing bounce rates, minimizing new NPAs, enhancing recovery rates, and optimizing credit costs. Our three-pronged approach risk control at origination, pre-delinquency management, and portfolio risk oversight ensures a proactive and structured risk management framework.

In FY25, we took significant strides in reinforcing portfolio resilience. Our Enterprise Risk Management (ERM) policy enables proactive risk tracking, while the Early Warning Signal (EWS) policy facilitates real-time monitoring to detect potential stressed accounts. Additionally, the automation of Expected Credit Loss (ECL) calculations and the deployment of Hunter Check fraud detection at the origination stage have further strengthened our risk mitigation framework. On the collections front, we have enhanced efficiency through omnichannel engagement, mobility-driven field solutions, and advanced propensity models that improve recovery strategies.

Beyond portfolio management, we have fortified our cybersecurity and internal control frameworks. Our comprehensive cybersecurity measures include endpoint detection & response, infrastructure vulnerability assessments, and multi-factor authentication, ensuring robust protection against emerging threats.

### Internal Controls

The Company has in place an effective Internal Audit Framework to monitor the efficacy of internal controls with the objective

of providing to the Audit Committee and the Board of Directors, an independent and reasonable assurance on the adequacy and effectiveness of the organization's Risk Management, internal control and governance processes. The framework is commensurate with the nature of the business, size, scale and complexity of its operations with a Risk Based Internal Audit (RBIA) approach. Internal Audit function headed by the Head Internal Audit has organizational independence functionally reporting into the Audit Committee of the Board.

The Company has implemented a RBIA Program in accordance with the requirements of RBI circular dated June 11, 2021. The Internal audit plan is approved by the Audit Committee and Internal audits are undertaken on a periodic basis to independently validate the existing controls. Internal Audit Reports are regularly reviewed by the management and corrective action is initiated to strengthen controls and enhance the effectiveness of existing systems.

Significant audit observations, if any, are presented to the Audit Committee along with the status of management actions and the progress of implementation of recommendations.

### Building Brand Equity

At ABHFL, our commitment to customer-centricity is integral in strengthening brand equity. We systematically track the Net Promoter Score (NPS) across three critical touchpoints- Onboarding, Servicing, and Foreclosure to enhance customer experience and drive continuous improvement.

Key initiatives undertaken include simplifying and digitizing the onboarding journey to reduce TAT, enhancing customer servicing through digital channels and multilingual communication, and streamlining the foreclosure process to improve efficiency. These measures reinforce our focus on delivering seamless, transparent, and responsive customer interactions, fostering long-term trust and engagement.

**79**  
NPS

### Material developments in Human resources, including number of people employed.

At Aditya Birla Housing Finance Limited, we consider our human capital as important as our financial capital. Our average employee strength was 3,645. We take pride in 14% of women in middle management and above roles. We had a multi-generational workforce spread across 175 branches and comprises of 28% GenZ, 62% Millennials.



Mentioned below are the highlights of our key people practices:

1. **Onboarding:** Considerable attention was given to enhancing the onboarding experience of employees towards helping new joiners settle well, feel a sense of belonging and equip themselves to start contributing towards organizational goals.
2. **Talent Identification & Succession Planning:** This year, we covered 350+ employees in a structured process to identify high potential employees. Our robust assessment process and cross functional talent councils with leadership ensured holistic view of people and quality of identification. 13% of people who have undergone the process formed part of our talent pool this year. Of the existing talent pool, 100% were covered in leadership development interventions at middle and senior management levels. To ensure business continuity by minimizing people risk, we spent significant time in identifying successors for business-critical roles. 80% critical roles have successors identified.
3. **Career Progression:** Our commitment to provide career growth opportunities to our people resulted in 220+ employees moving into new roles.
4. **Leadership Development:** This year, we made notable investments in developing leaders in the business. Our 2-prong approach of cohort-based development and individual development was holistic and fit for purpose. 100% of our leaders were covered in development assessment centres as part of their individual development journeys. With programs around Artificial Intelligence, Design Thinking, Change Management, Culture and People Leadership, our cohort-based development initiatives covered future focussed as well as essential leadership skills.

## FY2026 – Macro Economic Outlook

For the forthcoming fiscal year, it is anticipated that India's GDP growth will remain stable at approximately 6.3% (as per IMF), similar to FY25. The growth trajectory has displayed an upward trend in the past, however due to global tensions & uncertainty it is now expected to stabilize. However, India will continue to be the fastest growing major economy.

We anticipate that a combination of favorable policy measures including budgetary support, anticipated RBI rate cuts, rising capacity utilization rates, strengthened balance sheets of corporates, and a resilient banking sector will pave the way for a virtuous cycle of growth.

## NBFC-HFC Outlook

The housing finance sector continues to evolve in tandem with shifting consumer trends, supportive macroeconomic indicators, and an increasingly digital-first environment. The real estate sector is witnessing a discernible shift in consumer preferences, with a notable rise in demand for premium and luxury housing. This structural shift, combined with several economic tailwinds, is expected to sustain demand for home loans across income segments. Furthermore, India's mortgage penetration remains significantly low, offering substantial growth potential for the housing finance sector. The recent repo rate cuts and stabilizing inflation are expected to provide a conducive environment for sustained growth, supporting demand for home loans in the near future.

Technology is playing a transformative role in redefining housing finance delivery. Digitally enabled platforms, AI-driven underwriting, co-lending partnerships, and API-based integrations are enhancing operational efficiency and enabling greater outreach particularly to underserved geographies and new-to-credit segments. As these innovations scale, they are expected to significantly improve credit delivery, reduce costs, and support sustainable growth for HFCs.

At the same time, the regulatory landscape continues to evolve, with heightened focus on governance standards, capital adequacy, and liquidity frameworks. These changes, while reinforcing long-term sectoral resilience, call for greater strategic preparedness and adaptability among housing finance players. Adding to this, competitive intensity is deepening, with banks and large NBFCs increasingly expanding into the home loan segment, challenging traditional HFC strongholds.

Amidst this evolving environment, the housing finance sector stands at a pivotal juncture balancing prudence with potential. With a resilient foundation, supportive macroeconomic trends, and untapped mortgage demand, ABHFL is well-positioned to navigate challenges, seize emerging opportunities, and continue enabling access to affordable home ownership across India.

## Cautionary Statement

Statements in the Board's Report and the Management Discussion and Analysis describing the Company's objectives, projections, estimates, expectations or predictions may be "forward looking statements" within the meaning of applicable laws and regulations. Actual results could differ materially from those expressed or implied. The Company is not obliged to publicly amend, modify or revise any forward-looking statements, on the basis of any subsequent development information or events or otherwise.

# Board's Report

## Dear Members,

The Board of Directors of Aditya Birla Housing Finance Limited ("**the Company**" or "**ABHFL**") is pleased to present the 16<sup>th</sup> (Sixteenth) Annual Report and the Audited financial statements of the Company for the financial year ended March 31, 2025 ("**financial year under review**").

## FINANCIAL SUMMARY AND HIGHLIGHTS

The Company's financial performance for the financial year ended March 31, 2025 as compared to the previous financial year ended March 31, 2024 is summarised below:

Particulars	Financial Year	
	2024-25	2023-24
<b>Total Income</b>	<b>2,656.29</b>	<b>1,828.83</b>
Less: Finance Cost	1,530.70	1014.25
<b>Net Total Income</b>	<b>1,125.59</b>	<b>814.58</b>
Less: Operating Expenses	652.62	442.73
<b>Pre-provision operating Profit</b>	<b>472.97</b>	<b>371.85</b>
Less: Impairment on financial instruments	53.53	-4.60
<b>Profit before tax</b>	<b>419.44</b>	<b>376.45</b>
Less: Tax expenses	96.01	85.76
<b>Profit after tax</b>	<b>323.43</b>	<b>290.69</b>
Other comprehensive income (net of tax)	-0.94	0.02
<b>Total comprehensive income (net of tax)</b>	<b>322.49</b>	<b>290.71</b>
Basic earnings per share	5.72	5.80
Diluted earnings per share	5.71	5.80
Transfer to Special Reserves	64.69	58.14

(₹ in Crore)

The above figures are extracted from the financial statements prepared in accordance with Indian Accounting Standards ("Ind AS") as notified under Sections 129 and 133 of the Companies Act, 2013 ("the Act") read with the Companies (Accounts) Rules, 2014 and other relevant provisions of the Act. The detailed Financial Statements as stated above are available on the Company's website <https://homefinance.adityabirlacapital.com/>.

The financial statements of the Company are consolidated with Aditya Birla Capital Limited ("ABCL"), the Holding Company which has adopted Ind-AS. The Company has also prepared and submitted to ABCL the financial statements in Ind-AS Fair Value format.

## RESULTS OF OPERATIONS AND THE STATE OF COMPANY'S AFFAIRS

### Key Highlights of the Company's Consolidated Performance for the Financial Year Ended March 31, 2025 are as under:

- As on March 31, 2025 the Company had AUM of ₹ 31,053 Crore with 91,241 active customers.
- Affordable Housing business had over ₹ 11,958 Crore of AUM with over 70,155 active customers.
- Overall disbursement during the financial year was ₹ 17,648 Crore.
- Total income for the financial year under review was ₹ 2,656.29 Crore as against ₹ 1,828.83 Crore for previous year.
- Opex was ₹ 652.62 Crore compared to ₹ 442.73 Crore for previous year.
- Borrowing cost was ₹ 1,530.71 Crore compared to ₹ 1014.25 Crore for previous year.
- Credit cost increase to ₹ 53.53 Crore during the financial year against (₹ 4.60) Crore last year.
- Profit Before Tax was up by 11% to ₹ 419.44 Crore.



## MATERIAL EVENTS DURING THE YEAR

There were no material events during the year under review.

## HOLDING/SUBSIDIARIES/JOINT VENTURES/ ASSOCIATES COMPANIES

### Holding Company

During the financial year under review, Grasim Industries Limited remains the ultimate Holding Company and Aditya Birla Capital Limited continues to be the Holding Company of the Company. Grasim Industries Limited and Aditya Birla Capital Limited are listed at BSE Limited, National Stock Exchange of India Limited and Luxembourg Stock Exchange. As per Clause 16(c) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company is considered as a Material Subsidiary Company of Aditya Birla Capital Limited.

### Subsidiary Company

The Company doesn't have any Subsidiary Company.

### Joint Ventures/ Associate Company

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

## TRANSFER TO RESERVES

An amount of ₹ 64.69 Crore was transferred to Special Reserve in terms of Section 29C of the National Housing Bank Act (including ₹ 44.85 Crore to reserve u/s 36(1)(viii) of the Income Tax Act, 1961) during the financial year under review.

## DIVIDEND

The Board of Directors did not recommend any dividend for the financial year under review.

## SHARE CAPITAL

During the financial year under review, the Company has done issue of equity shares on the right basis to its holding company, Aditya Birla Capital Limited in one or more tranches as mentioned hereunder.

Sr. No.	Date of Issue (Allotment)	Face Value	Issue Price	Qty	Share capital	Securities Premium
1	29.05.2024	10	80.5	3,72,67,080	37,26,70,800	262,73,29,140.00
2	27.08.2024	10	86.8	3,45,62,212	34,56,22,120	265,43,77,881.60
3	03.12.2024	10	92.3	3,25,02,709	32,50,27,090	267,49,72,950.70
4	10.03.2025	10	103.0	2,91,26,214	29,12,62,140	270,87,37,902.00

The Company's paid-up Equity Share Capital as on March 31, 2025 was ₹ 634.66 Crore.

## TRANSFER OF SHARES/ CHANGE SHAREHOLDERS

During the financial year under review, the Board of Directors approved requests for transfer of shares from the nominees of Aditya Birla Capital Limited (ABCL), Holding Company as follows:

Sr. No.	Transferor	Transferee	Date of Transfer	No. of Shares
1	Mr. Amber Gupta (Nominee of ABCL)	Mr. Sharad Agarwal (Nominee of ABCL)	September 25, 2024	1
2	Mr. Mukesh Malik (Nominee of ABCL)	Mr. Lalit Vermani (Nominee of ABCL)		1

## DEPOSITORY

As on March 31, 2025, total equity paid-up share capital comprising of 63,46,55,897 Equity Shares, were held in dematerialised mode.

## Board's Report (Contd.)

**CREDIT RATING**

The credit ratings enjoyed by the Company from various rating agencies as on March 31, 2025 are detailed below:

Facility	India Ratings	Amount (₹ in Crore)	ICRA	Amount (₹ in Crore)	Crisil	Amount (₹ in Crore)
Commercial Paper	IND A1+	3,000	[ICRA] A1+	4,000	Crisil A1+	2,000
Non-Convertible Debentures	IND AAA; Outlook Stable	7,855	[ICRA] AAA with Stable Outlook	27,016.10	Crisil AAA/Stable	20,000
Subordinate Bonds	IND AAA; Outlook Stable	1,000	[ICRA] AAA with Stable Outlook	2,500	Crisil AAA/Stable	1,500
Market Linked Debentures	IND- PP-MLD AAA; Outlook Stable	500	-	-	-	-
Bank Lines	IND AAA Outlook Stable	20,000	[ICRA] AAA (stable)/ICRA A1+	25,000	CRISIL AAA/Stable	500

**PUBLIC DEPOSITS**

The Company is non deposit accepting housing finance company. The Company had not accepted deposits during the year and the provisions of Section 73 of the Act, 2013 read with the Companies (Acceptance of Deposits) Rules, 2014 are not applicable.

**PARTICULARS OF LOANS GIVEN, INVESTMENT MADE, GUARANTEES GIVEN OR SECURITY PROVIDED**

Pursuant to provisions of Section 186 (11) of the Act, the Company being a HFC registered with the National Housing Bank (NHB) and engaged in the business of giving loans, is exempted from the provisions of the said section. Thus, the provisions of Section 186, except sub-section (1) of the Act, are not applicable to the Company.

Further, details of the loans given, investment made, guarantees given or security provided are stated in the notes to accounts forming part of the Annual Report.

**CONSERVATION OF ENERGY & TECHNOLOGY ABSORPTION**

The particulars with respect to the conservation of energy and technology absorption as required to be disclosed pursuant to provision of Section 134(3)(m) of the Act read with Rule 8(3) of the Companies (Accounts) Rules, 2014 are attached as **Annexure I** to this report.

**FOREIGN EXCHANGE EARNINGS AND OUTGO**

There were no foreign exchange earnings and outgo of US\$ 75,000 during the financial year under review and Nil foreign exchange earnings and outgo during the previous financial year.

**PARTICULARS OF EMPLOYEES**

Disclosures pertaining to remuneration and other details, as required under Section 197(12) of the Act, read with Rule 5(1) of

the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, are attached as **Annexure II** to this report.

**MATERIAL CHANGES AND COMMITMENT AFFECTING FINANCIAL POSITION OF THE COMPANY**

There were no material changes and commitments affecting the financial position of the Company from the end of the financial year up to the date of this report.

**CHANGE IN NATURE OF BUSINESS**

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

**EMPLOYEE STOCK OPTION PLAN**

Employee Stock Options have been recognised as an effective instrument to attract talent and align the interest of employees with that of the Company, thereby providing an opportunity to the employees to share in the growth of the Company and to create long term wealth in the hands of employees, thereby and acting as a retention tool.

In view of the above, ABCL had formulated "Aditya Birla Capital Limited Employee Stock Option Scheme 2017" ("Scheme 2017") for the employees of the Company and its Subsidiaries. The shareholders of ABCL, vide their resolution passed on July 19, 2017 had also extended the benefits and coverage of the Scheme 2017 to the employees of its Subsidiary Companies. The shareholders of the Company at its meeting held on August 10, 2017 had approved the extension of benefits of the Aditya Birla Capital Limited Employee Stock Option Scheme 2017 ("Scheme 2017") to the permanent employees in the management cadre of the Company.

Further, the shareholders of ABCL, vide their resolution passed on October 16, 2022 had also extended the benefits and coverage of the Aditya Birla Capital Limited Employee Stock



Option Scheme 2022 ("ABCL Scheme 2022") to the employees of its Subsidiary Companies. The shareholders of the Company at its meeting held on October 21, 2022 had approved Aditya Birla Housing Finance Limited Employee Stock Option Scheme 2022 ("ABHFL Scheme 2022") to the permanent employees in the management cadre of the Company.

## MANAGEMENT DISCUSSION AND ANALYSIS

Management Discussion and Analysis Report for the financial year under review, prepared as per requirements of Master Direction – Non-Banking Financial Company – Housing Finance Company (Reserve Bank) Directions, 2021, erstwhile Housing Finance Companies – Corporate Governance (National Housing Bank) Directions, 2016 is presented as a separate section, which forms part of the Annual Report.

## CORPORATE GOVERNANCE REPORT

The Corporate Governance Report as stipulated under Regulation 34(3) and Regulation 62Q read with Schedule V of the SEBI (Listing Obligation and Disclosure Requirements) Regulation, 2015 (SEBI Listing Regulations) forms part of this Annual Report. The Company and Directors reaffirm their commitment to maintain the highest standards of corporate governance as applicable to the Company. Corporate Governance principles form an integral part of the core values of the Company. Corporate Governance Report forming part of this report for the year under review is attached separately as **Annexure III**.

## RISK MANAGEMENT

Risk Management is at the core of our business and ensuring the right risk-return trade-off in keeping with our risk appetite is the essence of our risk management. The Company has a robust Risk Management framework which proactively addresses risks while looking to optimize the returns that go with that risk.

The Board has constituted a Risk Management Committee as required under RBI Master Directions read with Regulation 21 of the SEBI Listing Regulations to frame, implement and monitor the Risk Management Plan of the Company.

The objectives and scope of the Risk Management broadly include:

- Risk identification;
- Risk Assessment;
- Risk Response and Risk Management strategy; and
- Risk monitoring, communication and reporting.

The Management Discussion and Analysis Report sets out the risks identified and the mitigation plans thereof.

Over the years, the Company built a strong Risk Management Framework supported by well-established policies and procedures and a talented pool of Risk Professionals. The organizational structure to address the risk consists of "Three lines of defense":

**First is :** Line Management (Functional Heads) to ensure that accountability and ownership is as close as possible to the activity that creates the risks;

**Second is:** Risk Oversight including the Risk and Compliance Function and Risk Management Committee;

**Third is:** Independent Assurance - Internal Audit, conducted by Independent Internal Auditors, whose work is reviewed by the Audit Committee.

Internal Capital Adequacy Assessment Process (ICAAP) and Risk Appetite Framework has been adopted to identify, assess, and manage all risks that could potentially have a significant negative impact on our business, financial position, or capital adequacy. The Company has also implemented Early Warning Signal (EWS) framework as guided by the NHB, which will help in proactive identification and management of stress accounts.

Risk Management Committee, Asset Liability Management Committee, Operational Risk and Management Committee, IT Strategy Committee and Audit Committee have been set-up which meets up regularly to ensure monitoring of risks and provide Governance as applicable. These Committees are prima facie governed by their Charters. The purpose of these Committee is to keep an oversight on the Company's risk management framework and risk culture, including the significant policies and practices used in managing credit, market, liquidity, strategic, operational, compliance, reputation, including those pertaining to capital management.

## BUSINESS CONTINUITY

The Company has well-documented Business Continuity Management Programme which has been designed to ensure continuity of critical processes during any disruption. A robust Disaster Recovery framework has been put in place to ensure uninterrupted operations and service to customers.

In view of the increased move to digital and adoption of new technologies, there was a continued focus on Cyber Security and the Company continued to invest in a strong Cyber Defence Programme.

The Risk Management team of the Company is continuously scanning the internal and external environment to identify risks and also to capitalise upon the opportunities presented in the environment.

## Board's Report (Contd.)

**CONTRACTS AND ARRANGEMENTS WITH RELATED PARTIES**

During the financial year under review, all transactions entered by the Company with related parties were in ordinary course of business and on an arm's length basis and were not considered material as per the provisions of Section 188 of the Act read with the Companies (Meetings of Board and its Powers) Rules, 2014. Hence, disclosure in form AOC-2 under Section 134(3) (h) of the Act, read with Rule 8 of the Companies (Accounts of Companies) Rules, 2014, is not applicable.

Prior omnibus approval of the Audit Committee is obtained for Related Party Transactions ("RPTs") which are of a repetitive nature and entered in the ordinary course of business and at arm's length. A statement on RPTs specifying the details of the transactions, pursuant to each omnibus approval granted, is placed on a quarterly basis for review by the Audit Committee. There were no material transactions entered into with related parties during the financial year under review, which may have had any potential conflict with the interests of the Company at large.

The details of contracts and arrangements with related parties of the Company for the financial year under review are given in the notes to the financial statements. The policy on RPTs, as approved by the Board, is available on the Company's website <https://homefinance.adityabirlacapital.com/> and the same is attached as **Annexure IV** to the report.

**INTERNAL FINANCIAL CONTROLS**

The Board of Directors confirms that the Company has well-established internal control systems in place which are commensurate with the nature of its business and size, scale and complexity of its operations. Standard Operating Procedures (SOP) and Risk Control Matrices designed to provide a reasonable assurance are in place and are being continuously monitored and updated.

The Company also periodically engages outside experts to carry out independent review of the effectiveness of various business processes. The observations and best practices suggested are reviewed by the management and Audit Committee and appropriately implemented with a view to continuously strengthen internal controls.

**INTERNAL AUDIT**

The Company has in place an effective Internal Audit Framework to monitor the efficacy of internal controls with the objective of providing to the Audit Committee and the Board of Directors, an independent and reasonable assurance on the adequacy and effectiveness of the organization's risk management, internal control and governance processes. The framework is commensurate with the nature of the business, size, scale and

complexity of its operations with a Risk Based Internal Audit (RBIA) approach. Internal Audit function headed by the Head Internal Audit has organizational independence functionally reporting into the Audit Committee of the Board.

The Company has implemented a RBIA Program in accordance with the requirements of RBI circular dated June 11, 2021. The Internal audit plan is approved by the Audit Committee and Internal audits are undertaken on a periodic basis to independently validate the existing controls. Internal Audit Reports are regularly reviewed by the management and corrective action is initiated to strengthen controls and enhance the effectiveness of existing systems.

Significant audit observations, if any, are presented to the Audit Committee along with the status of management actions and the progress of implementation of recommendations.

**DIRECTORS' RESPONSIBILITY STATEMENT**

Pursuant to Section 134(5) of the Act and to the best of their knowledge and belief and according to the information and explanations obtained from the operating management, Directors of the Company state that:-

- i) in the preparation of the Annual Accounts for the Financial Year ended March 31, 2025, the applicable accounting standards have been followed and there were no material departures from the same;
- ii) the Directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at March 31, 2025 and of the profit of the Company for financial year ended on that date;
- iii) the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- iv) the Directors had prepared the Annual Accounts on a 'going concern basis';
- v) the Directors had laid down internal financial controls and that such internal financial controls were adequate and were operating effectively; and
- vi) the Directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.



## DIRECTORS AND KEY MANAGERIAL PERSONNEL

### Appointment/Resignation of Directors

As on March 31, 2025, the Board of Directors (“the Board”) of the Company comprised of 4 (Four) Directors including 1 (One) Non-Executive Director (Woman Director), 2 (Two) Independent Directors and 1 (One) Executive Director.

Mrs. Anita Ramachandran (DIN: 00118188) has ceased to be Independent Director of the Company from the close of business hours on March 30, 2025 due to completion of her second term of 5 years as Independent Director.

The Board of Directors and the Management of the Company places on record their deep appreciation for the contributions made by Mrs. Anita Ramachandran during her association with the Company over the years.

Detailed information about the Board of Directors is provided in the Corporate Governance Report, which forms part of this report.

### Retirement by Rotation

Pursuant to Section 152 of the Act read with the Articles of Association of the Company Mrs. Vishakha Mulye (DIN: 00203578), Non-Executive Non-Independent Director retires from the Board by rotation and being eligible, offers herself for re-appointment at the ensuing AGM of the Company.

The Nomination and Remuneration Committee of the Company and the Board of Directors have recommended the re-appointment of Mrs. Vishakha Mulye to the shareholders for approval.

The information as required in case of re-appointment of Mrs. Vishakha Mulye is provided in the Notice of the ensuing AGM.

### Declaration by Independent Directors

All Independent Directors have submitted their declaration of independence, pursuant to the provisions of Section 149(7) of the Act, stating that they meet the criteria of independence as provided in Section 149(6) of the Act and they are not aware of any circumstance or situation, which exist or may be reasonably anticipated, that could impair or impact their ability to discharge their duties with an objective independent judgement and without any external influence.

All Independent Directors of the Company have registered their name in the data bank maintained with the Indian Institute of Corporate Affairs in terms of the provisions of the Companies (Appointment and Qualification of Directors) Rules, 2014.

The Board is of the opinion that the Independent Directors of the Company possess requisite qualifications, experience, expertise and hold highest standards of integrity.

### Fit and Proper Criteria

All the Directors meet the fit and proper criteria stipulated under the Master Directions - Non-Banking Financial Company (NBFC's) – Housing Finance Company (Reserve Bank) Directions, 2021.

### Key Managerial Personnel (KMP)

In terms of the provisions of Sections 2(51) and 203 of the Act, read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, Mr. Pankaj Gadgil, Managing Director & Chief Executive Officer (MD & CEO), Mr. Ashish Damani, Chief Financial Officer (CFO) and Ms. Hiral Sidhpura, Company Secretary (CS), are the Key Managerial Personnel of the Company.

### ANNUAL PERFORMANCE EVALUATION OF BOARD/COMMITTEES OF THE BOARD/INDIVIDUAL DIRECTORS

The evaluation framework for assessing the performance of the Directors of the Company comprises of contributions at the Meeting(s) and inputs in terms of strategic perspective or the growth and performance of the Company, amongst others.

Pursuant to the provisions of the Act and in terms of the framework of the Board Performance Evaluation, the Nomination and Remuneration Committee and the Board have carried out an annual performance evaluation of the Board, its Committees and individual Directors. The manner in which the evaluation has been carried out has been set out in the Corporate Governance Report which forms part of this report.

### Outcome of the evaluation

The functioning of the Board and its Committees were found satisfactory. The Committees are functioning well and besides covering the Committee's terms of reference, as mandated by law, important issues are brought up and discussed in the Committee meetings. The Board was also satisfied with the contribution of Directors, in their individual capacities.

### MEETINGS OF THE BOARD AND ITS COMMITTEES

#### Board

The Board meets at regular intervals to discuss and decide on the Company's performance and strategies. During the financial year under review, the Board met 8 (Eight) times on April 18, 2024, May 02, 2024, May 23, 2024, July 18, 2024, July 31, 2024, October 17, 2024, January 17, 2025 and February 04, 2025. Further details on the Board Meetings are provided in the Corporate Governance Report, which forms part of this report.

### Audit Committee

The Company has constituted an Audit Committee with its composition, quorum, powers, role and scope in line with the applicable provisions of the Act and SEBI Listing Regulations.

## Board's Report (Contd.)

During the financial year under review, the Audit Committee reviewed the internal controls put in place to ensure that the accounts of the Company are properly maintained and that the accounting transactions are in accordance with prevailing laws and regulations.

In conducting such reviews, the Committee found no material discrepancy or weakness in the internal control system of the Company. The Committee also reviewed the procedures laid down by the Company for assessing and managing risks.

Further details on the Audit Committee are provided in the Corporate Governance Report, which forms part of this report.

During the financial year under review, all recommendations made by the Audit Committee were accepted by the Board.

### Nomination and Remuneration Committee (NRC)

The Company has a duly constituted Nomination and Remuneration Committee ("NRC"), with its composition, quorum, powers, role and scope in line with the applicable provisions of the Act. Further details on the NRC are provided in the Corporate Governance Report, which forms part of this report.

The NRC has formulated a policy on remuneration under the provisions of Section 178(3) of the Act, which is attached as **Annexure V** to this report and the same is uploaded on the website <https://homefinance.adityabirlacapital.com/>.

### Other Committees

The Board of Directors has also constituted the following Committees under the relevant provisions of the Act read with Non-Banking Financial Company (NBFC's) – Housing Finance Company (Reserve Bank) Directions, 2021:

- Corporate Social Responsibility Committee
- Risk Management Committee
- Stakeholder Relationship Committee
- Asset Liability Management Committee
- Information Technology (IT) Strategy Committee

The details of all the Committees of the Board are provided in the Corporate Governance Report, which forms part of this report.

### ANNUAL RETURN

Pursuant to the provisions of Section 134(3)(a) of the Companies act, 2013, the Annual Return in form MGT-7 for the Company for the financial year 2024-25 is available on the Company's website <https://homefinance.adityabirlacapital.com/>.

## AUDITORS

### Statutory Auditors, Their Report and Notes to Financial Statements

Pursuant to the provisions of Section 139 of the Act and the Companies (Audit and Auditors) Rules, 2014, Reserve Bank of India ("RBI") Guidelines dated April 27, 2021 for appointment of Statutory Central Auditors (SCAs)/Statutory Auditors (SAs) of Commercial Banks (excluding RRBs), UCBs and NBFCs (including HFCs), as amended from time to time and based on the recommendation of the Audit Committee (the "Committee"), M/s. B. K. Khare & Co., (BK Khare) Chartered Accountants (Firm Registration No. 105102W) and M/s. Sarda & Pareek LLP, (S&P) Chartered Accountants (Firm Registration No. 109262W/ W100673) were appointed as Statutory Auditors of the Company for a term of three consecutive years from the conclusion of 15<sup>th</sup> (Fifteenth) Annual General Meeting till the conclusion of the 18<sup>th</sup> (Eighteenth) Annual General Meeting.

The observation(s) made in the Auditor's Report are self-explanatory and therefore, do not call for any further comments under Section 134(3)(f) of the Act.

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

### Secretarial Audit & Secretarial Compliance

Pursuant to the requirements of Section 204(1) of the Act read with Rule 9 of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company has appointed M/s. BNP & Associates, Practising Company Secretaries to conduct the Secretarial Audit for the financial year under review. The Secretarial Audit Report in Form MR-3 for the financial year under review, as received from M/s. BNP & Associates, Practising Company Secretaries, is attached as **Annexure VI** to this report.

Pursuant to Regulation 34(3) and Schedule V of the SEBI Listing Regulations, the Annual Secretarial Compliance Report for the financial year under review is attached as **Annexure VII** to this report.

The Secretarial Audit Report and the Annual Secretarial Compliance Report do not contain any qualifications, reservations or adverse remarks. The Annual Secretarial Compliance Report for the financial year 2024-25 was submitted to the Stock Exchanges.



## Cost Records and Auditors

The provisions of Cost Audit as prescribed under Section 148 of the Companies Act, 2013 are not applicable to the Company.

## CORPORATE SOCIAL RESPONSIBILITY (CSR)

In accordance with Section 135 of the Act, the Board of Directors on the recommendation of CSR Committee had approved the CSR Policy which provided for the activities to be carried out. The CSR Policy is available on the Company's website <https://homefinance.adityabirlacapital.com/>.

In line with the statutory requirements under the Act and its CSR Policy, the Company had undertaken projects in the areas of women empowerment & infrastructure development, healthcare, digital education, disability and livelihood. During the financial year under review, the Company has spent /contribute ₹ 5,22,99,681/- towards aforesaid CSR projects for FY 2024-25 (current). As on March 31, 2025, there is an unspent CSR amount of ₹ 1,02,45,523/- and the same is transferred to "Unspent CSR Account" in terms of the provisions of the Companies Act, 2013 and rules made thereunder.

Further, the unspent CST Amount for FY2023-24 of ₹ 8,30,611/- that was transferred to unspent CSR Account have been utilized in the FY 2024-25 on an ongoing project.

The required disclosure as per Rule 8 of Companies (Corporate Social Responsibility Policy) Rules 2014 is attached as **Annexure VIII** to this report. Further, the details on the Corporate Social Responsibility Committee are provided in the Corporate Governance Report, which forms part of this report.

## WHISTLE BLOWER POLICY/VIGIL MECHANISM

In compliance with the provisions of Section 177(9) of the Act read with Rule 7 of the Companies (Meetings of Board and its Powers) Rules, 2014 the Company has formulated a whistle blower policy/ vigil mechanism for Directors and employees to report any concerns.

The said policy is available on Company's website <https://homefinance.adityabirlacapital.com/>.

During the financial year under review, one complaint was received, and the fraud team had done detailed investigation, and the claim was not substantial.

## POLICY ON PREVENTION OF SEXUAL HARASSMENT OF WOMEN AT WORKPLACE

The Company has in place policy which is in line with the requirements of the Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal) Act, 2013. An Internal Complaints Committee has been set up to redress complaints,

if any, received regarding sexual harassment of women. The Company has complied with the provisions relating to the constitution of Internal Complaints Committee under the Sexual Harassment of Women at the Workplace (Prevention, Prohibition and Redressal) Act, 2013. All employees (permanent, contractual, temporary, trainees) are covered under this policy and one complaint was received under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. On investigation the same was closed since the allegation could not be proved.

## HUMAN RESOURCES

The Company believes that meaning at work is created when people relate to the purpose of the organisation, feel connected to their leaders and have a sense of belonging. Our focus stays strong on providing our people a work environment that welcomes diversity, nurtures positive relationships, provides challenging work assignments and provides opportunities based on meritocracy for people to grow and build their careers with us in line with their aspirations.

As on March 31, 2025, the employee strength of the Company was 3,981 employees.

The workforce comprises of 62% millennial & 14% of women in middle management and above roles.

## TALENT MANAGEMENT

Building a strong future ready talent pool and robust leadership succession pipeline continue to be priority areas for us in Talent Management. The Company has immense focus on creating well rounded leaders who are passionate about value creation for customers and execution excellence.

Additionally, focus on building future ready skills in the areas of Digital, Technology, Risk and Analytics has been ongoing for last year. Through various initiatives and partnerships with global organizations, we have continued our focus on building skills in these areas.

## SECRETARIAL STANDARDS OF INSTITUTE OF COMPANY SECRETARIES OF INDIA (ICSI)

The Company is in compliance with the Secretarial Standards specified by ICSI on Meetings of the Board of Directors (SS-1), General Meetings (SS-2).

## CODE FOR PROHIBITION OF INSIDER TRADING

Pursuant to SEBI (Prohibition of Insider Trading) Regulation 2015, as amended, the Company has a Board approved code of conduct to regulate, monitor and report trading by insiders ('Code of Conduct') and a Code of Practices and Procedures for

## Board's Report (Contd.)

Fair Disclosure of Unpublished Price Sensitive Information ('Code of Fair Disclosure') for its listed Non-Convertible Debentures. Further details on the same form part of the Corporate Governance Report.

### DEBENTURES

Vistra ITCL (India) Limited, having their office at The Capital Building, Unit No.505- A2, Bandra Kurla Complex Bandra East, Mumbai, Maharashtra, India, 400051 Ph Tel: +91 022-69300045 is the Debenture Trustee.

The details of unclaimed non-convertible debentures are given below:

- 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 were due for redemption: Nil
- The total amount in respect of such debentures: Nil

### OTHER DISCLOSURES:

In terms of applicable provisions of the Act, the Company discloses that during the financial year under review:

- i. there was no issue of share (including sweat equity share) to employees of the Company under any scheme.
- ii. there was no Scheme for provision of money for the purchase of its own share by employees or by trustees for the benefit of employees.
- iii. there was no bonus issue or preferential issue of shares.
- iv. there was no Issue of shares with differential rights.
- v. there was no transfer of unpaid or unclaimed amount to Investor Education and Protection Fund.

- vi. there were no significant or material orders passed by the Regulators or Hon'ble Courts or Tribunals which impact the going concern status and Company's operations in future.
- vii. there were no proceeding for Corporate Insolvency Resolution Process initiated Under the Insolvency and Bankruptcy Code, 2016.
- viii. there were no failure to implement any Corporate Action.

### ACKNOWLEDGEMENT

Your Directors take this opportunity to express their appreciation for the support and co-operation extended by our various partners and other business associates. Your Directors gratefully acknowledge the ongoing co-operation and support provided by all Statutory and Regulatory Authorities.

Your Board also acknowledges the support and contribution of Company's Bankers, Stock Exchanges, Registrar of Companies, Depositories, the Reserve Bank of India, National Housing Bank, Securities and Exchange Board of India, Central and State Governments and other regulatory bodies.

Your Directors place on record their appreciation for the exemplary contribution made by the employees of the Company at all levels. Their dedicated efforts and enthusiasm have been pivotal to the Company's growth.

For and on behalf of the Board

**Aditya Birla Housing Finance Limited**

**Pankaj Gadgil**

Director

DIN: 08521239

**Vishakha Mulye**

Director

DIN: 00203578

Date: April 16, 2025

Place: Mumbai



# Annexure I

## Conservation of Energy & Technology Absorption

Particulars pursuant to the provisions of Section 134 (3) (m) of the Act, read with the Rule 8 (3) of the Companies (Accounts) Rules, 2014, are furnished hereunder:

### A. CONSERVATION OF ENERGY

#### I) the steps taken or impact on conservation of energy;

None

#### (ii) the steps taken by the company for utilising alternate sources of energy;

None

#### (iii) the capital investment on energy conservation equipments;

None

### B. TECHNOLOGY ABSORPTION

#### (i) The efforts made towards technology absorption

Following initiatives have been undertaken towards technology absorption and digital transformation:

##### Finverse LOS

Finverse handles all stages of loan origination, including application data entry, credit analysis, underwriting, disbursement, compliance, and reporting. It is also capable of handling APF projects collateral management, allowing customer to track their loans, RCU unit to verify loans and Personal Discussion.

We have various digital service integrations such as Multibureau credit check, Hunter fraud check, Bureau based Scorecards, Lead Service integrations, OCR integrated statement services, Aadhaar verification, EKYC, Income verification, dedupe (customer & property), E-Agreement, E-Nach, Face liveness, Multi- Vendor Account Aggregator, Credit Delegation of Authority, Existing Exposure auto-fetch, System generated Key Facts Statement (KFS), System generated Automated CAM have led to faster processing of applications and better management of credit risk and lead conversion cycles.

##### Collection System

We have developed a collection system which will help us in tracking and managing loan repayments from

borrowers. The system is designed to ensure timely repayment of loans, minimize delinquencies, and reduce the risk of default. Some of the modules of Collections system are as follows: 1. Loan Servicing 2. Payment Tracking 3. Delinquency Management 4. Workout Planning 5. Recovery Management 6. Reporting and Analytics. 7. Settlement 8. Legal 9. Tele calling. This system can minimize loan losses, improve efficiency, and provide a positive customer experience.

##### Sales CRM

Designed to nurture customer leads through field activities viz. customer visits, channel partner visits, follow ups and lead qualification. It covers functionalities such as Lead management, Sales Funnel Planning, Channel Analytics, Lead analytics, Sanctioned Undisbursed Planning, and reporting.

##### DSA/RP onboarding

DSA (Direct Selling Agent) and RP (Referral Partner) platform helps in end-to-end onboarding channel partners digitally who play a very important role in new business sourcing and expanding our customer base. This platform is integrated with India Stack viz. PAN, Aadhar, Bureau, and Bank account verification along with eAgreement etc.

##### Cloud Adoption

We have adopted cloud for new applications as well as migrating existing applications on cloud to leverage various cloud benefits such as improved scalability, agility, security, cost-effectiveness and quick turnaround time.

##### Reimagined Journey on Whatsapp

This journey is positioned to be a seamless experience via WhatsApp for loan offer generation basis customer declared details.

##### GenAI

CoPilots and full-scale Ai Agents with human intervention are two approaches we have adopted. It offers promising value addition across 5Cs i.e. Customer, Cost, Capacity, Capital Efficiency and Culture.

## Annexure I (Contd.)

### Contentverse

The dedicated self-learning platform acts as one stop solution for employees and Channel Partner to access content via Text, Audio, Videos.

### Service CRM

We've introduced the New Service Cloud CRM, which has an enhanced Customer 360-degree and an Omni Channel view, with various customer-centric offerings & robust governance like integrated communications, payment links, role & flow based approvals and track my service request feature.

### Scorecard

We are enhancing our credit assessment and risk management process by introducing Bureau, Banking, and GST-based scorecard-driven credit decisioning methods. These scorecards are developed on data driven AI-ML driven models & back tested on internal datasets. This proposition strengthens predictability & versatility to our Credit assessment & risk management process. Bureau based scorecard is live now.

### CF Monitoring

This newly developed CF monitoring platform is designed to oversee construction project milestones for developers. It possesses built-in capabilities to monitor project expenses, manage milestone-based disbursement requests, and initiate service requests for NOCs, Statement of Accounts (SOA) & Balance Certificate is available to developer on a single click.

#### (i) The benefits derived as a result of the above efforts (e.g. Product improvements, cost reduction, product development, import substitution, etc.)

Finverse will help in improving efficiency, enhancing customer experience, managing risks, increasing compliance, enabling data analysis, reducing operational costs, and increasing scalability.

Sales CRM implementation helps in improving sales management, enhancing customer experience, enabling better sales forecasting, increasing efficiency and improving collaboration.

Scorecards will help in improving credit risk management, decision-making consistency, efficiency, loan portfolio performance, pricing strategies, regulatory compliance, and customer experience.

Cloud migration is benefiting us in scalability, cost savings, enhanced security, increased flexibility, improved disaster recovery, better performance, and access to advanced technologies.

#### (ii) Particulars of imported technology in the last three years (reckoned from beginning of the financial year)

None

##### a) Details of technology imported

None

##### b) Year of import

None

##### c) Has technology been fully absorbed

Not Applicable

##### d) if not fully absorbed, areas where absorption has not taken place, and the reasons thereof

Not Applicable

#### (iii) the expenditure incurred on Research and Development.

Not Applicable



## Annexure II

### Details of Remuneration under Section 197(12) of the Companies Act, 2013 for the Financial Year ended on March 31, 2025

Sr. No.	Name of the Director/Key Managerial Personnel	Ratio of Remuneration of Director to the Median Remuneration of the Employees	% Increase/ (decrease) in remuneration in the financial year
A	Pankaj Gadgil - Executive Director	40.70	10.00
B	Non-Executive Directors	NA	NA
C	Key Managerial Personnel		
	i Pankaj Gadgil - Chief Executive Officer		10.00
	ii Ashish Damani - Chief Financial Officer		13.00
	iii Hiral Sidhpura - Company Secretary		9.50
D	% increase/(decrease) in Median Remuneration of employees other than managing director		9.00
E	Number of Permanent Employees on the rolls of the Company as on March 31, 2025		3,981

**Notes:**

- 1 The Company does not pay any remuneration to any of its non-executive directors.
- 2 Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration.
  - i) Average percentile increase in the salaries of employees other than the managerial personnel in the last financial year – 11.5%
  - ii) Average percentile increase in the salaries of the managerial personnel in the last financial year – 10.8%
- 3 The remuneration paid as above was as per the Executive Remuneration Policy of the Company.

## Annexure III

### Report on Corporate Governance

**"Our values provide us with our roots and they provide us with our wings."**

#### I. PHILOSOPHY OF CORPORATE GOVERNANCE

Aditya Birla Group is one of the pioneers in the field of Corporate Governance. As a part of the Group, the Company is committed to continuously adopt and adhere to the best governance practices, to achieve the ultimate goal of making the Company a value-driven organisation.

The Company is a material subsidiary of Aditya Birla Capital Limited.

The Company is one of the young and new age business ventures of Aditya Birla Group having a strong parentage and is part of a leading financial services conglomerate. It is a mix of solid traditional and cultural foundations along with the right perspective to cater to the evolving financial needs of its customers.

The Company's governance practices are a product of self-desire, reflecting the culture of trusteeship that is deeply ingrained in its value system and reflected in its strategic thought process. At a macro level, the Company's governance philosophy rests on five basic tenets, viz., Board accountability to the Company and Members, strategic guidance and effective monitoring by the Board.

The Corporate Governance framework of the Company is based on an effective and independent Board, separation of the Board's supervisory role from the Senior Management team and constitution and functioning of Board Committees, as required under applicable laws.

The Board functions either as a full Board or through various Committees constituted to oversee specific functions. The Senior Management provides the Board detailed reports on the Company's performance periodically.

#### Compliance with Corporate Governance Guidelines

The Company is in compliance with the requirements stipulated under the applicable Regulatory requirements with respect to corporate governance.

The details of compliance with Corporate Governance requirements during the financial year ended March 31, 2025 ("financial year under review") are as follows:

#### II. BOARD OF DIRECTORS

##### Composition and Category of Directors

The Board of Directors ("the Board") of the Company comprises of 4 (Four) Directors, which included 2 (Two) Independent Directors, 1 (One) Non-Executive (Non-Independent) Director (Woman Director) and 1 (One) Executive Director. The Companies Act, 2013 ("the Act") mandates every listed or such class(es) of companies to have one-third of the total number of Directors as Independent Directors.

The composition of the Board is in conformity with the requirements of the Companies Act, 2013 ("the Act") and Regulation 17 and 62D of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Amendment Regulations, 2025 ("SEBI Listing Regulations").

On the basis of such disclosures, it is confirmed that as on the date of this report, none of the Directors: -

- a) hold Directorships in more than 10 (Ten) public Companies
- b) hold Directorships in more than 7 (Seven) listed entities\*
- c) serve as an Independent Director in more than 7 (Seven) listed entities\*
- d) is a Member of more than 10 (Ten) Committees or Chairperson of more than 5 (Five) Committees (i.e. Audit and Stakeholders Relationship Committee) across all the listed entities, in which he/she is a Director

\* Listed entities on which a person is a director/independent director shall be cumulative of those whose equity shares are listed on a stock exchange and "high value debt listed entities".

All Independent Directors on the Board are Non-Executive Directors as defined under the Act. The maximum tenure of the Independent Directors is in compliance with the Act. All the Independent Directors have confirmed that they meet the criteria of independence as stipulated under Section 149(6) of the Act and provided the required declaration under section 149(7) of the Act.

None of the directors are inter-se related to each other.



The brief profile of the present Directors on the Board is available on the Company's website <https://homefinance.adityabirlacapital.com/>

The details of the Directors of the Company with regard to their other Directorships, Committee positions, including that in listed entities, for the FY 2024-25 are as follows:

Name of the Director & DIN no	Designation/Category	No. of Directorship(s) in other Public companies <sup>1</sup>	No. of Shares held in the Company <sup>3</sup>	Committee Positions held in other Companies <sup>2</sup>	
				Member	Chairperson
Mrs. Vishakha Vivek Mulye (DIN: 00203578)	Non-Executive Director	5	-	5	1
Mr. V Chandrasekaran (DIN: 03126243)	Independent Director	5	-	6	2
Mr. N.R. Narayanan (DIN: 07877022)	Independent Director	1	-	0	0
Mr. Pankaj Gadgil (DIN: 08521239)	Executive Director	1	-	0	0

**Notes:**

- <sup>1</sup> Excluding Directorship in the Company, Foreign Companies, Private Limited Companies and Companies under Section 8 of the Act.
- <sup>2</sup> Only two Committees viz. Audit Committee and Stakeholders Relationship Committee of all the public Companies whether listed or not, and high value debt listed entities, in which he/she is a Director are considered (Excluding membership/chairmanship in the company).
- <sup>3</sup> The Company has not issued any convertible instruments.
- <sup>4</sup> Cessation of Term of Ms. Anita Ramachandran as an Independent Director w.e.f close of business hours on March 30, 2025.

Other Directorship of Directors in listed entities\*:

Name of Director	Name of Listed entity	Category of Directorship
Mrs. Vishakha Mulye (DIN: 00203578)	1. Aditya Birla Finance Limited (Company Merged with Aditya Birla Capital Limited w.e.f. April 01, 2025) 2. Aditya Birla Sun Life AMC Limited	1. Non-Executive Director 2. Non-Executive Director
Mr. V Chandrasekaran (DIN: 03126243)	1. Grasim Industries Limited 2. CARE Ratings Limited 3. TATA Investment Corporation Limited	1. Independent Director 2. Independent Director 3. Independent Director
Mr. N.R. Narayanan (DIN: 07877022)	1. Equitas Small Finance Bank Limited	1. Independent Director
Mr. Pankaj Gadgil (DIN: 08521239)	-	-

\* Listed entities on which a person is a director/independent director shall be cumulative of those whose equity shares are listed on a stock exchange and "high value debt listed entities"(excluding the directorship in the Company).

## Annexure III (Contd.)

**Brief Profile of Directors:**

Sr. No.	Name of Director	Qualification	Field of Specialisation
1	Mrs. Vishakha Mulye	Chartered Accountant	Banking & Financial Services
2	Mr. V Chandrasekaran	Chartered Accountant	Banking & Financial Services
3	Mr. Narayanan N R	Holds degree in Engineering from IIT Roorkee and PGDM from IIM Bangalore	Retail assets financing business, including housing finance
4	Mr. Pankaj Gadgil	MBA from Savitribai Phule Pune University and holds a Diploma in foreign trade from the Department of Economics.	Banking & Financial Services

**The Board members collectively display the following qualities –**

- **Integrity:** fulfilling a director's duties and responsibilities;
- **Curiosity and courage:** asking questions and persistence in challenging management and fellow board members where necessary;
- **Interpersonal skills:** working well in a group, listening well, tact and ability to communicate their point of view frankly;
- **Interest:** in the organisation, its business and the people;
- **Instinct:** good business instincts and acumen, ability to get to the crux of the issue quickly;
- **Belief in diversity;**
- **Active participation:** deliberations in the meeting

The Directors are professionals, possessing wide experience and expertise in their areas of function and with their collective wisdom fuel the Company's growth.

In the opinion of Board, Independent directors fulfill the conditions specified in the Act and SEBI LODR Regulations and are independent of the management.

**Board's Functioning and Procedure**

The Company's Board plays a pivotal role in ensuring good governance and functioning of the Company. The Board's role, functions, responsibilities and accountabilities are well defined. All relevant information is regularly placed before the Board. The Members of the Board have complete freedom to express their opinion and decisions are taken after detailed discussions.

The Board meets at least once every quarter to review the quarterly results and other items on the agenda and additional meetings are held to address specific needs and

business requirements of the Company. The information as required under Schedule V (C) of the SEBI Listing Regulations is made available to the Board.

The Company makes available video conferencing facility or other audio-visual means for attending the Meetings of the Board and Committees. Notice of Board/ Committee Meetings is given in advance to all the Directors (other than if held by shorter notice for which consent is obtained). The Company Secretary is responsible for collation, review and distribution of all papers submitted to the Board and Committees thereof for consideration. The Agenda of the Board/ Committee Meetings is set by the Company Secretary in consultation with the Non-Executive Director and Managing Director & Chief Executive Officer of the Company. Agenda papers are circulated a week prior to the date of the Meeting to enable the Board/ Committee Members take informed decisions at the Meetings. The Agenda for the Board and Committee Meetings covers items set out as per the applicable regulations, directions and guidelines.

8 (Eight) Board Meetings were held during the financial year under review.

Meetings and Attendance During the Financial Year Under Review:

Sr. No.	Date of Board Meeting	Board Strength	No. of Directors Present
1	April 18, 2024	5	5
2	May 02, 2024	5	4
3	May 23, 2024	5	5
4	July 18, 2024	5	5
5	July 31, 2024	5	4
6	October 17, 2024	5	5
7	January 17, 2025	5	5
8	February 04, 2025	5	5

The Board has unfettered and complete access to any information within the Company. Members of the Board



have complete freedom to express their views on agenda items and can discuss any matter at the meeting with the permission of the Chairperson. The Board periodically reviews all the relevant information which is required to be placed before it pursuant to the applicable rules and regulations and in particular reviews and approves corporate strategies, business plans, annual budgets and capital expenditure, etc. The Board provides direction and exercises appropriate control to ensure that the Company is managed in a manner that fulfils stakeholders' aspirations and societal expectations.

The details of attendance of each Director at the Board meeting(s) held during the financial year under review and at the previous 15<sup>th</sup> Annual General Meeting ("AGM") of the Members of the Company held on May 14, 2024, through virtual mode are as follows:

Name of Director	8 Board Meetings held during the FY 2024-25		Whether attended last AGM
	Entitled to Attend	Attended	
Mr. V Chandrasekaran	8	8	Yes
*Mrs. Anita Ramachandran (up to March 30, 2025)	8	8	Yes
Mrs. Vishakha Mulye	8	6	Yes
Mr. Narayanan N R	8	8	Yes
Mr. Pankaj Gadgil	8	8	Yes

\*Cessation of Term as an Independent Director w.e.f close of business hours on March 30, 2025.

## Code of Conduct for Board Members and Senior Management

In compliance with Regulations 17(5) and 26(3) of the SEBI Listing Regulations, the Company has adopted and made applicable Code of Conduct for the Board Members and Senior Management Personnel of the Company ("the Code").

The Senior Management Personnel of the Company have made disclosures to the Board confirming that there are no material financial and/or commercial transactions between them and the Company that could have potential conflict of interest with the Company.

All the Board Members and Senior Management Personnel have confirmed compliance with the Code during the financial year under review. Further, the Non-Executive Director have also confirmed that none of them hold shares or convertible instruments of the Company.

## Particulars of Senior Management

Particulars of senior management including the changes therein since the close of the previous financial year are provided in the Annual's Report.

## Familiarisation programme

The Directors are familiarised with the Company's businesses and its operations. Interactions are held between the Directors and Senior Management of the Company from time to time. Directors are familiarised with the organisational set-up, functioning of various departments, internal control processes and relevant information pertaining to the Company. The details of the familiarisation programmes are available on the Company's website at <https://homefinance.adityabirlacapital.com/regulatory-disclosure-and-policies>.

## Performance evaluation of the Board

A formal evaluation mechanism has been adopted for evaluating the performance of the Board, the Committees thereof, individual Directors. The evaluation is based on criteria which include, amongst others, providing strategic perspective, attendance, time devoted and preparedness for the meetings, quality, quantity and timeliness of the flow of information between the Board members and the Management, contribution at the meetings, effective decision-making ability, role and effectiveness of the Committees. The Directors completed questionnaires providing feedback on functioning of the Board, Committees and individual Directors.

## Separate Meeting of Independent Directors

In accordance with the provisions of Schedule IV of the Act and Regulation 25(3) of the SEBI Listing Regulation, a Meeting of the Independent Directors of the Company was held on March 21, 2025 without the presence of the Non-Independent Directors and the members of the Management. The Meeting was attended by all the Independent Directors. They discussed matters, including, on the performance/ functioning of the Company, reviewing the performance of the Board, taking into account the views of Non-Executive & Non-Independent Director, assessed the quality, quantity and timeliness of flow of information between the Management and the Board that is necessary for the Board to effectively and reasonably perform their duties, etc.

## Annexure III (Contd.)

**Prohibition of Insider Trading**

In terms of the provisions of the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, the Company adopted a Code of Conduct to Regulate, Monitor and Report trading by Designated Persons in listed or proposed to be listed securities of the Company ("the Insider Code"). The Insider Code aims at preserving and preventing misuse of unpublished price sensitive information. All Designated Persons as defined under the Insider Code are covered under the Insider Code, which provides inter alia for periodical disclosures and obtaining pre-clearances for trading in the Non-Convertible Debentures (NCDs) of the Company.

The Board has also adopted a Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information ("UPSI") which also includes details of the Company's policy for determination on 'legitimate purposes' as per the requirements of the SEBI (Prohibition of Insider Trading) Regulations and is available on the Company's website <https://homefinance.adityabirlacapital.com/>

The Board and designated persons have affirmed compliance with the Insider Code. Ms. Hiral Sidhpura, Company Secretary is the "Compliance Officer" in terms of the Insider Code.

As per Regulation 3 (5) of the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 a structured digital database is maintained containing the nature of unpublished price sensitive information and the names of such persons who have shared the information and also the names of such persons with whom information is shared. The database is maintained internally with adequate internal controls and checks such as time stamping and audit trails to ensure non-tampering of the database.

**III. COMMITTEES OF THE BOARD**

The Board has constituted the Committees with specific terms of reference as per the requirements of the Act, Master Directions – Non-Banking Financial Company – Housing Finance Company (Reserve Bank) Directions, 2021 and other applicable provisions. The Board accepted all recommendations of the Committees which were mandatorily required, during the financial year under review.

The Board Committees play a vital role in the effective compliance and governance of the Company in line with their specified and distinct terms of reference and role and responsibilities. The Chairperson of the respective Committees report to the Board on the deliberations and decisions taken by the Committees and conduct themselves under the supervision of the Board. The minutes of the meetings of all Committees are placed before the Board for its perusal on a regular basis.

The Board has presently constituted the following Committees:

1. Audit Committee
2. Nomination and Remuneration Committee
3. Stakeholder Relationship Committee
4. Corporate Social Responsibility Committee
5. Risk Management Committee
6. Asset Liability Management Committee ("ALCO")
7. Information Technology (IT) Strategy Committee
8. Share Allotment Committee

The details of the Committees are elaborated hereunder:

**1. Audit Committee**

A qualified and independent Audit Committee has been constituted pursuant to the provisions of Section 177 of the Act, Regulation 18 and 62F of the SEBI Listing Regulations and RBI Master Directions.

The Audit Committee acts as a link between the Management, the Statutory and Internal Auditors and the Board. Its composition, powers, role and scope are in accordance with the applicable provisions of Section 177 of the Act. All the Members of the Audit Committee are financially literate. Moreover, the Chairman and Members of the Audit Committee have accounting or related financial management expertise.

The Audit Committee comprises of 3 (three) members of the Board viz, Mr. V Chandrasekaran, Mrs. Vishakha Mulye and Mr. Narayanan N R with atleast two-thirds of the member being Independent Directors. Mr. V Chandrasekaran is the Chairman of the Audit Committee.



During the financial year under review, the Audit Committee met 6 (Six) times on April 18, 2024, May 02, 2024, July 18, 2024, October 17, 2024, January 17, 2025 and February 10, 2025.

Name of Member	Category	6 Meetings held during the FY 2024-25	
		Entitled to Attend	Attended
Mr. V Chandrasekaran	Independent Director (Chairman)	6	6
*Mrs. Anita Ramachandran (up to March 30, 2025)	Independent Director	6	6
Mrs. Vishakha Mulye	Non-Executive Director	6	5
Mr. Narayanan N R	Independent Director	6	6

\*Cessation of Term as an Independent Director w.e.f close of business hours on March 30, 2025.

The Chairman of the Audit Committee, Mr. V Chandrasekaran attended the 15<sup>th</sup> Annual General Meeting of the Company held on May 14, 2024.

The Company Secretary acts as Secretary to the Committee.

The Auditors and the Key Managerial Personnel of the Company are invited to attend the Audit Committee Meetings. In addition, other Senior Management Personnel are also invited to the Audit Committee meetings from time to time, to provide such information as may be necessary. The Committee also engages expert consultants, advisors as may necessary to the extent it considers appropriate to assist in its functioning.

The Audit Committee monitors and effectively supervises the Company's financial reporting process with a view to provide accurate, timely and proper disclosures and maintain the integrity and quality of financial reporting.

The Audit Committee also reviews from time to time, the audit and internal control procedures, the accounting policies of the Company and oversees the Company's financial reporting process so as to ensure that the financial statements are correct, sufficient and credible.

The Audit Committee has all the powers as specified in Section 177 of the Act to investigate any activity within its terms of reference, seek information from any employee, obtain outside legal or other professional advice and secure attendance of outsiders with relevant expertise, as considered necessary.

The terms of reference of the Audit Committee include:

1. Recommendation for appointment, remuneration and terms of appointment of auditors of the Company;
2. Approval of payment to statutory auditors for any other services rendered by the statutory auditors;
3. Review and monitor the auditor's independence and performance, and effectiveness of audit process;
4. Examination of the financial statement and the auditors' report thereon approval or any subsequent modification of transactions of the Company with related parties;
5. Scrutiny of inter-corporate loans and investments, if any;
6. Review the utilization of loans and/ or advances from/ investment by the holding company in the subsidiary exceeding rupees 100 crore or 10% of the asset size of the subsidiary, whichever is lower including existing loans/ advances/investments;
7. Valuation of undertakings or assets of the Company, wherever it is necessary;
8. Evaluation of internal financial controls and risk management systems;
9. Monitoring the end use of funds raised through public offers and related matters;
10. Consider and comment on rationale, cost-benefits and impact of schemes involving merger, demerger, amalgamation etc., on the listed entity and its shareholders;
11. Review of Management Discussion and Analysis of financial condition and results of operations;
12. Review of Statement of significant related party transactions submitted by Management;
13. Review of Management letters/letters of internal control weaknesses issued by the Statutory Auditors, if any;
14. Review of Internal audit reports and discussion with the Internal Auditors on any significant findings and follow-up thereon;
15. Review of Statement indicating deviation or variation in the use of proceeds of issue of listed non-convertible debt securities, if any.

## Annexure III (Contd.)

**2. Nomination and Remuneration Committee**

The composition of the Committee is in line with the applicable provisions of Section 178 of the Act and Regulation 19 and 62G read with Part D of Schedule II of the SEBI Listing Regulations. The Committee is mainly entrusted with the responsibility of formulating criteria for determining the qualifications, positive attributes and independence of the present and proposed Directors as well as recommending a policy to the Board relating to the remuneration of Directors, Key Managerial Personnel and Senior Management Personnel.

During the financial year under review, the Committee met 2 (Two) times on April 18, 2024 and July 18, 2024. The necessary quorum was present for the meetings.

The composition and attendance during the financial year under review are as follows:

Name of Member	Category	2 Meetings held during the FY 2024-25	
		Entitled to Attend	Attended
*Mrs. Anita Ramachandran (up to March 30, 2025)	Independent Director (Chairperson)	2	2
Mr. V Chandrasekaran	Independent Director	2	2
Mrs. Vishakha Mulye	Non-Executive Director	2	1
Mr. Narayanan N R	Independent Director	2	2

\*Cessation of Term as an Independent Director w.e.f close of business hours on March 30, 2025.

The Chairperson of the Nomination and Remuneration Committee, Mrs. Anita Ramachandran attended the 15<sup>th</sup> Annual General Meeting of the Company held on May 14, 2024.

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

1. Recommend to the Board of Directors a policy relating to, the remuneration of the Directors, Key Managerial Personnel and other employees;
2. Ensure the level and composition of remuneration is reasonable and sufficient to attract, retain and motivate directors and Senior Managers of the quality required to run the Company successfully;
3. Ensure the relationship of remuneration to performance is clear and meets appropriate performance benchmarks;

4. Formulate appropriate policies and institute processes which enable the identification of individuals who are qualified to become Directors and who may be appointed in senior management and recommend to the Board of Directors their appointment and removal from time to time;
5. Review and implement succession and development plans for Managing Director/Chief Executive Officer, Executive Directors and Senior Managers;
6. Formulate the criteria for determining qualifications, positive attributes and independence of directors;
7. Formulate, supervise and monitor the process of issuance/ grant/ vesting/ cancellation of Employee Stock Options and such other instruments as may be decided to be granted to the eligible grantees under the respective Employee Stock Options Scheme(s), from time to time, as per the provisions of the applicable laws;
8. Establish evaluation criteria and conduct the process of performance evaluation of each Director in a structured manner;
9. Establish evaluation criteria of Board and Board Committees;
10. Review and discuss with management the disclosures required to be included in the Directors report, as specified in the Act and the Rules thereunder;
11. Scrutinize the declarations received under 'Fit and Proper' Criteria for proposed /existing directors based on the information provided in the signed declaration and to decide on the acceptance or otherwise of the directors, where considered necessary.

**3. Stakeholder Relationship Committee**

In terms of Regulation 20 and 62H of SEBI Listing Regulations, the Board constituted Stakeholder Relationship Committee on October 13, 2022 to look into various aspects of interest of shareholders, debenture holders and other security holders.

The Committee comprises of Mrs. Vishakha Mulye – Non-executive director (w.e.f. April 18, 2024), Mr. Narayanan NR – Independent Director and Mr. Pankaj Gadgil – Executive Director.

Mrs. Vishakha Mulye is the Chairperson of the Committee w.e.f. April 18, 2024.



During the financial year under review, the Stakeholder Relationship Committee met once on March 21, 2025.

Name of Member	Category	1 Meeting held during the FY 2024-25	
		Entitled to Attend	Attended
Mrs. Anita Ramachandran (up to April 18, 2024)	Independent Director (Chairperson)	0	0
Mrs. Vishakha Mulye (W.e.f. April 18, 2024)	Non-Executive Director (Chairperson)	1	1
Mr. Narayanan NR	Independent Director	1	1
Mr. Pankaj Gadgil	Executive Director	1	1

The Company Secretary acted as the Compliance Officer and also responsible for redressal of investor complaints.

The terms of reference of the Stakeholder Relationship Committee include:

1. Monitor and resolve the grievances of the security holders of the Company received from the shareholders, Debenture holders of the Company, other security holders, if any, the Securities and Exchange Board of India (SEBI), the Stock Exchanges, the Department of Corporate Affairs - Registrar of Companies etc. including complaints related to transfer/ transmission of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new/ duplicate certificates, General Meetings, etc; and the action taken by the Company for redressal of the same;
2. Review of measures taken for effective exercise of voting rights by security holders;
3. Review of adherence to the service standards adopted by the Company in respect of various services being rendered by the Registrar and Share Transfer Agent;
4. Review of the various measures and initiatives taken by the Company for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the security holders of the Company, as applicable;
5. Review the results of any investigation/audit conducted by any statutory authority;
6. Approve allotment of shares, debentures or any other securities as per the authority conferred/ to be conferred to the Committee by the Board of Directors from time to time;

7. Approve requests for transfer, transposition, deletion, consolidation, sub-division, change of name, dematerialization, rematerialisation etc. of shares, debentures and other securities, if any;
8. Authorize the officers of the Company to approve the requests for transfer, transposition, deletion, consolidation, sub-division, change of name, dematerialization, rematerialisation etc. of shares, debentures and other securities, if any;
9. Approve and ratify the action taken by the authorized officers of the Company in compliance of the requests received from the shareholders/investors for issue of duplicate/ replacement/consolidation/sub-division, dematerialization, rematerialisation and other purposes for the shares, debentures and other securities of the Company, if any;
10. Monitor and expedite the status and process of dematerialization and rematerialisation of shares, debentures and other securities of the Company, if any;

Number of Complaint received so far/number not solved to the satisfaction of security holders/number of pending complaints.

The Company did not receive any complaint from any security holder(s) during the financial year 2024-25.

#### 4. Corporate Social Responsibility Committee (CSR)

In terms of provision of Section 135 of the Act, the Company constituted Corporate Social Responsibility Committee.

The Corporate Social Responsibility Committee comprises Mr. Narayanan N R – Independent Director, Mr. Vishakha Mulye Non – Executive Director and Mr. Pankaj Gadgil – Executive Director. Mrs. Rajashree Birla, Chairperson of Aditya Birla Centre for Community Initiatives and Rural Development and Dr. Pragnya Ram, Group Executive President, Corporate Communications and CSR are the permanent invitees.

Mr. Narayanan N R is the Chairman of the Committee.

During the financial year under review, the Committee met 1 (one) time on July 01, 2024. The necessary quorum was present for the meeting.

The composition and attendance during the financial year are as follows:

## Annexure III (Contd.)

Name of Member	Category	1 Meeting held during the FY 2024-25	
		Entitled to Attend	Attended
Mr. Narayanan N R	Independent Director (Chairman)	1	1
Ms. Vishakha Mulye	Non-Executive Director	1	1
Mr. Pankaj Gadgil	Executive Director	1	1

The Company Secretary acts as Secretary to the Committee.

The terms of reference of the Corporate Social Responsibility Committee include:

1. Formulate CSR policy indicating the activities to be undertaken by the Company as per regulatory requirements and recommend the same to the Board;
2. Recommend to the Board the annual action plan and the amount to be spent on CSR activities;
3. Review and approve, the CSR projects/programs to be undertaken by the Company either directly or through Aditya Birla Capital Foundation (ABCF) or through implementation partners as deemed suitable, during the financial year and specify modalities for its execution and implementation schedules for the same, in terms of the CSR Policy of the Company;
4. Monitor the implementation of the CSR policy;
5. Monitor and reporting mechanism for the projects or programmes;
6. Review implementation of the action plan.

## 5. Risk Management Committee (RMC)

The Risk Management Committee has been constituted pursuant to the provisions of Regulation 21 and 62I of the SEBI Listing Regulations and RBI Master Directions, to frame, implement and monitor the Risk Management Plan of the Company.

The Risk Management Committee comprises of 2 (Two) Independent Directors, 1 (One) Non-Executive Director and 1 (One) Executive Director. Mr. Narayanan N R is the Chairman of the Risk Management Committee.

During the financial year under review, the Risk Management Committee met 4 (Four) times on April 17, 2024, July 16, 2024, October 15, 2024 and January 15, 2025. The necessary quorum was present for all the meetings.

The composition and attendance during the financial year under review are as follows:

Name of Member	Category	4 Meetings held during the FY 2024-25	
		Entitled to Attend	Attended
Mr. Narayanan N R	Independent Director (Chairman)	4	4
Mr. V Chandrasekaran	Independent Director	4	3
Mrs. Vishakha Mulye	Non-Executive Director	4	4
Mr. Pankaj Gadgil	Executive Director	4	4

The terms of reference of the Risk Management Committee include:

1. Monitor and approve the Risk Management Framework;
2. Ensure proper identification of the risk associated with cyber security;
3. Assist the Board in determining the measures that can be adopted to mitigate the risk;
4. Ensure that appropriate measures are being taken to achieve prudent balance between risk and reward in both ongoing and new business activities and continuously aim to add value to the Company's stakeholders by growing business that supports inclusive growth;
5. Assist the Board in creating long-term stakeholder value by implementing a business strategy that considers every dimension of ethical, social, environmental, cultural, and economic spheres;
6. Formulate a detailed risk management policy which shall include:
  - a. A framework for identification of internal and external risks faced by the entity including financial, operational, sectoral, sustainability (particularly, ESG related risks), information, cyber security risks or any other risk as may be determined by the Committee.
  - b. measures for risk mitigation including systems and processes for internal control of identified risks.
  - c. Business continuity plan.
7. Ensure that appropriate methodology, processes and systems are in place to monitor and evaluate all risks that the Company is exposed to, including



credit, operational risk, liquidity risk etc To monitor and oversee implementation of the risk management policy, including evaluating the adequacy of risk management systems;

8. Review periodically the significant outsourcing arrangements and vendor/service provider performance;
9. Review periodically the risk management policy, at least once in two years, including by considering the changing industry dynamics and evolving complexity;
10. Appointment, removal and terms of remuneration of the Chief Risk Officer (if any) shall be subject to review by the Risk Management Committee.

## 6. Asset Liability Management Committee (ALCO)

During the financial year under review, the Asset-Liability Management Committee met 7 (Seven) times on April 10, 2024, May 22, 2024, July 10, 2024, October 10, 2024, December 18, 2024, January 09, 2025 and February 14, 2025. The necessary quorum was present for the meetings.

The Asset Liability Management Committee (ALCO) comprises of 6 (six) members. Mr. Pankaj Gadgil is the Chairperson of the Committee.

The composition and attendance during the financial year are as follows:

Name of Member	Category	7 Meetings held during the FY 2024-25	
		Entitled to Attend	Attended
Mr. Pankaj Gadgil	MD & CEO (Chairman)	7	7
Mr. Ashish Damani	Chief Financial Officer	7	6
Mr. Subhajeet Roy Choudhury	Chief Risk Officer	7	6
Mr. Dharmendra Patro	Chief Credit Officer	7	6
Mr. Preeti Mishra	Head - Customer Service, Products & Digital Transformation	7	4
Mr. Anubhav Katare	Team Lead – Treasury	7	7

Company Secretary, Head-Information Technology and Chief Compliance Officer are the permanent invitees.

The terms of reference of the Asset Liability Management Committee include:

1. Governance of Liquidity Risk Management by:
  - a) Ensuring adherence to the risk tolerance/limits set by the Board; and
  - b) Implementing the liquidity risk management strategy and Capital Planning;
2. Ensure appropriate internal controls, systems and procedures for adherence to liquidity risk management policies and procedure;
3. Review the Liquidity Risk Measurement basis various approaches;
4. Monitor Liquidity Risk basis various Tools;
5. Review the Credit Sanction Process for High Value Proposals;
6. Review the Pricing of Assets and Liability and monitor the Sensitivity of Interest Rates;
7. Ensuring Liquidity through maturity matching;
8. Monitor market risk management systems, compliance with the asset liability management policy and prudent gaps and tolerance limits and reporting systems set out by the Board of Directors and ensuring adherence to the RBI Guidelines issued in this behalf from time to time;
9. Monitor the business strategy of the Company (on the assets and liabilities sides) in line with the Company's budget and decided risk management objectives;
10. Review the effects of various possible changes in the market conditions related to the balance sheet and recommend the action needed to adhere to the Company's internal limits;
11. Balance Sheet planning from risk-return perspective including the strategic management of interest rate and liquidity risks;
12. With respect to liquidity risk, decide on the desired maturity profile and mix of incremental assets and liabilities, sale of assets as a source of funding, the structure, responsibilities and controls for managing liquidity risk, and oversee the liquidity positions of all branches;

## Annexure III (Contd.)

## 7. Information Technology (IT) Strategy Committee

Pursuant to Master Direction - Information Technology Framework for the NBFC Sector and in line with the Company's initiatives to implement information security management system, IT Governance, IT policy along with Business Continuity, information and Cyber Security, the Company had constituted Information Technology (IT) Strategy Committee.

Mr. Narayanan N R is the Chairman of the Committee.

During the financial year under review, the IT Strategy Committee met 4 (four) times on June 25, 2024, September 23, 2024, December 13, 2024 and March 21, 2025. The necessary quorum was present for all the meetings.

The composition and attendance during the financial year are as follows:

Name of Member	Designation	4 Meetings held during the FY 2024-25	
		Entitled to Attend	Attended
Mr. Narayanan N R	Independent Director (Chairman)	4	4
Mrs. Anita Ramachandran * (up to March 30, 2025)	Independent Director	4	4
Mr. Pankaj Gadgil	MD & CEO	4	4
Mr. Ashish Damani	Chief Financial Officer	4	4
Mr. Subhajeet Roy Choudhury	Chief Risk Officer	4	4
Mr. Dharmendra Patro	Chief Credit Officer	4	3
Mr. Preeti Mishra	Head- Customer Service, Products & Digital Transformation	4	4
Mr. Sachin Jadhav** (up to March 24, 2025)	Head IT	4	4
Mr. Charandeep Hattar (from April 01, 2025)	Head IT	0	0
Mr. Jimit Shah (appointed w.e.f. July 22, 2024)	Chief Information Security Officer	2	2

\* Mrs. Anita Ramachandran ceased to be an Independent Director of the Company w.e.f. March 30, 2025 due to completion of her second term as Independent Director.

\*\* Mr. Sachin Jadhav resigned as member of the Committee w.e.f. March 24, 2025.

The terms of reference of the Information Technology (IT) Strategy Committee include:

1. Establishment of the Information Security Management System (ISMS) objectives;
2. Review and approve the Company's Information Technology and Cyber Security Policy, Privacy Policy and Business Continuity Policy;
3. Demonstrate Management support for relevant initiatives on the above subject area;
4. Review major information and Cyber security, Business continuity and Privacy incidents;
5. Review if any significant risk to be reported to the Board;
6. Review and approve the Information Technology ("IT") strategy and policy documents and ensuring that the management has put an effective strategic planning process in place;
7. Ascertaining that management has implemented processes and practices that ensure that the IT delivers value to the business;
8. Ensure IT investments represent a balance of risks and benefits and that budgets are acceptable;
9. Monitor the method that management uses to determine the IT resources and roles and responsibilities needed to achieve strategic goals and provide high-level direction for sourcing and use of IT resources;
10. Ensure proper balance of IT investments for sustaining Company's growth and becoming aware about exposure towards IT risks and control instituting an effective governance mechanism and risk management processes for all outsourced IT operations.

## 8. Share Allotment Committee

The Company at its Board of Directors meeting held on May 23, 2024 renamed the "Securities Allotment & Transfer Committee" as "Share Allotment Committee" and subsequently reconstitutes the same.

The Share Allotment Committee comprises of 3 (three) members. Mr. Pankaj Gadgil is the Chairperson of the Committee.

During the financial year under review, the share allotment committee met 3 (three) times on August 21, 2024,



November 27, 2024 and March 05, 2025. The necessary quorum was present for the meetings.

The composition and attendance during the financial year are as follows:

Name of Member	Designation	3 Meetings held during the FY 2024-25	
		Entitled to Attend	Attended
Mr. Pankaj Gadgil	MD & CEO (Chairman)	3	3
Mr. Ashish Damani	Chief Financial Officer	3	3
Ms. Hiral Sidhpura	Company Secretary	3	3

The terms of reference of the Share Allotment Committee include:

1. Decide the amount of Rights issue in one or more tranche, subject to maximum amount not exceeding the limit as authorised by the Board of Directors;
2. Decide on the issue price and premium, if any;

3. Decide on the number of shares and the proportion at which the shares will be issued;
4. Allot the Securities, in accordance with the terms of the offer(s) and all such shares shall rank pari passu inter-se and with the then existing equity shares of the Company in all respect;
5. Authorise the issue of certificates for allotted Securities and/or allot the Securities in dematerialized form;
6. Authorise officials to do such other acts, deeds and things as may be necessary, including without limitation, the entering into arrangements for appointment of agencies for managing the issue, such as depository, custodian, registrar and to issue any offer document(s), including but not limited to prospectus, and sign all deeds, documents and writings and to pay any fees, commissions, remuneration, expenses relating thereto and with power to settle all questions, difficulties or doubts that may arise in regard to such issue(s) or allotment(s) as it may, in its absolute discretion, deem fit;

#### IV. REMUNERATION OF DIRECTORS

Independent Directors are paid sitting fees of ₹ 1,00,000/- for each meeting of the Board, ₹ 75,000/- for each meeting of the Audit Committee and ₹ 50,000/- for each meeting of other Committees is paid to the Independent Directors of the Company.

Sitting fees paid for attending meetings of the Board/Committees have been approved by the Board. The Company does not recommend/pay commission to Directors of the Company during the financial year under review.

The details of remuneration paid to Mr. Pankaj Gadgil, Managing Director and CEO have been provided in Notes of the Financial Statements and in form MGT-7, uploaded on the website of the Company at <https://homefinance.adityabirlacapital.com/financial-reports>

The details of sitting fees paid to the Independent Directors for FY 2024-25 are as under:

(Amount in ₹)

Name of the Director	Board Meeting	Committees						Total
		Audit	Risk	Nomination & Remuneration	CSR	IT strategy	Stakeholders Relationship Committee Meeting	
Mrs. Anita Ramachandran	8,00,000	4,50,000	NA	1,00,000	NA	2,00,000	NA	15,50,000
Mr. V Chandrasekaran	8,00,000	4,50,000	1,50,000	1,00,000	NA	NA	NA	15,00,000
Mr. Narayanan N R	8,00,000	4,50,000	2,00,000	1,00,000	50,000	2,00,000	50,000	18,50,000

There were no pecuniary relationships or significant material transactions between the Company and Non-Executive Directors during the financial year under review.

#### Confirmation of criteria of Independence

The Board of Directors of the Company confirm that the Independent Directors fulfil the conditions specified in the Act and are independent of the management.

## Annexure III (Contd.)

**V. GENERAL BODY MEETINGS**

The particulars of the last three Annual General Meetings (AGMs) of the Company are given below:

AGM	Year	Date of the AGM	Time	Venue
15 <sup>th</sup>	2024	May 14, 2024	2:00 P.M.	In Mumbai by Audio-Video Conferencing through Microsoft Teams Application
14 <sup>th</sup>	2023	May 27, 2023	11.30 A.M.	In Mumbai by Audio-Video Conferencing through Microsoft Teams Application
13 <sup>th</sup>	2022	August 24, 2022	12:00 noon	In Mumbai by Audio-Video Conferencing through Microsoft Teams Application

Details of special resolutions passed in the previous three AGMs;

AGM	Date of AGM	Special Resolutions
15 <sup>th</sup>	May 14, 2024	3
14 <sup>th</sup>	May 27, 2023	None
13 <sup>th</sup>	August 24, 2022	None

**Means of Communication****Quarterly Results and Newspaper Publications**

The Company's financial results are periodically submitted to the Stock Exchanges and published in Business Standard or Mint (all editions).

Further, the financial results approved by the Board at its meeting held for this purpose are also simultaneously made available on Company's website <https://homefinance.adityabirlacapital.com/>.

**Website**

The Company's website <https://homefinance.adityabirlacapital.com/> contains a separate section namely "Financial Results and Reports". Further, the annual report of the Company is available under this section on the website in a downloadable form.

**VI. GENERAL SHAREHOLDER'S INFORMATION****1. Annual General Meeting**

Date	May 15, 2025
Time	10.30 AM
Venue	Video Conferencing through Microsoft Teams Application
Financial Year	April 01, 2024 to March 31, 2025
Corporate Identification Number (CIN)	U65922GJ2009PLC083779
Registration/licence/authorisation, obtained from other financial sector regulators	National Housing Bank certificate of Registration No. 07.0113.14 dated July 09, 2014

**2. Financial Year**

The Company follows the financial year starting from April 01 to March 31, every year.

**3. Dividend and date of payment**

The Board has not recommended any dividend for FY 2024-25 for consideration of the members at the ensuing Annual General Meeting (AGM).

**4. Listing on stock exchange and stock code**

Name	Address	Code for Securities
BSE	Phiroze Jeejeebhoy Towers Dalal Street, Mumbai- 400001	The Company is not equity listed and issues privately placed NCDs (secured/unsecured) from time-to-time basis. For each issue of NCDs separate ISIN and security code is generated.
NSE	Listing Department, Exchange Plaza, Bandra Kurla Complex, Bandra (E), Mumbai - 400051	

Annual listing fees, as prescribed, have been paid to the said stock exchanges up to March 31, 2025.

**5. Market price data**

The Company is not equity listed entity.

**6. In case the securities are suspended from trading, the directors report shall explain the reason thereof**

- Not applicable

**7. Registrar and share transfer agent**

In terms of Regulation 7 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('SEBI Listing Regulations') MUFG Intime India Private Limited (earlier known as Link Intime Private Limited) Link Intime India Private Limited continues to be the Registrar and Share Transfer Agent; and handles all relevant corporate registry services for the Company.



## 8. Dematerialization of shares and liquidity

The Company is a Wholly Owned Subsidiary of Aditya Birla Capital Limited and all Equity Shares are held by Aditya Birla Capital Limited along with nominees are in dematerialized form.

## 9. Outstanding convertible instruments/ADRs/GDRs/Warrants

The Company does not have any outstanding convertible instruments/ADRs/GDRs/Warrants as on date.

## 10. Commodity price risks and commodity hedging activities

Being a financial service company, the Company is not exposed to commodity price risk. Company is operating in India and is not directly exposed to foreign exchange risk and hedging activities.

## 11. Plant location

The Company being a housing finance company does not have any manufacturing plant.

## 12. Address for correspondence

### Corporate office

9<sup>th</sup> Floor, Tower 1,  
One World Centre,  
Elphinstone Rd.,  
Mumbai 400 013

### Contact details:

Phone no: (022) 6279 9505

Email ID: [care.housingfinance@adityabirlacapital.com](mailto:care.housingfinance@adityabirlacapital.com)

Website: <https://homefinance.adityabirlacapital.com/>

## 13. The list of all credit ratings obtained by the entity is provided in the Board's Report.

## VII. OTHER DISCLOSURES

### (a) Related Party Transactions (RPT)

During the financial year under review, the Company had entered into related party transactions which were on an arm's length basis and in the ordinary course of business. There were no material

transactions with any related party as per the provisions of Section 188 of the Act read with the Companies (Meetings of Board and its Powers) Rules, 2014. All related party transactions were approved by the Audit Committee of the Company.

Particulars of related party transactions are listed out under the notes to accounts forming part of the Annual Report. The RPT policy forms part of the Board's Report as Annexure IV and is also available on Company's website <https://adityabirlahousingfinance.com/>.

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

The Company has complied with all applicable regulatory requirements. No penalty or stricture has been imposed on the Company by the stock exchange, SEBI or any other statutory authority, in any matter related to capital markets, during the last three years.

### (c) Whistle Blower Policy/Vigil Mechanism

Pursuant to section 177(9) of the Act, the Company has framed its whistle blower policy. The whistle blower policy/vigil mechanism provides a mechanism for employees and other parties to report instances and concerns about unethical behaviour, actual or suspected fraud or violation of the Company's Code of Conduct. Adequate safeguards are provided against victimization to those who avail the mechanism. Summary of cases as and when reported, along with status are placed before the Audit Committee and Board for their review and discussion. The policy is in line with the Company's code of conduct, vision and values and is available on Company's website <https://homefinance.adityabirlacapital.com/>. None of the personnel have been denied access to the Audit committee.

## Annexure III (Contd.)

**(d) Adoption of Mandatory and Discretionary Requirements**

During the financial year under review, the Company complied with all the mandatory requirements and discretionary requirements of the SEBI Listing Regulations:

1. For the financial year 2024-25, the Company's financial statements are with unmodified audit opinion.
2. The Internal Auditors directly report to the Audit Committee.

**(e) Web link where policy for determining 'material' subsidiaries is disclosed; Not applicable****(f) Web link where policy on dealing with related party transactions; Already provided in CG report above****(g) Disclosure of commodity price risks and commodity hedging activities:**

Not applicable

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

During the year under review, your Company has not raised any funds through preferential allotment or qualified institutional placement as specified in Regulation 32 (7A) of the SEBI Listing Regulations.

**(i) Certificate from practicing Company Secretary**

A certificate from M/s. BNP & Associates, Practicing Company Secretaries, has been received stating/confirming that none of the Directors on the Board of the Company has been debarred or disqualified from being appointed or continuing as Directors of the Company by SEBI/ MCA or any such statutory authority as on March 31, 2025 and the same forms part of this Annual Report.

**(j) Details of non-acceptance of any recommendation of any committee of the board which is mandatorily required:**

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

**(k) Fees to Statutory Auditors**

Total fees (including GST of 9%) for all services provided for and paid to the statutory auditors of the Company viz. B. K. Khare & Co and Sarada Pareek LLP during the financial year under review were as under:

Particulars	Amount in ₹
Audit Fees & Limited Review	59,95,000
Tax Audit	4,90,500
Other Services	22,23,600
Reimbursement of Expenses (Based on Invoice Booking)	91,189
<b>Total</b>	<b>88,00,289</b>

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

During the financial year under review, the details of complaints received under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 were as under:

- number of complaints filed during the financial year: 1
- number of complaints disposed of during the financial year: 1
- number of complaints pending as on end of the financial year: 0

**(m) Loans and advances**

During the financial year under review, no loans and advances were given to any firms/ companies in which any of the Directors are interested.



**(n) Details of material subsidiaries of the listed entity; including the date and place of incorporation and the name and date of appointment of the statutory auditors of such subsidiaries.]** – The Company does not have any material subsidiaries.

**(o) Disclosure of accounting treatment**

The Company has followed all the applicable Accounting Standards while preparing the financial statements.

**(p) Disclosure of certain types of agreements binding Listed Entities under Clause 5A of Paragraph A of Part A of Schedule III of the SEBI Listing Regulations:**

The Shareholders, promoters, promoter group entities, related parties, directors, key managerial personnel, employees of the Company have not entered any agreement among themselves or with the Company or with a third party, solely or jointly, which, either directly or indirectly or potentially or whose purpose and effect is to, impact the management or control of the Company or impose any restriction or create any liability upon the Company.

**(q)** In terms of Corporate Governance, the Company has complied with the applicable requirements stipulated under Regulations 17 to 27 read with Schedule V and Regulation 62 of the SEBI Listing Regulations.

## VIII. CODE OF CONDUCT DECLARATION

As provided under Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, I hereby declare that all the Members of the Board and Senior Management Personnel of the Company have affirmed Compliance with the Code of Conduct for Board and Senior Management Personnel of the Company during the financial year ended March 31, 2025.

**Pankaj Gadgil**

(Managing Director & Chief Executive Officer)

Mumbai: April 16, 2025

**CERTIFICATE ON COMPLIANCE WITH THE CORPORATE GOVERNANCE REQUIREMENTS UNDER SEBI  
(LISTING OBLIGATION AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015**

**To,**  
**The Members of,**  
**Aditya Birla Housing Finance Limited**  
Indian Rayon Compound,  
Junagadh Veraval,  
Gujarat- 362266.

We, **BNP & Associates** have examined all relevant records of **Aditya Birla Housing Finance Limited** (further known as **"the Company"**) as provided by the Company through the virtual data room for the purpose of certifying the compliance of the disclosure requirements and corporate governance norms as specified for the Listed Companies as prescribed in Regulations 17 to 27, clauses (b) to (i) of sub-regulation (2) of Regulation 46 and Para C, D and E of Schedule V of Chapter IV and read with Chapter VA of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('LODR'), as amended from time to time **for the financial year ended March 31, 2025**. We have obtained all the information and explanations, which, to the best of our knowledge and belief, is necessary for the purpose of this certification.

We state that the compliance of conditions of Corporate Governance is the responsibility of the management, and our examination is limited to procedures and implementation thereof as adopted by the Company for ensuring the compliance of the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion, and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as specified for listed company in the LODR for the above financial year.

We further state that the above certification is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company during the financial year.

For **BNP & Associates**  
**Company Secretaries**  
[Firm Regn. No. P2014MH037400]  
PR No.: - 6316/2024

**Avinash Bagul**

Partner

FCS No. 5578

CP No. 19862

UDIN: - F005578G000123355

Date: April 16, 2025

Place: Mumbai



**CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS**  
**(Pursuant to Regulation 34(3) and Schedule V Para C clause (10) (i) of the SEBI**  
**(Listing Obligations and Disclosure Requirements) Regulations, 2015)**

**To,**  
**The Members of,**  
**ADITYA BIRLA HOUSING FINANCE LIMITED,**  
Indian Rayon Compound,  
Veraval, Junagadh,  
Gujarat- 362266

We, **BNP & Associates** have examined the relevant registers, records, forms, returns and disclosures received from the Directors of **ADITYA BIRLA HOUSING FINANCE LIMITED, having CIN U65922GJ2009PLC083779** and having its registered office at Indian Rayon Compound, Junagadh, Veraval, Gujarat- 362266 (hereinafter referred to as **"the Company"**), which have been produced before us through the virtual data room by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In our opinion and to the best of our information and according to the verifications [including verification of Directors' Identification Number ("DIN") status] in terms of the portal of Ministry of Corporate Affairs Government of India ("MCA") [www.mca.gov.in](http://www.mca.gov.in) as considered necessary and pursuant to explanations furnished to us by the Company and its officers, we hereby certify that none of the Directors on the Board of the Company as stated below, for the financial year ended on March 31, 2025 have been debarred or disqualified from appointment or continuing as directors of the Company by the Securities and Exchange Board of India, Ministry of Corporate Affairs, or by any other statutory regulatory authority.

Sr. No.	DIN	Name of the Directors	Designation	*Date of Appointment
1	00203578	Ms. Vishakha Vivek Mulye	Non-Executive – Non-Independent Director	13/10/2022
2	03126243	Mr. Venkatadri Chandrasekaran	Non-Executive - Independent Director	28/06/2018
3	00118188	Mrs. Anita Ramachandran	Non-Executive - Independent Director	31/03/2015 <sup>1</sup>
4	07877022	Mr. Narayanan Rajagopalan Nadadur	Non-Executive - Independent Director	19/01/2023
5	08521239	Mr. Pankaj Madhav Gadgil	Managing Director	23/09/2022

\*Date of appointment of all the Directors are original date of appointment as they appear on MCA Portal.

<sup>1</sup> Mrs. Anita Ramachandran (DIN: 00118188) has completed her term as the Independent Director of the Company on March 30, 2025 and consequently she ceased to be the Director of the Company with effect from close of business hours on March 30, 2025.

Ensuring the eligibility of every director for appointment/continuity on the Board is the responsibility of the Management of the Company. Our responsibility is to express an opinion based on the verification of the records maintained by the Company. We further state that this certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the Management of the Company has conducted the affairs of the Company.

This certificate is based on the information and records available up to this date and I have no responsibility to update this certificate for the events and circumstances occurring after the date of the certificate.

For **BNP & Associates**  
**Company Secretaries**  
[Firm Regn. No. P2014MH037400]  
[PR No.: - 6316/2024]

**Avinash Bagul**  
Partner  
FCS No.: - 5578  
COP No.: - 19862  
UDIN: F005578G000122970

Date: April 16, 2025  
Place: Mumbai

## Annexure IV

### Policy on Related Party Transactions

#### INTRODUCTION & PURPOSE

The Board of Directors of Aditya Birla Housing Finance Limited ("the Company"), on recommendation of the Audit Committee, has adopted this policy dated April 18, 2022 to

- a) regulate transactions of the Company with its related parties (as defined and identified under the Companies Act, 2013 and Rules made thereunder (the "Act") and the SEBI (Listing Obligations and Disclosure Requirements), 2015 ("Listing Regulations");
- b) ensure high standards of Corporate Governance while dealing with related parties; and
- c) ensure optimum compliance with various applicable laws prescribed for related party transactions.

The said policy is reviewed and amended on April 16, 2025.

#### DEFINITIONS

- a) Act: means the Companies Act, 2013 and Rules made thereunder, as amended from time to time.
- b) Accounting Standard means the standards of accounting or any addendum thereto, as recommended by the Institute of Chartered Accountants of India in consultation with and after examination of the recommendations made by the National Finance Reporting Authority.
- c) Listing Regulations means the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time.
- d) Related Party shall have the same meaning as defined under the Act, applicable Accounting Standards and the Listing Regulations, as amended from time to time.
- e) Related Party Transaction (RPT) means transactions with related parties as defined under the Act; Listing Regulations; applicable accounting standards, as amended from time to time.

All terms used in this policy but not defined herein shall have the meaning assigned to such terms in the Act; the Listing Regulations and Accounting Standards, as amended from time to time.

#### TERMS AND REFERENCES

- a) **Arm's Length Basis:** Terms will be treated as on 'Arm's Length Basis' if the commercial and key terms are comparable and are not materially different with similar

transactions with non-related parties considering all the aspects of the transactions such as quality, realizations, other terms of the contract, etc. In case of contracts with related parties for specified period/quantity/services, it is possible that the terms of one-off comparable transaction with an unrelated party are at variance, during the validity of contract with related party. In case the Company is not doing similar transactions with any other non-related party, terms for similar transactions between other non-related parties of similar standing can be considered to establish 'arm's length basis'. Other methods prescribed for this purpose under any law can also be considered for establishing this principle.

- b) **Ordinary Course of Business:** Transactions with related parties will be considered in ordinary course if they are entered in pursuance of the business objective of the Company and necessary for Company's operations or related financial activities, including the fixed assets transactions and pursuant to the objects of the Company.
- c) **Materiality:** The materiality of any RPT will be ascertained as per the thresholds prescribed under the Act or the Listing Regulations, whichever is lower:

#### (i) Materiality threshold under the Act

A transaction with a related party shall be considered material if it exceeds threshold as prescribed under section 188 of the Act read with Rules made thereunder or any subsequent amendment thereto.

#### (ii) Materiality threshold under Listing Regulations

A transaction with a related party shall be considered material if the transaction(s) to be entered into individually or taken together with previous transactions during a financial year, exceeds the following thresholds:

- In case of transactions involving payments made with respect to brand usage or royalty, if it exceeds 5% of the annual consolidated turnover of the Company as per its last audited financial statements;
- In case of any other transaction(s), if the amount exceeds ₹ 1,000 (one thousand) crore or 10% (ten percent) of the annual consolidated turnover of the Company as per its last audited financial statements, whichever is lower.



**d) Material Modification:** A modification to a RPT shall be considered material, if the:

- value of the modification individually or taken together with modifications during a financial year, exceeds 10% of the original transaction as approved by the Audit Committee and/or the shareholders, whichever is lower.
- material terms of the contract resulting in novation of the contract, change in tenure of the contract, deferment of security/guarantee shall also be treated as a material modification of the transaction.

## POLICY

- a) The RPTs should be in conformity with the Act, Listing Regulations and applicable Accounting Standards, as amended from time to time.
- b) All RPTs shall be entered on arms' length basis and in the ordinary course of business.
- c) Any RPT which is not in the ordinary course of business of the Company or not at arm's length basis, shall be effected only with prior approval of the Board of Directors of the Company, on recommendation of the Audit Committee.
- d) All RPTs specified in the Act which are not in the ordinary course of business of the Company or not at arms' length basis and exceed the thresholds laid down in the Act shall be placed before the shareholders' for their approval.
- e) The Audit Committee may grant omnibus approval for RPTs which are repetitive in nature, provided that such approval shall remain valid for period not exceeding one year. Further, where the need for RPTs cannot be foreseen and requisite details are not available, the Audit Committee may grant omnibus approval for such transactions provided that value of each such transaction shall not exceed ₹ 1 crore.
- f) All RPTs and subsequent material modifications shall be placed before the Audit Committee for prior approval and only independent members of the Audit Committee will approve these RPTs.

A RPT to which any of the Company's subsidiary is a party but the Company is not, will require prior approval of the Company's Audit Committee if the value of such transaction whether entered into individually or taken together with previous transactions during a financial year exceeds 10% of the Company's annual consolidated turnover, as per the Company's last audited financial statements. With effect from April 01, 2023, a RPT to which the Company's subsidiary is a party but the Company is not, will require prior approval of the Company's Audit Committee if the value of such transaction whether entered into individually

or taken together with previous transactions during a financial year, exceeds 10% of the subsidiary's annual standalone turnover, as per the subsidiary's last audited financial statements.

Prior approval of the Company's Audit Committee will not be required if the subsidiary is listed and the Company is not a party if applicable provisions of the listing regulations are applicable to such listed subsidiary. For transactions of unlisted subsidiaries, prior approval of the Company's Audit Committee shall suffice.

Notwithstanding, the RPTs which cross the materiality threshold as defined under the Listing Regulations and subsequent material modifications thereof, shall be entered by the Company only with the prior approval of the shareholders of the Company and no related party shall vote to approve, whether the Related Party is a party to a particular transaction or not.

Prior approval of the Company's shareholders will not be required for a RPT to which the listed subsidiary is a party but Company is not, if applicable provisions of the listing regulations are applicable to such listed subsidiary. For RPTs of unlisted subsidiaries, prior approval of the Company's shareholders shall suffice.

- g) Subject to applicable laws, the Audit Committee shall have the power to ratify, revise or terminate the RPTs, which are not in accordance with this Policy.
- h) Any transaction that is specifically excluded from applicability of the related party provisions under the Act and/or the Listing Regulations shall not require a separate approval under this policy.
- i) All domestic RPTs shall, wherever applicable, comply with Domestic Transfer Pricing Requirement under 92BA of Income Tax Act, 1961 including certification from Independent accountants under the Transfer Pricing Regulations.
- j) All international RPTs shall comply with the International Transfer Pricing Requirement under Section 92B of Income Tax Act, 1961 including certification from Independent accountants under the Transfer Pricing Regulations.

## ADMINISTRATIVE MEASURES

The Company's management shall institute appropriate administrative measures to ensure that all RPTs entered into by the Company are in compliance with applicable laws and this Policy. All persons dealing with the related party(ies) shall, irrespective of their level, be responsible for compliance with this Policy. The detailed processes relating to implementation of this Policy, as may be approved by the Audit Committee from time to

## Annexure IV (Contd.)

time, shall be followed by all concerned. The Internal Auditors of the Company shall review the RPTs entered into by the Company on a periodic basis and report their observations to the Audit Committee. The Company Secretary shall be responsible to maintain/update the list of related parties (as required by applicable laws) and provide the same to all concerned. It is the duty of all employees of the Company to ensure that they do not deal with related parties under any kind of influence or coercion. The cases involving any unwarranted pressure should be promptly reported as per mechanism provided under the Whistle Blower Policy of the Company.

### **INTERPRETATION**

In any circumstance where the provisions of this Policy differ from any existing or newly enacted law, rule, regulation or standard governing the Company, the relevant law, rule,

regulation or standard will take precedence over this Policy until such time as this Policy is changed to conform to the said law, rule, regulation or standard. In case of any clarification required with respect to this Policy, kindly contact the Company Secretary of the Company.

### **DISCLOSURE**

The Policy is available on the website of the Company i.e. <https://adityabirlahousingfinance.com/> and a web link thereto shall be provided in the in the Annual Report of the Company.

### **REVIEW**

This Policy shall be reviewed by the Board of Directors at least once every three years, effective April 01, 2022 and updated accordingly. The Policy was reviewed on April 16, 2025 and was noted with no change.



# Annexure V

## Executive Remuneration Philosophy/Policy

Aditya Birla Housing Finance Limited ("the Company"/"We"/"Our") an Aditya Birla Group Company adopts this Executive Remuneration Philosophy/ Policy in accordance with the applicable regulations from time to time including the Companies Act 2013, the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("LODR Regulations") and the RBI guidelines on compensation of Key Managerial Personnel (KMP) and Senior Management in NBFCs vide circular no. RBI/2022-23/36 DOR.GOV.REC. No.29/18.10.002/2022-23 dated April 29, 2022 ('Applicable Law'). This philosophy/ policy is detailed below.

### ADITYA BIRLA HOUSING FINANCE LIMITED: EXECUTIVE REMUNERATION PHILOSOPHY/ POLICY

At the Aditya Birla Housing Finance Limited, we expect our executive team to foster a culture of growth and prudent risk-taking. Our Executive Remuneration Philosophy/Policy supports the design of programs that align executive rewards (including fixed pay, variable pay and perquisites and benefits) with the long-term success of our stakeholders.

#### Objective:

Our executive remuneration program is intended to:

1. Provide for monetary and non-monetary remuneration elements to our executives on a holistic basis.
2. To ensure effective governance of compensation practices and alignment with prudent risk taking.
3. To ensure that the compensation practices take on board the regulatory framework stipulated from time to time by RBI or any other relevant regulatory body.

#### Coverage:

This Policy shall be applicable to the following Executives:

1. Executive Director of the Company
2. Key Managerial Personnel (KMP)
  - a. CEO/Managing Director/Whole Time Director/Manager
  - a) Chief Financial Officer
  - b) Company Secretary

3. Senior Management Personnel: i.e., Officers/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 Managing Director / Whole Time Director/CEO or Manager.

#### Governance Structure for Compensation:

1. The Nomination and Remuneration Committee ("NRC") is responsible for framing, review and implementation of the Company's compensation policy on behalf of the Board and its role is as set out in the NRC Charter/Terms of Reference.
2. The Nomination and Remuneration Committee may also co-ordinate with the Risk Management Committee with the objective of suitably aligning compensation with prudent risk taking as applicable.
3. This Policy is subject to review by the NRC on an annual basis or more frequently as required and approved by the Board.

#### Principles for Determination of Compensation for Executives:

Compensation to Executives shall be determined based on the following principles:

We aim to provide competitive remuneration opportunities to our executives by positioning target total remuneration (including fixed pay, variable pay and perquisites and benefits) directionally between median and top quartile of the primary talent market.

1. The level and composition of compensation is reasonable and sufficient to attract, retain and motivate the Executives of the quality required to run the Company successfully, which means compensation takes on board:
  - Market competitiveness for the role ('market' for every role is defined as companies from which the Company attracts talent or companies to which the Company loses talent).
  - The size and scope of the role (including those in control functions) and the market standing, skills and experience of incumbents while positioning our executives.
  - The size of the Company, complexity of the sector/ industry/Company's operations and the Company's capacity to pay.

## Annexure V (Contd.)

2. Linkage of compensation to appropriate performance benchmarks.
  3. Compensation outcomes are symmetric with risk outcomes and pay-outs thereof are sensitive to the time horizon of the risk.
  4. Compensation structure will have a proper balance between Fixed Pay and Variable Pay.
- Variable Pay payable is subject to Group, Company, Business/ Function and Individual performance. Part of variable pay is deferred over a time horizon of 3 to 4 years in the manner determined by NRC/Board. This may be in the form of cash and non-cash components of the variable pay.
  - We aim that the remuneration programs do not encourage excessive risk taking. We review our remuneration programs keeping in mind the balance between risk and payout and material portion of the variable pay is deferred spread over three to four years in line with the risk involved.

## Executive Pay-Mix

Our executive pay-mix aims to strike the appropriate balance between key components:

- i. **Fixed Pay:** Comprising of Basic Salary, Allowances, Retirals and other benefits and will include imputed value of benefits like Housing and Car. It also includes cost of retirals such as Company's contribution to PF, Gratuity, superannuation and pension [Including National Pension System (NPS)].
- ii. **Variable Pay:** Includes Performance bonus/Annual Incentive, Long Term Incentive Pay in form of cash bonuses, all share-linked instruments (e.g. ESOP, SARS, etc.). *(The deterioration in the financial performance of the Company/business segment/ function/ individual can lead to a contraction in the total amount of variable pay, which can even be reduced to zero for a particular year depending on the performance outcome of the year.)*
- iii. **Perquisite & Benefits:** Perquisite Pay/Benefits are over and above Fixed Pay and include Medical Benefit; Life Insurance Benefit; Personal Accident Benefit; etc. These broad-based plans may be applicable to all employees or select group of employees. In addition to these broad-based plans, Executives are eligible for perquisites and benefits plans commensurate with their roles. These benefits are designed to encourage long-term careers with the Company/Group.
- iv. **Other Elements:** Which includes Joining/ Sign on Bonus, Severance package, Deferred Incentive Plans, etc.

## Salient features of the compensation structure

- The proportion of variable pay to fixed pay is higher at senior levels and varies across roles based on levels of responsibility.

## Malus and Clawback

ABHFL believes in sustained business performance in tandem with prudent risk taking.

**Malus** arrangement permits the Company to prevent vesting of all or part of the variable pay which has been deferred. It does not reverse vesting after it has already occurred.

**Clawback** is a contractual agreement between the employee and the Company in which the employee agrees to return previously paid or vested compensation attributable to a given reference year.

Malus and clawback is applicable to employees even after their separation from the organisation.

Malus and clawback may be applied for circumstances like gross and/or willful negligence in performance of their duty or has committed fraud or has performed an act with malafide intent or obstructs the functioning of an organisation; misconduct; Material breach of Code of Conduct, any Non-Disclosure Agreement, regulatory procedures, internal rules and regulations and any other additional circumstances as determined by NRC.

In deciding the application of malus/clawback to any part or all of variable pay or incentives (whether paid, vested or unvested), the NRC will follow due process and adhere to the principles of natural justice and proportionality. Further, in assessing the quantum of cancellation/withdrawal, the NRC will take into consideration all relevant factors, including inter alia, internal factors such as role and responsibilities of the employee, culpability and proximity to the misconduct as well as any external factors, including but not restricted to situations, that may have been beyond the control of the concerned employee.



# Annexure VI

## FORM NO. MR-3

### Secretarial Audit Report

For The Financial Year Ended March 31, 2025

[Pursuant To Section 204(1) Of The Companies Act, 2013 And Rule 9 Of The Companies  
(Appointment And Remuneration Of Managerial Personnel) Rules, 2014]

To  
**The Members of,  
Aditya Birla Housing Finance Limited**  
Indian Rayon Compound,  
Junagadh, Veraval,  
Gujarat - 362266.

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Aditya Birla Housing Finance Limited having CIN: - U65922GJ2009PLC083779** (hereinafter called the '**the Company**') for the financial year ended on March 31, 2025 (the "Audit Period").

We have conducted the Secretarial Audit in a manner that provided us with a reasonable basis for evaluating the Company's corporate conducts/ statutory compliances and expressing our opinion thereon.

We are issuing this report based on:

- (i) Our verification of the Company's books, papers, minutes books, forms and returns filed, records provided through virtual data room/physically and other records maintained by the Company;
- (ii) Compliance certificates confirming compliance with corporate laws applicable to the Company given by the Key Managerial Personnel/Senior Managerial Personnel of the Company and taken on record by the Company's Audit Committee/Board of Directors; and
- (iii) Representations made, documents produced and information provided by the Company, its officers, agents and authorized representatives during our conduct of Secretarial Audit

We hereby report that, in our opinion, during the Audit Period covering the financial year ended on March 31, 2025, the Company has:

- (i) Complied with the statutory provisions listed hereunder; and

- (ii) Board processes and compliance mechanisms are in place to the extent, in the manner and subject to the reporting made hereinafter.

The members are requested to read this report along with our letter of even date annexed to this report as Annexure-A.

## 1. COMPLIANCE WITH SPECIFIC STATUTORY PROVISIONS

We further report that:

### 1.1 We have examined the books, papers, minutes books, forms and returns filed and other records maintained by the Company during the year in terms of the applicable provisions/clauses of:

- (i) The Companies Act, 2013 (the "Act") and the Rules made thereunder;
- (ii) Securities Contracts (Regulation) Act, 1956 ("SCRA") (As amended by the Finance Act, 2021 w.e.f. April 01, 2021) and the Rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act (FEMA), 1999 and the Rules and Regulations made thereunder to the extent of External Commercial Borrowings;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'): -
  - (a) \*The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
  - (b) Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;

## Annexure VI (Contd.)

- (c) The Securities and Exchange Board of India (Debenture Trustee) Regulations, 1993 (in relation to the obligations of the Company); and
- (d) The Securities and Exchange Board of India (Issue and Listing of Non-Convertible securities) Regulations, 2021.

\*The Company has also maintained a Structured Digital Database ("SDD") pursuant to the requirements of regulation 3 (5) and 3 (6) of Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015.

- (vi) Secretarial Standards relating to Meetings of the Board and General Meetings issued by The Institute of Company Secretaries of India ("Secretarial Standards") and notified by the Central Government under Section 118(10) of the Act which have mandatory application.

**1.2 During the period under review:**

- (i) The Company has complied with the all the applicable provisions of all the aforesaid Acts, Rules, Regulations, Guidelines and Secretarial Standards as mentioned above.
- (ii) Generally complied with the applicable provisions/ clauses of:
  - (a) FEMA to the extent of External Commercial Borrowings mentioned under paragraph 1.1 (iv);
  - (b) The Secretarial Standards on meetings of Board of Directors (SS-1) and on General Meetings (SS-2) mentioned under paragraph 1.1 (vi) above, which are applicable to the meetings of the Board, Committees constituted by the Board held during the year, the 15<sup>th</sup> Annual General Meeting ("AGM") held on May 14, 2024 (at a shorter consent notice with the consent of the members) and the resolution passed by circulation. The compliance of the provisions of the Rules made under the Act with regard to participation of Directors through video conference/Other Audio-Visual Means (OAVM), for the Board/Committee meeting(s) held during the year, were verified based on the minutes of the meetings provided by the Company.

**1.3 During the audit period under review, provisions of the following Acts /Regulations were not applicable to the Company.**

- (i) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment and Overseas Direct Investment.
- (ii) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
- (iii) The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021;
- (iv) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;
- (v) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021;
- (vi) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018; and
- (vii) 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;

**1.4 We have also examined, on test-check basis, the relevant documents and records maintained by the Company and provided to us with respect to the following Statute which is applicable to the Company: -**

- a) National Housing Bank Act, 1987 read with relevant guidelines, circulars, notifications, directions issued by NHB;
- b) Master Directions – Non-Banking Financial Companies (NBFCs) – Housing Finance Companies (Reserve Bank of India) Directions, 2021 read with the relevant guidelines and circulars;
- c) Guidelines on Know your Customer and Anti-Money Laundering Measures; and
- d) Prevention of Money Laundering Act, 2002.



## 2. BOARD PROCESSES OF THE COMPANY:

We further report that:

### 2.1 The Board of Directors of the Company as on March 31, 2025 comprised of:

- (i) One Managing Director & CEO – Mr. Pankaj Madhav Gadgil (DIN- 08521239);
- (ii) One Non-Executive Non-Independent Director (Women Director)– Ms. Vishakha Vivek Mulye (DIN- 00203578); and
- (iii) Two Non-Executive Independent Directors- Mr. Venkatadri Chandrasekaran (DIN: 03126243) and Mr. Narayanan Rajagopalan Nadadur (DIN: 07877022).

### 2.2 The processes relating to the following changes in the composition of the Board of Directors and Key Managerial Personnel during the year but before the issuance of this report, were carried out in compliance with the provisions of the Act and SEBI (Listing Obligations and Disclosure Requirements), Regulations 2015:

- 1) The members of the Company at its 15<sup>th</sup> Annual General Meeting held on May 14, 2024 approved the Re-appointment of Mrs. Vishakha Mulye (DIN- 00203578) as a director liable to retire by rotation.
- 2) Cessation of office of Mrs. Anita Ramachandran (DIN – 00118188) with effect from close of business hours on March 30, 2025 as Non-Executive - Independent Director of the Company since she completed her term as the Independent Director of the Company on March 30, 2025.

### 2.3 Adequate notices have been given to all the directors of the Company at least seven days in advance as required under Section 173 (3) of the Act and SS-1 to enable them to plan their schedules for the meetings of Board and its committees, except few meetings and the Annual General Meeting which were convened at a shorter notice to transact urgent business(es) for which necessary consent was received, which were compliant with the provisions of the Act as prescribed.

2.4 Agenda and detailed notes on agenda circulated to all the directors at least seven days before the Board meetings, except for few meetings where price sensitive matters were considered hence these meetings were convened at a shorter notice.

2.5 A system exists for directors to seek and obtain further information and clarifications on the agenda items before the meetings and to ensure their meaningful participation at the meetings.

### 2.6 We note from the minutes examined that, at the Board meetings held during the year:

- (i) Decisions were taken through the majority of the Board; and
- (ii) No dissenting views were expressed by any Board member on any of the subject matters discussed, which were required to be recorded as part of the minutes.

## 3. COMPLIANCE MECHANISM

There are reasonably adequate systems and processes prevalent in the Company, which are commensurate with its size and operations, to monitor and ensure compliance with all applicable laws, rules, regulations and guidelines.

## 4. SPECIFIC EVENTS/ACTIONS

### 4.1 During the year under review, the following specific events/ actions, having a major bearing on the Company's affairs took place:

1. The shareholders of the Company at the 15<sup>th</sup> Annual General Meeting held on May 14, 2024 and the Board of Directors of the Company at their meeting held on April 18, 2024 has approved the following:
  - a) to borrow in excess of the limits provided under Section 180 (1)(c) of the Companies Act, 2013 for an amount not exceeding ₹ 40,000 Crore (Rupees Forty Thousand Crore Only);
  - b) mortgage /creation of charges on the assets of the Company as a security towards borrowings for an amount not exceeding ₹ 40,000 Crore (Rupees Forty Thousand Crore Only);

## Annexure VI (Contd.)

- c) To issue non-convertible debentures through private placement by issuance of fully/partly paid; listed/unlisted:
- Secured Redeemable Non-Convertible Debentures including Principal Protected Market Linked Non-convertible debentures (NCD) for an amount not exceeding ₹ 20,000 crores (Rupees Two Thousand Crores only);
  - Subordinated Debt Qualifying as Tier- II Capital in form of Unsecured Redeemable Non-Convertible Bonds in the nature of Debentures for an amount not exceeding ₹ 2000 crore (Unsecured NCDs);
2. The Board of Directors at its meeting held on May 23, 2024, accorded its approval to issue further shares by way of Right Issue pursuant to the provisions of section 62 of the Companies Act, 2013 and the rules made thereunder to create, issue, offer, allot 3,72,67,080 Equity shares of face value of ₹ 10/- each at a price of ₹ 80.5 per share (including premium of ₹ 70.5) on Right Issue basis to the existing shareholders aggregating to ₹ 299,99,99,940 (Rupees Two Hundred Ninety-Nine Crores, Ninety-Nine Lakhs, Ninety-Nine Thousand, nine hundred Forty only) and the Company received subscription of 3,72,67,080 Equity Shares aggregating to ₹ 299,99,99,940 on May 29, 2024, in terms of Letter of Offer from the Shareholder, Aditya Birla Capital Limited;
3. The Board of Directors at its meeting held on May 23, 2024, accorded its approval to issue further shares by way of Right Issue pursuant to the provisions of section 62 of the Companies Act, 2013 and the rules made thereunder and delegated powers/ authority to Share Allotment Committee to create, issue, offer, allot Equity shares of face value of ₹ 10/- each on Right Issue basis to the existing shareholders for an aggregate value (including premium, if any) not exceeding ₹ 600 crores (Rupees Six Hundred Crores Only) in one or more tranches. Accordingly, the share allotment committee approved, offered and allotted equity shares in the following manner:
- The Share Allotment Committee at their meeting held on August 21, 2024 allotted 3,45,62,212 Equity Shares of face value of ₹ 10/- each at a price of ₹ 86.8 per share (including premium of ₹ 76.8) on right issue basis to the existing shareholders aggregating to ₹ 3,00,00,00,001.60 (Rupees Three Hundred Crores One Rupees and Sixty Paise only) and the Company received subscription of 3,45,62,212 Equity Shares aggregating to ₹ 3,00,00,00,001.60 on August 27, 2024, in terms of Letter of Offer from the Shareholder, Aditya Birla Capital Limited;
  - The Share Allotment Committee at their meeting held on November 27, 2024 allotted 3,25,02,709 Equity Shares of face value of ₹ 10/- each at a price of ₹ 92.3 per share (including premium of ₹ 82.3) on right issue basis to the existing shareholders aggregating to ₹ 3,00,00,00,041 (Rupees Three Hundred Crores and Forty-One Rupees only) and the Company received subscription of 3,25,02,709 Equity Shares aggregating to ₹ 3,00,00,00,041 on December 03, 2024, in terms of Letter of Offer from the Shareholder, Aditya Birla Capital Limited;
4. The Board of Directors at its meeting held on October 17, 2024, have given approval for issue non-convertible debentures through private placement by issuance of fully/partly paid; listed/unlisted:
- Secured Redeemable Non-Convertible Debentures including Principal Protected – Market Linked Non-Convertible Debentures (NCDs) for an amount not exceeding ₹ 20,000 Crore (Rupees Twenty Thousand Crore only) ;
  - Subordinated Debt qualifying as Tier- II Capital in form of Unsecured, Redeemable, Non-Convertible Bonds in the nature of Debentures for an amount not exceeding ₹ 2,000 Crore (Rupees Two Thousand Crore only) (Unsecured NCDs).
- in one or more tranches, which may be unlisted or listed, on Debt Market Segment of National Stock Exchange (NSE) and/or BSE Limited on a private placement basis (NCDs).
5. The Board of Directors at its meeting held on October 17, 2024, accepted the offer of NHB vide their letter No. HO/ROD/HFC/2024/03873 dated October 15, 2024 to the Company for additional refinance assistance not exceeding ₹ 700 Crore



- (Rupees Seven Hundred Crore only) during the validity of sanction under its Refinance Schemes for Housing Finance Companies as applicable from time to time (hereinafter referred to as 'the said Refinance Assistance') on the terms and conditions as contained in the Letter of Intent number HO/ROD/HFC/2024/03873 dated October 15, 2024 received from NHB. The Company may draw the said amount during the validity of sanction or such extended period as may be agreed to by NHB. Further, the Company has drawn the first disbursement on February 25, 2025 viz., within three months from the date of acceptance of the sanctioned limit
6. Based on the recommendation of Nomination and Remuneration Committee vide circular resolution 1 & 2 FY2024-25, the Board of Directors at its meeting held on October 17, 2024, approved: -
- a. Approved grant of Employee Stock Options/ Employee Performance Stock Units to the Eligible Employees of the Company under Aditya Birla Capital Limited Employee Stock Option and Performance Stock Unit Scheme 2022 ("ABCL Scheme 2022") and Aditya Birla Housing Finance Ltd. ESOP scheme ("ABHFL LTIP Scheme");
- b. Approved Talent grant of Employee Performance Stock Units to the eligible employee of the Company under Aditya Birla Capital Limited Employee Stock Option and Performance Stock Unit Scheme 20 ("ABCL Scheme 2022") extended to the eligible employees of ABCL subsidiaries including ABHFL.
7. The Board of Directors at its meeting held on January 17, 2025 accorded its approval to issue further shares by way of Right Issue pursuant to the provisions of section 62 of the Companies Act, 2013 and the rules made thereunder to create, issue, offer Equity shares of face value of ₹ 10/- each on Right Issue basis to the existing shareholders for an aggregate value (including premium, if any) not exceeding ₹400 Crore (Rupees Four Hundred Crore Only). Further the Share Allotment Committee at their meeting held on March 05, 2025 allotted 2,91,26,214 Equity Shares of face value of ₹ 10/-each at a price of ₹ 103 per share (including premium of ₹ 93) on right issue basis to the existing shareholders aggregating to ₹ 3,00,00,00,042 (Rupees Three Hundred Crores and Forty-Two rupees only) and the Company received subscription of 2,91,26,214 Equity Shares aggregating to ₹ 3,00,00,00,042 on March 10, 2025, in terms of Letter of Offer from the Shareholder, Aditya Birla Capital Limited;

For **BNP & Associates**  
**Company Secretaries**  
[Firm Regn. No. P2014MH037400]  
PR No.: - 6316/2024

**Avinash Bagul**  
Partner  
FCS No.: 5578  
COP No.:19862  
UDIN: F005578G000123564

Date: April 16, 2025  
Place: Mumbai

## Annexure A to the Secretarial Audit Report for the financial year ended March 31, 2025

To

**The Members of,  
Aditya Birla Housing Finance Limited**

Indian Rayon Compound,  
Junagadh, Veraval,  
Gujarat - 362266.

Our Secretarial Audit Report of even date is to be read along with this letter.

1. The Company's management is responsible for maintenance of secretarial records and compliance with the provisions of corporate and other applicable laws, rules, regulations and standards. Our responsibility is to express an opinion on the secretarial records produced for our audit.
2. We have followed such audit practices and processes as we considered appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records.
3. We have considered compliance related actions taken by the company based on independent legal /professional opinion obtained as being in compliance with law.
4. We have verified the secretarial records furnished to us on a test basis to see whether the correct facts are reflected therein. We have also examined the compliance procedures followed by the Company. We believe that the processes and practices followed, provide a reasonable basis for our opinion.
5. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
6. We have obtained the management's representation about the compliance of laws, rules and regulations and happening of events, wherever required.
7. Our 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 **BNP & Associates**

**Company Secretaries**

[Firm Regn. No. P2014MH037400]

PR No.: - 6316/2024

**Avinash Bagul**

Partner

FCS No.: 5578

COP No.:19862

UDIN: F005578G000123564

Date: April 16, 2025

Place: Mumbai



# Annexure VII

## Secretarial Compliance Report

Of Aditya Birla Housing Finance Limited For The Year Ended March 31, 2025

We have conducted the review of the compliance of the applicable statutory provisions and the adherence to good corporate practices by **ADITYA BIRLA HOUSING FINANCE LIMITED having CIN: U65922GJ2009PLC083779** (hereinafter referred as “the Company/ the debt listed entity”), having its Registered Office at Indian Rayon Compound, Junagadh, Veraval, Gujarat- 362266, Secretarial Review was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/ statutory compliances and to provide our observations thereon.

Based on our verification of the Companies books, papers, minutes books, forms and returns filed and other records maintained by the debt listed entity and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of Secretarial Review, we hereby report that the Company has, during the review period covering the financial year ended on March 31, 2025, has complied with the statutory provisions listed hereunder and subject to the reporting made hereinafter:

We, BNP & Associates, Secretarial Auditors of Aditya Birla Housing Finance Limited (“the debt listed entity”) have examined:

- (a) all the relevant documents and records made available to us through virtual data room/physically and the explanations provided by the debt listed entity for the purposes of our audit.
- (b) the filings/ submissions made by the debt listed entity to the stock exchange(s),
- (c) website of the debt listed entity,
- (d) any other documents/ filings, as may be relevant, which have been relied upon to make this Report,

The foregoing information for the year ended March 31, 2025 (“Review Period”) in respect of the compliance with the provisions of:

- (a) The Securities and Exchange Board of India Act, 1992 (“SEBI Act”) and the Regulations, circulars, guidelines issued thereunder; and

The Securities Contracts (Regulation) Act, 1956 (“SCRA”), rules made thereunder and the Regulations, circulars, guidelines issued thereunder by the Securities and Exchange Board of India (“SEBI”);

The specific Regulations, whose provisions and the circulars/ guidelines issued thereunder, have been examined, include:

- (a) Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011; **TO THE EXTEND APPLICABLE**

- (b) Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;

The Company has also maintained a Structured Digital Database (“SDD”) pursuant to the requirements of regulation 3(5) and 3(6) of Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015.

- (c) Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018; **NOT APPLICABLE**

- (d) Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021; **NOT APPLICABLE**

- (e) Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;

- (f) Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018; **NOT APPLICABLE**

- (g) Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021;

- (h) The Securities and Exchange Board of India (Debenture Trustee) Regulations, 1993 (in relation to the obligations of the Company);

- (i) SEBI (Buyback of Securities) Regulations, 2018; **NOT APPLICABLE**

and the circulars/ guidelines issued thereunder; and based on the above examination, we hereby report that, during the review period:

## Annexure VII (Contd.)

- (a) The Listed Entity has complied with the provisions of the above Regulations and circulars/ guidelines issued thereunder, except in respect of matters specified below: -

Sr. No. (a)	Compliance Requirement (Regulations/ circulars/ guidelines/ including specific clause) (b)	Regulation/ Circular No. (c)	Deviations (d)	Action Taken by (e)	Type of Action (f)
<b>None</b>					
Details of Violation (g)	Fine Amount (h)	Observations/Remarks of the Practicing Company Secretary (i)	Management response (j)	Remarks (k)	
<b>None</b>					

- (b) The Listed Entity has taken the following action to comply with the observations made in previous reports:

Sr. No. (a)	Observations/ Remarks of the Practicing Company Secretary in the previous reports (PCS)	Observations made in the Secretarial Compliance report for the year ended	Compliance Requirements	Details of Violation/ deviations and actions taken/ penalty imposed, if any	Remedial actions if any taken by the Company	Comments of the PCS on the actions taken by the Company.
<b>None</b>						

- I. We hereby report that, during the review period the compliance status of the debt listed entity with the following requirements:

Sr. No.	Particulars	Compliance Status (Yes/No/NA)	Observations/Remarks by PCS
1.	<b>Secretarial Standards:</b> The compliances of the listed entity are in accordance with the applicable Secretarial Standards (SS) issued by the Institute of Company Secretaries India (ICSI).	Yes	Generally Complied
2.	<b>Adoption and timely Updation of the Policies:</b> <ul style="list-style-type: none"> <li>All applicable policies under SEBI Regulations are adopted with the due approval of Board of Directors of the debt listed entities</li> <li>All the policies are in conformity with SEBI Regulations and has been reviewed and timely updated as per the regulations/circulars/guidelines.</li> </ul>	Yes	Complied
3.	<b>Maintenance and disclosure on Website:</b> <ul style="list-style-type: none"> <li>The Listed Entity is maintaining a functioning website</li> <li>Timely dissemination of the documents/ information under a separate section on the website</li> <li>Web-links provided in annual corporate governance reports under Regulation 27(2) are accurate and specific which re-directs to the relevant document(s)/ section of the website</li> </ul>	Yes	Generally Complied
4.	<b>Disqualification of Director:</b> None of the Directors of the Company are disqualified under Section 164 of the Companies Act, 2013 as confirmed by the debt listed entity.	Yes	Complied
5.	<b>Details related to Subsidiaries of debt listed entities have been examined w.r.t.</b> Identification of material subsidiary companies Requirements with respect to disclosure of material as well as other subsidiaries	NA	The Company does not have any subsidiaries.
6.	<b>Preservation of Documents:</b> The Listed Entity is preserving and maintaining records as prescribed under SEBI Regulations and disposal of records as per Policy of Preservation of Documents and Archival policy prescribed under SEBI LODR Regulations, 2015	Yes	Complied
7.	<b>Performance Evaluation:</b> The Listed Entity has conducted performance evaluation of the Board, Independent Directors and the Committees at the start of every financial year as prescribed in SEBI Regulations	Yes	Complied



Sr. No.	Particulars	Compliance Status (Yes/No/NA)	Observations/Remarks by PCS
8.	<b>Related Party Transactions:</b> (a) The Listed Entity has obtained prior approval of Audit Committee for all Related party transactions; (b) In case no prior approval obtained, the listed entity shall provide detailed reasons along with confirmation whether the transactions were subsequently approved/ratified/rejected by the Audit Committee	Yes	Complied
9.	<b>Disclosure of events or information:</b> The Listed Entity has provided all the required disclosure(s) under Regulation 30 along with Schedule III of SEBI LODR Regulations, 2015 within the time limits prescribed thereunder.	NA	The Listed entity is a debt listed Company. Hence, the provisions of Regulation 30 are not applicable to the debt Listed Entity
10.	<b>Prohibition of Insider Trading</b> The Listed Entity is in compliance with Regulation 3(5) & 3(6) SEBI (Prohibition of Insider Trading) Regulations, 2015	Yes	Complied
11.	<b>Actions taken by SEBI or Stock Exchange(s), if any:</b> No Actions taken against the listed entity/its promoters/ directors/ subsidiaries either by SEBI or by Stock Exchanges (including under the Standard Operating Procedures issued by SEBI through various circulars) under SEBI Regulations and circulars/ guidelines issued thereunder	NA	No actions were taken by SEBI or by the Stock Exchanges during the Review Period including under the Standard Operating Procedures issued by SEBI through various circulars.
12.	<b>Resignation of Statutory auditors from the listed entity or its material subsidiaries:</b> In case of resignation of statutory auditor from the listed entity or any of its material subsidiaries during the Financial Year, the listed entity and/or its material subsidiaries have complied with paragraph 6.1 and 6.2 of section V-D of chapter V of the Master Circular on compliance with the provisions of the LODR Regulations of the LODR Regulations by Listed entities	NA	There has been no resignation by the Statutory Auditor of the Company during the review period.
13.	<b>Additional non-compliances, if any:</b> No any additional non-compliance observed for all SEBI regulation/circular/ guidance note etc.	NA	No non-compliance has been observed during the Review Period.

## ASSUMPTIONS & LIMITATION OF SCOPE AND REVIEW:

1. Compliance of the applicable laws and ensuring the authenticity of documents and information furnished, are the responsibilities of the management of the debt listed entity.
2. Our responsibility is to certify based upon our examination of relevant documents and information. This is neither an audit nor an expression of opinion.
3. We have not verified the correctness and appropriateness of financials Records and Books of Accounts of the debt listed entity.
4. This Report is solely for the intended purpose of compliance in terms of Regulation 24A (2) and Regulation 62M (2) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time and is neither an assurance as to the future viability of the listed entity nor of the efficacy or effectiveness with which the management has conducted the affairs of the debt listed entity.

For **BNP & Associates**  
**Company Secretaries**  
[Firm Regn. No. P2014MH037400]  
PR No.: - 6316/2024

**Avinash Bagul**

Partner

Date: April 16, 2025

Place: Mumbai

FCS No.: - 5578 COP No.: - 19862

UDIN: F005578G000124015

## Annexure VIII

### Annual Report on Corporate Social Responsibility (CSR) Activities

For The Financial Year Ended March 31, 2025 Of Aditya Birla Housing Finance Limited

#### 1. BRIEF OUTLINE ON CSR POLICY OF THE COMPANY:

CSR Policy of the Company is enunciated in accordance with Section 135 of Companies Act, 2013 read with Corporate Social Responsibility Rules, 2014 (as amended from time to time) and CSR Voluntary Guidelines issued by Ministry of Corporate Affairs.

Our CSR Vision is to *actively contribute to the social and economic development of the communities in which the Company operates. In so doing build a better, sustainable way of life for the weaker sections of society and raise the country's human development index.*

(Mrs. Rajashree Birla, Chairperson, Aditya Birla Centre for Community Initiatives and Rural Development).

Our CSR Activities are undertaken broadly in the area of 'Education', 'Health Care', Sustainable Livelihood', 'Infrastructure Development,' 'Social Change'.

Our Board of Directors, our Management and all of our employees subscribe to the philosophy of compassionate care. The Company believes and acts on an ethos of generosity and compassion, characterized by a willingness to build a society that works for everyone. This is the cornerstone of our CSR policy.

#### 2. COMPOSITION OF CSR COMMITTEE:

Sr. No.	Name of Director	Designation/ Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
<b>Members</b>				
1	Mr. Narayanan N R	Independent Director (Chairman)	1	1
2	Mr. Pankaj Gadgil	Managing Director & Chief Executive Officer	1	1
3	Ms. Vishakha Mulye	Non-Executive Director	1	1
<b>Permanent Invitees</b>				
4	Mrs. Rajashree Birla	Chairperson, Aditya Birla Centre for Community Initiatives and Rural Development	1	1
5	Dr. Pragnya Ram	Group Executive President, Corporate Communications and CSR	1	1

#### 3. WEB-LINK WHERE COMPOSITION OF CSR COMMITTEE, CSR POLICY AND CSR PROJECTS APPROVED BY THE BOARD ARE DISCLOSED ON THE WEBSITE OF THE COMPANY

<https://homefinance.adityabirlacapital.com/>

#### 4. DETAILS OF IMPACT ASSESSMENT OF CSR PROJECTS CARRIED OUT IN PURSUANCE OF SUB-RULE (3) OF RULE 8 OF THE COMPANIES (CORPORATE SOCIAL RESPONSIBILITY POLICY) RULES, 2014, IF APPLICABLE:

Pursuant to Rule 8 (3) of the Companies (Corporate Social Responsibility Policy) Rules, 2014 the Company is not required to appoint an Independent Agency for carrying out Impact Assessment for its CSR Projects for FY 2024-25.



**5. DETAILS OF THE AMOUNT AVAILABLE FOR SET OFF IN PURSUANCE OF SUB-RULE (3) OF RULE 7 OF THE COMPANIES (CORPORATE SOCIAL RESPONSIBILITY POLICY) RULES, 2014 AND AMOUNT REQUIRED FOR SET OFF FOR THE FINANCIAL YEAR, IF ANY: NIL**

Sl. No.	Financial Year	Amount available for set-off from preceding financial years (in ₹)	Amount required to be set-off for the financial year, if any (in ₹)
NIL			

**6. AVERAGE NET PROFIT OF THE COMPANY AS PER SECTION 135(5): ₹ 3,12,72,60,177**

**7. (a) Two percent of average net profit of the company as per section 135(5): ₹ 6,25,45,204**

(b) Surplus arising out of the CSR projects or programmes or activities of the previous financial years: NIL

(c) Amount required to be set off for the financial year, if any: Nil

(d) Total CSR obligation for the financial year (7a+7b-7c): ₹ 6,25,45,204

**8. (a) CSR amount spent or unspent for the financial year:**

Total Amount Spent for the Financial Year. (₹ in Crore)	Amount Unspent (in ₹)				
	Total Amount transferred to Unspent CSR Account as per section 135(6).		Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5).		
	Amount.	Date of transfer.	Name of the Fund	Amount.	Date of transfer.
₹ 5,22,99,681	₹ 1,02,45,523	April 10, 2025	-	NIL	-
FY 23-24 Unspent amount spent in the FY ₹ 8,30,611					

**(b) Details of CSR amount spent against ongoing projects for the financial year:**

Sr. No.	Name of the Project	Item from the list of activities in Schedule VII to the Act.	Local area (Yes/No).	Location of the project.	Project duration. (Years)	Amount allocated for the project (in ₹)	Amount spent in the current financial Year (in ₹)	Amount transferred to Unspent CSR Account for the project as per Section 135(6) (in ₹)	Mode of Implementation - Direct (Yes/No).	Mode of Implementation - Through Implementing Agency: Name & CSR Registration number
1.	G D Birla Medical Research and Education Foundation	Promoting Healthcare	Yes	Maharashtra Mumbai	2	1,75,00,000	72,54,477	1,02,45,523	No	Aditya Birla Capital Foundation CSR Registration No.
2.	Aditya Birla Education Trust	Promoting Healthcare including preventive health	Yes	Maharashtra Nagpur	2	2,08,00,000	2,08,00,000	-	No	CSR00003351
3.	Smile Foundation	Promoting Healthcare including preventive health	Yes	Maharashtra Mumbai	2	1,56,00,000	1,56,00,000	-	No	
4.	Prashanthi Balamandir Trust	Promoting Healthcare	Yes	Maharashtra Mumbai	2	70,00,000	70,00,000	-	No	
<b>TOTAL</b>						<b>6,09,00,000</b>	<b>5,06,54,477</b>	<b>1,02,45,523</b>	<b>-</b>	<b>-</b>

## Annexure VIII (Contd.)

**(c) Details of CSR amount spent against other than ongoing projects for the financial year: NIL**

Sl. No.	Name of the Project	Item from the list of activities in schedule VII to the Act.	Local area (Yes/ No).	Location of the project.		Amount spent for the project (in ₹)	Mode of implementation - Direct (Yes/No).	Mode of implementation - Through implementing agency.	
				State	District			Name	CSR registration number.
NIL									

**(d) Amount spent in Administrative Overheads: ₹ 16,45,204****(e) Amount spent on Impact Assessment, if applicable: NIL****(f) Total amount spent for the Financial Year (8b+8c+8d+8e): ₹ 5,31,30,292** (Includes unspent amount of previous FY23-24 of ₹ 8,30,611 spent in this FY)**(g) Excess amount for set off, if any:**

Sl. No.	Particular	Amount (₹)
(i)	Two percent of average net profit of the company as per section 135(5)	6,25,45,204
(ii)	Total amount spent for the financial year	5,22,99,681
(iii)	Excess amount spent for the financial year [(ii)-(i)]	NIL
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	NIL
(v)	Amount available for set off in succeeding financial years [(iii)-(iv)]	NIL

**9. (a) Details of Unspent CSR amount for the preceding three financial years:**

Sl. No.	Preceding Financial Year	Amount transferred to Unspent CSR Account under section 135 (6) (in ₹)	Amount spent in the reporting Financial Year (in ₹)	Amount transferred to any fund specified under Schedule VII as per section 135(6), if any.			Amount remaining to be spent in succeeding financial years. (in ₹)
				Name of the Fund	Amount (in ₹)	Date of transfer.	
1	2023-24	8,30,611	8,30,611	-	NA	-	NIL
<b>Total</b>		<b>8,30,611</b>	<b>8,30,611</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

**(b) Details of CSR amount spent in the financial year for ongoing projects of the preceding financial year(s):**

Sl. No.	Project ID.	Name of the Project	Financial Year in which the project was commenced	Project duration in years	Total amount allocated for the project (in ₹)	Amount spent on the project in the reporting Financial Year (in ₹)	Cumulative amount spent at the end of reporting Financial Year. (in ₹)	Status of the project - Completed / Ongoing.
1		G D Birla Medical Research and Education Foundation	2023-24	2	1,75,00,000	8,30,611	1,75,00,000	Completed
<b>Total</b>					<b>1,75,00,000</b>	<b>8,30,611</b>	<b>1,75,00,000</b>	



**10. IN CASE OF CREATION OR ACQUISITION OF CAPITAL ASSET, FURNISH THE DETAILS RELATING TO THE ASSET SO CREATED OR ACQUIRED THROUGH CSR SPENT IN THE FINANCIAL YEAR: ASSET WISE DETAILS ARE REQUIRED TO BE PROVIDED. - NIL**

**Asset 1:**

- (a) **Date of creation or acquisition of the capital asset(s):** Not Applicable
- (b) **Amount of CSR spent for creation or acquisition of capital asset:** NIL
- (c) **Details of the entity or public authority or beneficiary under whose name such capital asset is registered, their address etc:** Not Applicable
- (d) **Provide details of the capital asset(s) created or acquired (including complete address and location of the capital asset):** Not Applicable

**11. SPECIFY THE REASON(S), IF THE COMPANY HAS FAILED TO SPEND TWO PER CENT OF THE AVERAGE NET PROFIT AS PER SECTION 135(5):** Not Applicable

For and on behalf of the Board

**Aditya Birla Housing Finance Limited**

**Narayanan N R**

Chairman – CSR Committee

DIN – 07877022

**Pankaj Gadgil**

MD & CEO

DIN – 08521239

Date: April 16, 2025

Place: Mumbai

# Independent Auditor's Report

To  
The Members of  
**Aditya Birla Housing Finance Limited**  
Report on the audit of the Financial Statements

## OPINION

1. We have audited the accompanying Financial Statements of Aditya Birla Housing Finance Limited ('the Company'), which comprise the Balance Sheet as at March 31, 2025, and the Statement of Profit And Loss (including Other Comprehensive Income), Statement of Changes in Equity and Statement of Cash Flows for the year ended on that date, and notes to the Financial Statements, including a summary of material accounting policy information and other explanatory information ('the Financial Statements').
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 ('Act') in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ('Ind AS') and other accounting principles generally accepted in India, of the State of Affairs of the Company as at March 31, 2025, and its Profit and Other Comprehensive Income, Changes in Equity and its Cash Flows for the year ended on that date.

## BASIS FOR OPINION

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

## KEY AUDIT MATTERS

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 year. These matters were addressed in the context of our audit of the Financial Statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Sr.	Key Audit Matter	How the Key Audit Matter was addressed in our audit
1	<b>Provisioning based on Expected Credit Loss model (ECL) under IND AS 109 and testing of Impairment of assets, more particularly the Loan Book of the Company</b>	<p>Refer to the accounting policies in 'Note 3.21 to the Ind AS Financial Statements: Expected Credit Loss', 'Note 3.1 to the Ind AS Financial Statements: Revenue Recognition' and 'Note 4.1 to the Ind AS Financial Statements: Impairment of Financial Assets and 'Note 47 to the Ind AS Financial Statements: Risk Management'.</p> <p><b>Subjective estimates:</b> Under Ind AS 109, "Financial Instruments", allowance for loan losses are determined using expected credit loss ('ECL') estimation model. The estimation of ECL on financial instruments involves significant judgement and estimates and therefore increased levels of audit focus in the Company's estimation of ECLs, which are as under:</p> <ul style="list-style-type: none"> <li>• Data inputs - The application of ECL model requires several data inputs. This increases the risk of completeness and accuracy of the data that has been used to create assumptions in the model.</li> <li>• Model estimations - Inherently judgmental models are used to estimate ECL which involves determining Probabilities of Default ("PD"), Loss Given Default ("LGD"), and Exposures at Default ("EAD"). The PD and the LGD are the key drivers of estimation complexity in the ECL and as a result are considered the most significant judgmental aspect of the Company's modelling approach.</li> </ul> <p><b>Our key audit procedures included:</b></p> <ul style="list-style-type: none"> <li>• Review of Policy/procedures &amp; design/controls</li> <li>• Minutely going through the Board approved Policy and approach note concerning the assessment of credit and other risks and ascertainment/ageing of 'default' by the borrowers and procedures in relation to stages and ECL computation.</li> <li>• Testing key controls relating to selection and implementation of material macro-economic variables and the controls over the scenario selection and application of probability weights.</li> <li>• Assessing the design, implementation and operating effectiveness of key internal financial controls including monitoring process of overdue loans (including those which became overdue after the reporting date), measurement of provision, stage-wise classification of loans, identification of NPA accounts, assessing the reliability of management information.</li> </ul>



Sr. Key Audit Matter	How the Key Audit Matter was addressed in our audit
<p>• Economic scenarios - Ind AS 109 requires the Company to measure ECLs on an unbiased forward-looking basis reflecting a range of future economic indicators. Significant management judgement is applied in determining the economic scenarios used and the probability weights applied to them.</p> <p>The effect of these matters is that, as part of our risk assessment, we determined that the impairment of loans and advances to customers, involving estimations and judgements, with a potential range of reasonable outcomes greater than our materiality for the Ind AS Financial Statements as a whole.</p>	<ul style="list-style-type: none"> <li>• Understanding management's approach, interpretation, systems and controls implemented in relation to probability of default and stagewise bifurcation of product-wise portfolios for timely ascertainment of stress and early warning signals.</li> <li>• Testing and review of controls over measurement of provisions and disclosures in the Ind AS Financial Statements.</li> <li>• Involvement of Information system resource to obtain comfort over data integrity and process of report generation through interface of various systems. Walk through the processes which involve manual work to ascertain existence of maker-checker controls</li> <li>• Understanding of models and general economic indicator criteria used for regression testing over data of the loan book.</li> </ul> <p><b>Substantive verification</b></p> <ul style="list-style-type: none"> <li>• Sample testing over key inputs, data and assumptions impacting ECL calculations to assess the completeness, accuracy and relevance of data and reasonableness of economic forecasts, weights, and model assumptions applied.</li> <li>• Model calculations testing through selective re-performance, wherever possible.</li> <li>• Assessing disclosures – Assessed whether the disclosures on key judgements, assumptions and quantitative data with respect to impairment of loans (including restructuring related disclosures) in the Ind AS Financial Statements are appropriate and sufficient as also aligned to regulatory requirements.</li> </ul>
<p><b>2 Information Technology</b></p> <p><b>IT systems and controls</b></p> <p>The Company's financial reporting processes are dependent on technology considering significant number of transactions that are processed daily across multiple and discrete Information Technology ('IT') systems. The Financial accounting system of the Company is interfaced with several other IT systems including Loan Management &amp; Originating systems and several other systemic workflows.</p> <p>IT general and application controls are critical to ensure that changes to applications and underlying data are made in an appropriate manner. Adequate controls contribute to mitigating the risk of potential fraud or errors as a result of changes to the applications and data. These includes implementation of preventive and detective controls across critical applications and infrastructure.</p> <p>Due to the pervasive nature of role of information technology systems in financial reporting, in our preliminary risk assessment, we planned our audit by assessing the risk of a material misstatement arising from the technology as significant for the audit, hence the Key Audit Matter.</p>	<p>In course of audit, we, inter alia, reviewed user access management, change management, segregation of duties, system reconciliation controls and key financial accounting and reporting systems. We performed a range of audit procedures, which included:</p> <ul style="list-style-type: none"> <li>• Review of the report of IS Audit carried in earlier year(s) by an independent firm of Chartered Accountants pertaining to IT systems general controls including access rights over applications, operating systems and databases relied upon for financial reporting.</li> <li>• Deployed our internal experts to carry out IT general Controls testing and identifying gaps, if any.</li> <li>• Our other processes include: <ul style="list-style-type: none"> <li>- selectively recomputing interest calculations and maturity dates;</li> <li>- Selectively re-evaluating masters updation, interface with resultant reports like LTV Report, SUD Report, Portfolio movement Report;</li> <li>- Selective testing of the interface of SAP FA module with other IT systems like Loan Management System and other workflows.</li> <li>- Testing of the system generated reports and accounting entries manually for core financial reporting matters (i.e. verification around the computer system)</li> <li>- Evaluating the design, implementation and operating effectiveness of the significant accounts-related IT automated controls which are relevant to the accuracy of system calculation, and the consistency of data transmission.</li> </ul> </li> </ul>

**OTHER INFORMATION**

5. The Company's Board of Directors are responsible for the other information. The other information comprises the information included in the Company's annual report but does not include the Financial Statements and our auditors' report thereon. The Other Information is expected to be made available to us after the date of this audit report.
6. Our opinion on the Financial Statements does not cover the other information and we do not express any form of assurance conclusion thereon.

## Independent Auditor's Report (Contd.)

7. 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. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.
8. 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 and take appropriate action as applicable under the relevant laws and regulations.

### RESPONSIBILITIES OF MANAGEMENT AND THOSE CHARGED WITH GOVERNANCE FOR THE FINANCIAL STATEMENTS

9. The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act, with respect to the preparation of these Financial Statements that give a true and fair view of the State of Affairs, profit and Other Comprehensive Income, Changes in Equity and Cash Flows of the Company in conformity with the Ind AS prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended 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 of the appropriate accounting software for ensuring compliance with applicable laws and regulations including those related to retention of audit logs; 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.
10. 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.

11. 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

12. Our objectives are to obtain reasonable assurance about whether the Financial Statements as a whole, are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these Financial Statements.
13. As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:
  - 13.1. 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.
  - 13.2. 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) 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.
  - 13.3. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Management.
  - 13.4. Conclude on the appropriateness of the Management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Financial Statements or, if such disclosures are inadequate,



to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- 13.5. 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.
14. 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.
15. 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.
16. 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 year 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

17. The numbers and details pertaining to previous year ended as at March 31, 2024 and notes related thereto in the Statement have been traced from the Financial Statements of the Company audited by KKC & Associates LLP, Chartered Accountants ('the erstwhile auditors'), vide their unmodified report dated April 18, 2024.

## REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

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

19. As required by Section 143(3) of the Act, we report that:

- 19.1. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
- 19.2. 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.
- 19.3. The balance sheet, the statement of profit and loss including Other Comprehensive Income, the Statement of Changes in Equity and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
- 19.4. In our opinion, the aforesaid Financial Statements comply with the Ind AS specified under Section 133 of the Act read with the relevant rules thereunder.
- 19.5. On the basis of the written representations received from the directors as on March 31, 2025, taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2025 from being appointed as a director in terms of Section 164(2) of the Act.
- 19.6. With respect to the adequacy of the internal financial controls with reference to Financial Statements of the Company and the operating effectiveness of such controls, refer to our separate Report in 'Annexure B'.
- 19.7. In our opinion and according to the information and explanations given to us, the remuneration paid by the Company to its directors during the current year is in accordance with the provisions of Section 197 of the Act. The remuneration paid to director is not in excess of the limit laid down under Section 197 of the Act.
20. 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:
  - 20.1 The Company has disclosed the impact of pending litigations as at March 31, 2025 on its financial position in its Financial Statements – Refer Note 34 to the Financial Statements;
  - 20.2 The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses – Refer Note 34 to the Financial Statements.
  - 20.3 There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

## Independent Auditor's Report (Contd.)

20.4 The Management has represented, to best of their knowledge and belief, that no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ('Intermediaries'), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ('Ultimate Beneficiaries') or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

20.5 The Management has represented, to best of their knowledge and belief, that no funds have been received by the Company from any person(s) or entity(ies), including foreign entities ('Funding Parties'), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ('Ultimate Beneficiaries') or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

20.6 Based on such audit procedures, that have been considered reasonable and appropriate in the circumstances, performed by us, nothing has come to our notice that has caused us to believe that the representation under para 20.4 and 20.5 contain any material misstatement.

20.7 In our opinion and according to information and explanation given to us, the Company has not declared or paid dividend during the year, accordingly compliance with section 123 of the Act by the Company is not applicable.

20.8 Based on our examination which included test checks, the company has used accounting software for maintaining its books of account which have feature of recording audit trail (edit log) facility, and the same has operated throughout the year for all relevant transactions recorded in the software. Further, during the course of our audit we did not come across any instance of audit trail feature being tampered with. Additionally, the audit trail has been preserved by the Company as per the statutory requirements for record retention.

For **Sarda & Pareek LLP**  
Chartered Accountants  
FRN: 109262W/W100673

**Niranjan Joshi**  
Partner  
Membership No. 102789  
UDIN: 25102789BMLJCF1904  
Mumbai, April 16, 2025

For **B.K. Khare & Co.**  
Chartered Accountants  
FRN: 105102W

**Shirish Rahalkar**  
Partner  
Membership No. 111212  
UDIN: 25111212BMKYAX3560



## Annexure A

to the Independent Auditor's Report on the Financial Statements of Aditya Birla Housing Finance Limited for the year ended March 31, 2025

(Referred to in paragraph 17 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

- i (a) The Company has maintained proper records showing full particulars including quantitative details and situation of Property, Plant and Equipment ('PPE'). The Company is maintaining proper records showing full particulars of intangible assets.
- (b) The Company has a regular programme of physical verification of its PPE by which all PPE are verified once in two years. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the programme, no PPE were physically verified by the Management during the year. As informed to us, based on last verification of PPE conducted by the management, no material discrepancies were noticed on such verification
- (c) In our opinion and according to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of all the immovable properties (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee) disclosed in the financial statements are held in the name of the Company.
- (d) In our opinion and according to the information and explanations given to us, the Company has not revalued its PPE (including Right of Use assets) or intangible assets or both during the year.
- (e) In our opinion and according to the information and explanations given to us and on the basis of our examination of the records of the Company, no proceedings have been initiated or are pending against the Company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder.
- ii (a) The Company does not have any inventory since its principal business is to give loans, hence physical verification of inventory and reporting under paragraph 2(ii)(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 Company has been sanctioned working capital limits in excess of rupees five crore, in aggregate, from banks or financial institutions which are secured on the basis of security of current assets. The quarterly returns or statements filed by the Company with such banks or financial institutions are generally in agreement with the books of account of the Company.
- iii (a) Since the Company's principal business is to give loans, the provisions of clause 3(iii)(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 investments made and the terms and conditions of the grant of all loans are not prejudicial to the Company's interest.
- (c) & (d) The company, being a Housing Finance Company ('HFC'), registered under provisions of National Housing Bank Act, 1987 and rules made thereunder, in pursuance of its compliance with provisions of the said Act/Rules, particularly, the Income Recognition, Asset Classification and Provisioning Norms, monitors repayments of principal and payment of interest by its borrowers as stipulated. In cases where repayment of principal and payment of interest is not received as stipulated the cognizance thereof is taken by the Company in the course of its periodic regulatory reporting. Refer note 7.1 to the Financial Statements for summarized details of such loans/ advances which are not repaid by borrowers as per stipulations as also details of reasonable steps taken by the Company for recovery thereof.
- (e) Since the Company's principal business is to give loans, the provisions of clause 3(iii)(e) of the Order are not applicable to the Company.
- (f) Based on our audit procedures and the information and explanations made available to us, the Company has not granted any loans or advances in the nature of loans to Promoters/Related Parties (as defined in section 2(76) of the Act) which are either repayable on demand or without specifying any terms or period of repayment.
- iv In our opinion and according to the information and explanations given to us, the Company has not granted any loans, made investments, or provided guarantees in contravention of provisions of section 185 of the Act. The Company has complied with the provisions of Section 186(1) of the Act; as informed, the other provisions of section 186 of the Act are not applicable to the Company
- v In our opinion and according to the information and explanations given to us, the Company has not accepted any deposits or amounts which are deemed to be deposits from the public during the year in terms of directives issued

Independent Auditor's Report (Contd.)

by the Reserve Bank of India or the provisions of Sections 73 to 76 or any other relevant provisions of the Act and the rules framed there under. Accordingly, paragraph 3(v) of the Order is not applicable to the Company.

vi The Company is not required to maintain cost records under Section 148(1) of the Companies Act, 2013 read with Companies (Cost Records and Audit) Rules, 2014 and hence reporting under paragraph 3(vi) of the Order is not applicable to the Company.

vii (a) In our opinion and according to the information and explanations given to us, amounts deducted/accrued in the books of account in respect of undisputed statutory dues including Goods and Services Tax, provident fund, employees' state insurance, income tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and any other statutory dues have been regularly deposited by the Company with the appropriate authorities.

According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, employees' state insurance, income tax, Goods and Services Tax, duty of customs, cess and other material statutory dues were in arrears as at March 31, 2025 for a period of more than six months from the date they became payable.

(b) In our opinion and according to the information and explanations given to us, we confirm that there are no dues of 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 any other statutory dues, which have not been deposited to/with the appropriate authority on account of any dispute except as disclosed as below:

Name of the Statute	CGST Act, 2017
Nature of the Dues	GST Demand
Amount (₹ in lakhs)	₹ 124.95
Period to which the amount relates	FY 2017-18
Forum where dispute is pending	Appellate Authority
Remarks, if any	

viii In our opinion and according to the information and explanations given to us and on the basis of our examination of the records of the Company, we confirm that we have not come across any transactions not recorded in the books of accounts which have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961.

ix (a) In our opinion, the Company has not defaulted in repayment of loans or other borrowings to

financial institutions, banks, government and dues to debenture holders or in the payment of interest thereon to any lender

(b) According to the information and explanations given to us and on the basis of our audit procedures, we report that the Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority or any other lender.

(c) In our opinion and according to the information and explanations given to us, the Company has utilized the money obtained by way of term loans during the year for the purposes for which they were obtained, other than temporary parking of funds for few days pending utilizations towards purpose for which the same are obtained.

(d) According to the information and explanations given to us, and the procedures performed by us, on an overall examination of the financial statements of the Company and further considering the Asset Liability management mechanism of the Company, we report that no funds raised on short-term basis have been used for long-term purposes by the Company.

(e) The Company does not have any subsidiaries, associates, or joint ventures. Accordingly, the provisions of the clauses (ix) (e) & (f) of the Order are not applicable to the Company.

X (a) The Company did not raise money by way of initial public offer or further public offer (including debt instruments) during the year.

(b) The company has made a private placement of equity shares through Rights Issue during the year. The provisions of Section 42 and Section 62 of the Companies Act, 2013 have been duly complied with. The funds raised through the said issue have been utilized for the purposes for which they were raised.

xi (a) During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, no material fraud by the Company or on the Company has been noticed or reported during the course of our audit, other than the instances of fraud noticed and reported by the management to the sectoral regulator. Refer Note 5.5 to the Financial Statements.

(b) As per information provided by Management, there are no fraud involving employee of the company.



- (c) As represented to us by the Management, there was one whistleblower complaint received by the Company during the year. Detailed Investigation was carried out by the Company and there was no evidence found in complaint and it was informed to Audit committee of the Company.
- xii In our opinion and according to the information and explanations given to us, the Company is not a Nidhi company. Accordingly, paragraph 3(xii) of the Order is not applicable to the Company.
- xiii According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with Sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.
- xiv (a) In our opinion and based on our examination, the Company has an internal audit system commensurate with the size and nature of its business.
- (b) We have considered the internal audit reports of the Company received by us till date, for the period under audit.
- xv According to the information and explanations given to us, in our opinion during the year the Company has not entered into any non-cash transactions with its directors or persons connected with its directors. Accordingly, paragraph 3(xv) of the Order is not applicable to the Company.
- xvi (a) The Company, being a Housing Finance Company is registered with the National Housing Bank ('NHB') and hence, as informed by the management, it is not required under to be registered under Section 45-IA of the Reserve Bank of India Act, 1934.
- (b) The Company has not conducted any Non-Banking Financial or Housing Finance activities without obtaining a valid CoR from the Reserve Bank of India as per the Reserve Bank of India Act, 1934.
- (c) The Company is not a Core Investment Company ('CIC') as defined in the regulations made by Reserve Bank of India.
- (d) According to the information and explanations provided to us, the Group to which Company belongs
- (as per the provisions of the Core Investment Companies (Reserve Bank) Directions, 2016) has more than one CIC as part of the Group. The Group has one CIC's which is registered with the Reserve Bank of India.
- xvii The Company has not incurred any cash losses in the financial year and in the immediately preceding financial year.
- xviii There has been no resignation of the statutory auditors during the year and accordingly paragraph 3(xviii) of the Order is not applicable.
- xix According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, along with details provided in Note 48 to the financial statements which describe the maturity analysis of assets & liabilities and other information accompanying the financial statements, our knowledge of the Board of Directors and Management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that the Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.
- xx (a) The Company has transferred unspent amount of ₹ 1.02 Crore pertaining to non-ongoing CSR projects, to a Fund specified in Schedule VII to the Companies Act, 2013 on April 10, 2025.
- (b) According to the information and explanations given to us and based on our examination of the records of the Company, there is no amount which is remaining unspent under sub-section (5) of the section 135 of the Act pursuant to any ongoing project.

For **Sarda & Pareek LLP**  
Chartered Accountants  
FRN: 109262W/W100673

**Niranjani Joshi**  
Partner  
Membership No. 102789  
UDIN: 25102789BMLJCF1904  
Mumbai, April 16, 2025

For **B.K. Khare & Co.**  
Chartered Accountants  
FRN: 105102W

**Shirish Rahalkar**  
Partner  
Membership No. 111212  
UDIN: 25111212BMKYAX3560

## Annexure B

to the Independent Auditors' report on the Financial Statements of Aditya Birla Housing Company Limited for the year ended March 31, 2025

(Referred to in paragraph 19.6 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

### **REPORT ON THE INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO THE AFORESAID FINANCIAL STATEMENTS UNDER CLAUSE (I) OF SUB-SECTION 3 OF SECTION 143 OF THE COMPANIES ACT, 2013 ('THE ACT').**

#### **Opinion**

1. We have audited the internal financial controls with reference to the Financial Statements of Aditya Birla Housing Finance Limited ('the Company') as at March 31, 2025 in conjunction with our audit of the Financial Statements of the Company for the year ended on that date.
2. In our opinion, the Company has, in all material respects, an adequate internal financial controls with reference to the Financial Statements and such internal financial controls were operating effectively as at March 31, 2025, based on the internal controls over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India ('the Guidance Note').

#### **Management's responsibility for Internal Financial Controls**

3. The Company's management is responsible for establishing and maintaining internal financial controls based on the internal controls over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

#### **Auditor's responsibility**

4. Our responsibility is to express an opinion on the Company's internal financial controls with reference to the Financial

Statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing ('SA'), prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to the Financial Statements. Those SAs and the Guidance Note require that we comply with the ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to the Financial Statements were established and maintained and whether such controls operated effectively in all material respects.

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

#### **Meaning of Internal Financial Controls with reference to the Financial Statements**

7. A company's internal financial controls with reference to the 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 the 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 the Financial Statements**

8. Because of the inherent limitations of internal financial controls with reference to the Financial Statements,

For **Sarda & Pareek LLP**  
Chartered Accountants  
FRN: 109262W/W100673

**Niranjan Joshi**  
Partner  
Membership No. 102789  
UDIN: 25102789BMLJCF1904  
Mumbai, April 16, 2025

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 the Financial Statements to future periods are subject to the risk that the internal financial controls with reference to the Financial Statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

For **B.K. Khare & Co.**  
Chartered Accountants  
FRN: 105102W

**Shirish Rahalkar**  
Partner  
Membership No. 111212  
UDIN: 25111212BMKYAX3560

# Balance Sheet

as at March 31, 2025

(₹ Crore)

Particulars	Note No.	As at	As at
		March 31, 2025	March 31, 2024
		Audited	Audited
<b>ASSETS</b>			
<b>(1) FINANCIAL ASSETS</b>			
(a) Cash and cash equivalents	5	377.14	279.84
(b) Receivables			
(I) Trade receivables	6	19.45	4.84
(II) Other receivables	6	16.51	15.24
(c) Loans	7	28,977.72	17,677.92
(d) Investments	8	741.42	265.75
(e) Other financial assets	9	105.30	39.16
		<b>30,237.54</b>	<b>18,282.75</b>
<b>(2) NON- FINANCIAL ASSETS</b>			
(a) Current tax assets (Net)		6.77	19.40
(b) Deferred tax assets (Net)	10	10.03	33.44
(c) Property, plant and equipment	11	40.88	24.26
(d) Intangible assets under development	12.1	1.98	1.30
(e) Other intangible assets	12	24.48	19.93
(f) Right to use assets	13	70.76	42.52
(g) Other non-financial assets	14	35.05	37.69
		<b>189.96</b>	<b>178.54</b>
<b>TOTAL ASSETS</b>		<b>30,427.50</b>	<b>18,461.29</b>
<b>LIABILITIES AND EQUITY</b>			
<b>LIABILITIES</b>			
<b>(1) FINANCIAL LIABILITIES</b>			
(a) Payables			
Trade payables			
(i) total outstanding dues of micro enterprises and small enterprises	15	0.02	1.85
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises	15	119.35	49.77
(b) Debt securities	16	11,452.63	5,371.98
(c) Borrowings other than debt securities	17	14,006.13	10,232.29
(d) Subordinated liabilities	18	642.75	342.41
(e) Lease Liability	19	74.42	44.43
(f) Other financial liabilities	20	300.44	130.23
		<b>26,595.74</b>	<b>16,172.96</b>
<b>(2) NON- FINANCIAL LIABILITIES</b>			
(a) Provisions	21	23.36	15.29
(b) Other non-financial liabilities	22	25.34	13.24
		<b>48.70</b>	<b>28.53</b>
<b>TOTAL LIABILITIES</b>		<b>26,644.44</b>	<b>16,201.49</b>
<b>(3) EQUITY</b>			
(a) Equity share capital	23	634.66	501.20
(b) Other equity	24	3,148.40	1,758.60
<b>TOTAL EQUITY</b>		<b>3,783.06</b>	<b>2,259.80</b>
<b>TOTAL LIABILITIES AND EQUITY</b>		<b>30,427.50</b>	<b>18,461.29</b>

See accompanying notes forming part of the financial statements.

In terms of our report attached

For **B.K. Khare & Co**  
Chartered Accountants  
FRN: 105102W

For **Sarda & Pareek LLP**  
Chartered Accountants  
FRN: 109262W/W100673

For and on behalf of the Board of Directors of  
**Aditya Birla Housing Finance Limited**

**Shirish Rahalkar**  
Partner  
Membership No: 111212

**Niranjan Joshi**  
Partner  
Membership No: 102789

**Vishakha Mulye**  
Director  
DIN: 00203578

**Pankaj Gadgil**  
MD & CEO  
DIN: 08521239

**Ashish Damani**  
Chief Financial Officer

**Hiral Sidhpura**  
Company Secretary

Mumbai, April 16, 2025

Mumbai, April 16, 2025



# Standalone Statement of Profit and Loss

for the year ended March 31, 2025

(₹ Crore)

Particulars	Note No.	For the year ended March 31, 2025	For the year ended March 31, 2024
<b>Revenue from operations</b>			
Interest income	25	2,436.31	1,718.47
Fees and commission income	26	132.56	69.29
Net gain on fair value changes in investments	27	7.05	6.88
Net gain on derecognition of financial instruments classified under amortised cost category	28	79.26	33.03
<b>I Total revenue from operations</b>		<b>2,655.18</b>	<b>1,827.67</b>
<b>II Other income</b>	29	1.11	1.16
<b>III Total income (I+II)</b>		<b>2,656.29</b>	<b>1,828.83</b>
<b>EXPENSES</b>			
Finance costs	30	1,530.70	1,014.25
Impairment of financial instruments	31	53.53	(4.60)
Employee benefit expenses	32	418.81	283.41
Depreciation, amortization and impairment	11, 12 & 13	40.75	25.70
Other expenses	33	193.06	133.62
<b>IV Total expenses</b>		<b>2,236.85</b>	<b>1,452.38</b>
<b>V Profit before tax (III-IV)</b>		<b>419.44</b>	<b>376.45</b>
<b>VI Tax expenses</b>			
(1) Current tax	10	72.16	63.53
(2) Deferred tax	10	23.72	24.05
(3) Short/(Excess) Provision for Current Tax related to Prior Years (Net)	10	0.13	(1.82)
<b>Total tax expenses</b>		<b>96.01</b>	<b>85.76</b>
<b>VII Profit for the year (V-VI)</b>		<b>323.43</b>	<b>290.69</b>
<b>VIII Other comprehensive income</b>			
(1) Items that will not be reclassified to profit or loss			
Re-measurement gains/ (losses) on defined benefit plans		(1.25)	0.03
Income tax relating to the items that will not be reclassified to profit or loss	10	0.31	(0.01)
<b>Other comprehensive income</b>		<b>(0.94)</b>	<b>0.02</b>
<b>IX Total comprehensive income for the year (VII+VIII) (Comprising profit and other comprehensive income for the year)</b>		<b>322.49</b>	<b>290.71</b>
<b>X Earnings per equity share of ₹ 10 each</b>			
Basic earnings per equity share	37	5.72	5.80
Diluted earnings per equity share		5.71	5.80

See accompanying notes forming part of the financial statements.

In terms of our report attached

For **B.K. Khare & Co**  
Chartered Accountants  
FRN: 105102W

For **Sarda & Pareek LLP**  
Chartered Accountants  
FRN: 109262W/W100673

For and on behalf of the Board of Directors of  
**Aditya Birla Housing Finance Limited**

**Shirish Rahalkar**  
Partner  
Membership No: 111212

**Niranjan Joshi**  
Partner  
Membership No: 102789

**Vishakha Mulye**  
Director  
DIN: 00203578

**Pankaj Gadgil**  
MD & CEO  
DIN: 08521239

**Ashish Damani**  
Chief Financial Officer

**Hiral Sidhpura**  
Company Secretary

Mumbai, April 16, 2025

Mumbai, April 16, 2025

# Cash Flow Statement

for the year ended March 31, 2025

(₹ Crore)

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
<b>A. Cash flow from operating activities</b>		
(a) Profit before tax	419.44	376.45
<b>Adjustments for:</b>		
Depreciation and amortisation	40.75	25.70
Interest on lease liability	4.81	3.21
Profit on surrender of lease liability/ income from rent concession	(0.30)	(0.36)
Impairment on financial instruments including loss on derecognition of financial assets at amortised cost	53.53	(4.61)
Expense on Employee Stock Options Scheme	0.88	1.09
Net gain on Fair value changes	(7.05)	(6.88)
Loss/ (profit) on derecognition of property, plant and equipment	(0.01)	0.04
<b>(b) Operating profit before working capital changes</b>	<b>512.05</b>	<b>394.64</b>
<b>Adjustments for:</b>		
Decrease/(increase) in trade receivables	(15.89)	(15.07)
Decrease/(increase) in other financial assets	(66.13)	(31.20)
Decrease/(increase) in derivative financial instruments	-	0.19
Decrease/(increase) in other assets	1.24	(9.09)
(Decrease)/increase in trade payables	104.27	41.30
(Decrease)/increase in provisions	6.80	5.08
(Decrease)/increase in other financial liabilities	18.42	156.61
(Decrease)/increase in other liabilities	12.09	5.17
<b>Changes in Loan Book</b>	<b>60.80</b>	<b>152.99</b>
Loans Disbursed	(17,647.61)	(8,291.92)
Loans repayment received (incl. foreclosed, direct assignment, etc.)	6,294.28	4,175.78
<b>(c) Cash from operating activities</b>	<b>(10,780.48)</b>	<b>(3,568.51)</b>
Direct taxes paid (net of refund)	(59.66)	(65.68)
<b>Net cash from operating activities (A)</b>	<b>(10,840.14)</b>	<b>(3,634.19)</b>
<b>B. Cash flow from investing activities</b>		
Purchase of property, plant and equipment, acquisition of intangible assets	(49.24)	(30.82)
Proceeds from sale of property, plant and equipment	0.53	0.13
Profit on sale of current investments	1.10	8.39
(Purchase)/sale of current investments (net)	(469.72)	(141.89)
<b>Net cash used in investing activities (B)</b>	<b>(517.33)</b>	<b>(164.19)</b>
<b>C. Cash flow from financing activities</b>		
Proceeds from share capital issue including securities premium (net of share issue expense)	1,199.89	-
Payment of lease liability	(15.72)	(10.29)
Proceeds from Debt Securities	6,095.95	2,205.00
Proceeds from Borrowings (Other than Debt Securities)	5,558.00	3,492.00
Proceeds from Subordinated Liabilities	285.00	-
Repayment from Debt Securities	(590.00)	(700.00)
Repayment from Borrowings (Other than Debt Securities)	(2,355.31)	(2,807.38)
Net proceeds/ (repayment) for short term borrowings	1,276.97	1,694.15
<b>Net cash used in financing activities (C)</b>	<b>11,454.78</b>	<b>3,873.48</b>



(₹ Crore)

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
<b>D. Net increase/ (decrease) in cash and cash equivalents (A+B+C)</b>	<b>97.30</b>	<b>75.10</b>
<b>E. Cash and cash equivalents at the beginning of the year</b>	<b>279.84</b>	<b>204.74</b>
<b>F. Cash and cash equivalents at the end of the year</b>	<b>377.14</b>	<b>279.84</b>
Additional Information:		
Interest received	2,311.68	1,675.63
Interest paid	1,356.71	972.51

**Note:** The above Statement of Cash Flows has been prepared under the indirect method as set out in Ind AS 7 - Statement of Cash Flows. Cash flows are reported using the indirect method, whereby profit / (loss) before tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities are segregated based on the activities of the Company.

See accompanying notes forming part of the financial statements.

In terms of our report attached

For **B.K. Khare & Co**  
Chartered Accountants  
FRN: 105102W

For **Sarda & Pareek LLP**  
Chartered Accountants  
FRN: 109262W/W100673

For and on behalf of the Board of Directors of  
**Aditya Birla Housing Finance Limited**

**Shirish Rahalkar**  
Partner  
Membership No: 111212

**Niranjan Joshi**  
Partner  
Membership No: 102789

**Vishakha Mulye**  
Director  
DIN: 00203578

**Pankaj Gadgil**  
MD & CEO  
DIN: 08521239

**Ashish Damani**  
Chief Financial Officer

**Hiral Sidhpura**  
Company Secretary

Mumbai, April 16, 2025

Mumbai, April 16, 2025

# Statement of Changes in Equity

for the year ended March 31, 2025

## A. EQUITY SHARE CAPITAL

	As at March 31, 2025		As at March 31, 2024	
	No.'s	Amount	No.'s	Amount
Equity shares of ₹ 10 each issued, subscribed and fully paid				
<b>As at beginning of the year</b>	<b>50,11,97,682</b>	<b>501.20</b>	<b>50,11,97,682</b>	<b>501.20</b>
Changes in Equity Share Capital due to prior period errors	-	-	-	-
Restated balance at the beginning of the year	50,11,97,682	501.20	50,11,97,682	501.20
Changes in equity share capital during the current year	13,34,58,215	133.46	-	-
<b>As at end of the year</b>	<b>63,46,55,897.00</b>	<b>634.66</b>	<b>50,11,97,682</b>	<b>501.20</b>

## B. OTHER EQUITY

(₹ Crore)

	Reserves & surplus					Total other equity
	Securities premium	Retained earnings	Special reserve u/s 29C of The National Housing Bank Act, 1987	Reserve u/s 36(1)(viii) of the Income Tax Act, 1961	Employee stock option outstanding reserve	
<b>Balance as at April 01, 2024</b>	715.82	824.06	33.14	183.84	1.74	1,758.60
Profit for the year	-	323.43	-	-	-	323.43
Other comprehensive income/ (losses)	-	(0.94)	-	-	-	(0.94)
<b>Total comprehensive income</b>	-	<b>322.49</b>	-	-	-	<b>322.50</b>
Transfer to special reserve u/s 29C of National Housing Bank Act, 1987	-	(19.84)	19.84	-	-	(0.00)
Transfer to reserve u/s 36(1)(viii) of the Income Tax Act, 1961	-	(44.85)	-	44.85	-	-
Less: Amount withdrawn from the special reserve u/s 36(1)(viii) of Income Tax Act, 1961 taken into account for the purposes of provision u/s 29C of the National Housing Bank Act, 1987	-	-	-	-	-	-
Add : Issue of equity shares to Holding Company	1,066.43	-	-	-	-	1,066.43
Transfer to ESOP reserve on account of Employee stock option plan	-	-	-	-	0.88	0.88
<b>Balance as at March 31, 2025</b>	<b>1,782.25</b>	<b>1,081.86</b>	<b>52.98</b>	<b>228.69</b>	<b>2.62</b>	<b>3,148.40</b>



(₹ Crore)

	Reserves & surplus					Total other equity
	Securities premium	Retained earnings	Special reserve u/s 29C of The National Housing Bank Act, 1987	Reserve u/s 36(1)(viii) of the Income Tax Act, 1961	Employee stock option outstanding reserve	
<b>Balance as at April 01, 2023</b>	715.82	591.49	12.09	146.75	0.65	1,466.80
Profit for the year	-	290.69	-	-	-	290.69
Other comprehensive income/ (losses)	-	0.02	-	-	-	0.02
<b>Total comprehensive income</b>	-	290.71	-	-	-	290.71
Transfer to special reserve u/s 29C of National Housing Bank Act, 1987	-	(21.05)	21.05	-	-	-
Transfer to reserve u/s 36(1)(viii) of the Income Tax Act, 1961	-	(37.09)	-	37.09	-	-
Less: Amount withdrawn from the special reserve u/s 36(1)(viii) of Income Tax Act, 1961 taken into account for the purposes of provision u/s 29C of the National Housing Bank Act, 1987	-	-	-	-	-	-
Transfer to ESOP reserve on account of Employee stock option plan	-	-	-	-	1.09	1.09
<b>Balance as at March 31, 2024</b>	<b>715.82</b>	<b>824.06</b>	<b>33.14</b>	<b>183.84</b>	<b>1.74</b>	<b>1,758.60</b>

See accompanying notes forming part of the financial statements.

In terms of our report attached

For **B.K. Khare & Co**  
Chartered Accountants  
FRN: 105102WFor **Sarda & Pareek LLP**  
Chartered Accountants  
FRN: 109262W/W100673For and on behalf of the Board of Directors of  
**Aditya Birla Housing Finance Limited****Shirish Rahalkar**  
Partner  
Membership No: 111212**Niranjan Joshi**  
Partner  
Membership No: 102789**Vishakha Mulye**  
Director  
DIN: 00203578**Pankaj Gadgil**  
MD & CEO  
DIN: 08521239**Ashish Damani**  
Chief Financial Officer**Hiral Sidhpura**  
Company Secretary

Mumbai, April 16, 2025

Mumbai, April 16, 2025

# Notes to the Financial Statements

for the year ended 31<sup>st</sup> March 2025

## NOTE: 01 | CORPORATE INFORMATION

Aditya Birla Housing Finance Limited (the 'Company' or 'ABHFL') is a Public Company domiciled in India and incorporated on July 27, 2009. The Company has received a Certificate of Registration from the National Housing Bank ('NHB') on July 9, 2014 to commence / carry on the business of Housing Financial Institution ('HFI') without accepting public deposits.

The financial statements were subject to review and recommendation of Audit Committee and approval of Board of Directors. On April 16, 2025, Board of Directors of the Company approved and recommended the financial statements for consideration and adoption by the Shareholders in its Annual General Meeting.

## NOTE: 02 | BASIS OF PREPARATION AND PRESENTATION

**2.1** The accompanying financial statements have been prepared and presented under the historical cost convention except for certain financial assets and liabilities measured at fair value; and defined benefit plans where plan assets are measured at fair value, in accordance with accounting principles generally accepted in India, the Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 ('the Act') and (Companies (Indian Accounting Standards) Rules, 2015) along with other relevant provisions of the Act, the Master Direction – Non-Banking Financial Company – Housing Finance Company (Reserve Bank) Directions, 2021, RBI/2020-21/73 DOR. FIN.HFC.CC.No.120/03.10.136/2020-21, February 17, 2021 ('the RBI Master Directions') and notification for Implementation of Indian Accounting Standard vide circular RBI/2019-20/170 DOR(NBFC).CC.PD.No.109/22.10.106/2019-20 dated March 13, 2020 ('RBI Notification for Implementation of Ind AS') issued by RBI.

The financial statements are prepared on a going concern basis, as the Management is satisfied that the Company shall be able to continue its business for the foreseeable future and no material uncertainty exists that may cast significant doubt on going concern assumption. In making this assessment, the Management has considered a wide range of information relating to present and future conditions, including future projections of profitability, cash flows and capital resources.

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

Amounts in the financial statements are presented in Indian Rupees in crores rounded off to two decimal places as permitted by Schedule III to the Companies Act, 2013. Per share data are presented in Indian Rupee to two decimal places.

## 2.2 Presentation of financial statements

The Company presents its balance sheet in order of liquidity in compliance with requirements of Schedule III of the Companies Act 2013 ("the Act") applicable for Non Banking Finance Companies ("NBFC"). An analysis regarding recovery or settlement within 12 months after the reporting date (current) and more than 12 months after the reporting date (non-current) is presented in note 48.

The Statement of Cash Flows has been prepared and presented as per the requirements of Ind AS 7 "Statement of Cash Flows". The disclosure requirements with respect to items in the Balance Sheet and Statement of Profit and Loss, as prescribed in the Schedule III to the Act, are presented by way of notes forming part of the financial statements along with the other notes required to be disclosed under the notified accounting standards.

## NOTE: 03 | SUMMARY OF MATERIAL ACCOUNTING POLICIES

### 3.1 Revenue Recognition

#### 3.1.1 Interest income

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 (as set out in note 3.21) and is, therefore, regarded as 'Stage 3', the Company calculates interest income by applying the effective interest rate to the net amortised cost of the financial asset. If the financial assets cures and is no longer credit-impaired, the Company reverts to calculating interest income on a gross basis.

Interest income on all trading assets and other financial assets which are required to be measured at FVTPL is recognised using the contractual interest rate in net gain on fair value changes.

Delayed payment interest (penal interest and the like) levied on customers for delay in repayments/ non payment of contractual cashflows is recognised on realisation.

#### 3.1.2 The effective interest rate method

For all financial instruments measured at amortised cost, interest income is recorded using the effective interest rate (EIR) method. EIR is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the



# Notes to the Financial Statements

for the year ended 31<sup>st</sup> March 2025

financial instrument or a shorter period, where appropriate, to the gross carrying amount of the financial asset. When calculating the effective interest rate, the Company estimates the expected cash flows by considering all the contractual terms of the financial instrument but does not consider the expected credit losses. Any fees collected or costs incurred in respect of financial instruments form an integral part of the EIR.

### 3.1.3 Income from Transfers through direct assignment transaction

The Company transfers loans through direct assignment transactions. The transferred loans are derecognised and gains/losses are accounted for, only if the Company transfers substantially all risks and rewards specified in the underlying assigned loan contract. In accordance with the Ind AS 109, on derecognition 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.

### 3.1.4 Fee and commission income

Fee and commission income include fees other than those that are an integral part of EIR. The Company recognises the fee and commission income in accordance with the terms of the relevant contracts / agreement and when it is probable that the Company will collect the consideration.

## 3.2 Property, plant and equipment

All items of property, plant and equipment (PPE) are stated at historical cost, net of accumulated depreciation and impairment loss if any. The cost comprises the purchase price and any attributable cost of bringing the asset to its working condition for its intended use.

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 derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the statement of profit and loss when the asset is derecognised.

### Depreciation methods, estimated useful lives and residual value

Depreciation is provided on straight line basis so as to write off the cost of the assets (other than freehold land) less their residual values, using the rates arrived at based on the useful lives estimated by the Management. The Company has used the following useful life to provide depreciation on its property, plant and equipment.

Asset	Useful life as prescribed by Schedule II of the Co's Act, 2013	Estimated useful life adopted by the company
Office computers	3 years	4 Years
Vehicles	8 years	Upto 5 Years
Furniture, fixtures and other office equipment	10 years	7 Years
Office Equipment	5 years	4 years
Buildings	60 years	60 years
Leasehold improvements	Over the primary period of the lease	Over the primary period of the lease or 3 years; whichever is lower

Useful life of assets different from as prescribed in Schedule II has been estimated by management and is supported by the technical assessment. The management believes that these estimated useful lives are realistic and reflect fair approximation of the period over which the assets are likely to be used.

Depreciation on assets whose cost individually does not exceed ₹ 5,000/- is fully provided in the year of purchase.

Depreciation on assets acquired / sold during the year is recognised on a pro-rata basis to the statement of profit and loss from/ till the date of acquisition or sale.

PPE not ready for the intended use on the date of the Balance Sheet are disclosed as "capital work-in-progress".

## 3.3 Intangible assets

Intangible assets are recognised when it is probable that the future economic benefits that are attributable to the asset will flow to the enterprise and the cost of the asset can be measured reliably.

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are stated at acquisition cost, net of accumulated amortization and accumulated impairment losses, if any. Intangible assets are amortized on a straight line basis over a period of 3 years or it's useful life whichever is lower.

Amortization on the intangible assets added/discharged during the year is provided on pro-rata basis with reference to the month of addition/disposal/discarding.

The amortization period and the amortization method are reviewed at least at each financial year end. Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the statement of profit and loss when the asset is derecognised.

# Notes to the Financial Statements

for the year ended 31<sup>st</sup> March 2025

## Intangible assets under development

Expenditure for development eligible for capitalisation are carried as intangible assets under development where such assets are not yet ready for their intended use.

### 3.4 Impairment of non financial assets

The Company assesses at each reporting date whether there is an indication that a non financial asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's net selling price and its value in use. The recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or group of assets. Where the carrying amount of an asset exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount and the resulting impairment loss is charged to the statement of profit and loss.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, quoted share prices for publicly traded companies or other available fair value indicators.

After impairment, depreciation is provided on the revised carrying amount of the asset over its remaining useful life.

## 3.5 Taxes

### 3.5.1 Current tax

Current tax assets and liabilities are measured at the amount expected to be recovered from, or paid to, the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted, or substantively enacted, by the reporting date in the Indian Income Tax Act, 1961.

Current income tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Current tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

### 3.5.2 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:

- When the deferred tax liability arises from the initial recognition of goodwill or 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
- In respect of taxable temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, when the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future

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.
- In respect of deductible temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, deferred tax assets are recognised only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilised.

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 relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Deferred tax items are recognised in



# Notes to the Financial Statements

for the year ended 31<sup>st</sup> March 2025

correlation to the underlying transaction either in OCI or directly in equity.

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 taxation authority.

## 3.6 Retirement and other employee benefits

### 3.6.1 Short term employee benefits

Employee benefits falling due wholly within twelve months of rendering the service are classified as short term employee benefits and are expensed in the period in which the employee renders the related service. Liabilities recognised in respect of short term employee benefits are measured at the undiscounted amount of the benefits expected to be paid in exchange for the related service.

### 3.6.2 Defined contribution plan

Retirement benefit in the form of Government managed Employee Provident Fund and Government managed Employee Pension Fund are the defined contribution schemes. The Company has no obligation, other than the contribution payable to the respective schemes which are recognised as an expense, when an employee renders the related service.

### 3.6.3 Defined benefit plan

The Company operates a defined benefit gratuity plan, which requires contributions to be made to a separately administered fund. The Company's liabilities under Payment of Gratuity Act and compensated absences are determined on the basis of actuarial valuation made at the end of each financial year using the projected unit credit method. Obligation is measured at the present value of estimated future cash flows using a discounted rate that is determined by reference to market yields at the balance sheet date on government bonds where the currency and terms of the government bonds are consistent with the currency and estimated terms of the defined benefit obligation.

Remeasurements, comprising of actuarial gains and losses on retirement benefits arising from experience adjustments and changes in actuarial assumptions 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.

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 under employee benefit expenses 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,
- Net interest expense or income.

### 3.6.4 Long term incentive benefit

Other long term incentive benefits includes future encashment or availment, at the option of the employee subject to the rules framed by the Company which are expected to be availed or encashed beyond 12 months from the end of the year and long term incentive payable to employees on fulfilment of criteria prescribed by the Company.

### 3.6.5 Termination benefits

Termination benefits such as compensation under employee separation schemes are recognised as expense when the Company's offer of the termination benefit is accepted or when the Company recognises the related restructuring costs whichever is earlier.

## 3.7 Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur at amortised cost using EIR. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs.

## 3.8 Cash and cash equivalent

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

## 3.9 Earnings per share

Basic earnings per share is calculated by dividing the net profit or loss for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year.

# Notes to the Financial Statements

for the year ended 31<sup>st</sup> March 2025

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 is adjusted for the effects of all dilutive potential equity shares.

## 3.10 Provisions, contingent liabilities and contingent assets

Provisions are recognized when there is a present obligation (legal or constructive) as a result of past events and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation. When the effect of the time value of money is material, the Company determines the level of provision by discounting the expected cash flows at a pre-tax rate reflecting the current rates specific to the liability. Provisions are determined based on best estimate required to settle the obligation at the balance sheet date.

Contingent liability is disclosed in case when a present obligation arising from past events, when it is not probable that an outflow of resources will be required to settle the obligation and a present obligation arising from past events, when no reliable estimate is possible.

Where the unavoidable costs of meeting the obligations under the contract exceed the economic benefits expected to be received under such contract, the present obligation under the contract is recognised and measured as a provision.

Contingent assets are not recognised in the financial statements. Contingent assets are disclosed where an inflow of economic benefits is probable.

Provisions, contingent liabilities and contingent assets are reviewed at each Balance Sheet date.

## 3.11 Commitments

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

- a) Estimated amount of contracts remaining to be executed on capital account and not provided for;
- b) Uncalled liability on shares and other investments partly paid;
- c) Funding related commitment to associate and joint venture companies; and
- d) Other non-cancellable commitments, if any, to the extent they are considered material and relevant in the opinion of management."

## 3.12 Leases

### 3.12.1 Company as a lessee

The Company's lease asset classes primarily consist of leases for land and buildings. The Company assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether: (1) the contract involves the use of an identified asset (2) the Company has substantially all of the economic benefits from use of the asset through the period of the lease and (3) the Company has the right to direct the use of the asset.

At the date of commencement of the lease, the Company recognizes right-of-use ("ROU") asset and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short-term leases) and low value leases. For these short-term and low value leases, the Company recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease.

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

The right-of-use assets are initially recognized at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses.

Right-of-use assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset. Right of use assets are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset generates cash flows that are largely dependent of those from other assets. In such cases, the recoverable amount is determined for the Cash Generating Unit (CGU) to which the asset belongs.

The lease liability is initially measured at amortised cost at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates in the country of domicile of the leases. Lease liabilities

# Notes to the Financial Statements

for the year ended 31<sup>st</sup> March 2025

are remeasured with a corresponding adjustment to the related right of use asset if the Company changes its assessment on exercise of an extension or a termination option.

Lease liability and ROU asset have been separately presented in the Balance Sheet and lease payments have been classified as financing cash flows.

## 3.12.2 Company as a lessor

Leases for which the Company is a lessor is classified as a finance or operating lease. Whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee, the contract is classified as a finance lease. All other leases are classified as operating leases.

When the Company is an intermediate lessor, it accounts for its interests in the head lease and the sub-lease separately. The sublease is classified as a finance or operating lease by reference to the right-of-use asset arising from the head lease.

For operating leases, rental income is recognized on a straight line basis over the term of the relevant lease.

## 3.13 Special reserve

The Company creates special reserve every year out of its profits in terms of Section 29C of the National Housing Bank Act, 1987. For this purpose any special reserve created by the Company under Section 36(1)(viii) of the Income- tax Act, 1961 is considered to be an eligible transfer.

## 3.14 Securities premium

Securities premium is recognised for shares issued at premium. The issue expenses of securities which qualify as equity instruments are written off against securities.

## 3.15 Financial instruments – initial recognition

### 3.15.1 Date of recognition

Financial assets and liabilities, with the exception of loans, debt securities and borrowings are initially recognised on the trade date, i.e., the date that the Company becomes a party to the contractual provisions of the instrument. This includes regular way trades: purchases or sales of financial assets that require delivery of assets within the time frame generally established by regulation or convention in the market place. Loans are recognised when funds are transferred to the customers' account. The Company recognises debt securities and borrowings when funds reach the Company.

### 3.15.2 Initial measurement of financial instruments

Financial assets and financial liabilities are initially recognised when the company becomes party to the contractual provisions

of the instruments. All financial instruments are recognised initially at fair value, with the exception of trade receivables. Transaction costs that are attributable to the acquisition of the financial asset (other than financial assets recorded at fair value through profit or loss) are included in the fair value of the financial assets. Purchase or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognised on trade date while, loans and borrowings are recognised net of directly attributable transactions costs.

### 3.15.3 Day 1 profit or loss

When the transaction price of the instrument differs from the fair value at origination and the fair value is based on a valuation technique using only inputs observable in market transactions, the Company recognises the difference between the transaction price and fair value in net gain or fair value changes. In those cases where fair value is based on models for which some of the inputs are not observable, the difference between the transaction price and the fair value is deferred and is only recognised in profit or loss when the inputs become observable, or when the instrument is derecognised.

### 3.15.4 Measurement categories of financial assets and liabilities

The Company classifies all of its financial assets based on the business model for managing the assets and the asset's contractual terms, measured at either amortised cost, Fair Value through Other Comprehensive Income(FVOCI) and Fair Value through Profit or Loss (FVTPL).

## 3.16 Financial assets and liabilities

### 3.16.1 Bank balances & Loans at amortised cost

The Company measures Bank balances and Loans at the amortised cost if both the following conditions are met:

- a) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
- b) Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance income in the profit or loss. The losses arising from impairment are recognised in the profit or loss.

# Notes to the Financial Statements

for the year ended 31<sup>st</sup> March 2025

## 3.16.2 Debt securities and other borrowed funds

After initial measurement, debt issued and other borrowed funds are subsequently measured at amortised cost. Amortised cost is calculated by taking into account any discount or premium on issue funds, and costs that are an integral part of the EIR. A compound financial instrument which contains both a liability and an equity component is separated at the issue date.

## 3.16.3 Financial assets and financial liabilities at fair value through profit or loss

Financial assets and financial liabilities in this category are those that are not held for trading (except investment) and have been either designated by management upon initial recognition or are mandatorily required to be measured at fair value under Ind AS 109. Management only designates an instrument at FVTPL upon initial recognition when one of the following criteria are met. Such designation is determined on an instrument-by-instrument basis:

- 1 The designation eliminates, or significantly reduces, the inconsistent treatment that would otherwise arise from measuring the assets or liabilities or recognising gains or losses on them on a different basis.
- 2 The liabilities are part of a group of financial liabilities, which are managed and their performance evaluated on a fair value basis, in accordance with a documented risk management or investment strategy.
- 3 The liabilities containing one or more embedded derivatives, unless they do not significantly modify the cash flows that would otherwise be required by the contract, or it is clear with little or no analysis when a similar instrument is first considered that separation of the embedded derivative(s) is prohibited.

Financial assets and financial liabilities at FVTPL are recorded in the balance sheet at fair value. However, trade receivables that do not contain a significant financing component are initially measured at transaction price. Changes in fair value are recorded in profit and loss with the exception of movements in fair value of liabilities designated at FVTPL due to changes in the Company's own credit risk. Such changes in fair value are recorded in the Own credit reserve through OCI and do not get recycled to the profit or loss. Interest earned or incurred on instruments designated at FVTPL is accrued in interest income or finance cost, respectively, using the EIR, taking into account any discount/ premium and qualifying transaction costs being an integral part of instrument. Interest earned on assets mandatorily required to be measured at FVTPL is recorded using contractual interest rate.

## 3.16.4 Undrawn loan commitments

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.

## 3.17 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 have been reclassified for better presentation. The Company reclassified its financial liabilities for FY 2024-25 and FY 2023-24.

## 3.18 Modification and derecognition of financial asset

A modification of a financial asset occurs when the contractual terms governing the cash flows of a financial asset are renegotiated or otherwise modified between initial recognition and maturity of the financial asset. A modification affects the amount and/or timing of the contractual cash flows either immediately or at a future date. When a financial asset is modified the Company assesses whether this modification results in derecognition.

In the case where the financial asset is derecognised the loss allowances for ECL is remeasured at the date of derecognition to determine the net carrying amount of the asset at that date. The difference between this revised carrying amount and the fair value of the new financial asset with the new terms may lead to a gain or loss on derecognition. The new financial asset may have a loss allowance measured based on 12-month ECL except where the new loan is considered to be originated-credit impaired.

When the contractual terms of a financial asset are modified and the modification does not result in derecognition, the Company determines if the financial asset's credit risk has increased significantly since initial recognition.

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised when:

- The rights to receive cash flows from the asset have expired, or

# Notes to the Financial Statements

for the year ended 31<sup>st</sup> March 2025

- The Company has transferred its rights to receive cash flows from the 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 and either (a) the Company has transferred substantially all the risks and rewards of the asset, or (b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

## 3.19 Derecognition of 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 profit or loss.

## 3.20 Repossession of Collaterals

To mitigate the credit risk on financial assets, the Company seeks to use collateral, as per the powers conferred on the HFC under SARFAESI act. In its normal course of business, the Company does not physically repossess properties or other assets in its portfolio, but engages external agents to recover funds, generally at auction, to settle outstanding debt. Any surplus funds are returned to the customers/obligors. As a result of this practice, the residential properties under legal repossession processes are not recorded on the balance sheet and not treated as non-current assets held for sale.

## 3.21 Impairment of financial assets

### 3.21.1 Overview of the ECL principles

The Company records allowance for expected credit losses (ECL) for all loans, other debt financial assets not held at FVTPL, together with loan commitments, in this section all referred to as 'financial instruments'.

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) as outlined in note 3.21.2.

The 12mECL 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 either an individual basis or a 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 period, of whether a financial instrument's credit risk has increased significantly since initial recognition, by considering the change in the risk of default occurring over the remaining life of the financial instrument.

Based on the above process, the Company categorises its loans into Stage 1, Stage 2, Stage 3 and POCI, 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.

**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.

**POCI** Purchased or originated credit impaired (POCI) assets are financial assets that are credit impaired on initial recognition. POCI assets are recorded at fair value at original recognition and interest income is subsequently recognised based on a credit-adjusted EIR. ECLs are only recognised or released to the extent that there is a subsequent change in the expected credit losses.

### 3.21.2 The calculation of ECLs

The Company calculates ECLs based on a probability-weighted scenarios 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 (PD) is an estimate of the likelihood of default over a given time horizon. A default may only happen at a certain time over the assessed period, if the facility has not been previously derecognised and is still in the portfolio.

# Notes to the Financial Statements

for the year ended 31<sup>st</sup> March 2025

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

**LGD** The Loss Given Default (LGD) 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.

When estimating the ECLs, the Company considers four scenarios (a base case, an upside, a mild downside ('downside 1') and a more extreme downside ('downside 2')). Each of these is associated with different PDs, EADs and LGDs. When relevant, the assessment of multiple scenarios also incorporates how defaulted loans are expected to be recovered, including the probability that the loans will cure and the value of collateral or the amount that might be received for selling the asset.

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

The mechanics of the ECL method are summarised below:

**Stage 1** The 12mECL 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 a forecast EAD and multiplied by the expected LGD and discounted by an approximation to the original EIR.

**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. The expected cash shortfalls are discounted by an approximation to the original EIR.

**Stage 3** For loans considered credit-impaired, the Company recognises the lifetime expected credit losses for these loans. The method is similar to that for Stage 2 assets, with the PD set at 100%.

**POCI** POCI assets are financial assets that are credit impaired on initial recognition. The Company only recognises the cumulative changes in lifetime ECLs since initial recognition, based on a probability-weighting of the four scenarios, discounted by the credit-adjusted EIR.

**Loan commitments** When estimating LTECLs for undrawn 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, based on a probability-weighting of the four scenarios. The expected cash shortfalls are discounted at an approximation to the expected EIR on the loan.

For a loan and an undrawn commitment, ECLs are calculated and presented together with the loan. For loan commitments, the ECL is recognised within provisions.

### 3.21.3 Significant increase in credit risk

The Company monitors all financial assets and financial guarantee contracts that are subject to the impairment requirements to assess whether there has been a significant increase in credit risk since initial recognition. If there has been a significant increase in credit risk the Company will measure the loss allowance based on lifetime rather than 12-month ECL.

In assessing whether the credit risk on a financial instrument has increased significantly since initial recognition, the Company compares the risk of a default occurring on the financial instrument at the reporting date based on the remaining maturity of the instrument with the risk of a default occurring that was anticipated for the remaining maturity at the current reporting date when the financial instrument was first recognised. In making this assessment, the Company considers both quantitative and qualitative information that is reasonable and supportable, including historical experience and forward-looking information that is available without undue cost or effort, based on the Company's historical experience and expert credit assessment.

Given that a significant increase in credit risk since initial recognition is a relative measure, a given change, in absolute terms, in the Probability of Default will be more significant for a financial instrument with a lower initial PD than compared to a financial instrument with a higher PD. As a back-stop when loan asset becomes 30 days past due, the Company considers that a significant increase in credit risk has occurred and the asset

# Notes to the Financial Statements

for the year ended 31<sup>st</sup> March 2025

is in stage 2 of the impairment model, i.e. the loss allowance is measured as the lifetime ECL.

## 3.21.4 Credit-impaired financial assets

A financial asset is 'credit-impaired' when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred. Credit-impaired financial assets are referred to as Stage 3 assets. Evidence of credit impairment includes observable data about the following events:

- significant financial difficulty of the borrower or issuer;
- a breach of contract such as a default or past due event;
- restructuring of loans due to financial difficulty of the borrowers;
- the disappearance of an active market for a security because of financial difficulties; or
- the purchase of a financial asset at a deep discount that reflects the incurred credit losses.

It may not be possible to identify a single discrete event. Instead, the combined effect of several events may have caused financial assets to become credit-impaired. The Company assesses whether debt instruments that are financial assets measured at amortised cost or FVOCI are credit-impaired at each reporting date. To assess if corporate debt instruments are credit impaired, the Company considers factors such as bond yields, credit ratings and the ability of the borrower to raise funds.

A loan is considered credit-impaired when a concession is granted to the borrower due to deterioration in the borrower's financial condition. The definition of default includes unlikelihood to pay indicators and a back-stop if amounts are overdue for 90 days or more.

## 3.21.5 Trade receivables and other assets

The Company follows 'simplified approach' for recognition of impairment loss allowance on trade receivables. The application of simplified approach does not require the Company to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition. The Company uses a provision matrix to determine impairment loss allowance on portfolio of its trade receivables. The provision matrix is based on its historically observed default rates over the expected life of the trade receivables and is adjusted for forward-looking estimates. At every reporting date, the historical observed default rates are updated for changes in the forward-looking estimates.

## 3.21.6 Forward looking information

In its ECL models, the Company relies on a broad range of forward looking information as economic inputs, such as: GDP growth, unemployment rates, Central Bank base rates, house price indices, etc

The inputs and models used for calculating ECLs may not always capture all characteristics of the market at the date of the financial statements. To reflect this, qualitative adjustments or overlays are occasionally made as temporary adjustments when such differences are significantly material.

## 3.21.7 Write-offs

Financial assets are written off either partially or in their entirety only when the Company had concluded that it had no reasonable expectations of recovering the asset and has stopped pursuing the recovery. 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 impairment on financial instrument on statement of profit and loss.

## 3.21.8 Presentation of allowance for ECL in the Balance Sheet

For financial assets measured at amortised cost, loss allowances for ECL are presented in the statement of financial position as a deduction from the gross carrying amount of the assets.

## 3.22 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

# Notes to the Financial Statements

for the year ended 31<sup>st</sup> March 2025

selling it to another market participant that would use the asset in its highest and best use.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

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 below:

- 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 on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation at the end of each reporting period.

## 3.23 Security deposits

At initial recognition the carrying value of the refundable deposits is taken at present value of all expected future principal repayments discounted using market rates prevailing at the time of inception. For Interest expenses, the difference between present market value and deposit made is recognised as prepayment and amortised in the Statement of Profit and loss over the benefit period on systematic basis. Interest income is recognised at the prevailing market rates.

## 3.24 Statement of Cash flows

Cash flows are reported using the indirect method, whereby profit / (loss) before extraordinary items and tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments.

## 3.25 Foreign Currencies

Functional currency of the Company and foreign operations has been determined based on the primary economic environment in which the Company and its foreign operations operate considering the currency in which funds are generated, spent and retained.

Transactions in currencies other than the Company's functional currency are recorded on initial recognition using the exchange

rate at the transaction date. At each Balance Sheet date, foreign currency monetary items are reported at the rates prevailing at the year-end. Non-monetary items that are measured in terms of historical cost in foreign currency are not retranslated.

Exchange differences that arise on settlement of monetary items or on reporting of monetary items at each Balance Sheet date at the closing spot rate are recognised in the Statement of Profit and Loss in the period in which they arise.

## 3.26 Share-based payment arrangements

The stock options granted to employees by the holding company's (i.e. Aditya Birla Capital Limited) Stock Options Schemes, are measured at the fair value of the options at the grant date. The fair value of the options is treated as discount and accounted as employee compensation cost over the vesting period on a straight line basis. The amount recognised as expense in each year is arrived at based on the number of grants expected to vest. The cost incurred by the holding company, in respect of options granted to employees of the Company, is being recovered by holding company and it is charged to the Statement of Profit and Loss of the Company over the period of vesting.

### NOTE: 04 SIGNIFICANT ACCOUNTING JUDGEMENTS, ESTIMATES AND ASSUMPTIONS

The preparation of the Company's financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

## Estimates and assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Company based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Company. Such changes are reflected in the assumptions when they occur.



# Notes to the Financial Statements

for the year ended 31<sup>st</sup> March 2025

## 4.1 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 internal credit grading model, which assigns PDs to the individual grades
- 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 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, such as unemployment levels and collateral values, 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.

## 4.2 Lease Accounting

Critical judgements required in the application of Ind AS 116 may include, among others, the following:

- Identifying whether a contract (or part of a contract) includes a lease;
- Determining whether it is reasonably certain that an extension or termination option will be exercised;
- Classification of lease agreements (when the entity is a lessor);
- Determination of whether variable payments are in-substance fixed;
- Establishing whether there are multiple leases in an arrangement;
- Determining the stand-alone selling prices of lease and non-lease components.

Key sources of estimation uncertainty in the application of Ind AS 116 may include, among others, the following:

- Estimation of the lease term;
- Determination of the appropriate rate to discount the lease payments;
- Assessment of whether a right-of-use asset is impaired.

# Notes to the Financial Statements

for the year ended 31<sup>st</sup> March 2025

## NOTE: 05 | CASH AND CASH EQUIVALENTS

Particulars	(₹ Crore)	
	As at March 31, 2025	As at March 31, 2024
Balances with banks (in current accounts)	377.14	279.84
Term deposits with banks with original maturity of three months or less	-	-
	<b>377.14</b>	<b>279.84</b>

## NOTE: 06 | RECEIVABLES (AT AMORTISED COST)

Particulars	(₹ Crore)	
	As at March 31, 2025	As at March 31, 2024
<b>I Trade receivables</b>		
<b>(i) Undisputed</b>		
Receivables considered good - unsecured	19.43	4.84
Having significant increase in Credit Risk	-	-
Credit impaired	-	-
<b>(ii) Disputed</b>		
Receivables considered good - unsecured	-	-
Having significant increase in Credit Risk	-	-
Credit impaired	-	-
	<b>19.43</b>	<b>4.84</b>
Provision for impairment	-	-
Other receivables from customers	0.02	-
	<b>19.45</b>	<b>4.84</b>
<b>II Other receivables</b>		
Unsecured considered good		
Receivable from related parties (refer note 35 (II) (b))	16.51	15.24
	<b>16.51</b>	<b>15.24</b>

### Foot notes:

- No trade or other receivable are due from directors or other officers of the company either severally or jointly with any other person. Nor any trade or other receivable are due from firms including limited liability partnership (LLP's) or private companies respectively in which any director is a partner, a director or a member. Further, there are no receivables for which there has been a significant increase in credit risk or which have become credit impaired.



# Notes to the Financial Statements

for the year ended 31<sup>st</sup> March 2025

## 2 Trade Receivables Ageing -

(₹ Crore)

Particulars	Unbilled Trade Receivables	Outstanding for following periods from due date of payment					Total
		Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
<b>As at March 31, 2025</b>							
(i) Undisputed Trade receivables – considered good	-	15.51	-	-	-	-	15.51
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
(iii) Undisputed Trade Receivables – credit impaired	-	-	-	-	-	-	-
(iv) Disputed Trade Receivables– considered good	-	-	-	-	-	-	-
(v) Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
(v) Disputed Trade Receivables – credit impaired	-	-	-	-	-	-	-
- Unbilled Trade Receivables	3.94	-	-	-	-	-	3.94
<b>Total</b>	<b>3.94</b>	<b>15.51</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>19.45</b>
<b>As at March 31, 2024</b>							
(i) Undisputed Trade receivables – considered good	-	4.06	-	-	-	-	4.06
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
(iii) Undisputed Trade Receivables – credit impaired	-	-	-	-	-	-	-
(iv) Disputed Trade Receivables– considered good	-	-	-	-	-	-	-
(v) Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
(v) Disputed Trade Receivables – credit impaired	-	-	-	-	-	-	-
- Unbilled Trade Receivables	0.78	-	-	-	-	-	0.78
<b>Total</b>	<b>0.78</b>	<b>4.06</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>4.84</b>

# Notes to the Financial Statements

for the year ended 31<sup>st</sup> March 2025

## NOTE: 07 | LOANS (AT AMORTISED COST)

Particulars	(₹ Crore)	
	As at March 31, 2025	As at March 31, 2024
<b>(A)</b> Loans relating to financing activity (refer note 7.2.1)	29,186.17	17,876.98
<b>Total (A) – Gross</b>	<b>29,186.17</b>	<b>17,876.98</b>
Less: Impairment loss allowance (refer note 7.2.2)	(208.45)	(199.06)
<b>Total (A) – Net</b>	<b>28,977.72</b>	<b>17,677.92</b>
<b>(B)</b> (a) Secured by tangible assets	28,544.49	17,538.61
(b) Secured by Intangible assets	637.83	331.74
(c) Unsecured, considered good	3.85	6.63
<b>Total (B) – Gross</b>	<b>29,186.17</b>	<b>17,876.98</b>
Less: Impairment loss allowance	(208.45)	(199.06)
<b>Total (B) – Net</b>	<b>28,977.72</b>	<b>17,677.92</b>
<b>(C)</b> (I) Loans in India		
(a) Public sector	-	-
(b) Others	29,186.17	17,876.98
	<b>29,186.17</b>	<b>17,876.98</b>
(II) Loans outside India	-	-
<b>Total (C) – Gross</b>	<b>29,186.17</b>	<b>17,876.98</b>
Less: Impairment loss allowance	(208.45)	(199.06)
<b>Total (C) – Net</b>	<b>28,977.72</b>	<b>17,677.92</b>

### 7.1 Credit quality of assets

The table below shows the credit quality and the gross carrying amount to credit risk based on year-end stage classification. The amounts presented are gross of impairment allowances.

Stage	As at March 31, 2025		As at March 31, 2024	
	Count	Amount	Count	Amount
Stage 1	89,929	28,780.80	64,298	17,357.57
Stage 2	609	212.50	527	193.92
Stage 3	625	192.87	910	325.49
<b>Total</b>	<b>91,163</b>	<b>29,186.17</b>	<b>65,735</b>	<b>17,876.98</b>

Note - The Company has taken necessary steps to recover the amount for all the cases. All the recovery process are as per the terms mentioned in agreement and are in compliance with RBI and NHB directives.



# Notes to the Financial Statements

for the year ended 31<sup>st</sup> March 2025

**7.2** An analysis of changes in the gross carrying amount and the corresponding ECL allowances in relation to loans relating to financing activity, as follows:

## 7.2.1 Reconciliation of gross carrying amount:

(₹ Crore)

	Stage 1	Stage 2	Stage 3	Total
<b>March 31, 2025</b>				
Gross carrying amount opening balance	17,357.57	193.92	325.49	17,876.98
New assets originated or purchased	17,647.15	0.13	0.33	17,647.61
Assets derecognised or repaid (excluding write offs)	(6,105.82)	(48.48)	(120.93)	(6,275.23)
Transfers to stage 1	84.42	(59.36)	(25.06)	-
Transfers to stage 2	(141.95)	147.49	(5.54)	-
Transfers to stage 3	(58.43)	(18.79)	77.22	-
Amounts written off	(2.15)	(2.42)	(58.63)	(63.19)
Gross carrying amount closing balance	<b>28,780.80</b>	<b>212.49</b>	<b>192.88</b>	<b>29,186.17</b>

(₹ Crore)

	Stage 1	Stage 2	Stage 3	Total
<b>March 31, 2024</b>				
Gross carrying amount opening balance	13,119.60	242.51	445.92	13,808.02
New assets originated or purchased	8,448.01	0.27	2.75	8,451.03
Assets derecognised or repaid (excluding write offs)	(4,096.46)	(71.91)	(152.64)	(4,321.01)
Transfers to stage 1	80.71	(62.92)	(17.79)	-
Transfers to stage 2	(123.79)	128.01	(4.22)	-
Transfers to stage 3	(65.77)	(40.99)	106.76	-
Amounts written off	(4.73)	(1.05)	(55.29)	(61.06)
Gross carrying amount closing balance	<b>17,357.57</b>	<b>193.92</b>	<b>325.49</b>	<b>17,876.98</b>

## 7.2.2 Reconciliation of ECL balance is given below:

(₹ Crore)

	Stage 1	Stage 2	Stage 3	Total
<b>March 31, 2025</b>				
ECL allowance - opening balance	74.00	15.11	109.94	199.05
New assets originated or purchased	48.49	0.01	0.09	48.60
Assets derecognised or repaid (excluding write offs)	(24.36)	(4.04)	(82.13)	(110.53)
Transfers to Stage 1	3.46	(2.16)	(1.29)	-
Transfers to Stage 2	(2.82)	3.03	(0.21)	-
Transfers to Stage 3	(19.61)	(5.99)	25.60	-
Impact on year end ECL of exposures transferred between stages during the year	18.70	2.74	(6.45)	14.99
ECL recognised due to change in credit risk	(3.16)	(1.33)	41.44	36.96
Recoveries	-	-	(3.98)	(3.98)
Amounts written off	0.01	0.29	23.06	23.36
ECL allowance - closing balance	<b>94.71</b>	<b>7.66</b>	<b>106.07</b>	<b>208.45</b>

# Notes to the Financial Statements

for the year ended 31<sup>st</sup> March 2025

	(₹ Crore)			
	Stage 1	Stage 2	Stage 3	Total
<b>March 31, 2024</b>				
ECL allowance - opening balance	87.42	16.02	147.62	251.06
New assets originated or purchased	38.46	0.05	0.94	39.45
Assets derecognised or repaid (excluding write offs)	(26.30)	(2.81)	(45.97)	(75.07)
Transfers to Stage 1	1.89	(1.44)	(0.45)	-
Transfers to Stage 2	(7.89)	8.45	(0.56)	-
Transfers to Stage 3	(24.15)	(15.78)	39.93	-
Impact on year end ECL of exposures transferred between stages during the year	28.96	9.41	(5.87)	32.50
ECL recognised due to change in credit risk	(24.26)	1.27	(0.95)	(23.94)
Recoveries	-	-	(4.94)	(4.94)
Amounts written off	(0.12)	(0.06)	(19.82)	(20.00)
ECL allowance - closing balance	<b>74.00</b>	<b>15.11</b>	<b>109.94</b>	<b>199.06</b>

## 7.3 Exposure to modified financial assets

The Company has extended resolution plans to relieve from COVID-19 pandemic related stress to eligible borrowers on the parameters laid down in accordance with the guidelines issued by the RBI and policy approved by the Board of Directors of the Company. As of March 31, 2025, all the resolution plans under this framework were duly implemented.

The Company has further renegotiated loans given to customers, in financial difficulties who are not eligible under the guidelines issued by RBI related to COVID-19 (referred to as restructuring or rescheduling) to maximise collection opportunities and minimise the risk of default.

		(₹ Crore)	
Sr. No.	Particulars	As at March 31, 2025	As at March 31, 2024
	Loan exposure to modified financial assets		
(i)	Maximum exposure amount	344.48	508.11
(ii)	Impairment allowance	86.20	82.04
(iii)	Net carrying amount	<b>258.28</b>	<b>426.08</b>

### Foot notes:

- A. There are no loans or advances in the nature of loans that are granted to promoters, directors, KMPs and the related parties (as defined under the Companies Act, 2013), either severally or jointly with any other person that are (a) repayable on demand or (b) without specifying any terms or period of repayment.

## NOTE: 08 | INVESTMENTS

		(₹ Crore)	
		As at March 31, 2025	As at March 31, 2024
Investments carried at fair value through Profit & Loss			
	Investments in Government Securities	716.42	265.75
Investments carried at fair value through OCI			
	Investment in unquoted equity shares	25.00	-
		<b>741.42</b>	<b>265.75</b>

Note: There are no investments made outside India.



# Notes to the Financial Statements

for the year ended 31<sup>st</sup> March 2025

## NOTE: 09 | OTHER FINANCIAL ASSETS (AT AMORTISED COST)

(₹ Crore)

	As at March 31, 2025	As at March 31, 2024
Security deposit	10.19	7.07
Other receivables	95.11	32.09
	<b>105.30</b>	<b>39.16</b>

## NOTE: 10 | INCOME TAX

The components of income tax expense for the years ended March 31, 2025 and March 31, 2024 are as under:

(₹ Crore)

	For the year ended March 31, 2025	For the year ended March 31, 2024
<b>Recognised in statement of profit and loss</b>		
Current tax	72.16	63.53
Deferred tax relating to origination and reversal of temporary differences	23.72	24.05
<b>Tax charges</b>	<b>95.88</b>	<b>87.58</b>
Adjustment in respect of current income tax of earlier years	0.13	(1.82)
<b>Total tax charges</b>	<b>96.01</b>	<b>85.76</b>

### 10.1 Reconciliation of the total tax charge

The tax charge shown in the statement of profit and loss differs from the tax charge that would apply if all profits had been charged at India corporate tax rate. A reconciliation between the tax expense and the accounting profit multiplied by India's domestic tax rate for the years ended March 31, 2025 and March 31, 2024 is, as follows:

(₹ Crore)

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Accounting profit before tax	419.44	376.45
At India's statutory income tax rate of (March 31, 2025 : 25.168% ; March 31, 2024 : 25.168%)	105.56	94.74
Adjustment in respect of current income tax of earlier years	0.13	(1.82)
Differences other than temporary in nature on account of tax benefit u/s 36(1)(viii) of the Income Tax Act, 1961 and others	(9.69)	(7.16)
Income tax expense reported in the statement of profit and loss	<b>96.01</b>	<b>85.76</b>

The effective income tax rate for March 31, 2025 is 22.86% (March 31, 2024: 23.26%).

# Notes to the Financial Statements

for the year ended 31<sup>st</sup> March 2025

## 10.2 Deferred tax Assets (Net)

(₹ Crore)

	As at March 31, 2025	As at March 31, 2024
<b>Deferred tax asset</b>		
<b>Timing differences on account of</b>		
Impairment allowance for financial assets	52.46	50.10
Provision for employee benefits	3.81	3.34
Differences in depreciation as per income tax & as charged in financials	1.45	1.02
Deferred tax asset (A)	<b>57.72</b>	<b>54.46</b>
<b>Deferred tax liability</b>		
<b>Timing differences on account of</b>		
Tax deduction under Section 36(1)(viiia) of Income Tax Act, 1961	6.47	5.92
Recognition of financial instruments under amortised cost under Ind AS 109	41.22	15.10
Deferred tax liability (B)	<b>47.69</b>	<b>21.02</b>
<b>Deferred tax asset (net) (A-B)</b>	<b>10.03</b>	<b>33.44</b>

## Deferred tax credit (Net)

(₹ Crore)

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
<b>Recognised in statement of profit and loss</b>		
Impairment allowance for financial assets	(1.82)	12.48
Provision for employee benefits	(0.16)	0.01
Differences in depreciation as per income tax & as charged in financials	(0.43)	(0.35)
Deferred tax liability on amortised cost under Ind AS 109	26.13	11.91
	<b>23.72</b>	<b>24.05</b>
<b>Recognised in OCI</b>		
Deferred tax on re-measurement gains/ (losses) on defined benefit plans	0.31	(0.01)
	<b>0.31</b>	<b>(0.01)</b>
<b>Total deferred tax expense recognised (including OCI)</b>	<b>23.41</b>	<b>24.06</b>

## NOTE: 11 | PROPERTY, PLANT AND EQUIPMENT

(₹ Crore)

Particulars	Building <sup>1</sup>	Leasehold improvements	Furniture & fixtures	Office equipment	Computers & Hardware	Vehicle	Total
<b>Gross block</b>							
<b>As at April 01, 2023</b>	<b>2.56</b>	<b>6.49</b>	<b>0.69</b>	<b>2.73</b>	<b>17.74</b>	<b>1.87</b>	<b>32.08</b>
Adjustment	-	-	-	-	-	-	-
Additions	-	3.10	0.48	0.69	3.91	6.81	14.99
Acquisitions through business combinations	-	-	-	-	-	-	-
Deletions	-	(0.86)	(0.09)	(0.68)	(4.04)	(0.36)	(6.03)
<b>As at March 31, 2024</b>	<b>2.56</b>	<b>8.73</b>	<b>1.08</b>	<b>2.74</b>	<b>17.61</b>	<b>8.32</b>	<b>41.04</b>
Adjustment	-	-	-	-	-	-	-
Additions	-	5.60	0.82	3.88	7.01	13.56	30.87
Acquisitions through business combinations	-	-	-	-	-	-	-
Deletions	-	(0.09)	(0.04)	(0.27)	(1.68)	(0.74)	(2.82)
<b>As at March 31, 2025</b>	<b>2.56</b>	<b>14.24</b>	<b>1.86</b>	<b>6.35</b>	<b>22.94</b>	<b>21.14</b>	<b>69.09</b>



# Notes to the Financial Statements

for the year ended 31<sup>st</sup> March 2025

(₹ Crore)

Particulars	Building <sup>1</sup>	Leasehold improvements	Furniture & fixtures	Office equipment	Computers & Hardware	Vehicle	Total
<b>Accumulated depreciation</b>							
As at April 01, 2023	0.26	2.62	0.57	1.52	9.35	0.53	14.85
Adjustment	-	-	-	-	-	-	-
Charge for the year	0.05	2.20	0.40	0.55	3.38	1.21	7.79
Reduction	-	(0.86)	(0.09)	(0.65)	(3.99)	(0.28)	(5.86)
<b>As at March 31, 2024</b>	<b>0.31</b>	<b>3.96</b>	<b>0.88</b>	<b>1.42</b>	<b>8.74</b>	<b>1.46</b>	<b>16.78</b>
Adjustment	-	-	-	-	-	-	-
Charge for the year	0.05	3.77	0.66	1.24	4.49	3.54	13.75
Reduction	-	(0.09)	(0.03)	(0.26)	(1.60)	(0.33)	(2.31)
<b>As at March 31, 2025</b>	<b>0.36</b>	<b>7.64</b>	<b>1.51</b>	<b>2.40</b>	<b>11.63</b>	<b>4.67</b>	<b>28.21</b>
<b>Net book value</b>							
As at March 31, 2024	2.25	4.77	0.20	1.32	8.87	6.86	24.26
As at March 31, 2025	2.20	6.60	0.35	3.95	11.31	16.47	40.89

## Foot notes:

- Assets pledged as security: Buildings with gross block ₹ 2.56 crores and accumulated depreciation ₹ 0.35 crores (March 31, 2024: Gross block ₹ 2.56 crores and accumulated depreciation ₹ 0.31 crores) is subject to a first charge to secure debentures issued by the Company.
- No revaluation of any class of assets is carried out during the year.
- All the title deeds of immovable properties are held in name of the Company.

## NOTE: 12 | OTHER INTANGIBLES ASSET

(₹ Crore)

Particulars	Computer Software
<b>Gross block</b>	
As at April 01, 2023	28.44
Adjustment	-
Additions	12.58
Transfers from assets under development	4.40
Acquisitions through business combinations	-
Deletions/adjustment	-
<b>As at March 31, 2024</b>	<b>45.42</b>
Adjustment	-
Additions	15.62
Transfers from assets under development	1.06
Acquisitions through business combinations	-
Deletions/adjustment	-
<b>As at March 31, 2025</b>	<b>62.10</b>

# Notes to the Financial Statements

for the year ended 31<sup>st</sup> March 2025

(₹ Crore)

Particulars	Computer Software
<b>Accumulated amortization</b>	
<b>As at April 01, 2023</b>	<b>17.68</b>
Adjustment	-
Charge for the year	7.81
Reduction	-
<b>As at March 31, 2024</b>	<b>25.49</b>
Adjustment	-
Charge for the year	12.13
Reduction	-
<b>As at March 31, 2025</b>	<b>37.62</b>
<b>Net book value</b>	
<b>As at March 31, 2024</b>	<b>19.93</b>
<b>As at March 31, 2025</b>	<b>24.48</b>

## 12.1 Intangible asset under development

(₹ Crore)

Particulars	Computer Software
<b>Gross block</b>	
<b>As at April 01, 2023</b>	<b>4.70</b>
Additions	1.00
Deletions/adjustment	(4.40)
<b>As at March 31, 2024</b>	<b>1.30</b>
Additions	1.75
Deletions/adjustment	(1.07)
<b>As at March 31, 2025</b>	<b>1.98</b>

### Foot notes:

- 1 Company does not have any internally generated intangible assets.
- 2 Intangible assets under development ageing schedule

(₹ Crore)

Intangible assets under development	Amount for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
<b>As at March 31, 2025</b>					
Projects in progress	1.98	-	-	-	1.98
Projects temporarily suspended	-	-	-	-	-
<b>Total</b>	<b>1.98</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1.98</b>
<b>As at March 31, 2024</b>					
Projects in progress	1.30	-	-	-	1.30
Projects temporarily suspended	-	-	-	-	-
<b>Total</b>	<b>1.30</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1.30</b>

- 3 There are no projects whose completion is overdue to its original plan & there are no projects that has exceeded its cost compared to the original plan.



# Notes to the Financial Statements

for the year ended 31<sup>st</sup> March 2025

## NOTE: 13 ROU ASSET

		(₹ Crore)
Particulars		Building
<b>Gross block</b>		
<b>As at April 01, 2023</b>		<b>47.19</b>
Additions		14.67
Deletions/adjustment		(3.10)
<b>As at March 31, 2024</b>		<b>58.77</b>
Additions		47.25
Deletions/adjustment		(6.21)
<b>As at March 31, 2025</b>		<b>99.81</b>
<b>Accumulated Depreciation</b>		
<b>As at April 01, 2023</b>		<b>7.78</b>
Charge for the year		10.10
Reduction		(1.63)
<b>As at March 31, 2024</b>		<b>16.25</b>
Charge for the year		14.88
Reduction		(2.08)
<b>As at March 31, 2025</b>		<b>29.05</b>
<b>Net book value</b>		
<b>As at March 31, 2024</b>		<b>42.52</b>
<b>As at March 31, 2025</b>		<b>70.76</b>

### Foot notes:

1 All the lease deeds of Right of use asset are held in name of the company.

## NOTE: 14 OTHER NON-FINANCIAL ASSETS

			(₹ Crore)
	As at March 31, 2025	As at March 31, 2024	
Capital advances	3.45	2.92	
Prepaid expense	12.89	20.58	
Retirement benefits gratuity fund (refer note 46)	8.51	6.98	
Balances with tax authorities	10.20	7.21	
Deferred lease expense	0.00	-	
	<b>35.05</b>	<b>37.69</b>	

# Notes to the Financial Statements

for the year ended 31<sup>st</sup> March 2025

## NOTE: 15 | PAYABLES (AT AMORTISED COST)

	As at March 31, 2025	As at March 31, 2024
(₹ Crore)		
<b>(I) Trade payables (refer note 52)</b>		
(i) total outstanding dues of micro enterprises and small enterprises (refer note 38)	0.02	1.85
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises	119.35	49.77
	<b>119.37</b>	<b>51.62</b>

### Foot note:-

Trade Payables ageing schedule -

Particulars	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	
(₹ Crore)						
<b>As at March 31, 2025</b>						
(i) MSME	-	0.02	-	-	-	0.02
(ii) Others	-	22.62	3.51	0.42	0.48	27.04
(iii) Disputed Dues- MSME	-	-	-	-	-	-
(iv) Disputed Dues- Others	-	-	-	-	-	-
- Unbilled Dues	92.32	-	-	-	-	92.32
<b>Total</b>	<b>92.32</b>	<b>22.64</b>	<b>3.51</b>	<b>0.42</b>	<b>0.48</b>	<b>119.38</b>
<b>As at March 31, 2024</b>						
(i) MSME	-	1.85	-	-	-	1.85
(ii) Others	-	19.74	0.44	0.19	0.29	20.66
(iii) Disputed Dues- MSME	-	-	-	-	-	-
(iv) Disputed Dues- Others	-	-	-	-	-	-
- Unbilled Dues	29.11	-	-	-	-	29.11
<b>Total</b>	<b>29.11</b>	<b>21.59</b>	<b>0.44</b>	<b>0.19</b>	<b>0.29</b>	<b>51.62</b>

## NOTE: 16 | DEBT SECURITIES

	As at March 31, 2025	As at March 31, 2024
(₹ Crore)		
<b>At amortised cost</b>		
<b>Secured</b>		
Redeemable non convertible debentures (refer foot note (ii) below)	9,923.96	4,031.27
<b>Unsecured</b>		
Commercial papers	1,528.67	1,340.71
<b>Total</b>	<b>11,452.63</b>	<b>5,371.98</b>
Debt securities in India	11,452.63	5,371.98
Debt securities outside India	-	-
<b>Total</b>	<b>11,452.63</b>	<b>5,371.98</b>

### Foot notes:

- (i) The company does not have any convertible debt securities.
- (ii) The debt securities are secured by way of mortgage of the immovable property and have first pari- passu charge on receivables of the Company.



# Notes to the Financial Statements

for the year ended 31<sup>st</sup> March 2025

## NOTE: 17 | BORROWINGS OTHER THAN DEBT SECURITIES

(₹ Crore)

	As at March 31, 2025	As at March 31, 2024
<b>At amortised cost</b>		
<b>Secured</b>		
Term loan from banks (refer foot note (i) below)	8,566.12	5,953.72
NHB Refinance (refer foot note (ii) below)	3,128.99	3,056.56
Working capital demand loan (refer foot note (iii) below)	1,901.91	691.17
Cash Credit	-	97.04
Repo Borrowings (refer foot note (iv) below)	200.13	-
Overdraft (refer foot note (v) below)	208.98	433.80
<b>Total</b>	<b>14,006.13</b>	<b>10,232.29</b>
Borrowings in India	14,006.13	10,232.29
Borrowings outside India	-	-
<b>Total</b>	<b>14,006.13</b>	<b>10,232.29</b>

### Foot notes:

- (i) The term loans from banks are secured by way of first pari-passu charge on the receivables of the Company.

The Company is adequately submitting quarterly statements of current assets to the banks which are as per the books of accounts maintained by the Company.

Term loans are used fully for the purpose for which they were obtained.

- (ii) The NHB Refinance facility of ₹ 3,128.99 crores (March 31, 2024 - ₹ 3,056.56 crores) is secured by way of exclusive charge on the receivables of the Company.
- (iii) The working capital loans are secured by way of first pari-passu charge on receivables of the Company. The repayment terms and rate of interest of working capital loans are as under-

(₹ Crore)

	As at March 31, 2025	As at March 31, 2024
<b>Repayable on demand</b>		
Rate of interest less than 7.50 % p.a.	1,101.44	631.16
Rate of interest more than 7.50 % p.a.	800.47	60.01

- (iv) The overdraft on account of cheques issued but not presented as on the balance sheet date are backed by cash credit facilities which are secured by way of first pari-passu charge on the receivables of the Company. The repayment terms and rate of interest is same as applicable to cash credit facilities.

(₹ Crore)

	As at March 31, 2025	As at March 31, 2024
Repayable on demand	208.98	433.80

- (v) The repayment terms and rate of interest of Repo Borrowings is as under -

(₹ Crore)

	As at March 31, 2025	As at March 31, 2024
Rate of interest 7.50 % p.a.	200.13	-

# Notes to the Financial Statements

for the year ended 31<sup>st</sup> March 2025

## NOTE: 18 | SUBORDINATED LIABILITIES

(₹ Crore)

	As at March 31, 2025	As at March 31, 2024
<b>At amortised cost</b>		
<b>Unsecured</b>		
Sub ordinate debts - debentures (refer foot note below)	642.75	342.41
<b>Total</b>	<b>642.75</b>	<b>342.41</b>
Subordinated liabilities in India	642.75	342.41
Subordinated liabilities outside India	-	-
<b>Total</b>	<b>642.75</b>	<b>342.41</b>

### Repayment Schedule for borrowings and relevant terms of Interest (Refer Note no. 16 to 18)

#### 1 Debt securities

(₹ Crore)

Maturities	As at March 31, 2025					As at March 31, 2024				
	≤ 1 Year	1-3 years	3-5 years	> 5 years	Total	≤ 1 Year	1-3 years	3-5 years	> 5 years	Total
<b>From Related Party:</b>										
6.00% to 7.50%	-	-	-	-	-	-	-	-	-	-
7.50% to 8.50%	-	-	177.40	-	<b>177.40</b>	-	-	72.26	-	<b>72.26</b>
8.50% to 9.25%	-	-	-	-	-	-	-	-	-	-
<b>From Others:</b>										
6.00% to 7.50%	-	252.90	840.71	-	<b>1,093.61</b>	-	252.87	-	-	<b>252.87</b>
7.50% to 8.50%	256.46	3,505.54	3,820.14	1,050.77	<b>8,632.91</b>	264.69	784.05	1,245.54	1,050.82	<b>3,345.11</b>
8.50% to 9.25%	20.04	-	-	-	<b>20.04</b>	340.99	20.04	-	-	<b>361.03</b>
<b>Total</b>	<b>276.50</b>	<b>3,758.44</b>	<b>4,838.25</b>	<b>1,050.77</b>	<b>9,923.96</b>	<b>605.68</b>	<b>1,056.96</b>	<b>1,317.80</b>	<b>1,050.82</b>	<b>4,031.27</b>

#### 2 Commercial Papers

(₹ Crore)

	As at March 31, 2025	As at March 31, 2024
Maturing upto 3 months*	1,528.67	1,147.75
Maturing between 3 to 6 months*	-	192.96
	<b>1,528.67</b>	<b>1,340.71</b>

\* The above is net of unamortized discounting charges on commercial paper amounting to ₹ 21.33 Crs (March 31, 2024: ₹ 21.29 Crs)



# Notes to the Financial Statements

for the year ended 31<sup>st</sup> March 2025

## 3 Term Loans

(₹ Crore)

Maturities	As at March 31, 2025					As at March 31, 2024				
	≤ 1 Year	1-3 years	3-5 years	> 5 years	Total	≤ 1 Year	1-3 years	3-5 years	> 5 years	Total
<b>From Other than Related Party:</b>										
7.50% to 8.00%	345.17	640.23	179.87	-	<b>1,165.27</b>	149.98	-	199.71	-	<b>349.70</b>
8.00% to 8.25%	234.29	347.75	243.30	123.41	<b>948.75</b>	712.13	1,050.71	415.11	5.69	<b>2,183.64</b>
8.25% to 9.00%	1,098.99	2,759.26	2,593.85	-	<b>6,452.10</b>	1,159.44	1,265.99	994.94	-	<b>3,420.38</b>
<b>Total</b>	<b>1,678.45</b>	<b>3,747.24</b>	<b>3,017.03</b>	<b>123.41</b>	<b>8,566.12</b>	<b>2,021.55</b>	<b>2,316.70</b>	<b>1,609.76</b>	<b>5.69</b>	<b>5,953.72</b>

## 4 NHB Refinance

(₹ Crore)

Maturities	As at March 31, 2025					As at March 31, 2024				
	≤ 1 Year	1-3 years	3-5 years	> 5 years	Total	≤ 1 Year	1-3 years	3-5 years	> 5 years	Total
Less than 5.00%	110.53	370.92	23.74	-	<b>505.19</b>	92.08	245.55	245.55	170.54	<b>753.72</b>
5.00% to 7.50%	97.76	391.05	186.76	1.09	<b>676.66</b>	110.53	294.74	223.54	23.91	<b>652.72</b>
7.50% to 9.00%	225.35	848.61	425.58	447.60	<b>1,947.14</b>	196.82	458.22	418.14	576.95	<b>1,650.12</b>
<b>Total</b>	<b>433.64</b>	<b>1,610.58</b>	<b>636.08</b>	<b>448.69</b>	<b>3,128.99</b>	<b>399.42</b>	<b>998.50</b>	<b>887.23</b>	<b>771.41</b>	<b>3,056.56</b>

## 5 Subordinated Liabilities

(₹ Crore)

Maturities	As at March 31, 2025					As at March 31, 2024				
	≤ 1 Year	1-3 years	3-5 years	> 5 years	Total	≤ 1 Year	1-3 years	3-5 years	> 5 years	Total
<b>From Related Party:</b>										
Less than 7.50%	-	-	-	-	-	-	-	-	-	-
7.50% to 8.50%	-	10.72	-	78.98	<b>89.69</b>	-	-	-	-	-
8.50% to 8.75%	-	-	-	-	-	-	-	10.71	-	<b>10.71</b>
<b>From Others:</b>										
Less than 7.50%	-	-	-	75.84	<b>75.84</b>	-	-	-	75.81	<b>75.81</b>
7.50% to 8.50%	-	133.68	-	221.13	<b>354.81</b>	-	-	-	-	-
8.50% to 8.75%	-	69.04	53.36	-	<b>122.41</b>	-	68.99	133.57	53.33	<b>255.89</b>
<b>Total</b>	<b>-</b>	<b>213.44</b>	<b>53.36</b>	<b>375.95</b>	<b>642.75</b>	<b>-</b>	<b>68.99</b>	<b>144.28</b>	<b>129.14</b>	<b>342.41</b>

## NOTE: 19 LEASE LIABILITY

(₹ Crore)

	As at March 31, 2025	As at March 31, 2024
Liability for lease payments	74.42	44.43
	<b>74.42</b>	<b>44.43</b>

# Notes to the Financial Statements

for the year ended 31<sup>st</sup> March 2025

## NOTE: 20 | OTHER FINANCIAL LIABILITIES

	As at March 31, 2025	As at March 31, 2024
(₹ Crore)		
Payable for salaries, bonus and other employee benefits	66.46	37.90
Payable for Capital expenditure	-	0.48
Amount payable under assignment (refer note 52)	48.20	11.69
Other payables	185.78	80.16
	<b>300.44</b>	<b>130.23</b>

## NOTE: 21 | PROVISIONS

	As at March 31, 2025	As at March 31, 2024
(₹ Crore)		
<b>Provision for employee benefits</b>		
Compensated absences	11.30	7.42
Gratuity (refer note 46)	12.06	7.87
	<b>23.36</b>	<b>15.29</b>

## NOTE: 22 | OTHER NON-FINANCIAL LIABILITIES

	As at March 31, 2025	As at March 31, 2024
(₹ Crore)		
Payable to government authorities	25.34	13.24
	<b>25.34</b>	<b>13.24</b>

## NOTE: 23 | EQUITY SHARE CAPITAL

	As at March 31, 2025	As at March 31, 2024
(₹ Crore)		
<b>Authorised</b>		
1000,000,000 (March 31, 2024 : 1000,000,000) equity shares of ₹ 10 each	1,000.00	1,000.00
	<b>1,000.00</b>	<b>1,000.00</b>
<b>Issued, subscribed and fully paid up shares</b>		
634,655,897 (March 31, 2024: 501,197,682) equity shares of ₹ 10 each, fully paid up	634.66	501.20
	<b>634.66</b>	<b>501.20</b>

### A) Reconciliation of the number of shares outstanding at the beginning and at the end of the year.

	Numbers	Amount
<b>As at April 01, 2023</b>	<b>50,11,97,682</b>	<b>501.20</b>
Add: shares issued during the year	-	-
<b>As at March 31, 2024</b>	<b>50,11,97,682</b>	<b>501.20</b>
Add: shares issued during the year	13,34,58,215	133.46
<b>As at March 31, 2025</b>	<b>63,46,55,897</b>	<b>634.66</b>



# Notes to the Financial Statements

for the year ended 31<sup>st</sup> March 2025

## B) Shares held by holding company

	As at March 31, 2025	As at March 31, 2024
Aditya Birla Capital Limited, holding company	63,46,55,897	50,11,97,682

## C) Details of shareholders holding more than 5% shares in the company

	As at March 31, 2025	As at March 31, 2024
<b>Aditya Birla Capital Limited, holding company</b>		
Number of shares	63,46,55,897	50,11,97,682
% Holding	100%	100%

## D) Shares held by promoters at the end of the year

	As at March 31, 2025	As at March 31, 2024
(₹ Crore)		
<b>Aditya Birla Capital Limited, Promoter Company</b>		
Number of shares	63,46,55,897	50,11,97,682
% Holding	100%	100%
% Change during the year	-	-

## E) Terms/rights attached to equity shares

The Company has only one class of equity shares having a par value of ₹ 10 per share. Each holder of equity shares is entitled to one vote per share. The Company declares and pays dividend in Indian rupees. The dividend proposed, if any, by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.

In the event of liquidation of the Company, the holders of equity shares will be receiving remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of the equity shares held by the shareholders.

- F) During the past five years immediately preceding the current financial year, the Company has not issued any shares pursuant to any contract without payment being received in cash or by way of bonus shares and have also not engaged in any buyback of its own equity.

## NOTE: 24 OTHER EQUITY

	As at March 31, 2025	As at March 31, 2024
(₹ Crore)		
Securities premium (refer foot note (i) below)	1,782.25	715.82
Special reserve u/s 29C of The National Housing Bank Act, 1987(refer foot note (ii) below)	52.98	33.14
Reserve u/s 36(1)(viii) of the Income Tax Act, 1961 (refer foot note (iii) below)	228.69	183.84
Retained earnings (refer foot note (iv) below)	1,081.86	824.06
Employee stock option outstanding reserve (refer foot note (v) below)	2.62	1.74
	<b>3,148.40</b>	<b>1,758.60</b>

# Notes to the Financial Statements

for the year ended 31<sup>st</sup> March 2025

Foot notes:

## (i) Securities premium

	As at March 31, 2025	As at March 31, 2024
Balance at beginning of year	715.82	715.82
Addition: Received on issue of shares during the year	1,066.54	-
Deduction: Utilisation against share issue expense	(0.11)	-
Balance at end of year	<b>1,782.25</b>	<b>715.82</b>

Securities premium is credited when shares are issued at premium. It can be used to issue bonus shares, to provide for premium on redemption of shares or debentures, write-off equity related expenses like underwriting costs, etc.

## (ii) Special reserve u/s 29C of The National Housing Bank Act, 1987 (refer note 3.13)

	As at March 31, 2025	As at March 31, 2024
Balance at beginning of year	33.14	12.09
Addition: Amount transferred from surplus balance in the Statement of Profit and Loss	19.84	21.05
Balance at end of year	<b>52.98</b>	<b>33.14</b>

As per Section 29C of The National Housing Bank Act, 1987 (the "NHB Act"), the Company is required to transfer at least 20% of its net profits every year to a reserve before any dividend is declared. For this purpose any Special Reserve created by the Company under Section 36(1)(viii) of the Income-tax Act, 1961, is considered to be an eligible transfer. The amount transferred to special reserve u/s 29C of the NHB Act includes ₹ 44.85 crores (March 31, 2024: ₹ 37.09 crores) for Special Reserve in terms of Section 36(1)(viii) of the Income-tax Act, 1961.

## (iii) Reserve u/s 36(1)(viii) of the Income Tax Act, 1961

	As at March 31, 2025	As at March 31, 2024
Balance at beginning of year	183.84	146.75
Addition: Amount transferred from surplus balance in the Statement of Profit and Loss	44.85	37.09
Less: Amount withdrawn from the special reserve u/s 36(1)(viii) of Income Tax Act, 1961 taken into account for the purposes of provision u/s 29C of the National Housing Bank Act, 1987	-	-
Balance at end of year	<b>228.69</b>	<b>183.84</b>

## (iv) Retained earnings

	As at March 31, 2025	As at March 31, 2024
Balance at beginning of year	824.06	591.49
Profit for the year	323.43	290.69
Remeasurement of defined employee benefit plans	(0.94)	0.02
Transfer to special reserve u/s 29C of The National Housing Bank Act, 1987	(19.84)	(21.05)
Transfer to reserve u/s 36(1)(viii) of the Income Tax Act, 1961	(44.85)	(37.09)
Balance at end of year	<b>1,081.86</b>	<b>824.06</b>

# Notes to the Financial Statements

for the year ended 31<sup>st</sup> March 2025

## (iv) Employee stock option outstanding reserve (Refer Note 41)

	(₹ Crore)	
	As at March 31, 2025	As at March 31, 2024
Balance at beginning of year	1.74	0.65
Addition during the year	0.88	1.09
Balance at end of year	<b>2.62</b>	<b>1.74</b>

## NOTE: 25 | INTEREST INCOME

	(₹ Crore)	
Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
- On financial assets measured at amortised cost		
Interest on loans and advances to customers	2,399.82	1,701.25
Other interest income	0.98	0.47
- On financial assets measured at FVTPL		
Interest income on investments	35.51	16.75
	<b>2,436.31</b>	<b>1,718.47</b>

## NOTE: 26 | FEES AND COMMISSION INCOME

	(₹ Crore)	
Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Income from commission (refer note 42)	106.40	45.01
Others	26.16	24.28
	<b>132.56</b>	<b>69.29</b>

## NOTE: 27 | NET GAIN ON FAIR VALUE CHANGES IN INVESTMENTS

	(₹ Crore)	
Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Net gain on financial instruments at fair value through profit or loss	7.05	6.88
<b>Total Net gain on fair value changes</b>	<b>7.05</b>	<b>6.88</b>
<b>Fair Value changes:</b>		
Realised	0.21	5.99
Unrealised	6.84	0.89
	<b>7.05</b>	<b>6.88</b>

## NOTE: 28 | NET GAIN/(LOSS) ON DERECOGNITION OF FINANCIAL INSTRUMENTS UNDER AMORTISED COST CATEGORY

	(₹ Crore)	
Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Income on assigned loans (refer note 52)	79.26	33.03
	<b>79.26</b>	<b>33.03</b>

# Notes to the Financial Statements

for the year ended 31<sup>st</sup> March 2025

## NOTE: 29 | OTHER INCOME

Particulars	(₹ Crore)	
	For the year ended March 31, 2025	For the year ended March 31, 2024
Interest on income tax refund	0.79	-
Profit on sale of property, plant and equipment	0.02	-
Profit on surrender of right to use asset	0.30	0.36
Rental Income	-	0.80
	<b>1.11</b>	<b>1.16</b>

## NOTE: 30 | FINANCE COST

Particulars	(₹ Crore)	
	For the year ended March 31, 2025	For the year ended March 31, 2024
- On financial liabilities measured at amortised cost		
Interest on borrowings	860.80	670.62
Interest on debt securities	664.82	339.58
Interest on lease liability	4.81	3.21
Other interest expense	0.27	0.84
	<b>1,530.70</b>	<b>1,014.25</b>

## NOTE: 31 | IMPAIRMENT ON FINANCIAL INSTRUMENTS (MEASURED AT AMORTISED COST) (REFER NOTE 52)

Particulars	(₹ Crore)	
	For the year ended March 31, 2025	For the year ended March 31, 2024
- On Financial Assets measured at amortised cost		
Loans (refer note 7.2.2)	57.70	2.81
Reversal of expected credit loss on derecognition of financial instruments	(48.31)	(54.60)
Bad debts written off (net off of recoveries for write off of previous years)	44.14	47.19
	<b>53.53</b>	<b>(4.60)</b>

## NOTE: 32 | EMPLOYEE BENEFIT EXPENSES

Particulars	(₹ Crore)	
	For the year ended March 31, 2025	For the year ended March 31, 2024
Salaries, bonus and allowances	384.41	259.53
Contribution to provident and other funds (refer note 46)	16.01	10.72
Retirement benefit expense - Gratuity (refer note 46)	2.90	1.77
Employee stock option expenses (refer note 41)	6.15	6.09
Staff welfare expenses	9.34	5.30
	<b>418.81</b>	<b>283.41</b>

# Notes to the Financial Statements

for the year ended 31<sup>st</sup> March 2025

## NOTE: 33 | OTHER EXPENSES

Particulars	(₹ Crore)	
	For the year ended March 31, 2025	For the year ended March 31, 2024
Information Technology Expenses	48.52	33.91
Legal and professional charges (refer note 40)	36.53	29.20
Travelling and conveyance	17.88	10.26
Sales Promotion - Rewards & Recognition	16.05	6.27
Insurance	12.58	8.70
Rental charges payable under operating leases (refer note 36)	11.59	7.29
Contract service charges	10.06	5.48
Advertisement expenses	9.97	4.70
Corporate social responsibility	6.25	4.92
Repairs and maintenance	4.29	5.60
Utilities Expenses	3.77	2.53
Credit rating expenses	2.90	1.61
Call Center Expenses	2.81	2.44
Rates and taxes	1.78	1.10
Printing and stationery	1.55	1.75
Postage expenses	1.20	0.84
Director's fees, allowances and expenses	0.60	0.40
Miscellaneous expenses	4.73	6.62
	<b>193.06</b>	<b>133.62</b>

## NOTE: 34 | CONTINGENT LIABILITIES AND COMMITMENTS

### Contingent liabilities

Claims against the Company not acknowledged as debts on account of legal disputes ₹ 11.53 crores. (March 31, 2024: ₹ 10.62 crores). Unfavourable outcome of these legal cases if any do not have any material and adverse impact on the financial position of the Company as on the balance sheet date.

The Company is not exposed to any other contingent liabilities as on the balance sheet except as mentioned above for legal disputes.

The Company did not have any long-term contracts for which there were any material foreseeable losses.

### Commitments

Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances) on account of property, plant and equipment ₹ 0.84 crores (March 31, 2024: ₹ 2.01 crores) and on account of intangible assets ₹ 3.84 crores (March 31, 2024: ₹ 2.36 crores). The sanctioned but partially undisbursed amount stands at ₹ 5,989.90 crores (March 31, 2024: ₹ 2,892.38 crores), whereas sanctioned but fully undisbursed amount stands at ₹ 3,711.26 crores (March 31, 2024: ₹ 1,824.55 crores)

# Notes to the Financial Statements

for the year ended 31<sup>st</sup> March 2025

## NOTE: 35 | RELATED PARTY DISCLOSURES

### I) List of related parties as per Ind AS - 24 with whom transactions have taken place during the year.

#### (A) Where control exists

Aditya Birla Capital Limited (ABCL) (Holding Company)  
Grasim Industries Limited (Ultimate Holding Company)

#### (B) Fellow subsidiaries

Aditya Birla Finance Limited (ABFL)  
Aditya Birla Sun Life Insurance Company Limited (ABSLICL)  
Aditya Birla Money Limited (ABML)  
Aditya Birla Financial Shared Services Limited (ABFSSL)  
Ultratech Cement Limited (UCL)  
Aditya Birla Capital Digital Limited (ABCDL)  
Aditya Birla ARC Limited (ABAL) (w.e.f December 13,2023)  
Aditya Birla Capital Technology Services Limited (upto July 2, 2024)  
Aditya Birla Insurance Brokers Limited (upto August 30, 2024)"

#### (C) Joint Venture of Holding Company

Aditya Birla Wellness Private Limited (ABWPL)  
Aditya Birla Health Insurance Limited (ABHI)

#### (D) Associate of Holding Company

Aditya Birla Sun Life Asset Management Company Limited (ABSLAMC)

#### (E) Key management personnel

Mr. Pankaj Gadgil	Chief Executive Officer Managing Director
Mr. Ashish Damani	Chief Financial Officer
Ms. Hiral Sidhpura	Company Secretary (w.e.f November 1, 2023)
Mrs. Swati Singh	Company Secretary (upto October 31, 2023)
Mrs. Vishakha Mulye	Non-Executive Director
Mr. V Chandrasekaran	Independent Director
Mr. Narayanan N R	Independent Director
Mrs. Anita Ramachandran	Independent Director (upto March 30, 2025)



# Notes to the Financial Statements

for the year ended 31<sup>st</sup> March 2025

## II) Transactions with related parties

### a) Purchase and Sale of services

Nature of Transactions	Transactions with	Year ended March 31, 2025	Year ended March 31, 2024
Employees Stock option plan expenses	Aditya Birla Capital Limited	5.27	5.00
Income	Aditya Birla Health Insurance Limited	23.22	12.92
	Aditya Birla Sun Life Insurance Company Limited	69.31	28.10
Interest expenses	Aditya Birla Sun Life Insurance Company Limited	11.40	3.18
	Aditya Birla Health Insurance Company Limited	1.11	-
Managerial Remuneration	Mr. Pankaj Gadgil	6.29	4.55
	Mr. Ashish Damani	1.36	1.33
	Ms. Hiral Sidhpura (w.e.f November 1, 2023)	0.47	0.14
	Mrs. Swati Singh (upto Oct 31, 2023)	-	4.55
Director Sitting Fees	Mr. V Chandrasekaran	0.19	0.13
	Mr. Narayanan N R	0.17	0.10
	Mrs. Anita Ramachandran	0.23	0.17
Other Comprehensive Income - Gratuity (gain)/loss	Aditya Birla Capital Limited	0.04	0.02
	Aditya Birla Financial Shared Services Limited	0.08	0.04
Other operating expenses	Aditya Birla Capital Limited	5.79	4.77
	Aditya Birla Finance Limited	7.84	8.70
	Aditya Birla Money Limited	0.05	0.03
	Aditya Birla Sun Life Asset Management Company Limited	0.10	0.12
	Aditya Birla Capital Technology Services Limited	-	3.77
	Aditya Birla Health Insurance Limited	0.11	0.07
	Aditya Birla Financial Shared Services Limited	27.64	21.77
	Aditya Birla Wellness Private Limited	0.22	0.09
	Ultratech Cement Limited	0.01	0.07
	Aditya Birla ARC Limited	0.00	-
	Aditya Birla Capital Digital Limited	9.03	2.73
	Aditya Birla Sun Life Insurance Company Limited	4.43	3.62
	Recovery of other operating expenses	Aditya Birla Finance Limited	1.30
Aditya Birla Insurance Brokers Limited		-	0.03
Aditya Birla Sun Life Asset Management Company Limited		0.54	0.65
Aditya Birla Capital Digital Limited		1.38	1.93

# Notes to the Financial Statements

for the year ended 31<sup>st</sup> March 2025

## b) Outstanding balances arising from purchase and sale of services

	As at March 31, 2025	As at March 31, 2024
(₹ Crore)		
<b>Receivable (refer note 6)</b>		
Aditya Birla Sun Life Asset Management Company Limited	0.11	0.15
Aditya Birla Health Insurance Limited	4.27	9.31
Aditya Birla Sun Life Insurance Company Limited	11.65	5.77
Aditya Birla ARC Limited	0.48	-
Aditya Birla Insurance Brokers Limited	-	0.01
<b>Payable</b>		
Aditya Birla Capital Technology Services Limited	-	0.28
Aditya Birla Capital Limited	0.61	2.01
Aditya Birla Finance Limited	3.07	1.59
Aditya Birla Financial Shared Services Limited	4.11	2.89
Aditya Birla Money Limited	-	-
Aditya Birla Wellness Private Limited	0.13	0.01
Ultratech Cement Limited	-	0.01
Aditya Birla Sun life Insurance Company Limited	2.15	1.97
Aditya Birla Capital Digital Limited	0.36	1.52
Aditya Birla Health Insurance Limited	-	-
<b>Other balances (Receivables)</b>		
Aditya Birla Sun Life Insurance Company Limited	1.35	0.89
Aditya Birla Health Insurance Limited	0.02	0.02
Aditya Birla Financial Shared Services Limited	1.51	0.26
Aditya Birla Sun life Asset Management Company Limited	0.03	0.03
Aditya Birla Finance Ltd	0.66	0.30
Aditya Birla Capital Technology Services Limited	-	0.20

## c) Loans from related parties

	As at March 31, 2025	As at March 31, 2024
(₹ Crore)		
<b>Aditya Birla Sun Life Insurance Company Limited</b>		
Loan balance at the beginning of the year	80.00	10.00
Loan obtained (issue of debentures)	150.00	70.00
Loans repaid	-	-
Loan balance at the end of the year	230.00	80.00
Interest accrued but not due on above	11.31	3.11
<b>Aditya Birla Health Insurance Limited</b>		
Loan balance at the beginning of the year	-	-
Loan obtained (Issue of NCDs)	25.00	-
Loans repaid	-	-
Loan balance at the end of the year	25.00	-
Interest accrued but not due on above	1.11	-



# Notes to the Financial Statements

for the year ended 31<sup>st</sup> March 2025

## d) Other transactions

(₹ Crore)

	As at March 31, 2025	As at March 31, 2024
<b>Capital issued</b>		
<b>Aditya Birla Capital Limited</b>		
Share capital issued during the year	133.46	-
Securities Premium	1,066.43	-
Equity share capital outstanding at the Year	634.66	501.20
<b>Other transactions</b>		
Aditya Birla Financial Shared Services Limited (Recovery of transfer employees)	0.46	0.85
Aditya Birla Insurance Brokers Limited (Recovery of transfer employees)	-	0.05
Aditya Birla Capital Digital Limited (Reimbursement of transfer employees)	0.49	0.09
Aditya Birla ARC Limited (Recovery of transfer employees)	0.90	0.03
Aditya Birla Financial Shared Services Limited (Sale of PPE)	0.01	-
Aditya Birla Sun Life Insurance Company Limited (Recovery of transfer employees)	0.02	-
Aditya Birla Sun Life Asset Management Company Limited (Recovery of transfer employees)	0.02	-
Aditya Birla Finance Limited (Sale of PPE)	0.05	0.09
Aditya Birla Health Insurance Co Limited(Recovery of Vpay)	-	0.02
Aditya Birla Sun life Insurance Company Limited(Recovery of Vpay)	-	0.01
Aditya Birla Sun life Insurance Company Limited(Security Deposit)	0.46	0.14
Aditya Birla Sun life Asset Management Company Limited(Security Deposit)	-	-
Aditya Birla Finance Ltd (Security Deposit)	0.36	-
Aditya Birla Financial Shared Services Limited (Reimbursement of transfer Employees)	0.09	-
Aditya Birla Finance Limited (Recovery of transfer employees)	0.08	0.02
Aditya Birla Finance Limited (Recovery of Vpay)	0.12	0.15

### Foot notes:

- The related party relationships have been as identified by the management on the basis of the requirements of the Ind AS-24 'Related Party Disclosures' issued by the Ministry of Corporate Affairs.
- The relationships as mentioned above except where control exists pertain to those related parties with whom transactions have taken place during the year.
- There is no write off/write back of any related party balances during the year.

# Notes to the Financial Statements

for the year ended 31<sup>st</sup> March 2025

## NOTE: 36 | LEASING ARRANGEMENTS

### Disclosure Pursuant to Indian Accounting Standard 116 - Leases is as under:

Operating lease commitments – Company as lessee (refer note 33)

The Company has entered into lease agreements for premises at various locations for periods above 12 months. The lease payments recognised in the statement of profit and loss are ₹ 11.59 crores (March 31, 2024 ₹ 7.29 crores).

Following are the changes in the carrying value of right of use assets: (refer note 13)

### Category of ROU Asset - Leasehold premises

Particulars	(₹ Crore)	
	For the year ended March 31, 2025	For the year ended March 31, 2024
Opening Balance	42.52	39.41
Additions	45.33	13.81
Reclassified from deferred lease expense	1.91	0.87
Deletions	(4.12)	(1.47)
Depreciation	(14.88)	(10.10)
Closing Balance	<b>70.76</b>	<b>42.52</b>

### Amounts recognised in profit and loss

Particulars	(₹ Crore)	
	For the year ended March 31, 2025	For the year ended March 31, 2024
Depreciation expense on right-of-use assets	14.88	10.10
Interest expense on lease liabilities	4.81	3.21
Expense relating to short-term leases	5.64	2.43
Income from subleasing right-of-use assets	-	0.80

### The break-up of current and non-current lease liabilities is as follows:

Particulars	(₹ Crore)	
	For the year ended March 31, 2025	For the year ended March 31, 2024
Current Lease Liabilities	18.20	10.58
Non-Current Lease Liabilities	56.22	33.85
<b>Total</b>	<b>74.42</b>	<b>44.43</b>

### The movement in lease liabilities during the is as follows:

Particulars	(₹ Crore)	
	For the year ended March 31, 2025	For the year ended March 31, 2024
Opening balance	44.43	39.52
Additions	45.33	13.81
Deletions	(4.43)	(1.82)
Finance Cost accrued during the period	4.81	3.21
Payment of Lease Liabilities	(15.72)	(10.29)
<b>Closing balance</b>	<b>74.42</b>	<b>44.43</b>



# Notes to the Financial Statements

for the year ended 31<sup>st</sup> March 2025

The table below provides details regarding the contractual maturities of lease liabilities on an undiscounted basis:

Particulars	(₹ Crore)	
	For the year ended March 31, 2025	For the year ended March 31, 2024
Less than one year	18.82	10.92
One to Five years	55.96	35.24
More than Five years	15.79	6.61
<b>Total</b>	<b>90.57</b>	<b>52.77</b>

## Operating lease commitments – Company as lessor

The Company is not involved in such activity during the current financial year as well as during previous financial year.

### NOTE: 37 | EARNINGS PER SHARE (EPS)

Particulars	(₹ Crore)	
	For the year ended March 31, 2025	For the year ended March 31, 2024
Net profit for the year available for equity shareholders	323.43	290.69
Weighted average number of equity shares outstanding (numbers)	56,56,76,382	50,11,97,682
Basic earnings per share (₹)	5.72	5.80
Weighted average number of equity shares outstanding (numbers) for Diluted EPS	56,64,84,440	50,15,61,545
<b>Diluted earnings per share (₹)</b>	<b>5.71</b>	<b>5.80</b>

Basic earnings per share 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 for the period attributable to equity shareholders and the weighted average number of shares outstanding during the year is adjusted for the effects of all dilutive potential equity shares.

### NOTE: 38 | MICRO, SMALL AND MEDIUM ENTERPRISES

Particulars	(₹ Crore)	
	For the year ended March 31, 2025	For the year ended March 31, 2024
i. the principal amount and the interest due thereon remaining unpaid to any supplier as at the end of each accounting year;	0.02	1.85
ii. the amount of interest paid by the Company in terms of section 16 of MSMED Act, 2006, along with the amounts of the payment made to the suppliers beyond the appointed day during the year;	-	-
iii. the amount of 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 MSMED Act, 2006;	-	-
iv. the amount of interest accrued and remaining unpaid at the end of each accounting year;	-	-
v. the 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 section 23 of the MSMED Act, 2006.	-	-

The management has identified micro and small enterprises as defined under Micro, Small and Medium Enterprises Development Act, 2006 (MSMED) on the basis of information made available by the supplier or vendors of the Company.

# Notes to the Financial Statements

for the year ended 31<sup>st</sup> March 2025

## NOTE: 39 | SEGMENT INFORMATION

Operating business segment results are reviewed regularly by the Company's Chief Operating Decision Maker (Board of Directors) to make decisions about resources to be allocated to the segments and assess their performance. Business segment is the primary segment comprising of 'Housing finance'. As the Company operates only in a single business segment, no segment information thereof is given as required under Ind AS 108.

## NOTE: 40 | AUDITORS REMUNERATION

(included in legal and professional charges - refer note 33)

Particulars	(₹ Crore)	
	For the year ended March 31, 2025	For the year ended March 31, 2024
For Statutory audit & limited review	0.60	0.32
For Tax audit	0.05	0.04
For other services	0.22	0.22
For reimbursement of expenses	0.01	0.04
	<b>0.88</b>	<b>0.62</b>

## NOTE: 41 | EMPLOYEE STOCK OPTION PLAN (ESOP)

### As on March 31, 2025

Pursuant to ESOP Plan being established by the holding company i.e. Aditya Birla Capital Limited, stock options were granted to the employees of the Company. Total cost incurred by the holding company till date is being recovered from the Company over the period of vesting. Accordingly, a sum of ₹ 5.27 crores (March 31, 2024 : 5.00 crores) has been charged to the Statement of Profit and Loss. The balance sum of ₹ 7.23 crores (March 31, 2024 : ₹ 9.24 crores) will be charged to the Statement of Profit and Loss in future periods.

### Characteristics & Details of the ESOPs issued by ABHFL:

**Conversion ratio:** 1:1

**Vesting Period:** 3 years'

**Vesting conditions:** On fulfillment of the ESOP plan, 50% at the end of year 2 and 3.

**Exercise period:** 5 years from the date of the grant

**Settlement:** In Equity share of ABHFL.

**Weighted Average Exercise price:** ₹ 38.67 (per share)

**Weighted Average Exercise period:** 3.93 years

Expected volatility has been determined by volatility assessment of listed entities & Nifty financial services Index

### Year ended March 31, 2025

Date	Exercise Price (₹)	Options outstanding at beginning	Options Granted	Options vested & exercisable	Options unvested	Options exercised	Options cancelled	(₹ Crore)
								Options outstanding
10/15/2024	47.20	18,48,562	18,698	-	-	-	-	18,67,260
1/15/2025	61.10	18,67,260	55,642	-	-	-	-	19,22,902
<b>Total</b>		<b>18,48,562</b>	<b>74,340</b>	-	-	-	-	<b>19,22,902</b>

# Notes to the Financial Statements

for the year ended 31<sup>st</sup> March 2025

## Weighted average fair value of options as follows:

Particulars	Year ended March 31, 2025	
	10/15/2024	1/15/2025
Grant Date	10/15/2024	1/15/2025
No of Options granted	18,698	55,642
Weighted Average Fair value	61.10	66.70

## Year ended March 31, 2024

(₹ Crore)

Date	Exercise Price (₹)	Options outstanding at beginning	Options Granted	Options vested & exercisable	Options unvested	Options exercised	Options cancelled	Options outstanding
4/27/2023	42.50	17,32,977	53,544	-	-	-	95,936	16,90,585
7/27/2023	42.50	16,90,585	1,60,203	-	-	-	-	18,50,788
10/26/2023	42.50	18,50,788	33,667	-	-	-	35,893	18,48,562
<b>Total</b>		17,32,977	2,47,414	-	-	-	1,31,829	18,48,562

## Weighted average fair value of options as follows:

(₹ Crore)

Particulars	Year ended March 31, 2024		
	4/27/2023	7/27/2023	10/26/2023
Grant Date	4/27/2023	7/27/2023	10/26/2023
No of Options granted	53,544	16,02,023	33,667
Weighted Average Fair value	42.50	44.60	47.20

### NOTE: 42

### DISCLOSURE AS PER INSURANCE REGULATORY AND DEVELOPMENT AUTHORITY OF INDIA (REGISTRATION OF CORPORATE AGENTS) REGULATIONS, 2015 :-

## Detail of income received from insurers: (refer note 26)

(₹ Crore)

Name of insurer	For the year ended March 31, 2025	For the year ended March 31, 2024
<b>Income From Insurance</b>		
Commission Income- Life Insurance	70.10	27.67
Commission Income- General Insurance	36.30	17.34
<b>Total</b>	<b>106.40</b>	<b>45.01</b>

### NOTE: 43

### FEES AND COMMISSION INCOME

Fees and commission Income includes brokerage of ₹106.40 crores (March 31, 2024: ₹45.01 crores) received in respect of insurance/agency business undertaken by the Company. Out of this, ₹91.38 crores (March 31, 2024: ₹40.35 crores) have been received from related parties.

# Notes to the Financial Statements

for the year ended 31<sup>st</sup> March 2025

## NOTE: 44 STATEMENT OF CORPORATE SOCIAL RESPONSIBILITY EXPENDITURE (REFER NOTE 33)

The gross amount required to be spent by the Company during the year towards Corporate Social Responsibility as per Sec 135 (5) of the Companies Act, 2013 was ₹ 6.25 crores (March 31, 2024 : ₹ 4.92 crores).

	For the year ended March 31, 2025	For the year ended March 31, 2024
Amount required to be spent by the company during the year	6.25	4.92
Amount of expenditure incurred	6.25	4.92
Spent	5.23	4.84
Unspent *	1.02	0.08
Total of previous years shortfall	0.08	-
Spent	0.08	-
Unspent	-	-
Reasons for shortfall	Not Applicable	Not Applicable
Nature of CSR activities	Healthcare, Education and Women Empowerment & Sustainable Livelihood	Healthcare, Education and Women Empowerment & Sustainable Livelihood
Details of related party transactions	Not Applicable	Not Applicable

\* Unspent amount is deposited in funds specified under Schedule-VII of the Companies Act, 2013 on April 10, 2025.

## NOTE: 45 ISSUANCE OF DEBT SECURITIES BY LARGE CORPORATE (REF : SEBI OPERATIONAL CIRCULAR SEBI/HO/DDHS/P/CIR/2021/613 DATED AUGUST 10, 2021 AMENDED FROM TIME TO TIME)

### A. Initial disclosure to be made by an entity identified as a Large Corporate -

Sr. No.	Particulars	Details
1	Name of the company	Aditya Birla Housing Finance Limited
2	CIN	U65922GJ2009PLC083779
3	Outstanding borrowing of company as on March 31, 2025	₹ 21961.03 crores*
4	Highest Credit Rating During the previous FY along with name of the Credit Rating Agency	1. AAA by India Ratings & Research Private Ltd for NCD, Sub Debt & PPMLD (Principal Protected Market Linked Debenture), Bank Lines (Long Term). 2. AAA by ICRA Ltd for NCD, Sub Debt & Bank Lines (Long Term). 3. AAA by Crisil Ratings for NCD, Sub Debt & Bank Lines (Long Term).
5	Name of Stock Exchange in which the fine shall be paid, in case of shortfall in the required borrowing under the framework	National Stock Exchange India Ltd (NSE)

\* Principal Outstanding and Excluding commercial papers, cash credit, WCDL & inter corporate borrowings from Parent Company.

We confirm that we are a Large Corporate as per the applicability criteria given under the Chapter XII of SEBI Operational circular dated August 10, 2021 amended from time to time.

In terms paragraph of 2.2(d) of the circular, beginning FY2024, in the event of shortfall in the mandatory borrowing through debt securities, a fine of 0.2% of the shortfall shall be levied by Stock Exchanges at the end of the two-year block period. Therefore, an entity identified as LC shall provide, in its initial disclosure for a financial year, the name of stock exchange to which it would pay the fine in case of shortfall in the mandatory borrowing through debt markets.



# Notes to the Financial Statements

for the year ended 31<sup>st</sup> March 2025

## B. Annual disclosure to be made by an entity identified as a Large Corporate -

1	Name of the Company :	Aditya Birla Housing Finance Limited
2	CIN :	U65922GJ2009PLC083779
3	Report filed for :	FY : 2024-2025
4	Details of the borrowings	(₹ in Crores)

Sr. No.	Particulars	Details
I	3-year block period	T (FY 2024-2025), T+1 (FY 2025-2026), T+ 2 (FY 2026-2027)
II	Incremental Borrowing in FY T (a)	12,183.00
III	Mandatory borrowing to be done through issuance of debt securities FY T (b) = (25% of a)	3,045.75
IV	Actual borrowings done through debt securities in FY T (c)	6,625.00
V	Shortfall in the borrowing through debt securities, if any for FY (T-1) i.e FY (2023-24) carried forward to FY T (d)	No shortfall carried forward
VI	Quantum of (d), which has been met from (c) (e)	Nil
VII	Shortfall, if any, in the mandatory borrowing through debt securities for FY (T) {after adjusting for any shortfall in borrowing for FY (T-1) i.e FY (2023-24) which was carried forward to FY (T)} (f)= (b)-[(c)-(e)] {If the calculated value is zero or negative, write "nil"}	Nil

Details of penalty to be paid, if any, in respect to previous block (all figures in ₹ Crs)

Sr. No.	Particulars	Details
1	3-year block period	(T-2) FY (2022-23), (T-1) FY (2023-2024), (T) FY (2024-25)
2	Amount of fine to be paid for the block, if applicable Fine = 0.2% of {(d)-(e)}	-

## NOTE: 46 EMPLOYEE BENEFIT PLANS

### I) Defined contribution plans

Amount recognised as an expense and included in note 32 - "Contribution to provident and other funds" :

	(₹ Crore)	
	For the year ended March 31, 2025	For the year ended March 31, 2024
Contribution to Govt. managed Employees Provident Fund	14.27	9.74
Contribution to Employee State Insurance Fund and others	1.74	0.98
	<b>16.01</b>	<b>10.72</b>

# Notes to the Financial Statements

for the year ended 31<sup>st</sup> March 2025

## II) Defined benefit plans

The Company has a defined benefit gratuity plan (funded) to cater its liability under Payment of Gratuity Act, 1972 and long term compensated absences plan (unfunded) for leave entitlements to employees.

The details of the Company's defined benefit gratuity plan for its employees are given below:

### a) Amount recognized in the balance sheet

	(₹ Crore)	
	For the year ended March 31, 2025	For the year ended March 31, 2024
	(Funded)	(Funded)
Present value of defined benefit obligation at the end of the year (refer note 21)	12.06	7.87
Fair value of plan assets at the end of the year (refer note 14)	8.51	6.98
<b>Net liability at the end of the year</b>	<b>3.55</b>	<b>0.89</b>

### b) Components of defined benefit costs recognised in statement of profit and loss and other comprehensive income

	(₹ Crore)	
	For the year ended March 31, 2025	For the year ended March 31, 2024
<b>Recognised in the statement of profit and loss</b>		
Current service cost	2.68	1.76
Interest on defined benefit obligation	0.07	(0.03)
Past service cost	-	-
Administration expenses	-	-
(Gains) / loss on settlement	-	-
<b>Total expense charged</b>	<b>2.75</b>	<b>1.73</b>
<b>Recognised in other comprehensive income</b>		
Remeasurement of the net defined benefit liability due to		
- Changes in financial assumptions	0.54	0.05
- Changes in demographic assumptions	(0.13)	(0.03)
- Experience adjustments	0.86	0.30
- Actual return on plan assets less interest on plan assets	(0.15)	(0.41)
- Adjustments to recognise the effect of asset ceiling	-	-
<b>Closing amount recognised in OCI</b>	<b>1.12</b>	<b>(0.09)</b>

Current service cost and the net interest expense for the year are included in the 'Employee benefit expenses'.

The remeasurement of the net defined benefit liability is included in other comprehensive income.

Gratuity expense in the Statement of Profit and loss includes the charge of ₹ 0.12 crores (March 31, 2024 : ₹ 0.03 crores) from Aditya Birla Financial Shared Services Limited and ₹ 0.03 crores (March 31, 2024 : ₹ 0.02 crores) from Aditya Birla Capital Limited on account of shared employee cost.

Other comprehensive Income in the Statement of Profit and loss includes the charge/ (credit) of ₹ 0.08 crores (March 31, 2024 : ₹ 0.04 crores) from Aditya Birla Financial Shared Services Limited and ₹ 0.04 crores (March 31, 2024 : ₹ 0.02 crores) from Aditya Birla Capital Limited on account of shared employee cost.



# Notes to the Financial Statements

for the year ended 31<sup>st</sup> March 2025

## c) Reconciliation of present value of the obligation

(₹ Crore)

	For the year ended March 31, 2025	For the year ended March 31, 2024
Opening defined benefit obligation	7.86	5.68
Current service cost	2.68	1.76
Interest on defined benefit obligation	0.56	0.41
Remeasurements due to:		
- Actuarial loss/(gain) arising from change in financial assumption	0.54	0.05
- Actuarial loss/(gain) arising from change in demographic assumption	(0.13)	(0.03)
- Actuarial loss/(gain) arising on account of experience changes	0.86	0.30
Benefit paid	(0.33)	(0.31)
Liabilities assumed / (settled)	-	-
Closing defined benefit obligation	<b>12.05</b>	<b>7.86</b>

## d) Reconciliation of fair value of the plan assets:

(₹ Crore)

	For the year ended March 31, 2025	For the year ended March 31, 2024
Opening fair value of the plan assets	6.98	6.12
Employer contributions	0.88	-
Interest on plan assets	0.50	0.44
Remeasurements due to:		
- Actual return on plan assets less interest on plan assets	0.15	0.41
Closing fair value of plan assets	<b>8.51</b>	<b>6.98</b>

## e) Disaggregation of plan assets

(₹ Crore)

	As at March 31, 2025		
	Quoted value	Non quoted value	Total
Government debt instruments	-	0.34	0.34
Other debt instruments	-	0.02	0.02
Insurer managed funds	-	3.47	3.47
Others	-	4.68	4.68
<b>Total</b>	-	<b>8.51</b>	<b>8.51</b>

(₹ Crore)

	As at March 31, 2024		
	Quoted value	Non quoted value	Total
Government debt instruments	-	0.37	0.37
Other debt instruments	-	0.04	0.04
Insurer managed funds	-	2.90	2.90
Others	-	3.67	3.67
<b>Total</b>	-	<b>6.98</b>	<b>6.98</b>

# Notes to the Financial Statements

for the year ended 31<sup>st</sup> March 2025

## f) Principal actuarial assumptions

	For the year ended March 31, 2025	For the year ended March 31, 2024
Discount rate (p.a.)	6.50%	7.15%
Salary escalation rate (p.a)	7.00%	7.00%
Expected return on plan assets (p.a)	6.50%	7.15%
Attrition rate (p.a)	Age: Upto 30 : 46% Age: 31-40 : 35% Age: 41-50 : 19% Age: Above 50 : 0%	Age: Upto 30 : 46% Age: 31-40 : 35% Age: 41-50 : 19% Age: Above 50 : 0%

## g) Sensitivity analysis of principal assumptions

(in terms of percentage)

	For the year ended March 31, 2025	For the year ended March 31, 2024
<b>Impact of increase in 50 bps on DBO</b>		
Discount rate	-3.40%	-3.30%
Salary escalation rate	3.60%	3.50%
Attrition Rate	-13.90%	-11.60%
<b>Impact of decrease in 50 bps on DBO</b>		
Discount rate	3.60%	3.50%
Salary escalation rate	-3.40%	-3.30%
Attrition Rate	27.50%	22.80%

(in terms of amount)

	For the year ended March 31, 2025	For the year ended March 31, 2024
		(₹ Crore)
<b>DBO due to Impact of increase in 50 bps</b>		
Discount rate	11.65	7.61
Salary escalation rate	12.49	8.14
Attrition Rate	10.38	6.95
<b>DBO due to Impact of decrease in 50 bps</b>		
Discount rate	12.49	8.14
Salary escalation rate	11.64	7.61
Attrition Rate	15.37	9.66

The sensitivity analysis have been determined based on reasonably possible changes of the respective 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 projected 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 projected benefit obligation has been calculated using the projected unit credit method at the end of the reporting period, which is the same method as applied in calculating the projected benefit obligation as recognised in the balance sheet.



# Notes to the Financial Statements

for the year ended 31<sup>st</sup> March 2025

## h) Maturity profile of defined benefit obligation

The table below shows the expected cash flow profile of the benefits to be paid to the current membership of the plan based on past service of the employees as at the valuation date:

Maturity profile	(₹ Crore)	
	For the year ended March 31, 2025	For the year ended March 31, 2024
Expected benefits for year 1	1.78	1.31
Expected benefits for year 2	1.49	1.04
Expected benefits for year 3	1.44	0.93
Expected benefits for year 4	1.24	0.86
Expected benefits for year 5	1.02	0.69
Expected benefits for year 6	0.89	0.54
Expected benefits for year 7	0.82	0.55
Expected benefits for year 8	0.39	0.70
Expected benefits for year 9	1.43	0.20
Expected benefits for year 10 and above	10.23	7.31

The weighted average duration to the payment of these cash flows is 7 years (March 31, 2024 : 7 years).

The estimates of future salary increase considered in actuarial valuation, takes into account the inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.

Obligation is measured at the present value of estimated future cash flows using a discounted rate that is determined by reference to market yields as at Balance Sheet date.

Estimated amount of contribution expected to be paid to the gratuity fund during the period after the Balance Sheet date is ₹ 7.03 crores (March 31, 2024: ₹ 2.94 crores).

## NOTE: 47 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

ABHFL's risk philosophy involves a competent and comprehensive risk management framework & robust policies and processes which minimise the element of uncertainty and help in developing and maintaining a healthy portfolio within its risk appetite and the regulatory framework. The Risk Management provides stability and balance ensuring that growth is backed by a robust portfolio. ABHFL is exposed to various types of risks such as credit risk, market risk (which includes liquidity risk and pricing risk), operational risk, legal risk, regulatory risk and competition risk.

ABHFL's risk management strategy is based on a clear understanding of various risks, disciplined risk assessment and measurement procedures and continuous monitoring. The policies and procedures established for this purpose are continuously benchmarked with best practices. The Board of Directors have an oversight over the risk management framework applicable to the Company. The risk management oversight structure includes various Committees such as Risk Management Committee which consist of Board members and Senior Management. The Risk Management Committee ("RMC") which is chaired by an Independent Director conducts review at regular intervals to monitor compliance with risk policies, risk tolerance limits, review and analysis of risk exposure and provides oversight of risk across the organization.

### Market risk

The Company does not have any investments in securities other than short term investments of excess funds in liquid schemes of mutual funds and other government securities hence, there is no material market risk.

On liabilities front, the Company borrows through CPs (fixed rate, short duration), Term Loans (from Banks – at rates lined to their MCLR) and NCDs (fixed rate & floating rate, long term).

# Notes to the Financial Statements

for the year ended 31<sup>st</sup> March 2025

The Company has a robust mechanism to take care of liquidity risks in form of free Bank lines (CC and TL). From time to time depending on markets, the Company also invests in liquid schemes of mutual funds and other government securities which ensures availability of funds to meet its immediate liabilities.

Asset Liability Committee (ALCO) meets quarterly and as and when required to discuss market conditions and Asset Liability Management (ALM). There is a Risk Committee meeting every quarter and also a Board meeting every quarter where the risks are discussed and ALM is presented.

## Interest rate risk

Interest rate risk is monitored through the IRS statement prepared every quarter. The Company has issued NCDs which are fixed / floating rate instruments. A portion of the borrowings are through term loans, which are linked to the Bank's MCLR/ EBLR.

ALCO has set a limit for the interest rate gap that is acceptable and the same is monitored by ALCO and Risk Committee. Most of the loans given by the Company are floating rate loans and hence, any change in interest rate can be passed on to the customers, thereby minimising the risk.

## Credit risk

Credit Risk is managed and controlled through a Credit Risk Management Framework comprising detailed risk evaluation of borrower and security. ABHFL has developed expertise to underwrite all kinds of customer segments (salaried, self-employed professionals, self-employed non-professionals) and our underwriting guidelines are benchmarked to the market and adequate internal controls have been put in place to maintain the quality of loans being approved. Distinct policies and processes are in place which are followed rigorously while selecting the borrowers and people who occupy key positions are professionally qualified (such as CA/MBA/ICWA). For each product, programs defining customer segments, underwriting standards, security structures, etc. are specified to ensure consistency of credit patterns. All the cases are approved by Credit Committees formulated at different levels with various approval limits. Collateral Risk refers to the risk of loss arising from errors in the nature, quantity, pricing, or characteristics of collateral securing a transaction with credit risk. ABHFL has dual external valuation process and the same is also evaluated internally to mitigate such risk. After sanctioning the loan, regular monitoring of the accounts is also done to sight irregularities if any and where required prompt action is initiated and a well defined collection process helps in ensuring minimum credit loss. As credit risk is one of the major risks faced by the Company, the policies and processes are reviewed periodically and, if need be, revised in order to keep them up-to-date.

## Analysis of maximum exposure to credit risk and collateral and other credit enhancements

The following table shows the maximum exposure to credit risk, the total fair value of collateral and the net exposure to credit risk. The collateral value as at the time of on-boarding of the customer has been considered except for stage 3 (Latest Valuation) and loss cases (Nil value) for below disclosure.

Particulars	Maximum exposure to credit risk	Fair value of collateral and other credit enhancements held (Mortgage)	(₹ Crore)
			Net exposure
As at March 31, 2025	35,176.07	1,05,329.00	-
As at March 31, 2024	20,769.34	57,718.80	-

## Collateral and other credit enhancements

The amount and type of collateral required depends on an assessment of the credit risk of the counterparty. Guidelines are in place covering the acceptability and valuation of each type of collateral.

The main type of collateral obtained is mortgages over residential/ commercial properties.

The table below shows the value of the credit impaired asset (stage 3) and the value of the collateral available -



# Notes to the Financial Statements

for the year ended 31<sup>st</sup> March 2025

(₹ Crore)

Particulars	As at March 31, 2025		As at March 31, 2024	
	Credit Impaired	Security Held	Credit Impaired	Security Held
Loans - Maximum exposure (Stage 3)	192.87	293.44	325.49	568.33

## Liquidity risk

Liquidity risk is defined as the risk that the Company will encounter difficulty in meeting obligations associated with financial liabilities that are settled by delivering cash or another financial asset. Liquidity risk arises because of the possibility that the Company might be unable to meet its payment obligations when they fall due as a result of mismatches in the timing of the cash flows under both normal and stress circumstances.

Company manages its liquidity requirement by analysing the maturity pattern of Company's cash flows of financial assets and financial liabilities. The Asset Liability Management of the Company is periodically reviewed by its Risk Management Committee.

The table below summarises the maturity profile of the cash flows of the Company's financial assets and liabilities as at respective balance sheet dates.

### As at March 31, 2025

(₹ Crore)

	Liabilities			Assets	
	Borrowings from banks	Market borrowings#	Other financial liabilities	Advances*	Other financial assets
Less than 1 year	4,232.96	2,290.13	316.35	1,344.18	1,224.63
More than 1 year	9,573.04	10,005.38	177.89	27,633.55	35.19
<b>Total</b>	<b>13,806.00</b>	<b>12,295.51</b>	<b>494.24</b>	<b>28,977.73</b>	<b>1,259.82</b>

### As at March 31, 2024

(₹ Crore)

	Liabilities			Assets	
	Borrowings from banks	Market borrowings#	Other financial liabilities	Advances*	Other financial assets
Less than 1 year	3,645.30	2,064.15	192.42	757.40	597.75
More than 1 year	6,586.99	3,650.24	33.85	16,920.52	7.07
<b>Total</b>	<b>10,232.29</b>	<b>5,714.39</b>	<b>226.27</b>	<b>17,677.92</b>	<b>604.82</b>

The above table includes future contractual cash flows recognised as at balance sheet date in different buckets and does not include other future contracted cash flows (such as interest which are not accrued as at Balance Sheet date).

# Net of unamortized discounting charges on commercial paper amounting to ₹ 21.33 Crs (March 31, 2024: ₹ 21.29 Crs)

\* Advances includes loan and advances to the customers.

## Operational and business risk

Operational risk is the risk of loss arising from systems failure, human error, fraud or external events. When controls fail to operate effectively, operational risks can cause damage to reputation, have legal or regulatory implications, or lead to financial loss. The Company cannot expect to eliminate all operational risks, but it endeavours to manage these risks through a control framework and by monitoring and responding to potential risks. Controls include effective segregation of duties, access, authorisation and reconciliation procedures, staff education and assessment processes, such as the use of internal audit.

## Foreign currency exchange rate risk

The fluctuation in foreign currency exchange rates may have potential impact on the statement of profit and loss and other comprehensive income and equity, where any transaction references more than one currency or where assets/ liabilities are denominated in a currency other than the functional currency. Considering the countries and economic environment in which the Company operates, its operations are subject to risks arising from fluctuations in exchange rates.

# Notes to the Financial Statements

for the year ended 31<sup>st</sup> March 2025

## NOTE: 48 | MATURITY ANALYSIS OF ASSETS AND LIABILITIES

(₹ Crore)

Particulars	As at March 31, 2025			As at March 31, 2024		
	Within 12 months	After 12 months	Total	Within 12 months	After 12 months	Total
<b>ASSETS</b>						
<b>FINANCIAL ASSETS</b>						
(a) Cash and cash equivalents	377.14	-	377.14	279.84	-	279.84
(b) Receivables						
- Trade Receivables	19.45	-	19.45	4.84	-	4.84
- Other Receivables	16.51	-	16.51	15.23	-	15.23
(c) Loans	1,344.18	27,633.55	28,977.72	720.20	16,957.73	17,677.93
(d) Investments	716.42	25.00	741.42	265.75	-	265.75
(e) Other Financial assets	95.11	10.19	105.30	32.26	6.91	39.16
	<b>2,568.80</b>	<b>27,668.74</b>	<b>30,237.54</b>	<b>1,318.11</b>	<b>16,964.64</b>	<b>18,282.75</b>
<b>NON- FINANCIAL ASSETS</b>						
(a) Current tax assets (Net)	6.77	-	6.77	-	19.40	19.40
(b) Deferred tax Assets (Net)	-	10.03	10.03	-	33.44	33.44
(c) Property, Plant and Equipment	-	40.88	40.88	-	24.26	24.26
(d) Intangible assets under development	-	1.98	1.98	-	1.30	1.30
(e) Other Intangible assets	-	24.48	24.48	-	19.93	19.93
(f) Right to use of Assets	-	70.76	70.76	-	42.52	42.52
(g) Other non-financial assets	12.89	22.17	35.05	37.55	0.14	37.68
	<b>19.66</b>	<b>170.30</b>	<b>189.96</b>	<b>37.55</b>	<b>140.99</b>	<b>178.54</b>
<b>TOTAL ASSETS</b>	<b>2,588.46</b>	<b>27,839.04</b>	<b>30,427.50</b>	<b>1,355.66</b>	<b>17,105.63</b>	<b>18,461.29</b>
<b>LIABILITIES</b>						
<b>FINANCIAL LIABILITIES</b>						
(a) Payables						
(i) Trade Payables						
(i) total outstanding dues of micro enterprises and small enterprises	0.02	-	0.02	1.85	-	1.85
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises	119.35	-	119.35	61.45	-	61.45
(b) Debt Securities	2,057.30	9,395.32	11,452.63	2,045.51	3,326.47	5,371.98
(c) Borrowings other than debt securities	4,433.09	9,573.04	14,006.13	3,643.17	6,589.12	10,232.29
(d) Subordinated Liabilities	32.69	610.06	642.75	16.19	326.21	342.41
(e) Lease Liability	18.20	56.22	74.42	10.58	33.85	44.43
(f) Other financial liabilities	178.77	121.67	300.44	118.55	-	118.55
	<b>6,839.42</b>	<b>19,756.31</b>	<b>26,595.74</b>	<b>5,897.29</b>	<b>10,275.66</b>	<b>16,172.94</b>
<b>NON- FINANCIAL LIABILITIES</b>						
(a) Provisions	-	23.36	23.36	15.30	-	15.30
(b) Other non-financial liabilities	25.34	-	25.34	13.24	-	13.24
	<b>25.34</b>	<b>23.36</b>	<b>48.70</b>	<b>28.54</b>	<b>-</b>	<b>28.54</b>
<b>TOTAL LIABILITIES</b>	<b>6,864.76</b>	<b>19,779.67</b>	<b>26,644.44</b>	<b>5,925.83</b>	<b>10,275.66</b>	<b>16,201.48</b>
<b>NET WORTH</b>	<b>(4,276.31)</b>	<b>8,059.36</b>	<b>3,783.06</b>	<b>(4,570.18)</b>	<b>6,829.97</b>	<b>2,259.80</b>

# Notes to the Financial Statements

for the year ended 31<sup>st</sup> March 2025

## NOTE: 49 | 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 and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. The Company maintains an actively managed capital base to cover risks inherent in the business and is meeting the capital adequacy requirements of its Regulator, NHB. The Company monitors capital using, among other measures, a capital adequacy ratio which is a ratio of weighted assets to total owned capital derived as per the NHB requirements. As per the NHB guidelines Company being a Housing Finance Company is required to maintain minimum of 15% of capital adequacy ratio (March 31, 2024 - 15%). Company has complied in full with all its externally imposed capital requirements over the reported period

The Company also manages its leverage position on periodic basis by monitoring debt equity ratio to aligning itself with market and peers.

	For the year ended March 31, 2025	For the year ended March 31, 2024
Capital adequacy ratio :	16.54%	16.79%
Tier I CRAR	14.29%	14.66%
Tier II CRAR	2.25%	2.13%
Net Debt equity ratio :	6.80	6.93
Liquidity Coverage Ratio	226.31%	211.80%

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 period.

No changes were made in the objectives, policies or processes for managing capital during the years ended March 31, 2025 and March 31, 2024.

## NOTE: 50 | FAIR VALUES

Set out below is a comparison, by class, of the carrying amounts and fair value of the Company's financial instruments, other than those with carrying amounts that are reasonable approximations of fair values, that are not carried at fair value in the financial statements. This table does not include the fair values of non-financial assets and non-financial liabilities.

# Notes to the Financial Statements

for the year ended 31<sup>st</sup> March 2025

(₹ Crore)

	Carrying value		Fair value	
	For the year ended March 31, 2025	For the year ended March 31, 2024	For the year ended March 31, 2025	For the year ended March 31, 2024
<b>Financial assets at amortised cost</b>				
Loans #	28,977.72	17,677.92	28,977.72	17,677.92
Security deposits	10.19	7.07	12.94	5.27
	<b>28,987.91</b>	<b>17,684.99</b>	<b>28,990.66</b>	<b>17,683.19</b>
<b>Financial assets at FVTPL</b>				
Investments - Government Securities	716.42	265.75	716.42	265.75
	<b>716.42</b>	<b>265.75</b>	<b>716.42</b>	<b>265.75</b>
<b>Financial liabilities at amortised cost</b>				
Debt Securities	9,923.96	4,031.27	9,986.86	4,019.66
Sub debts*	642.75	342.41	647.18	340.38
Commercial papers	1,528.67	1,340.71	1,528.67	1,340.71
Borrowings other than debt securities#	14,006.13	10,232.29	14,006.13	10,232.29
	<b>26,101.51</b>	<b>15,946.68</b>	<b>26,168.84</b>	<b>15,933.04</b>

# Loans to customers and borrowings other than debt securities are primarily at floating rate of interest hence carrying value approximates the fair value.

\*Includes subordinate debts subscribed by Aditya Birla Sunlife Insurance Company Limited of face value ₹ 85.00 crores (March 31, 2024 : ₹ 10.00 crores) with fair value ₹ 90.49 crores (March 31, 2024 : ₹ 10.72 crores) included in level 2 below.

The 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.

Interest accrued upto reporting period are included in both "Carrying value" and "Fair value".

The Company has availed the exemption granted under para 29(a) Ind AS 107-Financial Instruments: Disclosures, with regard to disclosure of financial instruments where the carrying amount approximates the fair value and accordingly, have not provided the disclosure of financial instruments falling under this category, except in case of loans to customers and borrowings other than debt securities.

## 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.

### Short-term financial assets and liabilities

For financial assets and financial liabilities that have a short-term maturity (less than twelve months), the carrying amounts, which are net of impairment, are a reasonable approximation of their fair value. Such instruments include: cash and bank balances, Trade receivables, trade payables, other financial assets and financial liabilities. Disclosures of financial assets and financial liabilities where the carrying amount approximates fair value is not required and hence not given.

### Loans and advances to customers

Since the mortgage lending by the Company is primarily bearing variable rate of interest, the carrying amount net of ECL is considered as the most comparable price and approximates fair value.

### Debt securities, security deposits and other borrowings

The fair values of the Company's interest-bearing debt securities and security deposits are determined by using discounted cash flow (DCF) method using discount rate that reflects the issuer's market borrowing rate as at the end of the reporting period.



# Notes to the Financial Statements

for the year ended 31<sup>st</sup> March 2025

Since entity's other borrowings are primarily bearing variable rate of interest, the carrying amount of such borrowings is considered as the most comparable price and approximates fair value.

## Fair value hierarchy

The following table provides the fair value measurement hierarchy of the Company's assets and liabilities.

(₹ Crore)

	Carrying Amount	Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)	Total
<b>As at March 31, 2025</b>					
<b>Financial assets at amortised cost</b>					
Loans	28,977.72	-	-	28,977.72	28,977.72
Security deposits	10.19	-	-	12.94	12.94
	<b>28,987.91</b>	-	-	<b>28,990.66</b>	<b>28,990.66</b>
<b>Financial assets at FVTPL</b>					
Investments - Government Securities	716.42	-	716.42	-	716.42
	<b>716.42</b>	-	<b>716.42</b>	-	<b>716.42</b>
<b>Financial liabilities at amortised cost</b>					
Debt securities	9,923.96	-	9,986.86	-	9,986.86
Sub Debts	642.75	-	647.18	-	647.18
Commercial papers	1,528.67	-	1,528.67	-	1,528.67
Borrowings other than debt securities	14,006.13	-	-	14,006.13	14,006.13
	<b>26,101.51</b>	-	<b>12,162.71</b>	<b>14,006.13</b>	<b>26,168.84</b>
<b>As at March 31, 2024</b>					
<b>Financial assets at amortised cost</b>					
Loans	17,677.92	-	-	17,677.92	17,677.92
Security deposits	7.07	-	-	5.27	5.27
	<b>17,684.99</b>	-	-	<b>17,683.19</b>	<b>17,683.19</b>
<b>Financial assets at FVTPL</b>					
Investments - Government Securities	265.75	-	265.75	-	265.75
	<b>265.75</b>	-	<b>265.75</b>	-	<b>265.75</b>
<b>Financial liabilities at amortised cost</b>					
Debt securities	4,031.27	-	4,019.66	-	4,019.66
Sub Debts	342.41	-	340.38	-	340.38
Commercial papers	1,340.72	-	1,340.71	-	1,340.71
Borrowings other than debt securities	10,232.29	-	-	10,232.29	10,232.29
	<b>15,946.68</b>	-	<b>5,700.75</b>	<b>10,232.29</b>	<b>15,933.04</b>

## NOTE: 51 | DETAILS OF STRUCK OFF COMPANIES\*

Name of struck off Company	Nature of Transaction	Balance outstanding	Whether it is related party?
		Nil	

(\*based on information available as on the date of reporting.)

# Notes to the Financial Statements

for the year ended 31<sup>st</sup> March 2025

## NOTE: 52 RECLASSIFICATION FOR FY 2023-24 IN FY 2024-25 FOR BETTER PRESENTATION:

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2025	Reason
a Net gain on derecognition of financial instruments classified under amortised cost category (refer note 28)	40.44	33.03	Net Impact of Bad Debt amounting to ₹ 7.41 crores, reclassified under impairment of financial instrument
Impairment of financial instruments (refer note 31)	2.81	-4.60	
b Trade payables (refer note 15)	63.31	51.62	Amount payable under assignment amounting to ₹ 11.69 crores classified under other financial liabilities from trade payables
Other financial liabilities (refer note 20)	118.54	130.23	

## NOTE: 53 OTHER DISCLOSURES

- I. The disclosure on the following matters required under Schedule III as amended not being relevant or applicable in case of the Company, same are not covered such as-
  - a) The Company has not traded or invested in crypto currency or virtual currency during the financial year.
  - b) There are no transactions pertaining to surrender/ disclosure of income which have not been recorded in the books.
  - c) No proceedings have been initiated or are pending against the Company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder.
  - d) The Company has not been declared willful defaulter by any bank or financial institution or government or any government authority.
  - e) The Company has not entered into any scheme of arrangement.
  - f) No Registration or satisfaction of charges are pending to be filed with ROC.
  - g) The provision relating to compliance with number of layers of companies prescribed under clause (87) of section 2 of the Companies Act is not applicable to the Company.
- II. No dividend is declared & paid during the current financial year.
- III.
  - a) To the best of our knowledge & belief, no funds (which are material either individually or in aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend to or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
  - b) To the best of our knowledge & belief, no funds (which are material either individually or in aggregate) have been received by the Company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend to 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.

## Report on Other Legal and Regulatory Requirements

The accounting software used by the Company to maintain its Books of account have a feature of recording audit trail (edit log) facility and the same has been operated throughout the year for all transactions recorded in the software as also in database maintained with respect thereto.



# Notes to the Financial Statements

for the year ended 31<sup>st</sup> March 2025

## NOTE: 54 | EVENTS AFTER REPORTING DATE

There have been no significant events after the reporting date that require disclosure in these financial statements.

## NOTE: 55 | DISCLOSURE OF DETAILS AS REQUIRED UNDER AMENDED GUIDELINES ON HOUSING FINANCE COMPANIES- CORPORATE GOVERNANCE (NATIONAL HOUSING BANK) DIRECTIONS, 2016 ISSUED BY NHB VIDE CIRCULAR DATED FEBRUARY 9, 2017 HAS BEEN GIVEN UNDER ANNEXURE 1 TO THESE FINANCIAL STATEMENTS.

See accompanying notes forming part of the financial statements.

In terms of our report attached

For **B.K. Khare & Co**  
Chartered Accountants  
FRN: 105102W

For **Sarda & Pareek LLP**  
Chartered Accountants  
FRN: 109262W/W100673

For and on behalf of the Board of Directors of  
**Aditya Birla Housing Finance Limited**

**Shirish Rahalkar**  
Partner  
Membership No: 111212

**Niranjan Joshi**  
Partner  
Membership No: 102789

**Vishakha Mulye**  
Director  
DIN: 00203578

**Pankaj Gadgil**  
MD & CEO  
DIN: 08521239

**Ashish Damani**  
Chief Financial Officer

**Hiral Sidhpura**  
Company Secretary

Mumbai, April 16, 2025

Mumbai, April 16, 2025

# Notes to the Financial Statements

for the year ended 31<sup>st</sup> March 2025

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## DISCLOSURE OF DETAILS AS REQUIRED UNDER ANNEXURE IV OF MASTER DIRECTION – NON-BANKING FINANCIAL COMPANY – HOUSING FINANCE COMPANY (RESERVE BANK) DIRECTIONS, 2021 DATED FEBRUARY 17, 2021

### 1.1 Capital:

(₹ Crore)

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
CRAR (%)	16.54%	16.79%
CRAR - Tier I capital (%)	14.29%	14.66%
CRAR - Tier II Capital (%)	2.25%	2.13%
Amount of subordinated debt outstanding as Tier- II Capital	642.75	342.41
Amount raised by issue of perpetual debt instruments	-	-

### 1.2 Reserve fund u/s 29C of the National Housing Bank Act, 1987:

(₹ Crore)

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
<b>Balance at the beginning of the year</b>		
i) Statutory reserves u/s 29C of the National Housing bank Act, 1987	33.14	12.09
ii) Amount of special reserve u/s 36(1)(viii) of the Income Tax Act, 1961 taken into account for the purposes of statutory reserve u/s 29C of the National Housing Bank Act, 1987	183.84	146.75
<b>Total</b>	<b>216.98</b>	<b>158.84</b>
<b>Addition/ appropriation/ withdrawal during the year</b>		
<b>Add:</b>		
i) Amount transferred u/s 29C of the National Housing Bank Act, 1987	19.84	21.05
ii) Amount of special reserve u/s 36(1)(viii) of the Income Tax Act, 1961 taken into account for the purposes of statutory reserve u/s 29C of the National Housing Bank Act, 1987	44.85	37.09
<b>Less:</b>		
i) Amount appropriated from the statutory reserve u/s 29C of the National Housing Bank Act, 1987	-	-
ii) Amount withdrawn from the special reserve u/s 36(1)(viii) of Income Tax Act, 1961 taken into account for the purposes of provision u/s 29C of the National Housing Bank Act, 1987	-	-
<b>Balance at the end of the year</b>		
i) Statutory reserve u/s 29C of the National Housing Bank Act, 1987	52.98	33.14
ii) Amount of special reserve u/s 36(1)(viii) of Income Tax Act, 1961 taken into account for the purposes of statutory reserve under Section 29C of the NHB Act, 1987	228.69	183.84
<b>Total</b>	<b>281.67</b>	<b>216.98</b>

# Notes to the Financial Statements

for the year ended 31<sup>st</sup> March 2025

## 1.3 Investments:

### 1.3.1 Value of Investments

(₹ Crore)

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
i) Gross value of investments		
- In India	741.42	265.75
- Outside India	-	-
ii) Provisions for depreciation		
- In India	-	-
- Outside India	-	-
iii) Net value of investments		
- In India	741.42	265.75
- Outside India	-	-

## 1.4 Securitisation :

### 1.4.1 Details of transfer through assignment in respect of loans not in default

(₹ Crore)

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Nature of entities	Banks	Banks
Amount of Loan Accounts Assigned (₹ in Crores)	1,586.60	587.44
Count of Loan Accounts Assigned	11,576	5,498
No of transactions	7	4
Weighted average residual maturity (in Months)	165	131
Weighted average holding period by originator (in Months)	22	22
Retention of beneficial economic interest (MRR)	10.00%	10.00%
Coverage of tangible security coverage	100.00%	100.00%

### 1.4.2 Details of financial assets sold or acquire to securitisation / reconstruction Company for asset reconstruction

(₹ Crore)

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Amount of Loan Accounts Assigned (₹ in Crores)	23.85	-
Aggregate consideration received	11.21	-
Count of Loan Accounts Assigned	112	-
No of transactions	1	-
Weighted average residual maturity (in Months)	379	-

# Notes to the Financial Statements

for the year ended 31<sup>st</sup> March 2025

## 1.4.3 Details of assignment transactions undertaken by HFCs (portfolio acquired)

Particulars	(₹ Crore)	
	For the year ended March 31, 2025	For the year ended March 31, 2024
i) No. of accounts	5,776	1,925
ii) Aggregate value (net of provisions) of accounts assigned	818.56	159.11
iii) Aggregate consideration paid	818.56	159.11
iv) Weighted average residual tenor of loans acquired (in Months)	186	127
v) Additional consideration realized in respect of accounts transferred in earlier years	-	-
vi) Aggregate gain / loss over net book value	-	-

## 1.4.4 Details of non-performing financial assets purchased / sold

### A. Details of non-performing financial assets purchased:

Since the Company has not purchased any non-performing financial assets during the current as well as previous financial year, the disclosure under this clause is not applicable.

### B. Details of non-performing financial assets sold:

Since the Company has not sold any non-performing financial assets during the current as well as previous financial year, the disclosure under this clause is not applicable.

## 1.5 Exposure

### 1.5.1 Exposure to real estate sector

Direct exposure to	(₹ Crore)	
	For the year ended March 31, 2025	For the year ended March 31, 2024
<b>i) Residential mortgages -</b>		
Lending fully secured by mortgages on residential property that is or will be occupied by the borrower or that is rented; Exposure would also include non-fund based (NFB) limits;	25,511.72	14,493.88
<b>ii) Commercial real estate -</b>		
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;	3,674.45	3,383.10

### 1.5.2 Indirect exposure

Fund base and non-fund based exposures on National Housing Bank (NHB) and Housing Finance Companies (HFCs).

### 1.5.3 Exposure to capital market

Company has invested ₹ 25.00 crores (FY 23-24 : Nil) in unquoted equity shares during the current financial year.

### 1.5.4 Details of financing of parent company products

Since the Company has not entered into any transaction for financing the parent company products during the current as well as previous financial year, the disclosure under this clause is not applicable.

### 1.5.5 Single Borrower Limit (SBL) / Group Borrower Limit (GBL)

The Company has not exceeded prudential exposure relating to Single Borrower Limit (SBL) / Group Borrower Limit (GBL) during the current as well as previous financial year.



# Notes to the Financial Statements

for the year ended 31<sup>st</sup> March 2025

## 1.5.6 Unsecured advances

The exposure of the company towards unsecured advances in the current year is ₹ 3.85 crores, previous year is ₹ 6.63 crores.

## 1.5.7 Exposure to group companies engaged in real estate business

Description	Amount	% of owned fund
(i) Exposure to any single entity in a group engaged in real estate business	Nil	Nil
(ii) Exposure to all entities in a group engaged in real estate business	Nil	Nil

## 1.5.8 Intra group exposure

There are no exposures to the group companies in the current year as well as previous year.

## 1.5.9 Sectoral Exposure

(₹ Crore)

Particulars	As at March 31, 2025			As at March 31, 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. Construction Finance	9,125.05	7.90	0.09%	4,042.55	8.60	0.21%
Others						
Total of Industry (i+Others)	9,125.05	7.90	0.09%	4,042.55	8.60	0.21%
3. Services						
Others						
Total of Services (i+ii+...+Others)						
4. Personal Loans						
i. Housing Loan	16,747.03	107.32	0.64%	11,928.42	205.27	1.72%
ii. Loan against Property	8,403.17	73.17	0.87%	4,246.15	105.90	2.49%
iii. Insurance	900.82	4.48	0.50%	552.23	5.74	1.04%
Total of Personal Loans (i+ii+...+Others)	26,051.02	184.97	0.71%	16,726.80	316.90	1.89%
5. Others, if any (please specify)						
<b>Total</b>	<b>35,176.07</b>	<b>192.87</b>	<b>0.55%</b>	<b>20,769.35</b>	<b>325.50</b>	<b>1.57%</b>

## 1.6 Miscellaneous

### 1.6.1 Registration obtained from other financial sector regulators-

Regulator	Registration No
Insurance Regulatory and Development Authority: As corporate agent (Composite)	CA0623

### 1.6.2 Disclosure of penalties imposed by NHB/RBI/IRDAI and other regulators

No penalty was levied by NHB,RBI or any other regulators during the financial year ended March 31, 2025.

### 1.6.3 Unhedged foreign currency exposure

The company doesn't have any unhedged foreign currency exposure during the current & previous years.

# Notes to the Financial Statements

for the year ended 31<sup>st</sup> March 2025

## 1.6.4 Group Structure

For diagrammatic representation of group structure please refer 'annexure a' to these notes.

## 1.6.5 Rating assigned by Credit Rating Agencies and migration of rating during the year

Instrument	Rating agency	Rating assigned
Bank lines programme	India Ratings	IND AAA Outlook Stable/IND A1+
	ICRA	[ICRA] AAA (stable)/ICRA A1+
	CRISIL	CRISIL AAA/Stable
Non-convertible debenture programme	India Ratings	IND AAA; Outlook Stable
	ICRA	[ICRA] AAA with Stable Outlook
	CRISIL	CRISIL AAA/Stable
Subordinated debt programme	India Ratings	IND AAA; Outlook Stable
	ICRA	[ICRA] AAA with Stable Outlook
	CRISIL	CRISIL AAA/Stable
Principal Protected Market Linked Debenture - (PP-MLD)	India Ratings	IND- PPMLD AAA ' Outlook Stable
Commercial paper programme	India Ratings	IND A1+
	ICRA	[ICRA] A1+
	CRISIL	CRISIL A1+

The Company has obtained additional CRISIL rating, AAA for Bank lines, NCD and Sub Debt & A1+ for Commercial paper.

## 1.6.6 Remuneration of directors

Details of remuneration of directors are disclosed as part of the Director's Report.

## 1.6.7 Management

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

## 1.6.8 Net profit or loss for the period, prior period items and changes in accounting policies

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

## 1.6.9 Revenue recognition

There have been no instances during current as well as previous financial year in which revenue recognition has been postponed pending the resolution of significant uncertainties.

## 1.6.10 Indian Accounting Standard 110 - Consolidated Financial Statements (CFS)

These details are not applicable since the Company does not have any subsidiary / associate.



# Notes to the Financial Statements

for the year ended 31<sup>st</sup> March 2025

## 1 DISCLOSURE OF DETAILS AS REQUIRED UNDER ANNEXURE IV OF MASTER DIRECTION – NON-BANKING FINANCIAL COMPANY – HOUSING FINANCE COMPANY (RESERVE BANK) DIRECTIONS, 2021 ISSUED BY RESERVE BANK OF INDIA VIDE CIRCULAR DATED FEBRUARY 17, 2021 & UNDER SCALE BASED REGULATION FRAMEWORK FOR NBFCS, CIRCULAR DOR.CRE.REC.NO.60/03.10.001/2021-22 DATED OCTOBER 21, 2022 & CIRCULAR DOR.ACC.REC.NO.20/21.04.018/2022-23 DATED APRIL 19, 2022.

### 1.7 Related Party Transactions Disclosure

(₹ Crore)

Item/ Related Party	Parent (as per ownership or control)		Subsidiaries		Associates/ Joint ventures		Key Management Personnel		Relatives of Key Management Personnel		Others*		Total	
	CY	PY	CY	PY	CY	PY	CY	PY	CY	PY	CY	PY		
<b>Borrowings</b>														
a. Outstanding at the end of the Year	-	-	-	-	-	-	-	-	-	-	-	255.00	80.00	255.00
b. Maximum during the Year	-	-	-	-	-	-	-	-	-	-	-	255.00	80.00	255.00
<b>Deposits</b>														
a. Outstanding at the end of the Year	-	-	-	-	-	-	-	-	-	-	-	-	-	-
b. Maximum during the Year	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Placement of Deposits</b>														
a. Outstanding at the end of the Year	-	-	-	-	-	-	-	-	-	-	-	-	-	-
b. Maximum during the Year	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Advances</b>														
a. Outstanding at the end of the Year	-	-	-	-	-	-	-	-	-	-	-	2.06	1.24	2.06
b. Maximum during the Year	-	-	-	-	-	-	-	-	-	-	-	2.06	1.24	2.06
<b>Investments</b>														
a. Outstanding at the end of the Year	-	-	-	-	-	-	-	-	-	-	-	-	-	-
b. Maximum during the Year	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Purchase of fixed/other assets	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Sale of fixed/other asstes	-	-	-	-	-	-	-	-	-	-	-	0.06	0.09	0.06
Interest Paid	-	-	-	-	-	-	-	-	-	-	-	12.51	3.18	12.51
Interest Received	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Others</b>														
Commission Income	-	-	-	-	-	-	-	-	-	-	-	92.53	41.01	92.53
Other Operating Income	-	-	-	-	-	-	-	-	-	-	-	3.23	4.36	3.23
Other Operating Expenses	-	-	-	-	-	-	-	-	-	-	-	55.22	45.75	55.22
ESOP Expenses	-	-	-	-	-	-	-	-	-	-	-	5.27	5.00	5.27
Other Comprehensive Income - Gratuity (gain)/loss	-	-	-	-	-	-	-	-	-	-	-	0.12	0.06	0.12
Director Sitting Fees	-	-	-	-	-	-	0.59	0.40	-	-	-	-	-	0.59
Managerial Remuneration	-	-	-	-	-	-	8.12	10.57	-	-	-	-	-	8.12

\*Others include fellow subsidiaries & other group companies

(CY- Current Year, PY- Previous Year)

# Notes to the Financial Statements

for the year ended 31<sup>st</sup> March 2025

## 1.8 Loans to Directors, Senior Officers and Relatives of Directors

Particulars	(₹ Crore)	
	March 31, 2025	March 31, 2024
Directors and their relatives	-	-
Entities associated with directors and their relatives	-	-
Senior Officers and their relatives	9.90	5.52

## 1.9 Additional Disclosures

### 1.9.1 Provisions and contingencies

Break up of 'Provisions and Contingencies' shown under the head expenditure in statement of profit and loss	(₹ Crore)	
	For the year ended March 31, 2025	For the year ended March 31, 2024
i) Provisions for depreciation on investments	-	-
ii) Provision made towards income tax (including tax on other comprehensive income)	95.70	85.77
iii) Provision towards Stage 3 assets	(3.87)	(37.68)
iv) Provision towards Stage 1 & Stage 2 assets*	13.26	(14.32)
v) Other provision and contingencies		
- Provision for employee benefits - gratuity (net of fund assets)	4.15	1.75
- Provision for employee benefits - leave encashment	4.57	3.16

\*Provision for Stage 1 & Stage 2 assets includes charge of CRE of ₹ 5.73 cr (March 31, 2024 ₹ 1.98 crores), CRE - RH of ₹ 5.95 crores (March 31, 2024 ₹ 3.48 crores) and Others of

Nil (March 31, 2024 ₹ 0.06 crores).

Break up of loan & advances and provisions thereon	(₹ Crore)	
	For the year ended March 31, 2025	For the year ended March 31, 2024
<b>Housing loans</b>		
<b>Standard assets</b>		
- Total outstanding amount	18,386.40	12,147.56
- Provisions made	60.96	55.42
<b>Sub standard assets</b>		
- Total outstanding amount	52.26	85.59
- Provisions made	19.10	32.14
<b>Doubtful I</b>		
- Total outstanding amount	17.56	65.69
- Provisions made	6.54	23.37
<b>Doubtful II</b>		
- Total outstanding amount	33.15	33.91
- Provisions made	29.18	10.08
<b>Doubtful III</b>		
- Total outstanding amount	8.84	6.04
- Provisions made	8.84	1.55
<b>Loss</b>		
- Total outstanding amount	-	-
- Provisions made	-	-



# Notes to the Financial Statements

for the year ended 31<sup>st</sup> March 2025

(₹ Crore)

Break up of loan & advances and provisions thereon	For the year ended March 31, 2025	For the year ended March 31, 2024
<b>Non-housing loans</b>		
<b>Standard assets</b>		
- Total outstanding amount	10,606.89	5,403.93
- Provisions made	41.42	33.69
<b>Sub standard assets</b>		
- Total outstanding amount	26.26	77.06
- Provisions made	6.88	22.67
<b>Doubtful I</b>		
- Total outstanding amount	26.11	45.61
- Provisions made	9.33	16.75
<b>Doubtful II</b>		
- Total outstanding amount	23.01	10.94
- Provisions made	20.52	3.20
<b>Doubtful III</b>		
- Total outstanding amount	5.69	0.66
- Provisions made	5.69	0.19
<b>Loss</b>		
- Total outstanding amount	-	-
- Provisions made	-	-
<b>Total</b>		
- Total outstanding amount	29,186.17	17,876.98
- Provisions made	208.45	199.06

## 1.9.2 Draw down from reserves

There were no draw down from Reserves during the current as well as previous financial year.

## 1.9.3 Concentration of public deposits, advances, exposures and NPA

### i) Concentration of public deposits

Since the company is not a public deposit taking/holding HFC, the above disclosure is not applicable to the company.

### ii) Concentration of loans & advances

(₹ Crore)

	For the year ended March 31, 2025	For the year ended March 31, 2024
Total loans & advances to twenty largest borrowers	1,349.98	730.73
Percentage of loans & advances to twenty largest borrowers to total advances of the company	4.63%	4.09%

### iii) Concentration of all exposure (including off-balance sheet exposure)

(₹ Crore)

	For the year ended March 31, 2025	For the year ended March 31, 2024
Total exposure to twenty largest borrowers / customers	2,216.88	1,204.31
Percentage of exposure to twenty largest borrowers / customers to total exposure of the company on borrowers / customers	6.30%	5.80%

# Notes to the Financial Statements

for the year ended 31<sup>st</sup> March 2025

## iv) Concentration of NPAs

	(₹ Crore)	
	For the year ended March 31, 2025	For the year ended March 31, 2024
Total exposure to top ten NPA accounts	40.54	68.36

## v) Sector-wise NPAs

Sector	Percentage of NPAs to total advances in that sector
I. Housing loans :-	
a) Individuals	0.67%
b) Builders/project loans	0.17%
c) Corporates	0.00%
d) Others (specify)	0.00%
II. Non - housing loans :-	
a) Individuals	0.88%
b) Builders/project loans	0.19%
c) Corporates	0.69%
d) Organisation	0.00%

## vi) Movement of NPAs

	(₹ Crore)	
	For the year ended March 31, 2025	For the year ended March 31, 2024
(I) Net NPAs to net advances (%)	0.30%	1.22%
(II) Movement of NPAs (Gross)		
a) Opening balance	325.50	445.92
b) Additions during the year	79.05	109.70
c) Reductions during the year	211.67	230.12
d) Closing balance	192.88	325.50
(III) Movement of Net NPAs		
a) Opening balance	215.56	298.30
b) Additions during the year	10.33	63.22
c) Reductions during the year	139.09	145.96
d) Closing balance	86.81	215.56
(IV) Movement of provisions for NPAs (excluding provisions on standard assets)		
a) Opening balance	109.94	147.62
b) Provisions made during the year	68.71	46.48
c) Write-off/write-back of excess provisions	72.59	84.16
d) Closing balance	106.07	109.94

## vii) Overseas assets

The company does not have any overseas assets during the current as well as previous financial year.

## viii) Off- balance sheet SPVs sponsored (which are required to be consolidated as per accounting norms)

The company does not have any off- balance sheet SPVs during the current as well as previous financial year.

# Notes to the Financial Statements

for the year ended 31<sup>st</sup> March 2025

## 1.10 Disclosure of Complaints

### 1.10.1 Customers complaints

	(₹ Crore)	
	For the year ended March 31, 2025	For the year ended March 31, 2024
1) No of complaints pending as at the beginning of the year	32	2
2) No of complaints received during the year	698	1,152
3) No of complaints redressed during the year	723	1,122
3.1) Of which, number of complaints rejected by the Company	-	-
4) No of complaints pending as at the end of the year	7	32

### 1.10.2 Maintainable complaints received from the Office of Ombudsman

	(₹ Crore)	
	For the year ended March 31, 2025	For the year ended March 31, 2024
1) No of maintainable complaints received from Office of Ombudsman	NIL	NIL
1.1) Of 1, No of complaints resolved in favour of the company by Office of Ombudsman	NIL	NIL
1.2) Of 1, No of complaints resolved through conciliation/mediation/advisories issued by Office of Ombudsman	NIL	NIL
1.3) Of 1, No of Complaints resolved after passing of Awards by the Office of Ombudsman	NIL	NIL
2) No of Awards unimplemented within the stipulated time (other than those appealed)	NIL	NIL

### 1.10.3 Top 5 grounds of complaints received by the company from the customers

#### Current Financial Year

Grounds of Complaints (i.e. Complaints relating to)	No of complaints pending at the beginning of the year	No of complaints received during the year	% increase/ decrease in the number of complaints received over the previous year	Number of complaints pending at the end of the year	Of Above, number of complaints pending beyond 30 days
Insurance	13	167	49% ↓	2	-
Pre-Closure/Closure	15	190	42% ↓	1	-
Rescheduling Related	0	94	64% ↓	1	-
Credit Bureau	0	61	177% ↑	1	-
Waiver / Refund	1	44	2% ↑	0	-

#### Previous Year

Grounds of Complaints (i.e. Complaints relating to)	No of complaints pending at the beginning of the year	No of complaints received during the year	% increase/ decrease in the number of complaints received over the previous year	Number of complaints pending at the end of the year	Of Above, number of complaints pending beyond 30 days
Insurance	1	326	1616% ↑	13	-
Pre-Closure/Closure	1	325	9.43% ↑	15	-
Rescheduling Related	0	258	448.94% ↑	-	-
Statements & Documents Related	0	56	250% ↑	-	-
Waiver / Refund	0	43	24.56% ↓	1	-

# Notes to the Financial Statements

for the year ended 31<sup>st</sup> March 2025

## 1.11 A) Corporate governance

### 1) 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 Director ships#	Remuneration			No. of shares held in and convertible instruments held in the NBFC
					Held	Attended		Salary and other compensation	Sitting Fee	Commission	
1	Mrs. Vishakha Mulye	10/13/2022	Non-Executive Director	00203578	8	6	5	-	-	-	-
2	Mr. V Chandrasekaran	6/28/2018	Independent Director	03126243	8	8	5	-	0.15	-	-
3	Mr. Narayanan N R	1/19/2023	Independent Director	07877022	8	8	1	-	0.19	-	-
4	Mr. Pankaj Gadgil	9/23/2022	Executive Director	08521239	8	8	1	6.29	-	-	-

# Excluding Directorship in the Company, Foreign Companies, Private Limited Companies and Companies under Section 8 of the Companies Act, 2013

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

Sl. No.	Name of Director	Capacity (i.e., Executive/ Non-Executive/ Chairman/ Promoter nominee/ Independent)	Nature of change (resignation, appointment)	Effective date
1	Mr. Rakesh Singh	Non-Executive Director	Resignation	8/28/2023
2	Mrs. Anita Ramachandran	Independent Director	Cessation	3/30/2025

Details of any relationship amongst the directors inter-se shall be disclosed - None

Where an independent director resigns before expiry of her/ his term, the reasons for resignation as given by her/him shall be disclosed - Not Applicable

### 2) Committees of the Board and their composition

- Mention the names of the committees of the Board.
- For each committee, mention the summarized terms of reference and provide the following details. (The term of reference of each committees are part of Corporate Governance report).

Sl. No.	Name of Director	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 NBFC
				Held	Attended	
<b>Audit Committee</b>						
1.	Mr. V. Chandrasekaran	7/16/2018	Independent Director	6	6	-
2.	Mrs. Vishakha Mulye	10/13/2022	Non- Executive Director	6	5	-
3.	Mr. Narayanan N R	1/19/2023	Independent Director	6	6	-
<b>Nomination &amp; Remuneration Committee</b>						
1.	Mr. V. Chandrasekaran	7/16/2018	Independent Director	2	2	-
2.	Mrs. Vishakha Mulye	10/13/2022	Non- Executive Director	2	1	-
3.	Mr. Narayanan N R	1/19/2023	Independent Director	2	2	-



# Notes to the Financial Statements

for the year ended 31<sup>st</sup> March 2025

<b>Stakeholder Relationship Committee</b>						
1.	Mrs. Vishakha Mulye	4/18/2024	Non- Executive Director	1	1	-
2.	Mr. Pankaj Gadgil	10/13/2022	Executive Director	1	1	-
3.	Mr. Narayanan N R	10/26/2023	Independent Director	1	1	-
<b>Corporate Social Responsibility Committee</b>						
1.	Mr. Narayanan N R	1/19/2023	Independent Director	1	1	-
2.	Mr. Pankaj Gadgil	10/13/2022	Executive Director	1	1	-
3.	Mrs. Vishakha Mulye	10/26/2023	Non-Executive Director	1	1	-
<b>Risk Management Committee</b>						
1.	Mr. Narayanan N R	1/19/2023	Independent Director	4	4	-
2.	Mr. V. Chandrasekaran	7/16/2018	Independent Director	4	3	-
3.	Mrs. Vishakha Mulye	10/13/2022	Non- Executive Director	4	4	-
4.	Mr. Pankaj Gadgil	10/13/2022	Executive Director	4	4	-
<b>IT Strategy Committee</b>						
1.	Mr. Narayanan N R	1/19/2023	Independent Director	4	4	-
2.	Mr. Pankaj Gadgil	9/8/2022	Executive Director	4	4	-
3.	Mr. Ashish Damani	1/31/2022	Chief Financial Officer	4	4	-
4.	Mr. Subhajeet Roy Choudhury	1/31/2022	Chief Risk Officer	4	4	-
5.	Mr. Dharmendra Patro	1/31/2022	Chief Credit Officer	4	3	-
6.	Mr. Charandeep Hattar*	3/25/2025	Head - Information Technology	0	0	-
7.	Mr. Jimit Shah	10/17/2024	Chief Information Security Officer	2	2	-
8.	Ms. Preeti Mishra	4/27/2023	Head – Customer Service, Products & Digital Transformation	4	4	-
* The composition of IT Strategy is designation based. Pursuant to the appointment of Mr. Charandeep Hattar as Head Information Technology in place of Mr. Sachin Jadhav, he becomes member of IT Strategy committee.						
<b>Asset Liability Management Committee (ALCO)</b>						
1.	Mr. Pankaj Gadgil	9/8/2022	Executive Director	7	7	-
2.	Mr. Ashish Damani	1/31/2022	Chief Financial Officer	7	6	-
3.	Mr. Subhajeet Roy Choudhury	1/31/2022	Chief Risk Officer	7	6	-
4.	Mr. Dharmendra Patro	1/31/2022	Chief Credit Officer	7	6	-
5.	Mr. Anubhav Katare	8/3/2016	Lead - Treasury	7	7	-
6.	Ms. Preeti Mishra	4/27/2023	Head – Customer Service, Products & Digital Transformation	7	4	-

### 3) General Body Meetings

Details of the date, place and special resolutions passed at the General Body Meetings.

Sl. No.	Type of Meeting (Annual/ Extra-Ordinary)	Date and Place	Special resolutions passed
1	Annual General meeting	14-05-2024 Place: Audio Visual Means	<ol style="list-style-type: none"> <li>To borrow in excess of the limits provided under section 180 (1)(c) of the Companies Act, 2013.</li> <li>To mortgage / create charge on the assets of the Company as a security towards borrowings.</li> <li>To issue non-convertible debentures through private placement.</li> </ol>

# Notes to the Financial Statements

for the year ended 31<sup>st</sup> March 2025

## 4) Details of non-compliance with requirements of Companies Act, 2013

During the year there were no defaults in compliance with the requirements of Companies Act, 2013, including with respect to compliance with accounting & secretarial standards.

## 5) Details of penalties and strictures

Details of penalties or stricture imposed on it by the RBI or any other statutory authority March 31, 2025 (₹ NIL) March 31, 2024 (₹ NIL)

## B) Breach of covenant

During the year there were no instances of breach of covenant of loan availed or debt securities issued.

## C) Divergence in Asset Classification and Provisioning

Details of divergence as per the table given below, if either or both of the following conditions are satisfied:

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

- 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 reference period - Not applicable
- the additional Gross NPAs identified by RBI/NHB exceeds 5 per cent of the reported Gross NPAs for the reference period - Not applicable

SN.	Particulars	Amount
1.	Gross NPAs as on March 31, 2024* as reported by the Company	
2.	Gross NPAs as on March 31, 2024 as assessed by the Reserve Bank of India/ NHB	
3.	Divergence in Gross NPAs (2-1)	
4.	Net NPAs as on March 31, 2024 as reported by the NBFC	
5.	Net NPAs as on March 31, 2024 as assessed by Reserve Bank of India/ NHB	
6.	Divergence in Net NPAs (5-4)	
7.	Provisions for NPAs as on March 31, 2024 as reported by the NBFC	NIL
8.	Provisions for NPAs as on March 31, 2024 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 March 31, 2024	
11.	Reported Net Profit after Tax (PAT) for the year ended March 31, 2024	
12.	Adjusted (notional) Net Profit after Tax (PAT) for the year ended March 31, 2024 after considering the divergence in provisioning	

### Note:

\* March 31, 2024 is the close of the reference period in respect of which divergences were assessed.



# Notes to the Financial Statements

for the year ended 31<sup>st</sup> March 2025

## 1.12 Asset liability management (Maturity pattern of certain items of assets and liabilities)

(₹ Crore)

Particulars	Liabilities				Assets		
	Deposits	Borrowings from banks	Market borrowings*	Foreign Currency Liabilities	Advances**	Investments	Foreign Currency Assets
1 day to 7 days	-	426.60	200.13	-	152.15	-	-
8 to 14 days	-	62.69	-	-	119.00	-	-
15 days to 30/31 days (one month)	-	327.84	33.88	-	24.86	-	-
Over one months to 2 months	-	1,028.32	498.43	-	76.49	64.40	-
Over 2 months to 3 months	-	562.16	1,052.57	-	70.36	-	-
Over 3 months to 6 months	-	665.57	132.81	-	223.38	-	-
Over 6 months to 1 year	-	1,159.78	372.30	-	677.94	-	-
Over 1 year to 3 years	-	4,892.74	3,870.15	-	7,284.29	144.78	-
Over 3 years to 5 years	-	3,838.52	4,750.17	-	2,773.62	86.90	-
Over 5 years	-	841.78	1,385.07	-	17,575.64	445.34	-
<b>Total</b>	-	<b>13,806.00</b>	<b>12,295.51</b>	-	<b>28,977.72</b>	<b>741.42</b>	-

\* The above amount is net of unamortized discounting charges on commercial paper amounting to ₹21.33 crores (FY 2023-24: ₹ 21.29 crores).

\*\* Advances includes loan and advances in the nature of loans and excludes advances recoverable in cash or kind or for value to be received and advance payment of taxes and other Deposits.

2

**DISCLOSURE OF DETAILS RELATING TO PRINCIPAL BUSINESS CRITERIA AS PER PARAGRAPH 4.1.17 OF MASTER DIRECTION – NON-BANKING FINANCIAL COMPANY – HOUSING FINANCE COMPANY (RESERVE BANK) DIRECTIONS, 2021 ISSUED BY RESERVE BANK OF INDIA VIDE CIRCULAR DATED FEBRUARY 17, 2021.**

Criteria	For the year ended March 31, 2025	For the year ended March 31, 2024
Percentage of total assets towards housing finance	61.11%	67.11%
Percentage of total assets towards housing finance for individuals	52.43%	58.80%

# Notes to the Financial Statements

for the year ended 31<sup>st</sup> March 2025

3

## LCR DISCLOSURE AS PER APPENDIX XXI-A OF MASTER DIRECTION – RESERVE BANK OF INDIA (NON-BANKING FINANCIAL COMPANY – SCALE BASED REGULATION) DIRECTIONS, 2023 DATED OCTOBER 19, 2023

Liquidity Coverage Ratio : The LCR of the Company as on March 31, 2025 is 226.31 % vis-à-vis as on March 31, 2024 is 211.80%.

(₹ Crore)

Sr. No.	Particulars	As at March 31, 2025		As at March 31, 2024	
		Total Unweighted Value 3 (Average)	Total Weighted Value 4 (Average)	Total Unweighted Value 3 (Average)	Total Weighted Value 4 (Average)
<b>Total High Quality Liquid Assets (HQLA)</b>					
1	Total High Quality Liquid Assets (HQLA)	1,093.56	1,093.56	542.51	542.51
<b>Cash Outflows</b>					
2	Deposits (for deposit taking companies)	-	-	-	-
3	Unsecured wholesale funding	-	-	-	-
4	Secured wholesale funding	706.01	811.91	74.24	85.38
5	Additional requirements, of which	-	-	-	-
	(i) Outflows related to derivative exposures and other collateral requirements	-	-	-	-
	(ii) Outflows related to loss of funding on debt products	-	-	-	-
	(iii) Credit and liquidity facilities	-	-	-	-
6	Other contractual funding obligations	765.72	880.58	382.91	440.34
7	Other contingent funding obligations	208.98	240.33	433.80	498.87
8	Total Cash Outflows	1,680.71	1,932.82	890.94	1,024.59
<b>Cash Inflow</b>					
9	Secured lending	-	-	-	-
10	Inflows from fully performing exposures	386.62	289.96	229.79	172.34
11	Other cash inflows	3,200.00	2,400.00	1,993.00	1,494.75
12	Total Cash Inflows	3,586.62	2,689.96	2,222.79	1,667.09
Total Adjusted Value					
13	Total HQLA	1,093.56	1,093.56	542.51	542.51
14	Total Net Cash Outflows	(1,905.90)	483.21	(1,331.84)	256.15
15	Liquidity Coverage Ratio (%)	226.31%		211.80%	

(₹ Crore)

Sr. No.	Particulars	As at December 31, 2024	
		Total Unweighted Value 3 (Average)	Total Weighted Value 4 (Average)
1	Total High Quality Liquid Assets (HQLA)	714.41	714.41
<b>Cash Outflows</b>			
2	Deposits (for deposit taking companies)	-	-
3	Unsecured wholesale funding	687.70	790.85
4	Secured wholesale funding	287.59	330.73
5	Additional requirements, of which	-	-
	(i) Outflows related to derivative exposures and other collateral requirements	-	-
	(ii) Outflows related to loss of funding on debt products	-	-
	(iii) Credit and liquidity facilities	-	-
6	Other contractual funding obligations	606.15	697.07
7	Other contingent funding obligations	39.31	45.21
8	Total Cash Outflows	1,620.75	1,863.87



# Notes to the Financial Statements

for the year ended 31<sup>st</sup> March 2025

(₹ Crore)

Sr. No.	Particulars	As at December 31, 2024	
		Total Unweighted Value 3 (Average)	Total Weighted Value 4 (Average)
<b>Cash Inflow</b>			
9	Secured lending	-	-
10	Inflows from fully performing exposures	311.18	233.38
11	Other cash inflows	2,053.97	1,540.48
12	Total Cash Inflows	2,365.14	1,773.86
<b>Total Adjusted Value</b>			
13	Total HQLA	714.41	714.41
14	Total Net Cash Outflows	-744.39	465.97
15	Liquidity Coverage Ratio (%)	153.32%	

(₹ Crore)

Sr. No.	Particulars	As at December 31, 2024	
		Total Unweighted Value 3 (Average)	Total Weighted Value 4 (Average)
1	Total High Quality Liquid Assets (HQLA)	555.90	555.90
<b>Cash Outflows</b>			
2	Deposits (for deposit taking companies)	-	-
3	Unsecured wholesale funding	600.77	690.88
4	Secured wholesale funding	318.62	366.41
5	Additional requirements, of which	-	-
	(i) Outflows related to derivative exposures and other collateral requirements	-	-
	(ii) Outflows related to loss of funding on debt products	-	-
	(iii) Credit and liquidity facilities	-	-
6	Other contractual funding obligations	551.34	634.04
7	Other contingent funding obligations	41.39	47.60
8	Total Cash Outflows	1,512.12	1,738.94
<b>Cash Inflow</b>			
9	Secured lending	-	-
10	Inflows from fully performing exposures	280.55	210.41
11	Other cash inflows	2,318.15	1,738.62
12	Total Cash Inflows	2,598.70	1,949.02
<b>Total Adjusted Value</b>			
13	Total HQLA	555.90	555.90
14	Total Net Cash Outflows	-1,086.58	434.73
15	Liquidity Coverage Ratio (%)	127.87%	

# Notes to the Financial Statements

for the year ended 31<sup>st</sup> March 2025

(₹ Crore)

Sr. No.	Particulars	As at December 31, 2024	
		Total Unweighted Value 3 (Average)	Total Weighted Value 4 (Average)
1	Total High Quality Liquid Assets (HQLA)	441.49	441.49
<b>Cash Outflows</b>			
2	Deposits (for deposit taking companies)	-	-
3	Unsecured wholesale funding	414.87	477.10
4	Secured wholesale funding	319.42	367.33
5	Additional requirements, of which	-	-
	(i) Outflows related to derivative exposures and other collateral requirements	-	-
	(ii) Outflows related to loss of funding on debt products	-	-
	(iii) Credit and liquidity facilities	-	-
6	Other contractual funding obligations	440.39	506.45
7	Other contingent funding obligations	58.20	66.93
8	Total Cash Outflows	1,232.88	1,417.81
<b>Cash Inflow</b>			
9	Secured lending	-	-
10	Inflows from fully performing exposures	243.92	182.94
11	Other cash inflows	1,986.74	1,490.06
12	Total Cash Inflows	2,230.66	1,673.00
		<b>Total Adjusted Value</b>	
13	Total HQLA	441.49	441.49
14	Total Net Cash Outflows	-997.78	354.45
15	Liquidity Coverage Ratio (%)	124.56%	

## Foot Notes :

- In computing the above information, certain estimates/ assumptions have been made by the Company's management which have been relied upon by the Auditors.
- Unweighted values must be calculated as outstanding balances maturing or callable within 30 days (for inflows and outflows).
- Weighted values must be calculated after the application of respective haircuts (for HQLA) and stress factors on inflow and outflow.

## Qualitative Disclosure:

- The main drivers of their LCR results and the evolution of the contribution of inputs to the LCR's calculation over time : RBI had introduced the liquidity coverage ratio (LCR) to ensure that NBFC has an adequate stock of unencumbered high-quality liquid assets (HQLA) to survive a significant liquidity stress lasting for a period of 30 days. LCR is defined as a ratio of HQLA to the total net cash outflows estimated for the next 30 calendar days. At March 31, 2025, the applicable minimum LCR required to be maintained by NBFC is 85%.

The Company has an Asset Liability Management Committee (ALCO), a management level committee to handle liquidity risk. The ALCO meets at periodic intervals. At the apex level, the Risk Committee (RC), a sub-committee of the Board of Directors of the Company, oversees the liquidity risk management. The RC subsequently updates the Board of Directors on the same."

- Intra-period changes as well as changes over time: The Company has started maintaining LCR w.e.f December 1, 2021. The details for the year ended March 31, 2025 and year ended March 31, 2024 are disclosed above.
- The composition of HQLAs: The Company, for the year ended March 31, 2025, had HQLA of ₹ 1,093.56 crores vis-à-vis 542.51 crores for the month ended March 31, 2024.



# Notes to the Financial Statements

for the year ended 31<sup>st</sup> March 2025

(d) Concentration of funding sources:

**As at March 31, 2025**

(₹ Crore)	
Name of the Source	% of Total Borrowings
Banks	56%
Public Financial Institution	14%
Mutual Fund	13%
Insurance	8%
PF	4%
FII	3%
Corporate	2%
Retail & Others	0%
<b>Total</b>	<b>100%</b>

(e) Other inflows and outflows in the LCR calculation that are not captured in the LCR common template but which the institution considers to be relevant for its liquidity profile: All inflows/ outflows considered relevant has been considered for LCR calculation.

4

**DISCLOSURE OF DETAILS AS REQUIRED UNDER ANNEXURE III OF MASTER DIRECTION – NON-BANKING FINANCIAL COMPANY – HOUSING FINANCE COMPANY (RESERVE BANK) DIRECTIONS, 2021 ISSUED BY RESERVE BANK OF INDIA VIDE CIRCULAR DATED FEBRUARY 17, 2021.**

## Schedule to the Balance Sheet

(₹ Crore)		
Particulars	Amount outstanding	Amount overdue
<b>Liabilities side</b>		
<b>(1) Loans and advances availed by the HFC inclusive of interest accrued thereon but not paid:</b>		
(a) Debentures : Secured	9,923.96	-
: Unsecured	642.75	-
(other than falling within the meaning of public deposits*)		
(b) Deferred Credits	-	-
(c) Term Loans (includes NHB Refinance & External Commercial Borrowing)	11,695.11	-
(d) Inter-corporate loans and borrowing	-	-
(e) Commercial Paper	1,528.67	-
(f) Public Deposits*	-	-
(g) Other Loans (Working capital demand loan, Repo Borrowings & Overdraft)	2,311.02	-
* Please see Note 1 below		
<b>(2) Break-up of (1)(f) above (Outstanding public deposits inclusive of interest accrued thereon but not paid):</b>		
(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	-	-

# Notes to the Financial Statements

for the year ended 31<sup>st</sup> March 2025

(₹ Crore)

Assets side	Amount outstanding
<b>(3) Break-up of Loans and Advances including bills receivables [other than those included in (4) below]:</b>	
(a) Secured	29,182.32
(b) Unsecured	3.85
<b>(4) Break up of Leased Assets and stock on hire and other assets counting towards asset financing activities</b>	
(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	-
<b>(5) Break-up of Investments</b>	
<b>Current Investments</b>	
<b>1 Quoted</b>	
(i) Shares	
(a) Equity	-
(b) Preference	-
(ii) Debentures and Bonds	-
(iii) Units of mutual funds	-
(iv) Government Securities	716.42
(v) Others (please specify)	-
<b>2 Unquoted</b>	
(i) Shares	
(a) Equity	25.00
(b) Preference	-
(ii) Debentures and Bonds	-
(iii) Units of mutual funds	-
(iv) Government Securities	-
(v) Others (please specify)	-
<b>Long Term investments</b>	
<b>1 Quoted</b>	
(i) Share	
(a) Equity	-
(b) Preference	-
(ii) Debentures and Bonds	-
(iii) Units of mutual funds	-
(iv) Government Securities	-
(v) Others (please specify)	-



# Notes to the Financial Statements

for the year ended 31<sup>st</sup> March 2025

(₹ Crore)

Assets side		Amount outstanding
<b>2</b>	<b>Unquoted</b>	-
	(i) Shares	-
	(a) Equity	-
	(b) Preference	-
	(ii) Debentures and Bonds	-
	(iii) Units of mutual funds	-
	(iv) Government Securities	-
	(v) Others (please specify)	-

**(6) Borrower group-wise classification of assets financed as in (3) and (4) above:**  
(Please see Note 2 below)

(₹ Crore)

Category	Amount net of provisions		
	Secured	Unsecured	Total
<b>1</b>	<b>Related Parties **</b>		
	(a) Subsidiaries	-	-
	(b) Companies in the same group	-	-
	(c) Other related parties	-	-
<b>2</b>	Other than related parties	28,544.49	3.85
<b>Total</b>		<b>28,544.49</b>	<b>3.85</b>
			<b>28,548.34</b>

**(7) Investor group-wise classification of all investments (current and long term) in shares and securities (both quoted and unquoted):**  
(Please see Note 3 below)

(₹ Crore)

Category	Market Value / Break up or fair value or NAV	Book Value (Net of Provisions)
<b>1</b>	<b>Related Parties **</b>	
	(a) Subsidiaries	-
	(b) Companies in the same group	-
	(c) Other related parties	-
<b>2</b>	Other than related parties	741.42
<b>Total</b>		<b>741.42</b>
		<b>741.42</b>

\*\* As per applicable Indian Accounting Standard (Please see Note 3)

**(8) Other information**

(₹ Crore)

Particulars	Amount
<b>(i) Gross Non-Performing Assets</b>	
(a) Related parties	-
(b) Other than related parties	192.88
<b>(ii) Net Non-Performing Assets</b>	
(a) Related parties	-
(b) Other than related parties	86.81
<b>(iii) Assets acquired in satisfaction of debt</b>	-

# Notes to the Financial Statements

for the year ended 31<sup>st</sup> March 2025

## Notes:

- 1 As defined in Paragraph 4.1.30 of these Directions.
- 2 Provisioning norms shall be applicable as prescribed in these Directions.
- 3 As per applicable Indian Accounting Standards including for valuation of investments and other assets as also assets acquired in satisfaction of debt. However, market value in respect of quoted investments and break up / fair value / NAV in respect of unquoted investments shall be disclosed irrespective of whether they are classified as long term or current in (5) above.

5

## DISCLOSURE OF DETAILS AS REQUIRED UNDER MASTER DIRECTION – NON-BANKING FINANCIAL COMPANY – HOUSING FINANCE COMPANY (RESERVE BANK) DIRECTIONS, 2021 DATED FEBRUARY 17, 2021

- 5.1 Percentage of outstanding loans granted against the collateral gold jewellery to their outstanding total assets :

We have not disbursed any loans against the collateral of gold jewellery during the relevant financial year and in previous year.

- 5.2 Disclosure related to information namely, area, country of operation and joint venture partners with regard to joint ventures and overseas subsidiaries as prescribed under the said Directions :

We do not have any joint venture or overseas subsidiaries during the relevant financial year and in previous year.

- 5.3 Disclosure as per Appendix II-A of Master Direction – Reserve Bank of India (Non-Banking Financial Company – Scale Based Regulation) Directions, 2023 dated October 19, 2023

(₹ Crore)

Asset Classification as per RBI Norms	Asset classification as per Ind AS 109	Gross Carrying Amount as per Ind AS	Loss Allowances (Provisions) as required under Ind AS 109	Net Carrying Amount	Provisions required as per IRACP norms	Difference between Ind AS 109 provisions and IRACP norms
(1)	(2)	(3)	(4)	(5)=(3)-(4)	(6)	(7) = (4)-(6)
<b>Performing Assets</b>						
Standard	Stage 1	28,780.80	82.52	28,698.29	142.22	(59.71)
	Stage 2	212.50	7.67	204.83	4.17	3.49
<b>Subtotal</b>		28,993.30	90.18	28,903.12	146.39	(56.22)
<b>Non-Performing Assets (NPA)</b>						
Substandard (Re-structured)	Stage 2	-	-	-	-	-
	Stage 1	-	-	-	-	-
Substandard	Stage 2	-	-	-	-	-
	Stage 3	78.52	25.97	52.54	12.05	13.92
Doubtful - up to 1 year	Stage 3	43.67	15.86	27.80	10.31	5.55
1 to 3 years	Stage 3	56.16	49.70	6.46	21.45	28.25
More than 3 years	Stage 3	14.53	14.53	-	14.17	0.36
<b>Subtotal for doubtful</b>		114.36	80.09	34.26	45.93	34.16
Loss (potential threat of non-recoverability)	Stage 1	-	-	-	-	-
Loss	Stage 3	-	-	-	-	-



# Notes to the Financial Statements

for the year ended 31<sup>st</sup> March 2025

(₹ Crore)

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
<b>Subtotal for NPA</b>		192.87	106.07	86.81	57.98	48.08
Other items such as guarantees, loan commitments, etc. which are in the scope of Ind AS 109 but not covered under current Income Recognition, Asset Classification and Provisioning (IRACP) norms	Stage 1	-	12.19	-	-	12.19
	Stage 2	-	0.01	-	-	0.01
	Stage 3	-	-	-	-	-
<b>Subtotal</b>						
	Stage 1	28,780.80	94.70	28,686.10	142.22	(47.52)
	Stage 2	212.50	7.67	204.82	4.17	3.50
	Stage 3	192.87	106.07	86.81	57.98	48.08
<b>Total</b>	<b>Total</b>	<b>29,186.17</b>	<b>208.44</b>	<b>28,977.73</b>	<b>204.38</b>	<b>4.06</b>

5.4 Details of resolution plan implemented under the Resolution Framework for COVID-19-related stress as per RBI circular RBI/2020-21/16 DOR.No.BP.BC/3/21.04.048/2020-21 dated August 6, 2020 (Resolution Framework 1.0) and Resolution for COVID-19 related stress of Individuals and Small Businesses dated May 05, 2021 (RBI Resolution Framework - 2.0) are given below:

Type of borrower	Exposure to accounts classified as Standard consequent to implementation of resolution plan – Position as at the end of the previous half-year (A)	Of (A), aggregate debt that slipped into NPA during the half-year	Of (A) amount written off during the half-year	Of (A) amount paid by the borrowers during the half-year	Exposure to accounts classified as Standard consequent to implementation of resolution plan – Position as at the end of this half-year
Personal Loans~	285.90	6.73	0.07	45.10	234.00
Corporate persons*	12.48	-	-	0.56	11.92
Of which, MSMEs	-	-	-	-	-
Others	-	-	-	-	-
<b>Total</b>	<b>298.38</b>	<b>6.73</b>	<b>0.07</b>	<b>45.66</b>	<b>245.92</b>

\* As defined in Section 3(7) of the Insolvency and Bankruptcy Code, 2016

5.5 Disclosure of Master Directions on Fraud Risk Management in Non-Banking Financial Companies dated July 15, 2024

During financial year ended March 31, 2025, there were 7 instances of frauds detected and reported where amount involved is ₹ 2.07 crores. [March 31, 2024: ₹ 10.78 crores].

# Notes to the Financial Statements

for the year ended 31<sup>st</sup> March 2025

5.6 Disclosure as per Appendix VI-A of of Master Direction – Reserve Bank of India (Non-Banking Financial Company – Scale Based Regulation) Directions, 2023 dated October 19, 2023

i. Funding Concentration based on significant counterparty (both deposits and borrowings)\*\*\*

Sr. No.	No. of Significant Counterparties	Amount	% of total Deposits	% of Total Liabilities*
1	22	22,549.02	NA	84.63%

ii. Top 20 large deposits – Not Applicable

iii. Top 10 Borrowings\*\*\*

Amount	% of Total Liabilities*
17,308.46	64.96%

iv. Funding Concentration based on significant instrument/product

Sr. No.	Name of the instrument	Amount	% of Total Liabilities*
1	Term Loans	8,566.12	32.15%
2	NHB Loans	3,128.99	11.74%
3	NCD	9,923.96	37.25%
4	Sub-Debt	642.75	2.41%
5	Working capital / short term facilities	2,311.02	8.67%
6	CP	1,528.67	5.74%

v. Stock Ratios

Sr. No.	Particulars	As at March 31, 2025
1	Commercial Papers to Total Liabilities*	5.74%
2	Commercial Papers to Total Assets	5.02%
3	NCDs (Original Maturity <1 ys) to Total Assets	Nil
4	NCDs (Original Maturity <1 ys) to Total Liabilities	Nil
5	Other Short-Term Liabilities** to Total Assets	17.54%
6	Other Short-Term Liabilities to Total Liabilities	20.03%

\* Total Liabilities does not include Net Worth.

\*\* Other Short Term Liabilities excludes Commercial Paper as they are already considered in 1 & 2.

\*\*\* Significant Counterparties and Top 10 Borrowings are as per actual outstanding

vi. Liquidity Coverage Ratio

Sr. No.	Name of the instrument	Regulatory Limit	Regulatory Limit	Quarterly Avg Mar'25
1	Liquidity Coverage Ratio (LCR)	0.7	85.00%	130.62%

vii. Institutional set-up for liquidity risk management

The Company has an Asset Liability Management Committee (ALCO), a management level committee to handle liquidity risk. The ALCO meetings are held at periodic intervals. At the apex level, the Risk Committee (RC), a sub-committee of the Board of Directors of the Company, oversees the liquidity risk management. The RC subsequently updates the Board of Directors on the same.



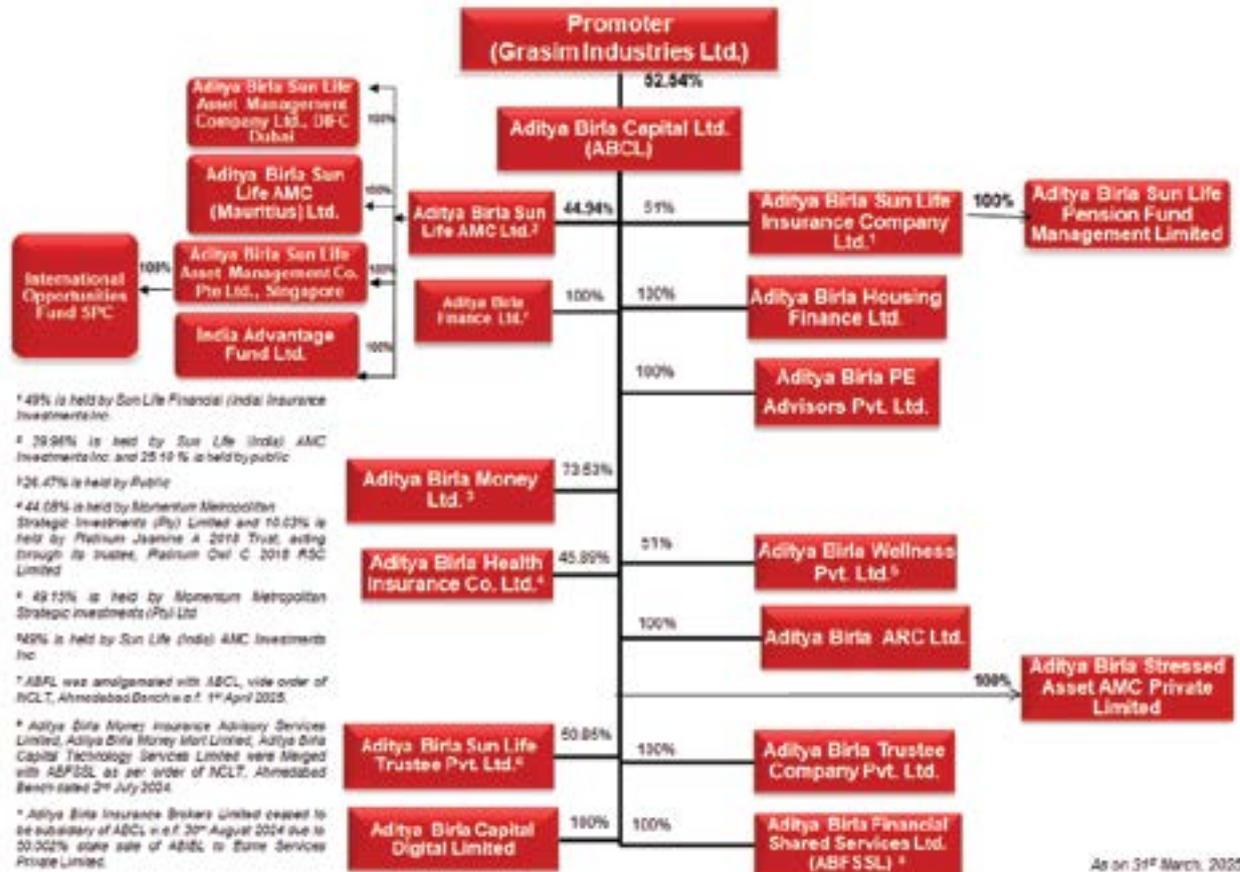
# Notes to the Financial Statements

for the year ended 31<sup>st</sup> March 2025

Annexure a

## 1 Disclosure as per annexure iv of Master Direction –Non-Banking Financial Company – Housing Finance Company (Reserve Bank) Directions, 2021 dated February 17, 2021

The diagrammatic representation of group structure is shown as below (refer note 1.6.4):



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**Registered Office**

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Veraval - 362 266  
Gujarat

T: +91 22 6279 9505

CIN: U65922GJ2009PLC083779

Emailto: [care.housingfinance@adityabirlacapital.com](mailto:care.housingfinance@adityabirlacapital.com)

W: <https://homefinance.adityabirlacapital.com>

**Aditya Birla Housing  
Finance Ltd.**



**HOME LOANS**